



BOEM Economic Assumptions for BSEE Discretionary Royalty Relief Applications

Effective September 2026

Table 1: Economic parameters

Version of RSVP	2.14
Year of Initial Oil & Gas Price	2026
Initial Oil Price, landed (2026 \$/bbl)	\$73.17
Initial Gas Price, landed (2026 \$/Mcf)	\$3.48
Federal Income Tax Rate	21%
Base Year for Discounted Cash Flow	Year of Application Date
Discount Rate Range for Gulf of Mexico Shallow Water (0-200m) (nominal)	0-25%
Discount Rate Range for Gulf of Mexico Deep Water (>200m) for project using subsea tiebacks requiring enhanced flow assurance technologies ¹ (nominal)	0-20%
Discount Rate Range for All Other Areas/Cases (nominal)	10-15%
Random Number Seed	104
Overhead Cost Allowance	5%

¹ For additional information regarding such applications for royalty relief, please contact BSEE.

The following table represents the vector of oil and gas prices (real, 2026\$) of the BOEM Economic Assumptions for BSEE Discretionary Royalty Relief Applications.

Table 2: Oil and Gas Prices

Year	Oil (\$/bbl)	Gas (\$/mcf)
2026	\$73.17	\$3.48
2027	\$72.78	\$3.55
2028	\$72.40	\$3.63
2029	\$72.01	\$3.70
2030	\$71.06	\$3.73
2031	\$70.12	\$3.76
2032	\$69.20	\$3.79
2033	\$68.29	\$3.82
2034	\$67.38	\$3.85
2035	\$66.49	\$3.87
2036	\$66.80	\$3.91
2037	\$67.11	\$3.94
2038	\$67.42	\$3.98
2039	\$67.73	\$4.01
2040	\$68.04	\$4.05
2041	\$68.35	\$4.08
2042	\$68.67	\$4.12
2043	\$68.98	\$4.16
2044	\$69.30	\$4.19
2045	\$69.62	\$4.23
2046	\$69.94	\$4.27
2047	\$70.26	\$4.30
2048	\$70.58	\$4.34
2049	\$70.91	\$4.38
2050	\$71.23	\$4.42

Year	Oil (\$/bbl)	Gas (\$/mcf)
2051	\$71.56	\$4.46
2052	\$71.89	\$4.50
2053	\$72.22	\$4.54
2054	\$72.55	\$4.58
2055	\$72.89	\$4.62
2056	\$73.22	\$4.66
2057	\$73.56	\$4.70
2058	\$73.90	\$4.74
2059	\$74.24	\$4.78
2060	\$74.58	\$4.82
2061	\$74.92	\$4.87
2062	\$75.27	\$4.91
2063	\$75.61	\$4.95
2064	\$75.96	\$5.00
2065	\$76.31	\$5.04
2066	\$76.66	\$5.08
2067	\$77.01	\$5.13
2068	\$77.37	\$5.17
2069	\$77.72	\$5.22
2070	\$78.08	\$5.27
2071	\$78.44	\$5.31
2072	\$78.80	\$5.36
2073	\$79.16	\$5.41
2074	\$79.53	\$5.45
2075	\$79.89	\$5.50