

API - U.S. Drilling Activity Down 37% in 2009

The estimated number of U.S. oil and natural gas wells and dry holes completed in 2009 totaled 39,068, or down 37 percent compared to 2008, according to the **American Petroleum Institute's** (API) fourth-quarter drilling estimates. However, fourth-quarter '09 totals of 10,609 completions were 19 percent higher than the third quarter, which in turn had been up 6 percent from the second quarter, said API. "We are certainly seeing U.S. drilling activity picking up with the economic recovery, but there is still a long way to go before activity begins to near the pace of 2008, which was helped by strong commodity prices," said **Hazem Arafa**, director of API's statistics department.

For the year, the estimated number of exploratory oil and gas wells fell by half to 1,887 wells, while the number of full-year development oil and gas wells dropped by 38 percent to 32,490 wells. For the fourth-quarter, exploratory oil and gas wells plunged 58 percent from the same quarter of 2008 to 411 wells, while the number of fourth-quarter development oil and gas wells dropped 35 percent to 8,911 wells, compared with the fourth-quarter of 2008, the API report found.

Natural gas was the primary target for domestic drilling in 2009, with an estimated 18,269 natural gas wells completed. The gap between the number of oil wells and gas wells completed narrowed somewhat. While the number of gas well completions dove 42 percent from 2008 to 2009, the number of oil well completions fell 35 percent for the year to 16,108 wells, compared with 24,646 well completions in 2008, the API report estimated. API also reported total estimated footage of 234,982,000 feet drilled for 2009, a 44 percent drop from 2008. For the fourth quarter, estimated footage drilled stood at 57,566 feet, 51 percent lower than the fourth quarter of 2008.