

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

PRICING

Prices November 10, 2020

NYMEX Settle – Nov. -2020	\$2.99
One Year NYMEX strip (Dec. 2020 – Nov. 2021)	\$2.94
Summer NYMEX strip for 2020 (April-October, 2021)	\$2.89
Winter NYMEX strip – 2020 (Nov., 2020 – Mar. 2021)	\$3.11

TCO Index Posting – November, 2020	\$2.25
DTI Index Posting – November, 2020	\$1.71

October 30, 2020 Storage Report:

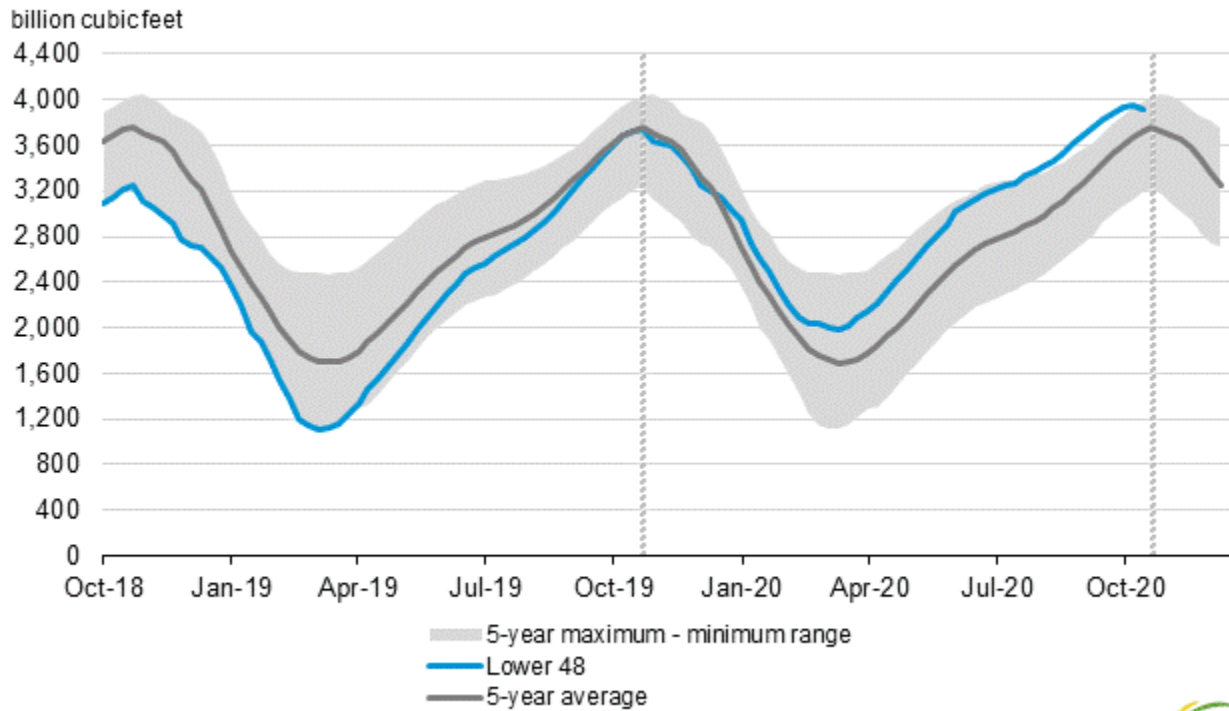
Working gas in underground storage, Lower 48 states

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
	10/30/20	10/23/20	net change	implied flow	Year ago (10/30/19)		5-year average (2015-19)	
					Bcf	% change	Bcf	% change
East	947	941	6	6	927	2.2	908	4.3
Midwest	1,119	1,118	1	1	1,105	1.3	1,083	3.3
Mountain	240	245	-5	-5	208	15.4	216	11.1
Pacific	320	323	-3	-3	294	8.8	316	1.3
South Central	1,293	1,329	-36	-36	1,186	9.0	1,195	8.2
Salt	348	360	-12	-12	300	16.0	324	7.4
Nonsalt	945	968	-23	-23	886	6.7	871	8.5
Total	3,919	3,955	-36	-36	3,719	5.4	3,718	5.4

Summary

Working gas in storage was 3,919 Bcf as of Friday, October 30, 2020, according to EIA estimates. This represents a net decrease of 36 Bcf from the previous week. Stocks were 200 Bcf higher than last year at this time and 201 Bcf above the five-year average of 3,718 Bcf. At 3,919 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 rise.. At the Algonquin Citygate, which serves [Boston-area consumers](#), the price went down \$4.00 from \$4.84/MMBtu last Wednesday to a low of \$0.84/MMBtu yesterday after reaching a high of \$6.54 last Thursday. At the Transcontinental Pipeline Zone 6 trading point for New York City, the price decreased \$1.74 from \$2.38/MMBtu last Wednesday to a low of \$0.64/MMBtu yesterday. These large price decreases were the result of almost 20-degree temperature increases in the Northeast late in the report week that contributed to declines in residential and commercial natural gas consumption. Another contributing factor to the price decrease was the November 1 announcement by [Texas Eastern Transmission](#) (TETCO) that maintenance between the Holbrook and Uniontown compressor stations in Pennsylvania was

completed, allowing capacity to return to its normal operating capacity of about 4.5 Bcf/d (an increase of about 1.8 Bcf/d).

The Tennessee Zone 4 Marcellus spot price decreased \$1.26 from \$1.70/MMBtu last Wednesday to \$0.44/MMBtu yesterday. The price at Dominion South in southwest Pennsylvania fell \$1.36 from \$1.88/MMBtu last Wednesday to \$0.52/MMBtu yesterday.

Supply rises because of increased production. According to data from IHS Markit, the average total supply of natural gas rose by 1.9% compared with the previous report week. Dry natural gas production grew by 1.5% compared with the previous report week. Average net imports from Canada increased by 8.0% from last week.

U.S. LNG exports increase week over week. Twenty-two LNG vessels (nine from Sabine Pass, four each from Corpus Christi and Freeport, three from Cameron, and two from Cove Point) with a combined LNG-carrying capacity of 82 Bcf departed the United States between October 29 and November 4, 2020, according to shipping data provided by Bloomberg Finance, L.P.

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
Barrels of oil	5,810,484 bbl	6,803,057 bbl	17.08%
Mcf of natural gas	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.