

Southeastern Ohio Oil and Gas Association
Gas Committee Report
October, 2019

PRICING

Prices October 8, 2019

NYMEX Settle – October -2019	\$2.43
One Year NYMEX strip (Nov., 2019 – Oct. 2020)	\$2.38
Summer NYMEX strip for 2020 (Apr.-October, 2020)	\$2.32
Winter NYMEX strip – 2019 (Nov., 2019 – Mar. 2020)	\$2.54
TCO Index Posting – October, 2019	\$1.73
DTI Index Posting – October, 2019	\$1.35

Working gas in underground storage, Lower 48 states

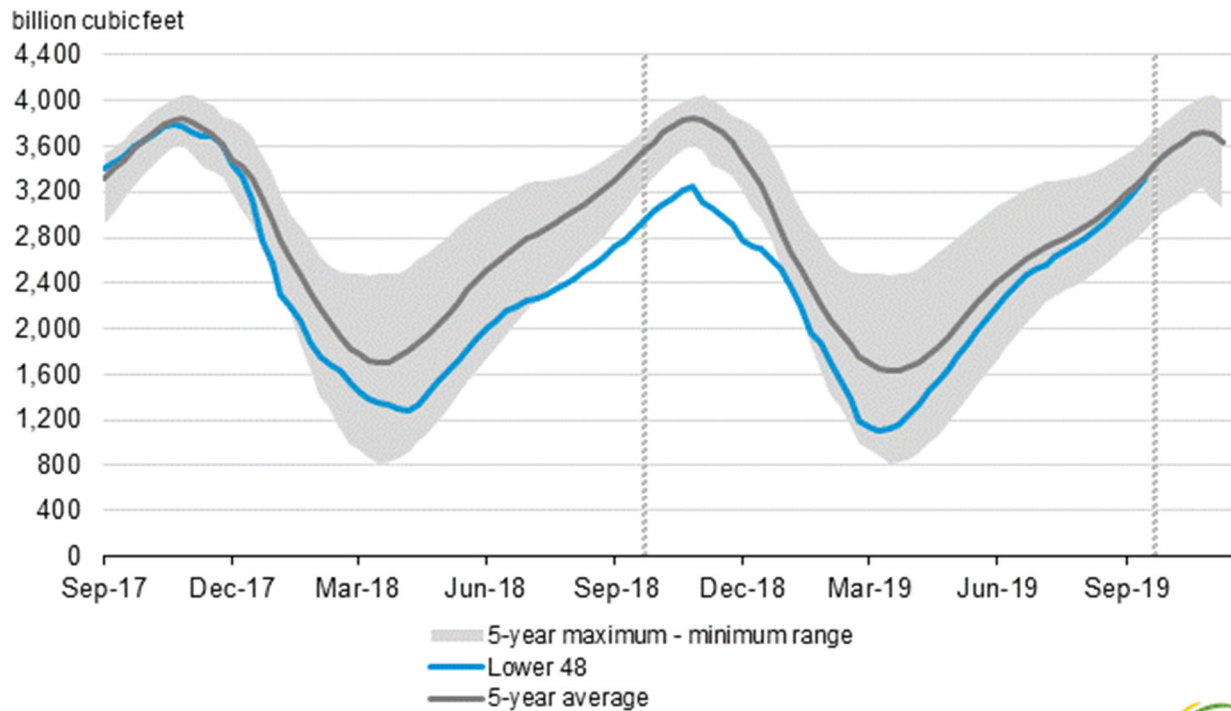
Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
	09/27/19	09/20/19	net change	implied flow	Year ago (9/27/18)		5-year average (2014-18)	
					Bcf	% change	828	% change
East	828	794	32	32	758	9.0	735	-0.2
Midwest	973	934	39	39	831	17.1	945	3.0
Mountain	199	194	5	5	176	13.1	202	-1.5
Pacific	291	286	5	5	262	11.1	312	-6.7
South Central	1,029	998	31	31	826	24.6	1,048	-1.8
Salt	220	207	13	13	180	22.2	268	-17.9
Nonsalt	809	790	19	19	646	25.2	781	3.6
Total	3,317	3,205	112	112	2,852	16.3	3,335	-0.5

Totals may not equal sum of components because of independent rounding.

Summary

Working gas in storage was 3,317 Bcf as of Friday, September 27, 2019, according to EIA estimates. This represents a net increase of 112 Bcf from the previous week. Stocks were 465 Bcf higher than last year at this time and 18 Bcf below the five-year average of 3,335 Bcf. At 3,317 Bcf, total working gas is within the five-year historical range.

Working gas in underground storage compared with the 5-year maximum and minimum



Source: U.S. Energy Information Administration



Natural Gas

Prices/Supply/Demand:

Northeast prices are mixed. At the Algonquin Citygate, which serves [Boston-area consumers](#), prices went up 12¢ from \$1.80/MMBtu last Wednesday to \$1.92/MMBtu yesterday because temperatures are forecast to cool. At the Transcontinental Pipeline Zone 6 trading point for New York City, prices decreased 12¢ from \$1.62/MMBtu last Wednesday to \$1.50/MMBtu yesterday amid light seasonal demand. Prices reached a low of \$1.08/MMBtu on Friday, the lowest price in nearly three years (October 2016).

Tennessee Zone 4 Marcellus spot prices decreased 12¢ from \$1.46/MMBtu last Wednesday to \$1.34/MMBtu yesterday. Prices at Dominion South in southwest Pennsylvania fell 9¢ from \$1.51/MMBtu last Wednesday to \$1.42/MMBtu yesterday.

Supply rises. According to data from IHS Markit, the average total supply of natural gas rose by 1% compared with the previous report week. Dry natural gas production grew by 1% compared with the previous report week. Average net imports from Canada increased by 6% from last week.

U.S. LNG exports decrease week over week. Eleven LNG vessels (seven from Sabine Pass, three from Corpus Christi, and one from Cameron LNG export terminals) with a combined LNG-carrying capacity of 40 Bcf departed the United States between September 26 and October 2, according to shipping data compiled by Bloomberg. Three vessels (one at Sabine Pass, one at Corpus Christi, and one at Freeport LNG terminals) were loading on Wednesday.

Cove Point LNG export terminal is undergoing scheduled maintenance. The facility has had no exports depart since Se

Ohio's Utica Shale 2019 Second Quarter Production

During the second quarter of 2019, Ohio's horizontal shale wells produced 5,813,755 barrels of oil and 614,218,362 Mcf (614 billion cubic feet) of natural gas, according to the figures released today by the Ohio Department of Natural Resources (ODNR).

Compared to a year ago, oil production increased by 29.54% and natural gas production showed a 10.81% increase over the second quarter of 2018.

	2018 Quarter 2 (Shale)	2019 Quarter 2 (Shale)	Percentage Change
Barrels of oil	4,488,104 bbl	5,813,755 bbl	29.54%
Mcf of natural gas	554,306,916 Mcf	614,218,362 Mcf	10.81%

The ODNR quarterly report lists 2,365 horizontal shale wells, 2,317 of which reported oil and natural gas production during the quarter. Of the wells reporting oil and natural gas results:

There are currently 3,177 Utica Permits, and 2,707 Utica shale wells drilled, with 11 rigs running.