Opening the U.S. Eastern Gulf Outer Continental Shelf (OCS) to offshore oil and natural gas exploration and production could have significant benefits for job creation, U.S. energy security, domestic investment, and revenue to the government.

**Oil and natural gas development in the E. Gulf OCS within 20 years after initial leasing could:**

- Create nearly 165,000 jobs in the U.S.; 152,000 on the Gulf Coast.
- Result in an additional $11.5 billion per year in private investment.
- Contribute up to $14 billion per year to the U.S. economy.
- Add 1 million barrels of oil equivalent per day to domestic energy production.
- Generate $4.9 billion in new revenue for the government.

If the first lease sales in the Eastern Gulf OCS were held in 2020, exploratory drilling could begin the following year with the first production of oil and natural gas in 2025. **Major capital investments, job creation, and revenue to the government could all begin years before the first barrel goes to market.**

### Job Creation

Eastern Gulf OCS oil and natural gas development could lead to significant employment gains, both along the Eastern Gulf and nationally. Total U.S. employment could reach nearly 165,000 jobs within 20 years, of which 152,000 is projected to be in the Gulf coast region. States outside the region could see a gain of nearly 12,000 jobs. The largest employment impact is projected to occur in Florida, Texas, and Louisiana.

### Energy Production

Eastern Gulf OCS development could significantly increase domestic energy production. From just over 45,000 barrels of oil equivalent per day (BOEP/D) by the third year of production, production is projected to reach 1 million BOEP/D by the end of the forecast period. Production is projected to be approximately 66 percent oil and 34 percent natural gas.

---

**Source:** The Economic Benefits of Increasing U.S. Access to Offshore Oil and Natural Gas Resources in the Atlantic, Quest Offshore Resources, Inc., November 2013
Spending by companies involved in finding, developing, and producing oil and natural gas in the Eastern Gulf OCS could rise from an average of $315 million per year during the first five years of initial leasing, seismic surveys, and exploratory drilling to over $11.5 billion per year 20 years after leasing begins. Over 90 percent of domestic spending from Eastern Gulf oil and natural gas developments is projected to take place in the Gulf Coast states.

Spending by the oil and natural gas industry and the impact of the increase in government revenues could significantly increase U.S. GDP. Total contributions to the economy are projected to reach over $117 billion by the end of the forecast period, with roughly 80 percent of the total impact projected to occur in Gulf coast states.

Eastern Gulf OCS oil and natural gas development could significantly increase government revenue from royalties, bonus bids, and rents on leases – reaching a cumulative $41.5 billion throughout the forecast period. Assuming revenue sharing legislation similar to the current arrangement in the Gulf of Mexico is enacted, coastal states could receive 37.5% of the revenue generated which is equal to $16 billion.

### Investment

Spending by companies involved in finding, developing, and producing oil and natural gas in the Eastern Gulf OCS could rise from an average of $315 million per year during the first five years of initial leasing, seismic surveys, and exploratory drilling to over $11.5 billion per year 20 years after leasing begins. Over 90 percent of domestic spending from Eastern Gulf oil and natural gas developments is projected to take place in the Gulf Coast states.

### Contribution to the Economy

Spending by the oil and natural gas industry and the impact of the increase in government revenues could significantly increase U.S. GDP. Total contributions to the economy are projected to reach over $117 billion by the end of the forecast period, with roughly 80 percent of the total impact projected to occur in Gulf coast states.

### Government Revenue

Eastern Gulf OCS oil and natural gas development could significantly increase government revenue from royalties, bonus bids, and rents on leases – reaching a cumulative $41.5 billion throughout the forecast period. Assuming revenue sharing legislation similar to the current arrangement in the Gulf of Mexico is enacted, coastal states could receive 37.5% of the revenue generated which is equal to $16 billion.

### Employment Impacts by State

The chart below shows the projected employment increase for Eastern Gulf coast states and other U.S. states.