

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

PRICING

Prices April 8, 2019

NYMEX Settle – April -2019	\$2.71
One Year NYMEX strip (May, 2019 – April 2020)	\$2.86
Summer NYMEX strip for 2019 (April-October, 2019)	\$2.78
Winter NYMEX strip – 2018 (Nov., 2019 – Mar. 2020)	\$3.00
TCO Index Posting – April, 2019	\$2.48
DTI Index Posting – April, 2019	\$2.43

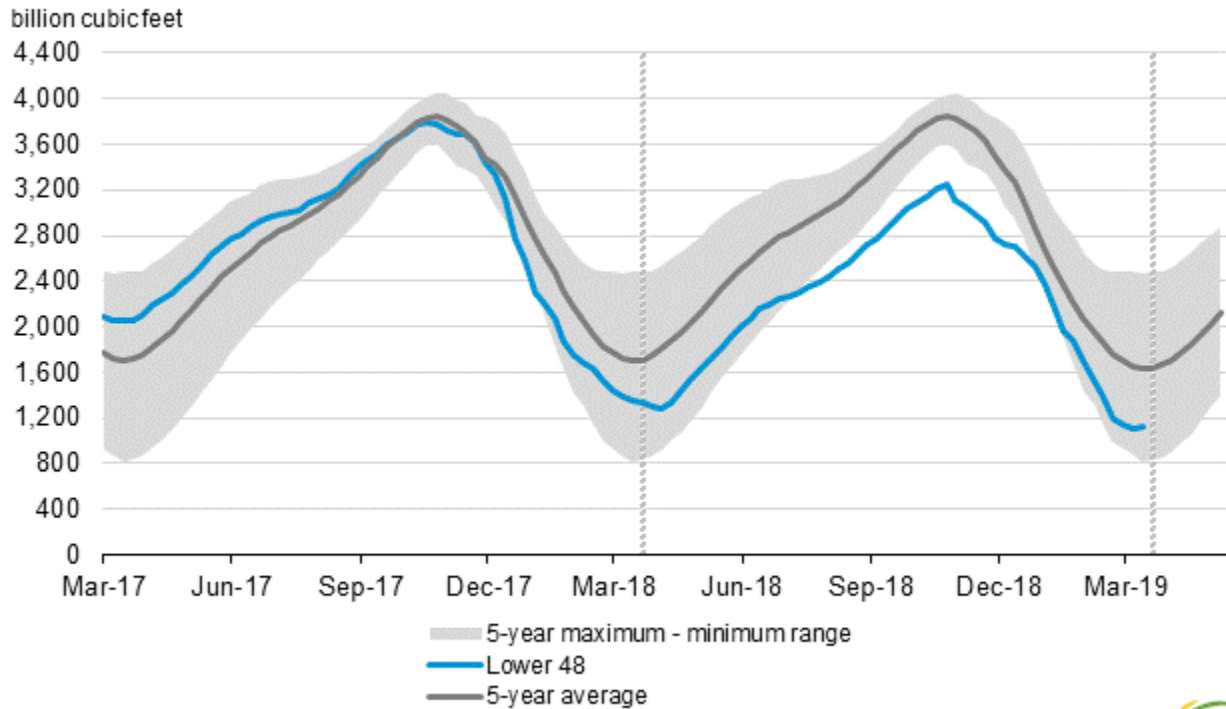
Working gas in underground storage, Lower 48 states

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
	03/29/19	03/22/19	net change	implied flow	Year ago (03/29/18)		5-year average (2014-18)	
	Bcf	Bcf	Bcf	Bcf	Bcf	% change	Bcf	% change
East	210	225	-15	-15	231	-9.1	271	-22.5
Midwest	241	248	-7	-7	269	-10.4	339	-28.9
Mountain	64	62	2	2	87	-26.4	115	-44.3
Pacific	113	104	9	9	166	-31.9	203	-44.3
South Central	502	467	35	351	606	-17.2	705	-28.8
Salt	156	137	19	19	187	-16.6	199	-21.6
Nonsalt	347	329	18	18	419	-17.2	506	-31.4
Total	1,130	1,107	23	23	1,358	-16.8	1,635	-30.9

Summary

Working gas in storage was 1,130 Bcf as of Friday, March 29, 2019, according to EIA estimates. This represents a net increase of 23 Bcf from the previous week. Stocks were 228 Bcf less than last year at this time and 505 Bcf below the five-year average of 1,635 Bcf. At 1,130 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 respond to weekend cold. At the Algonquin Citygate, which serves Boston-area consumers, prices went down 3¢ from \$2.73/MMBtu last Wednesday to \$2.70/MMBtu yesterday. Despite the small week-on-week change, Algonquin experienced intra-week price volatility. Prices went from a weekly low of \$2.57/MMBtu on Thursday to a weekly high of \$3.12/MMBtu on Friday as a result of a cold temperatures expected over the weekend. At the Transcontinental Pipeline Zone 6 trading point for New York City, prices increased 11¢ from \$2.50/MMBtu last Wednesday to \$2.61/MMBtu yesterday. Transco Zone 6 had a weekly low of \$2.33/MMBtu on Thursday and a weekly high of \$2.77/MMBtu on Monday.

Tennessee Zone 4 Marcellus spot prices increased 9¢ from \$2.36/MMBtu last Wednesday to \$2.45/MMBtu yesterday, with a low of \$2.14/MMBtu on Thursday. Prices at Dominion South in southwest Pennsylvania rose 5¢ from \$2.41/MMBtu last Wednesday to \$2.46/MMBtu yesterday.

Supply remains flat. According to data from PointLogic Energy, the average total supply of natural gas remained the same as in the previous report week, averaging 94.6 Bcf/d. Dry natural gas production remained constant week over week. Average net imports from Canada increased by 2% from last week, but were 16% lower than last year at this time.

Demand falls as temperatures moderate. Total U.S. consumption of natural gas fell by 4% compared with the previous report week, according to data from PointLogic Energy. Natural gas consumed for power generation climbed by 2% week over week. Industrial sector consumption decreased by 1% week over week. In the residential and commercial sectors, consumption declined by 12% as overall warmer temperatures across the country led to lower heating demand. Natural gas exports to Mexico increased 1%.

U.S. LNG exports increase week over week. Seven LNG vessels (five from Sabine Pass and two from Corpus Christi) with a combined LNG-carrying capacity of 25.3 Bcf departed the United States from March 28 to April 3, according to shipping data compiled by Bloomberg. Data for Cove Point LNG exports were unavailable.

Ohio's Utica Shale Fourth Quarter Production

During the fourth quarter of 2018, Ohio's horizontal shale wells produced 5,810,484 barrels of oil and 663,534,323 Mcf (605 billion cubic feet) of natural gas, according to figures released today by the Ohio Department of Natural Resources (ODNR).

Natural gas production from the fourth quarter of 2018 showed a 9.45% increase over the third quarter of 2018, while oil production increased 4.77% for the same period.

	2018 Quarter 3 (Shale)	2018 Quarter 4 (Shale)	Percentage Change
Barrels of oil	5,545,536 bbl	5,810,484 bbl	4.77%
Mcf of natural gas	605,716,125 Mcf	663,534,323 Mcf	9.45%

As of April 4, 2019, there have been 3,042 Utica shale permits issues in Ohio, and 2,559 of them have been developed.

There are currently 2,242 Utica shale wells in production, with 16 rigs running.