

Southeastern Ohio Oil and Gas Association  
Gas Committee Report  
August, 2020

PRICING

**Prices August 11, 2020**

NYMEX Settle – Aug. -2020	\$1.85
One Year NYMEX strip (Sept. 2020 – Aug. 2021)	\$2.71
Summer NYMEX strip for 2020 (Sept.-October, 2020)	\$2.23
Winter NYMEX strip – 2020 (Nov., 2020 – Mar. 2021)	\$2.94
TCO Index Posting – August, 2020	\$1.63
DTI Index Posting – August, 2020	\$1.27

August 6, 2020 Storage Report:

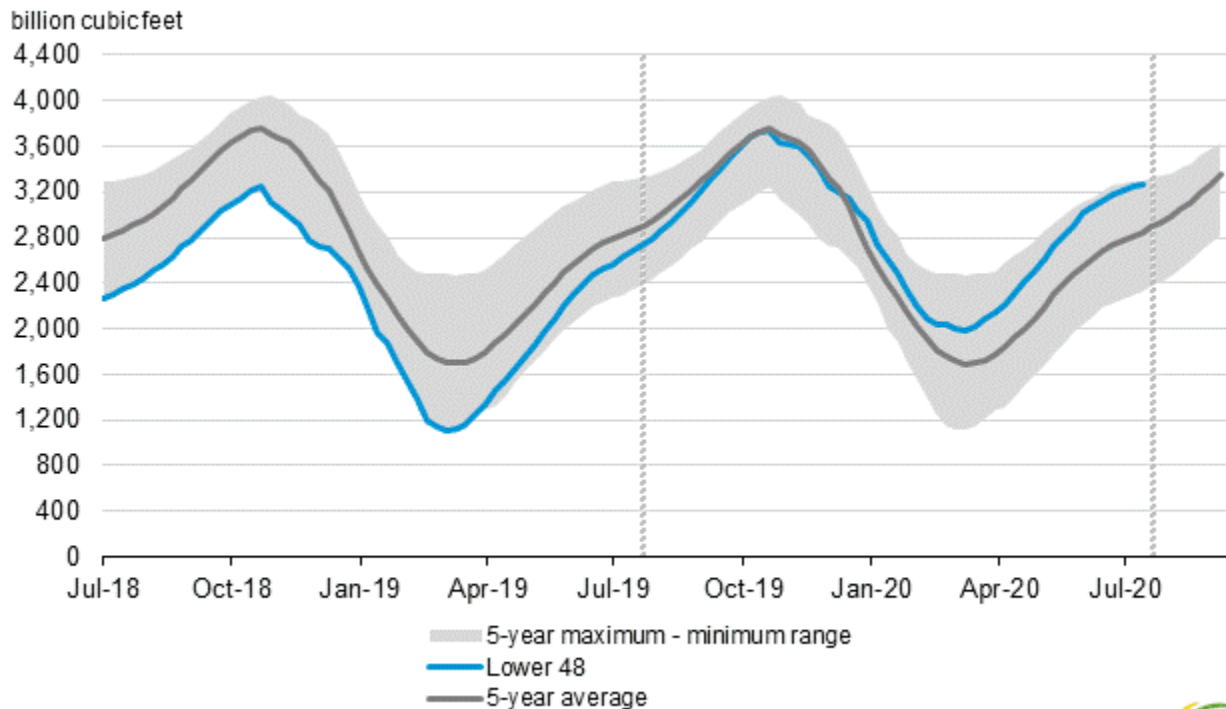
**Working gas in underground storage, Lower 48 states**

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
	07/31/20	07/24/20	net change	implied flow	Year ago (07/31/19)		5-year average (2015-19)	
					Bcf	% change	Bcf	% change
East	718	706	12	12	608	18.1	645	11.3
Midwest	830	815	15	15	694	19.6	707	17.4
Mountain	202	196	6	6	160	26.3	179	12.8
Pacific	311	313	-2	-2	271	14.8	293	6.1
South Central	1,214	1,211	3	3	939	29.3	1,021	18.9
Salt	336	339	-3	-3	222	51.4	266	26.3
Nonsalt	878	872	6	6	716	22.6	754	16.4
<b>Total</b>	<b>3,274</b>	<b>3,241</b>	<b>33</b>	<b>33</b>	<b>2,673</b>	<b>22.5</b>	<b>2,845</b>	<b>15.1</b>

## Summary

Working gas in storage Working gas in storage was 3,274 Bcf as of Friday, July 31, 2020, according to EIA estimates. This represents a net increase of 33 Bcf from the previous week. Stocks were 601 Bcf higher than last year at this time and 429 Bcf above the five-year average of 2,845 Bcf. At 3,274 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.** At the Algonquin Citygate, which serves [Boston-area consumers](#), the price went down 17¢ from \$1.74/MMBtu last Wednesday to \$1.57/MMBtu yesterday. At the Transcontinental Pipeline Zone 6 trading point for New York City, the price decreased 23¢ from a high of \$1.80/MMBtu last Wednesday to \$1.57/MMBtu yesterday.

The Tennessee Zone 4 Marcellus spot price increased 10¢ from \$1.20/MMBtu last Wednesday to \$1.30/MMBtu yesterday. The price at Dominion South in southwest Pennsylvania rose 12¢ from \$1.30/MMBtu last Wednesday to \$1.42/MMBtu yesterday.

**Supply falls.** According to data from IHS Markit, the average total supply of natural gas fell by 0.2% compared with the previous report week. This decline was driven by a decrease in dry natural gas production of 0.7% compared with the previous report week. Average net imports from Canada increased by 10.0% from last week.

**Demand falls as natural gas demand is limited amid hurricane-related power outages.** Total U.S. consumption of natural gas fell by 6.2% compared with the previous report week, according to data from IHS Markit. Natural gas consumed for power generation declined by 9.3% week over week. In the residential and commercial sectors, consumption declined by 8.8%. Industrial sector consumption increased by 1.8% week over week. Natural gas exports to Mexico increased 1.1%. Feedgas to liquefied natural gas (LNG) terminals averaged 0.6 Bcf/d, or 19%, higher than last week.

**U.S. LNG exports decrease week over week.** Five liquefied natural gas (LNG) vessels (three from Sabine Pass, and one each from Cameron and Corpus Christi) with a combined LNG-carrying capacity of 18 Bcf departed the United States between July 30 and August 5, 2020, according to shipping data provided by [Marine Traffic](#).

## Natural Gas

### Ohio's Utica Shale 2019 Fourth Quarter Production

During the Fourth 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 4 (Shale)	2019 Quarter 4 (Shale)	Percentage Change
<b>Barrels of oil</b>	5,810,484 bbl	6,803,057 bbl	17.08%
<b>Mcf of natural gas</b>	663,534,323 Mcf	684,771,042 Mcf	3.2%

The ODNR quarterly report lists 2,523 horizontal shale wells, 2,452 of which reported oil and natural gas production during the quarter. Of the wells reporting oil and natural gas results:

There are currently 3,286 Utica Permits, and 2,780 Utica shale wells drilled, with 11 rigs running.