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Falling crude prices to slow U.S. oil production growth in 2015

U.S. crude oil production is expected to increase again this year, but lower crude prices will slow the growth in output.

In its new forecast, the U.S. Energy Information Administration said domestic crude oil production should average 9.3 million barrels per day in 2015. On-shore production in the Lower 48-states is expected to grow in the early part of the year, before declining in the second half. Production for the federal offshore region is projected to rise and Alaskan production is expected to fall. Production in both of those areas is less sensitive to short-term price movements than is onshore production. In the Lower 48 states.

Many oil companies have cut back on their exploration drilling in response to falling crude prices and are concentrating their drilling activities in established shale areas that already have productive wells.

As oil prices begin rising in the second half of this year, drilling is expected to increase and U.S. production is forecast to rise to an average of 9.5 million barrels per day in 2016. That would be the second-highest daily output level since the record 9.6 million barrels per day set in 1970.

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