

United States Oil and Natural Gas Country Profile

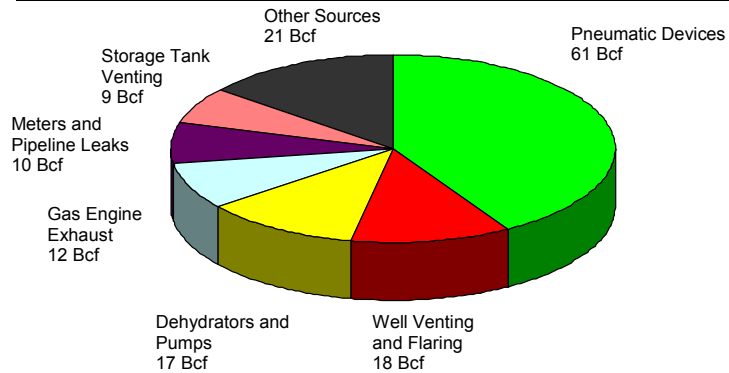
1) Current Oil and Natural Gas Industry Status and Current Data

This section presents the methane emissions in 2003 for the United States oil and natural gas industry by four key sectors: production, processing, transmission, and distribution.

Production

- ◆ Natural gas production: 19.1 Tcf (Trillion cubic feet)
- ◆ Production sector total methane emissions: 148 Bcf (Billion cubic feet)
 - Methane emissions can be traced to specific production equipment
 - This equipment is targeted for specific technical projects to reduce emissions

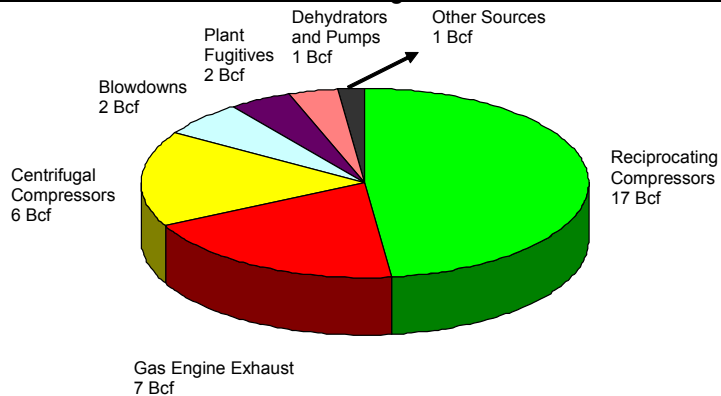
Exhibit 1: United States Production Sector Methane Emissions



Processing

- ◆ Natural gas processing throughput: 47 Bcf per day
- ◆ Processing sector total methane emissions: 36 Bcf
 - Methane emissions can be traced to specific processing equipment
 - This equipment is targeted for specific technical projects to reduce emissions

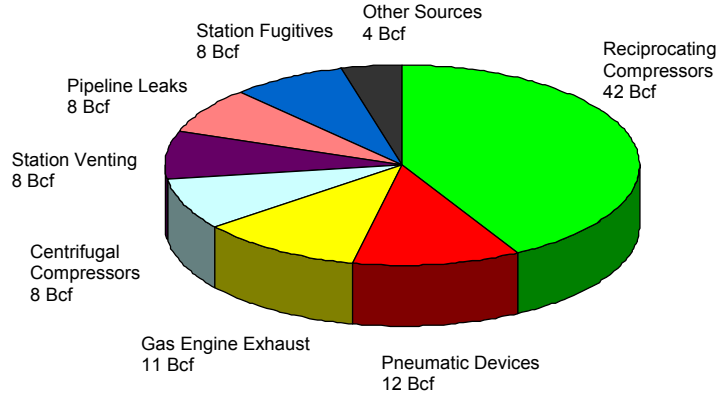
Exhibit 2: United States Processing Sector Methane Emissions



Transmission

- ◆ Pipeline miles: 321,979
- ◆ Transmission sector total methane emissions: 101 Bcf
 - Methane emissions can be traced to specific transmission equipment
 - This equipment is targeted for specific technical projects to reduce emissions

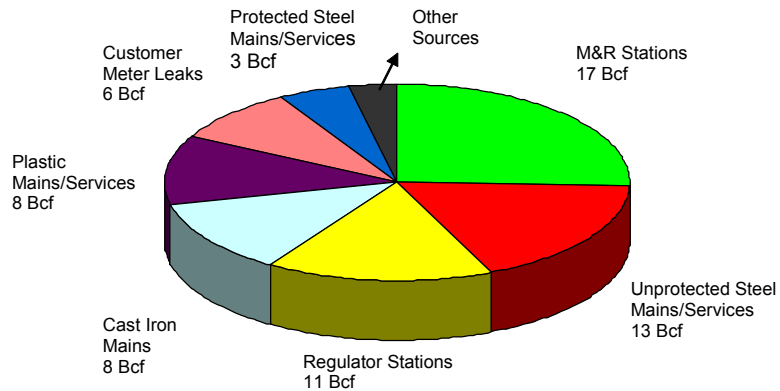
Exhibit 3: United States Transmission Sector Methane Emissions



Distribution

- ◆ Customers: 71,403,320
- ◆ Distribution sector total methane emissions: 68 Bcf
 - Methane emissions can be traced to specific distribution equipment
 - This equipment is targeted for specific technical projects to reduce emissions

Exhibit 4: United States Distribution Sector Methane Emissions



2) Needs and Key Barriers to Saving Methane

Companies indicate that available resources prevent or delay some projects to save methane. Natural Gas STAR addresses this barrier by providing technical resources (see Existing projects, page 3).

3) Existing Projects

The United States oil and natural gas industry has reduced methane emissions through support from the Natural Gas STAR Program. Exhibit 5 presents the methane reductions in 2003 that totaled 50 Bcf. As indicated, 24 Bcf of methane were mitigated from the production sector that had a total of 148 Bcf of methane emissions. Exhibit 6 presents the number of United States companies that participate in the Natural Gas STAR Program.

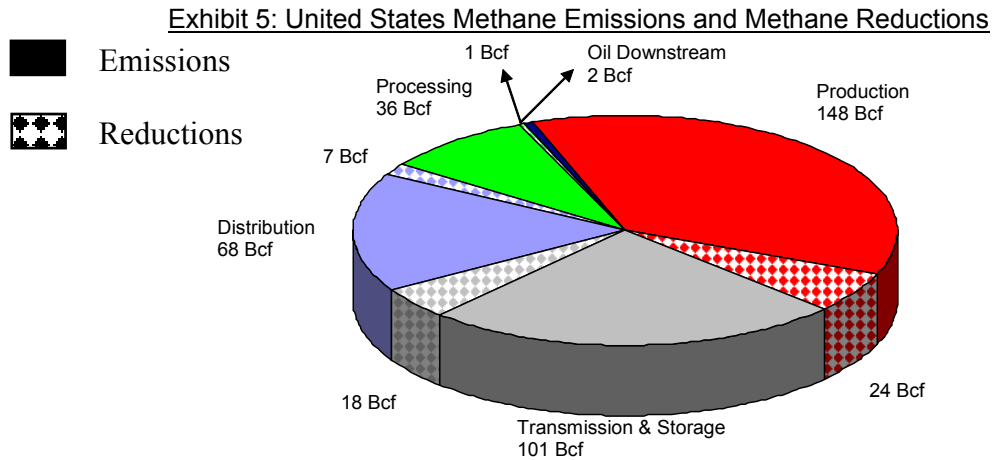


Exhibit 6: Company Participation in Natural Gas STAR

Sector	Natural Gas STAR Partners	Sector Participation in Natural Gas STAR
Production	32	50.8%
Processing	12	62.9%
Transmission	22	62.4%
Distribution	45	60.1%

The EPA Natural Gas STAR Program works with industry to facilitate the implementation of best management practices for mitigating methane emissions. Listed below are sample activities conducted by the Natural Gas STAR Program.

- ♦ **Conducting Workshops**
 - Companies share data and project ideas six - ten times yearly.
- ♦ **Providing Technical Documents**
 - Natural Gas STAR technical documents provide detailed summaries, analyses, and guidelines for cost-effective emission reduction projects.
 - Natural Gas STAR case study documents report on how specific companies have reduced emissions and saved money.
- ♦ **Tracking and Communicating Progress** Companies report volume of methane savings every year
 - Companies provide project descriptions and economic savings.
 - Program recognizes accomplishments of companies.
- ♦ **Supporting Methane to Markets**
 - Natural Gas STAR Program shares successful project ideas and project data with an international audience.



Methane to Markets

4) Project Opportunities

Natural Gas STAR encourages more United States companies to join the Program and voluntarily reduce methane emissions. The Program has facilitated many projects with the largest United States companies, and current opportunities for reducing methane emissions exist with small and medium sized companies. Natural Gas STAR has begun efforts to facilitate projects to this part of the industry.