

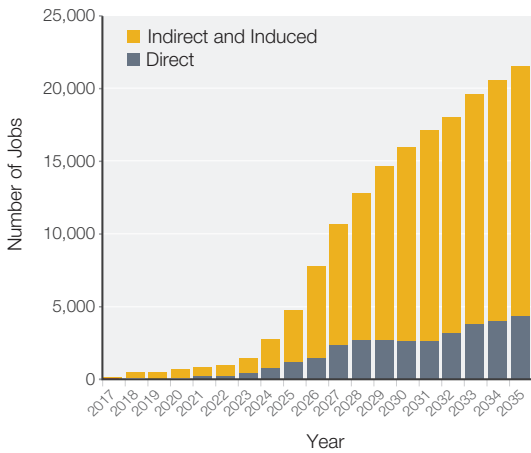


# Alabama



## The Benefits of U.S. Offshore Oil and Natural Gas Development in the Eastern Gulf of Mexico

Despite the decades-long history of U.S. offshore oil and natural gas development in the Gulf of Mexico, which currently produces approximately **1.4 million barrels of oil per day** and **3.1 billion cubic feet of natural gas per day**, 98 percent of the Eastern Gulf of Mexico is currently under a statutory moratorium that prohibits leasing until 2022. However, understanding the potential economic benefits of energy production is critical for making informed decisions about the future.

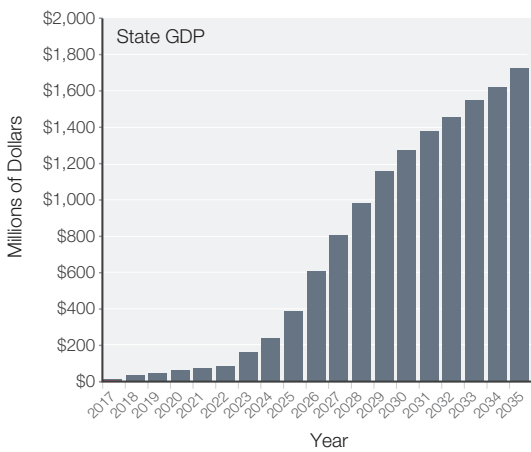


### 21,000 New Alabama Jobs

Offshore oil and gas development in the Eastern Gulf of Mexico could create more than **21,000 jobs in Alabama by 2035**, with direct employment expected to reach over **4,000 jobs** and indirect and induced employment at nearly **16,000 jobs**.

### Billions in New Private Investment

Alabama is expected to benefit from the opening of the Eastern Gulf to offshore oil and natural gas exploration and production. Annual spending in the state for Eastern Gulf of Mexico development is projected to reach just over **\$1.1 billion per year by 2035** and total over **\$9 billion** over the 18-year study period.



### Billions in Economic Stimulus and Potential Revenue

Eastern Gulf of Mexico oil and natural gas exploration and production is expected to contribute nearly **\$1.7 billion per year** to the state's GDP by 2035.

Alabama could also potentially see significant government revenues. If the current state/federal **37.5 percent** revenue sharing arrangement is amended to include Eastern Gulf activity, Alabama's revenue from oil and natural gas activities in the Eastern Gulf could reach nearly **\$550 million per year by 2035**. The cumulative revenue from 2017 to 2035 could reach more than \$3.5 billion.

### Alabama is Home to Industry Suppliers

Current oil and natural gas operations in the Gulf of Mexico have grown [industry supply](#) companies. Specifically, Alabama is home to Aker Solutions, an umbilical plant with one of the world's largest capacities in Mobile. The state is also home to companies that provide marine, subsea and drilling services as well as material suppliers such as Alabama Metal Industries and Consolidated Pipe and Supply in Birmingham.

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