

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

PRICING

**Prices May 7, 2019**

NYMEX Settle – May -2019	\$2.57
One Year NYMEX strip (June, 2019 – May 2020)	\$2.68
Summer NYMEX strip for 2019 (June-October, 2019)	\$2.58
Winter NYMEX strip – 2018 (Nov., 2019 – Mar. 2020)	\$2.84
TCO Index Posting – May, 2019	\$2.30
DTI Index Posting – May, 2019	\$2.13

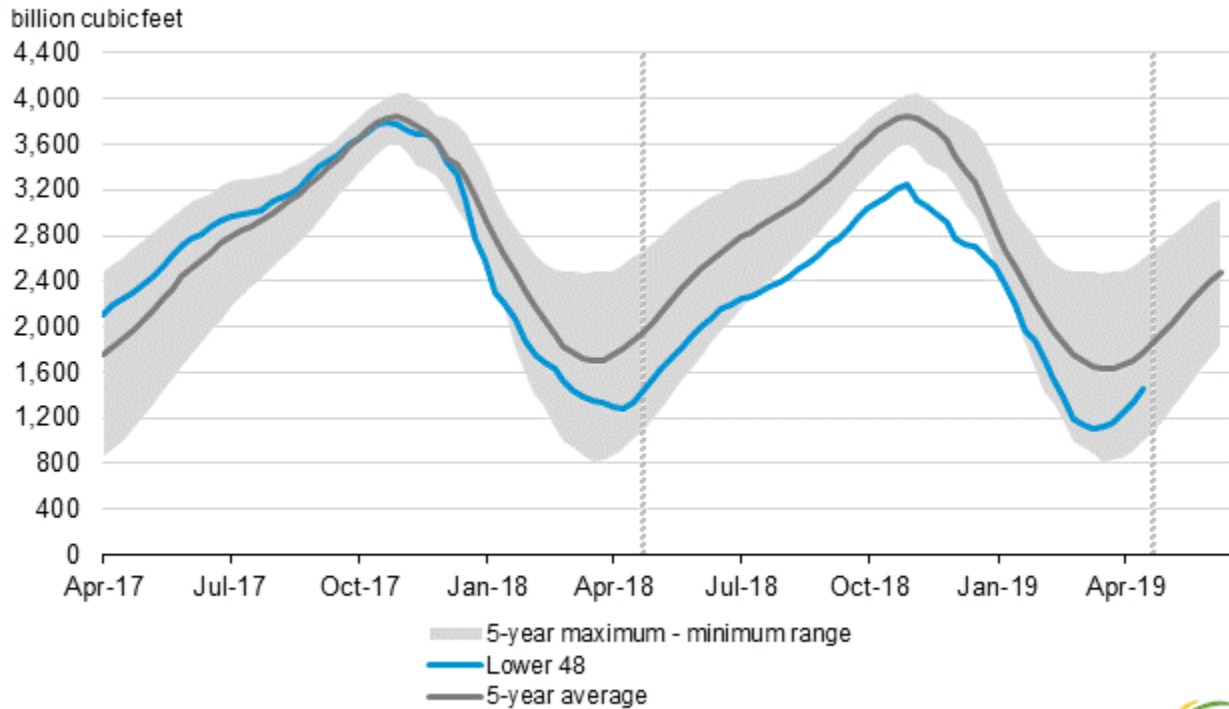
**Working gas in underground storage, Lower 48 states**

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
	04/26/19	04/19/19	net change	implied flow	Year ago (04/26/18)		5-year average (2014-18)	
	Bcf	Bcf	Bcf	Bcf	Bcf	% change	Bcf	% change
<b>East</b>	279	251	28	28	220	26.8	296	-5.7
<b>Midwest</b>	290	264	26	26	220	31.8	351	-17.4
<b>Mountain</b>	75	70	5	5	86	-12.8	119	-37.0
<b>Pacific</b>	152	138	14	14	186	-18.3	223	-31.8
<b>South Central</b>	666	616	50	50	623	6.9	788	-15.5
<b>Salt</b>	224	204	20	20	189	18.5	238	-5.9
<b>Nonsalt</b>	442	413	29	29	434	1.8	550	-19.6
<b>Total</b>	<b>1,462</b>	<b>1,339</b>	<b>123</b>	<b>123</b>	<b>1,334</b>	<b>9.6</b>	<b>1,778</b>	<b>-12.8</b>

## Summary

Working gas in storage was 1,462 Bcf as of Friday, April 26, 2019, according to EIA estimates. This represents a net increase of 123 Bcf from the previous week. Stocks were 128 Bcf higher than last year at this time and 316 Bcf below the five-year average of 1,778 Bcf. At 1,462 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 rise.** Prices in the Northeast rose with cool temperatures and continued demand for space heating. At the Algonquin Citygate, which serves Boston-area consumers, prices went up 17¢ from \$2.43/MMBtu last Wednesday to \$2.60/MMBtu yesterday. At the Transcontinental Pipeline Zone 6 trading point for New York City, prices increased 7¢ from \$2.28/MMBtu last Wednesday to \$2.35/MMBtu yesterday.

Tennessee Zone 4 Marcellus spot prices increased 19¢ from \$1.92/MMBtu last Wednesday to \$2.11/MMBtu yesterday. Prices at Dominion South in southwest Pennsylvania rose 7¢ from \$2.13/MMBtu last Wednesday to \$2.20/MMBtu yesterday.

**Supply falls.** According to data from PointLogic Energy, the average total supply of natural gas fell by 1% compared with the previous report week. Dry natural gas production remained constant week over week. Average net imports from Canada decreased by 4% from last week.

**Demand rises driven by residential and commercial sectors.** Total U.S. consumption of natural gas rose by 6% compared with the previous report week, according to data from PointLogic Energy. Natural gas consumed for power generation climbed by 7% week over week. Industrial sector consumption increased by 1% week over week. In the residential and commercial sectors, consumption increased by 13%. Natural gas exports to Mexico increased 15% after a dip in exports during the [previous report week](#).

**U.S. liquefied natural gas (LNG) exports flat week over week.** Eight LNG vessels (five from Sabine Pass, one from Corpus Christi, and two from Cove Point) with a combined LNG-carrying capacity of 27.6 Bcf departed the United States from April 25 to May 1, according to shipping data compiled by Bloomberg. One vessel was loading at the Sabine Pass terminal on Wednesday.

According to Bloomberg, the Elba Island LNG facility in George expects to produce its first batch of LNG for testing this week. Trains 1-6 are in the commissioning phase and are [expected to enter service](#) in the second quarter of 2019.

## 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
<b>Barrels of oil</b>	5,545,536 bbl	5,810,484 bbl	4.77%
<b>Mcf of natural gas</b>	605,716,125 Mcf	663,534,323 Mcf	9.45%

As of May 4, 2019, there have been 3,076 Utica shale permits issues in Ohio, and 2,584 of them have been developed.

There are currently 2,242 Utica shale wells in production, with 17 rigs running.