

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

Prices December 7, 2020

NYMEX Settle – Dec. -2020	\$2.89
One Year NYMEX strip (Jan. 2021 – Dec. 2021)	\$2.52
Summer NYMEX strip for 2020 (April-October, 2021)	\$2.50
Winter NYMEX strip – 2020 (Jan., 2021 – Mar. 2021)	\$2.43
TCO Index Posting – November, 2020	\$2.05
DTI Index Posting – November, 2020	\$1.62

December 3, 2020 Storage Report:

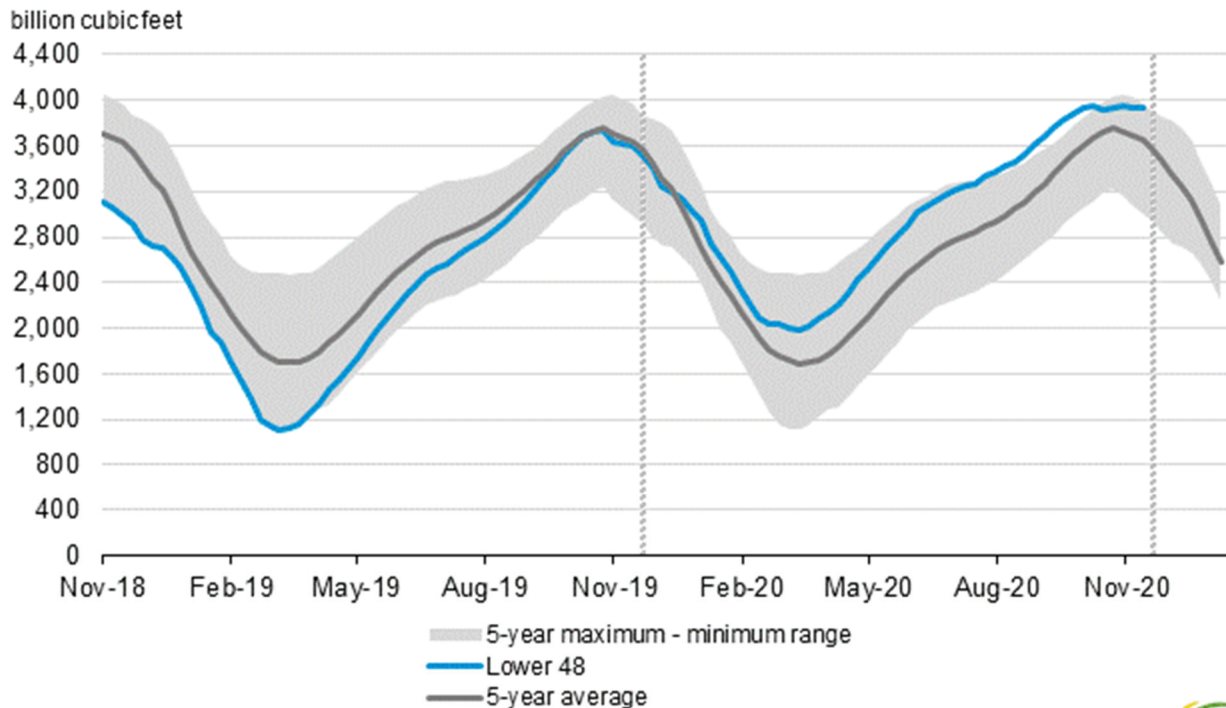
Working gas in underground storage, Lower 48 states

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
	11/27/20	11/20/20	net change	implied flow	Year ago (11/27/19)		5-year average (2015-19)	
					Bcf	% change	Bcf	% change
East	934	934	0	0	892	4.7	871	7.2
Midwest	1,122	1,133	-11	-11	1,043	7.6	1,053	6.6
Mountain	240	242	-2	-2	201	19.4	212	13.2
Pacific	318	320	-2	-2	288	10.4	311	2.3
South Central	1,326	1,312	14	14	1,172	13.1	1,202	10.3
Salt	368	56	12	12	312	17.9	342	7.6
Nonsalt	958	956	2	2	859	11.5	861	11.3
Total	3,939	3,940	-1	-1	3,596	9.5	3,649	7.9

Summary

Working gas in storage was 3,939 Bcf as of Friday, November 27, 2020, according to EIA estimates. This represents a net decrease of 1 Bcf from the previous week. Stocks were 343 Bcf higher than last year at this time and 290 Bcf above the five-year average of 3,649 Bcf. At 3,939 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 Transcontinental Pipeline Zone 6 trading point for New York City, the price increased \$1.02 from a low of \$1.43/MMBtu last Wednesday to \$2.45/MMBtu yesterday, with daytime temperatures averaging [60 degrees](#) Fahrenheit. At the Algonquin Citygate, which serves [Boston-area consumers](#), the price went up \$1.03 from a low of \$1.38/MMBtu last Wednesday to \$2.41/MMBtu yesterday. The Algonquin Gas Transmission's (AGT) declared a [force majeure](#) on Thursday at its compressor station in Weymouth, Massachusetts, 12 miles northwest of Boston. The compressor station entered service on October 1 as part of the Atlantic Bridge infrastructure expansion project, but the station has been having operational issues and temporarily shut down. The station recently received permission to restart from the [Pipeline and Hazardous Materials Safety Administration \(PHMSA\) at reduced pressure](#).

The Tennessee Zone 4 Marcellus spot price increased 97¢ from \$0.95/MMBtu last Wednesday to \$1.92/MMBtu yesterday. The price at Dominion South in southwest Pennsylvania rose 83¢ from \$1.11/MMBtu last Wednesday to \$1.94/MMBtu yesterday.

Supply is flat. According to data from IHS Markit, the average total supply of natural gas remained the same as in the previous report week, averaging 95.8 Bcf/d. Dry natural gas production decreased by 0.6% compared with the previous report week. Average net imports from Canada increased by 14.0% from last week, offsetting the production decline.

U.S. LNG exports are flat week over week. Eighteen LNG vessels (five from Sabine Pass, four from Freeport, three from Cameron, and two each from Cove Point, Corpus Christi, and Elba Island) with a combined LNG-carrying capacity of 65 Bcf departed the United States between November 26 and December 2, 2020, according to shipping data provided by Bloomberg Finance, L.P.

U.S. LNG exports set a new monthly record in November, averaging 9.4 Bcf/d, according to EIA's estimates based on the shipping data provided by Bloomberg Finance, L.P. LNG exports in November were 17% higher than the previous monthly record set in January 2020 at 8.0 Bcf/d.

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 3,336 Utica Permits, and 2,825 Utica shale wells drilled, with 11 rigs running.