

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

Prices November 8, 2021

NYMEX Settle – Nov. - 2021	\$6.20
One Year NYMEX strip (Dec. 2021 – Nov. 2022)	\$4.47
Summer NYMEX strip for 2022 (April,2022 - Oct., 2022)	\$4.05
Winter NYMEX strip – 2021 (Dec., 2021 – Mar. 2022)	\$5.54
TCO Index Posting – November, 2021	\$5.56
DTI Index Posting – November, 2021	\$5.45

November 4, 2021 Storage Report:

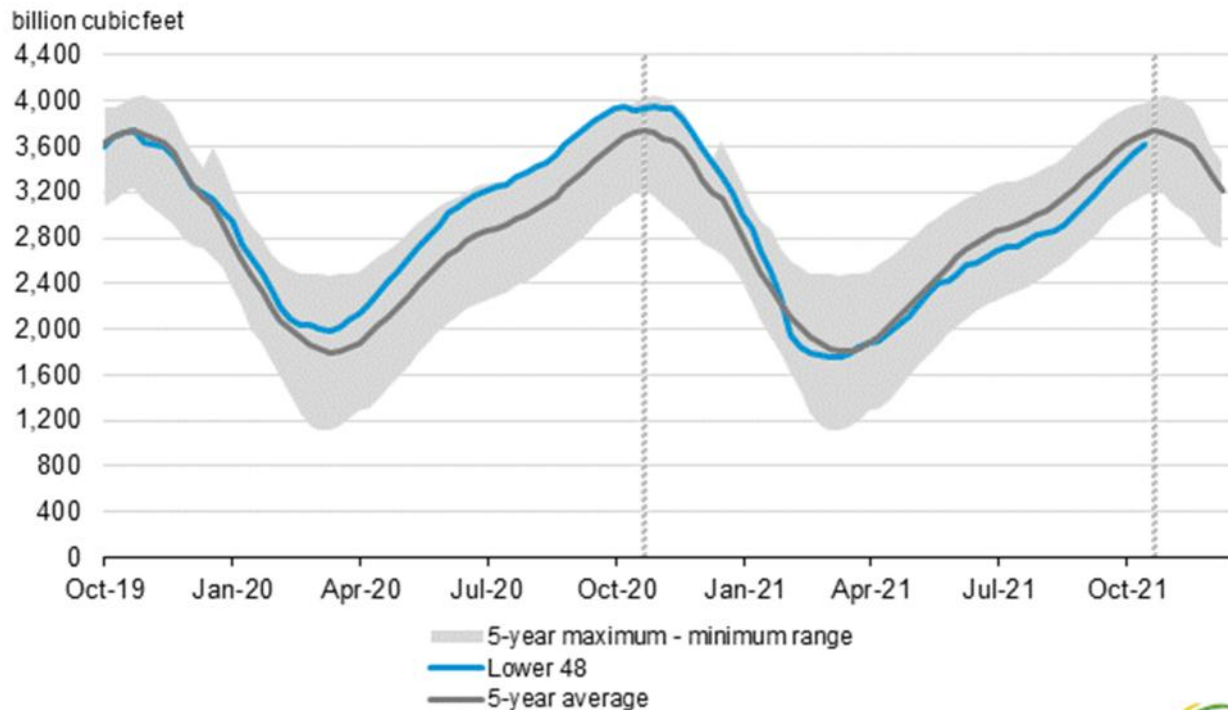
Working gas in underground storage, Lower 48 states

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
					Year ago (10/29/20)		5-year average (2016-20)	
	10/29/21	10/22/21	net change	implied flow	Bcf	% change	Bcf	% change
East	899	885	14	14	946	-5.0	913	-1.5
Midwest	1,071	1,052	19	19	1,119	-4.3	1,086	-1.4
Mountain	213	212	1	1	241	-11.6	221	-3.6
Pacific	256	255	1	1	320	-20.0	304	-15.8
South Central	1,172	1,144	28	28	1,298	-9.7	1,188	-1.3
Salt	320	304	16	16	350	-8.6	319	0.3
Nonsalt	852	840	12	12	948	-10.1	869	-2.0
Total	3,611	3,548	63	63	3,924	-8.0	3,712	-2.7

Summary

Working gas in storage was 3,611 Bcf as of Friday, October 29, 2021, according to EIA estimates. This represents a net increase of 63 Bcf from the previous week. Stocks were 313 Bcf less than last year at this time and 101 Bcf below year average of 3,712 Bcf. At 3,611 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



Storage

The average rate of injections into storage is 9% lower than the five-year average so far this refill season (April through October). If the rate of injections into storage matched the five-year average of 8.5 Bcf/d for the remainder of the refill season, the total inventory would be 3,543 Bcf on October 31, which is 176 Bcf lower than the five-year average of 3,719 Bcf for that time of year.

Prices/Supply/Demand

Prices in the Midwest decrease this week. At the Chicago Citygate, the price decreased 28 cents from \$5.82/MMBtu last Wednesday to \$5.54/MMBtu yesterday, closely in line with the decrease in the Henry Hub price. The price at the Chicago Citygate fell from its weekly high on Wednesday, October 27 to a weekly low of \$5.13/MMBtu on Monday, November 1 as [temperatures in the Chicago area](#) averaged 49°F, 1°F above normal. After Monday, temperatures decreased, averaging 38°F, 9°F below normal, coinciding with price increases Tuesday and Wednesday.

Prices in Appalachia decline as maintenance on the Tennessee Gas Pipeline begins. The Tennessee Zone 4 Marcellus spot price decreased 9 cents from \$5.31/MMBtu last Wednesday to \$5.22/MMBtu yesterday. The price at Eastern Gas South in southwest Pennsylvania fell 9 cents from \$5.29/MMBtu last Wednesday to \$5.20/MMBtu yesterday. [Maintenance on the Tennessee](#)

[Gas Pipeline](#) (TGP) at Station 114 in West Virginia began on Monday, November 1 and is expected to conclude on November 7. We expect the maintenance to reduce flows by about 0.6 Bcf/d from the Appalachia region to the South. Net flows of natural gas from Appalachia to the Southern Corridor decreased by almost 1.0 Bcf/d this report week, according to data from IHS Markit.

U.S. supply of natural gas this report week is up slightly as a result of natural gas production rising for the second week in a row. According to data from IHS Markit, the average total supply of natural gas rose to 99.9 Bcf/d, which is an increase of 0.1% from the previous report week's total of 99.7 Bcf/d. Nearly all of this increase was the result of dry natural gas production growing week over week by 0.5%, or 0.5 Bcf/d. Average net imports from Canada decreased by 6.2% to 5.5 Bcf/d from last week's average of 5.8 Bcf/d, which was the highest weekly average for net imports from Canada since the third week of February.

U.S. natural gas consumption increases significantly week over week, led primarily by an increase in the residential/commercial sector. Total U.S. natural gas demand rose by 5.7% (5.2 Bcf/d) week over week, according to data from IHS Markit, which marks a second consecutive week of significantly increasing demand. The largest increase in demand was in the residential and commercial sector, which rose 31.5% (5.4 Bcf/d), as cooler temperatures prevailed in several areas of the country ahead of the winter heating season. [NOAA reported](#) mostly normal temperatures across the eastern United States, but a large region of below-normal daytime temperatures across the Central United States and south into the Southeastern states, as far south as northern Florida, were also reported. Natural gas consumed for power generation decreased by 3.0% (0.9 Bcf/d) week over week, and consumption in the industrial sector increased by 2.9% (0.6 Bcf/d) week over week. Natural gas exports to Mexico decreased 8.3% to 5.4 Bcf/d, the lowest average weekly flows since the first week of March. Natural gas deliveries to U.S. LNG export facilities (LNG pipeline receipts) averaged 10.9 Bcf/d, or about 0.3 Bcf/d higher than last week.

U.S. LNG exports have increased this week from the last report week. Twenty-two LNG vessels (six from Sabine Pass, five each from Corpus Christi and Freeport, four from Cameron, and one each from Cove Point and Elba Island) with a combined LNG-carrying capacity of 80 Bcf departed the United States between October 28 and November 3, 2021, according to shipping data provided by Bloomberg Finance, L.P.

The ODNR quarterly report list horizontal shale wells, 2,753 of which reported oil and natural gas production during the first quarter of 2021.

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

There was a total of 548,140,794 Bcf produced in the first quarter of 2021.

As of September 3, the national Baker Hughes total rig count increased to 550.