
FACT SHEET: THE OUTSIZED ROLE OF THE US IN NEW OIL AND GAS PRODUCTION

This analysis of industry forecasts reveals the overwhelming scale and impact of new oil and gas production from the US over the next decade.

A staggering 61% of all new oil and gas production will come from the US, according to our analysis of data from industry analysts Rystad Energy¹.

These findings demonstrate the extent to which government policy in the US, and a small number of key producing states, are central to the future dynamics of the global oil and gas industry – and ultimately threaten the world’s climate.

KEY FINDINGS

Over the next decade (2020-2029), unless action is taken to change the current trajectory:

- 61% of all new oil and gas production in the world will come from the US.
- Total US oil and gas production will increase by 25%.
- New US oil and gas production will be eight times the forecast output of the next largest producing country, Canada, 20 times that of Russia, and more than 40 times the output from new fields in Saudi Arabia.
- Production from new fields in the US in 2029 is set to be greater than the current output of all oil and gas fields in Saudi Arabia.

If US states are treated as countries:

- Texas is set to be the biggest producer of new oil and gas in the world, making up over a quarter of global production from new fields and producing four times more than the next largest producer, Canada.
- Seven out of the top 10 biggest oil and gas producers in the world will be US states, with only Canada, Brazil and Russia making it onto the list.
- Pennsylvania is set to be the third largest producer of new oil and gas in the world, producing more than double that of Russia.
- Only five states: Texas, Pennsylvania, New Mexico, North Dakota and Oklahoma, account for more than 75% of the whole of the US’ production from new fields over the next decade.

Why new oil and gas fields are critical for the climate

Global oil and gas production needs to begin an immediate and rapid decline if the world is to achieve the goal of the Paris climate agreement to limit global warming to 1.5°C, without excessive reliance on unproven carbon capture or removal technologies.²

Our analysis of the latest climate scenarios produced for the Intergovernmental Panel on Climate Change (IPCC) found that global production of oil and gas needs to fall by 43% and 39% over the next decade.³ This rate of decline is similar to the rate of decline expected from fields that are currently producing oil and gas, assuming that investment in these fields continues.⁴ This means that any production from new oil and gas fields is incompatible with limiting warming to 1.5°C, unless producing assets from existing fields are retired early.

While successfully limiting climate change is likely to require the early retirement of existing oil and gas assets, it is clear that the future of oil and gas production – and its impact on the world’s climate – will be determined by what happens in new oil and gas fields.

Policy and regulatory change in the US

This data makes clear that the US -- and mainly just a handful of states -- is set to have an outsized impact on global oil and gas supply. Urgent and significant is required to prevent this forecast increase in production from becoming reality and avoid the worst impacts of climate change. Such action should include:

Ending fossil fuel subsidies

Federal fossil fuel subsidies cost taxpayers at least \$4.6 billion a year according to US government figures.⁵ A recent study found that based on recent low oil prices, up to half of new US oil fields rely on government subsidies to be economically viable.⁶ This means that without these subsidies, those projects wouldn’t proceed. For the projects that are viable without subsidies, the money will go into the pockets of the oil and gas companies, giving them more money to invest in more new projects or simply boost corporate profits.

Tackling the power of the fossil fuel industry

One of the greatest barriers to meaningful fossil fuel policy change in the US is the significant political influence of the fossil fuel industry over federal and state governments. In order to be able to make progress this influence should be curbed, including through reforming campaign finance laws, banning gifts to legislators and passing reforms to prevent conflicts of interest.

NEW US OIL AND GAS OUTPUT EXCEEDS ALL OTHER COUNTRIES

Top 10 countries by production from new oil and gas fields: 2020-2029



Millions of barrels of oil equivalent

Source: Rystad Energy ••



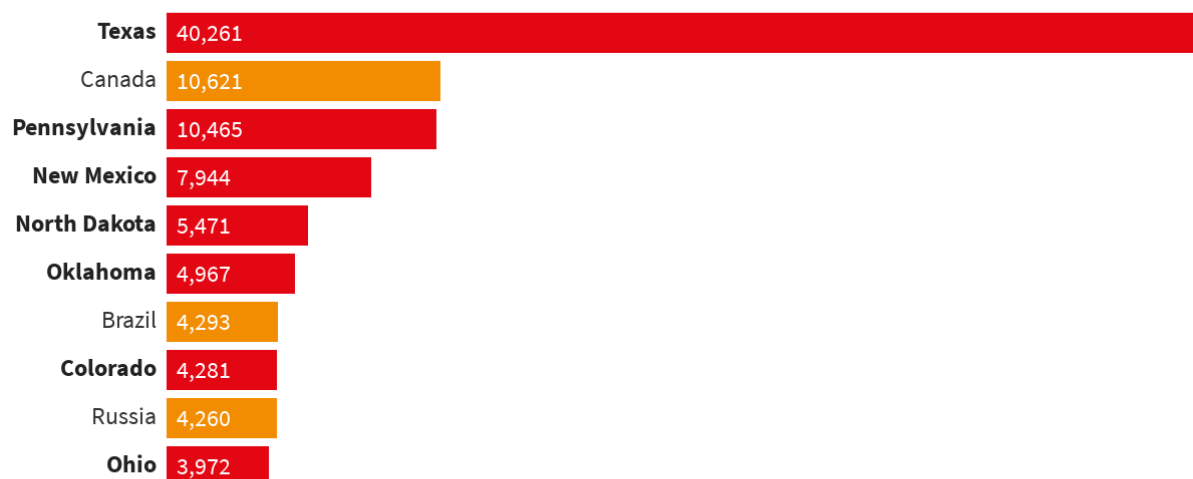
Top 20 countries by forecast production from new oil and gas fields

Country	Total production 2020-2029 - New Fields (Million bbl)	Share of Global Production – New Fields (%)
United States	88933	61
Canada	10621	7
Brazil	4293	3
Russia	4260	3
Argentina	2739	2
Norway	2579	2
United Kingdom	2472	2
China	2447	2
Saudi Arabia	2158	1

Mexico	2009	1
Australia	1799	1
Qatar	1694	1
UAE	1638	1
Nigeria	1626	1
India	1199	1
Iraq	1042	1
Angola	991	1
Malaysia	866	1
Iran	834	1
Azerbaijan	791	1

NEW OIL AND GAS OUTPUT FOR US STATES IS GREATER THAN MOST COUNTRIES

Production from new oil & gas fields: 2020-2029



Millions of barrels of oil equivalent

Source: Rystad Energy ••



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Top 20 countries and US states by forecast production from new oil and gas fields

Country	Total production 2020-2029 - New Fields (Million bbl)	Share of Global Production – New Fields (%)
Texas	40261	28
Canada	10621	7
Pennsylvania	10465	7
New Mexico	7944	5
North Dakota	5471	4
Oklahoma	4967	3
Brazil	4293	3
Colorado	4281	3
Russia	4260	3
Ohio	3972	3
West Virginia	3966	3
Argentina	2739	2
Louisiana	2660	2
Norway	2579	2
United Kingdom	2472	2
China	2447	2
Gulf of Mexico ⁷	2282	2
Saudi Arabia	2158	1
Wyoming	2109	1
Mexico	2009	1

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References

¹ Data sourced from Rystad Energy's UCube database. UCube is a complete and integrated field-by-field database of the global upstream oil and gas market, including more than 65,000 oil and gas fields and licenses and covering the time span from 1900 to 2100. Rystad's data is widely cited by major oil and companies, the media and international bodies such as the International Energy Agency.

² Global Witness (2019) *Overexposed*. <https://www.globalwitness.org/overexposed/>

³ Global Witness analysis. Data from IAMC 1.5°C Scenario Explorer and Data hosted by IIASA <https://data.ene.iiasa.ac.at/iamc-1.5c-explorer> . For full methodology see <https://www.globalwitness.org/overexposed/>

⁴ Global Witness (2019) *Overexposed*. <https://www.globalwitness.org/overexposed/>

⁵ Congressional Budget Office (2017) Federal Support for Developing, Producing, and Using Fuels and Energy Technologies. <https://www.cbo.gov/system/files/115th-congress-2017-2018/reports/52521-energytestimony.pdf>

⁶ Stockholm Environment Institute (2017) Effect of government subsidies for upstream oil infrastructure on U.S. oil production and global CO2 emissions. <https://mediamanager.sei.org/documents/Publications/Climate/SEI-WP-2017-02-US-oil-and-gas-production-subsidies.pdf>

⁷ Production in the Gulf of New Mexico is managed by the Federal Government so is not attributable to individual US states.