

Southeastern Ohio Oil and Gas Association
Gas Committee Report
June, 2021

Prices June 8, 2021

NYMEX Settle – June - 2021	\$2.98
One Year NYMEX strip (July 2021 – June 2022)	\$3.14
Summer NYMEX strip for 2021 (July-October, 2021)	\$3.16
Winter NYMEX strip – 2021 (Nov., 2021 – Mar. 2022)	\$3.32
TCO Index Posting – June, 2021	\$2.55
DTI Index Posting – June, 2021	\$2.30

June 3, 2021 Storage Report:

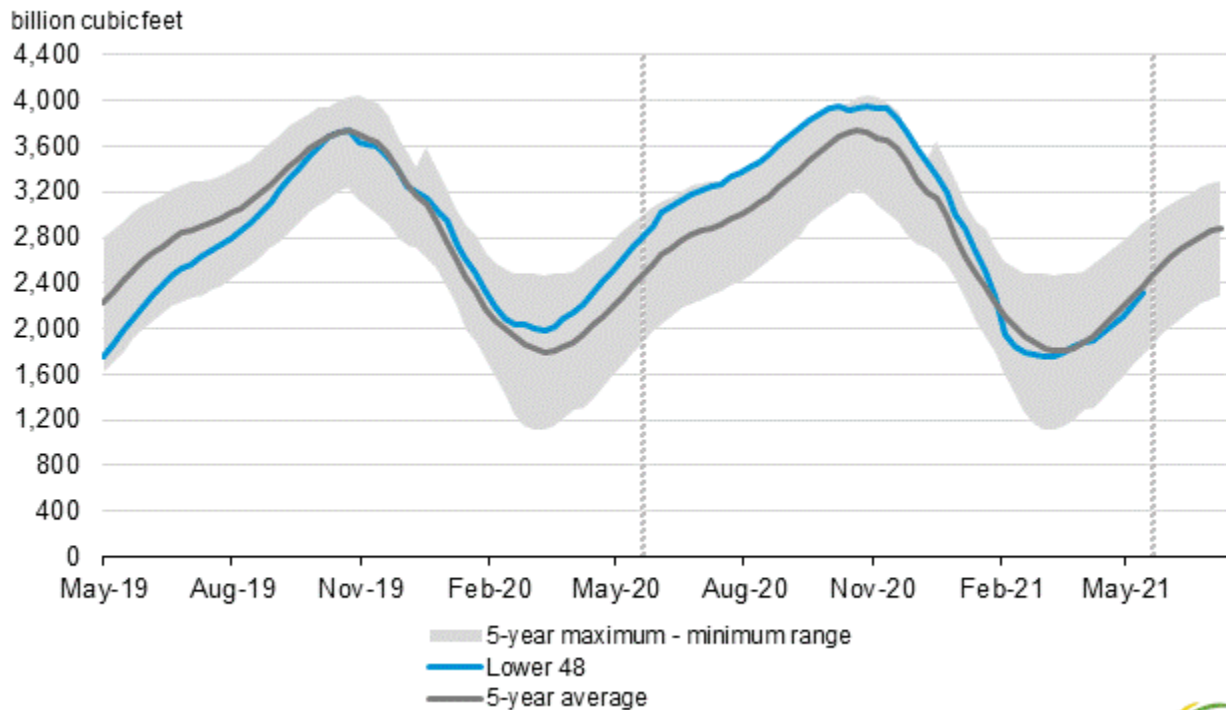
Working gas in underground storage, Lower 48 states

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
	05/28/21	05/21/21	net change	implied flow	Year ago (05/28/20)		5-year average (2016-20)	
					Bcf	% change	Bcf	% change
East	413	385	28	28	531	-22.2	448	-7.8
Midwest	522	499	23	23	630	-17.1	526	-0.8
Mountain	151	144	7	7	139	8.6	140	7.9
Pacific	268	256	12	12	272	-1.5	254	5.5
South Central	958	931	28	28	1,127	-14.9	1,007	-4.8
Salt	300	296	4	4	352	-14.8	312	-3.8
Nonsalt	659	635	24	24	775	-15.0	695	-5.2
Total	2,313	2,215	98	98	2,699	-14.3	2,374	-2.6

Summary

Working gas in storage was 2,313 Bcf as of Friday, May 28, 2021, according to EIA estimates. This represents a net increase of 98 Bcf from the previous week. Stocks were 386 Bcf less than last year at this time and 61 Bcf below the five-year average of 2,374 Bcf. At 2,313 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



Prices/Supply/Demand

Northeast prices decrease as mild weather results in lower consumption. At the Algonquin Citygate, which serves [Boston-area consumers](#), the price went down 7¢ from \$2.30/MMBtu last Wednesday to \$2.23/MMBtu yesterday. [Temperatures](#) in New England were slightly above normal for this time of year, with Boston averaging 69°F [yesterday](#). Temperatures in New York City were also mild [yesterday](#), averaging 69°F. At the Transcontinental Pipeline Zone 6 trading point for New York City, the price decreased 23¢ from \$2.41/MMBtu last Wednesday to \$2.18/MMBtu yesterday. Prices at both Algonquin Citygate and Transco Zone 6 reached weekly lows on Tuesday, at \$1.92/MMBtu and \$2.20/MMBtu, respectively.

Prices in the Appalachian Basin production region fall as pipeline capacity constraints reduce flows out of the region. The Tennessee Zone 4 Marcellus spot price decreased 56¢ from \$2.05/MMBtu last Wednesday to \$1.49/MMBtu yesterday. The price at Eastern Gas South (formerly known as Dominion South as of June 1, 2021) in southwest Pennsylvania fell 22¢ from \$2.23/MMBtu last Wednesday to \$2.01/MMBtu yesterday. The Enbridge-operated Texas

Eastern natural gas pipeline [declared](#) a force majeure on its 30-inch pipeline south in response to a Pipeline and Hazardous Materials Administration (PHMSA) [order to reduce pipeline pressure](#) by 20%, which resulted in capacity reduction for southbound flows out of the Berne, Ohio, compressor station by more than 0.7 Bcf/d, from 2.0 Bcf/d [reported by Texas Eastern](#) on May 31 to 1.3 Bcf/d reported for June 2. The PHMSA order took effect June 1, with no specified end date.

U.S. dry natural gas production continues to increase. According to data from IHS Markit, the average total supply of natural gas fell slightly by 0.4% compared with the previous report week. Dry natural gas production grew by 0.2% compared with the previous report week to 92.6 Bcf/d, the highest weekly average since the second week of April 2020, according to data from IHS Markit. Average net imports from Canada decreased by 13.5% from last week amid the start of a [planned service outage of the Viking pipeline](#) this week.

U.S. natural gas consumption increases driven by the residential and commercial sectors. Total U.S. consumption of natural gas rose by 0.7% compared with the previous report week, according to data from IHS Markit. Natural gas consumed for power generation declined by 8.0% this week after a 15.4% increase last week. Industrial sector consumption increased by 2.7% week over week. In the residential and commercial sectors, consumption increased by 24.0% as [Memorial Day weekend temperatures in the Midwest and Northeast](#) were much lower than normal. Natural gas exports to Mexico increased 3.8%, to 6.4 Bcf/d. Natural gas deliveries to U.S. liquefied natural gas (LNG) export facilities (LNG pipeline receipts) averaged 10.9 Bcf/d, or 0.42 Bcf/d higher than last week.

U.S. LNG exports increase week over week. Twenty-one LNG vessels (seven from Sabine Pass, four each from Freeport and Cameron, three from Corpus Christi, two from Cove Point, and one from Elba Island) with a combined LNG-carrying capacity of 76 Bcf departed the United States between May 27 and June 2, 2021, according to shipping data provided by Bloomberg Finance, L.P

The ODNR quarterly report lists 2,723 horizontal shale wells, 2,674 of which reported oil and natural gas production during the quarter.

There are currently 3,428 Utica Permits, and 2,914 Utica shale wells drilled.

There was a total of 2,326,539,953 Bcf produced in the calendar year of 2020.

As of June 4, the national total rig count increased to 456.