

Southeastern Ohio Oil and Gas Association  
Gas Committee Report  
May, 2021

**Prices May 10, 2021**

NYMEX Settle – May - 2021	\$2.93
One Year NYMEX strip (June 2021 – May 2022)	\$2.97
Summer NYMEX strip for 2021 (June-October, 2021)	\$2.97
Winter NYMEX strip – 2021 (Nov., 2021 – Mar. 2022)	\$3.13

TCO Index Posting – May, 2021	\$2.47
DTI Index Posting – May, 2021	\$2.17

May 6, 2021 Storage Report:

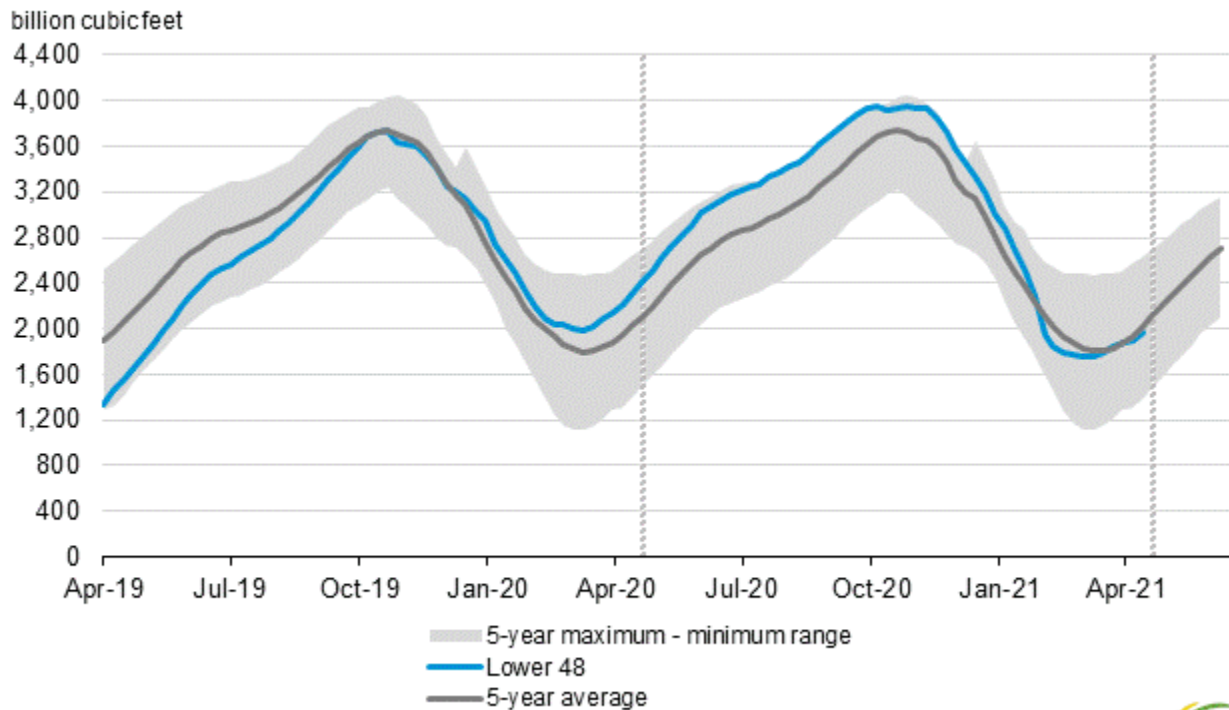
Working gas in underground storage, Lower 48 states

Region	04/30/21	Stocks billion cubic feet (Bcf)			Historical Comparisons			
		04/23/21	net change	implied flow	Year ago (04/30/20)		5-year average (2016-20)	
					Bcf	% change	Bcf	% change
East	332	319	13	13	421	-20.1	346	-4.0
Midwest	442	427	15	15	527	-16.1	429	3.0
Mountain	124	119	5	5	110	12.7	117	6.0
Pacific	224	217	7	7	227	-1.3	219	2.3
South Central	836	816	20	20	1,020	-18.0	908	-7.9
Salt	264	258	6	6	329	-19.8	289	-8.7
Nonsalt	572	558	14	14	691	-17.2	619	-7.6
<b>Total</b>	<b>1,958</b>	<b>1,898</b>	<b>60</b>	<b>60</b>	<b>2,303</b>	<b>-15.0</b>	<b>2,019</b>	<b>-3.0</b>

## Summary

Working gas in storage was 1,958 Bcf as of Friday, April 30, 2021, according to EIA estimates. This represents a net increase of 60 Bcf from the previous week. Stocks were 345 Bcf less than last year at this time and 61 Bcf below the five-year average of 2,019 Bcf. At 1,958 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

**Prices in the Northeast rise along with a return to heating demand as below-normal temperatures sweep across the region late in the report week.** At the Algonquin Citygate, which serves [Boston-area consumers](#), the price went up 42¢ from \$2.47/MMBtu last Wednesday to \$2.89/MMBtu yesterday, after rising to \$3.03/MMBtu on Monday. Temperatures in Boston averaged just 49°F [yesterday](#), or 6°F below normal, and did not rise above 50°F for the day, 13°F below the normal daily high, resulting in elevated heating demand. At the Transcontinental Pipeline Zone 6 trading point for New York City, the price increased 8¢ from \$2.36/MMBtu last Wednesday to \$2.44/MMBtu yesterday, after falling to a low of \$2.09/MMBtu on [Friday](#), when temperatures in New York City averaged 63°F, or 5°F above normal, reducing space heating demand. Cooler weather near the end of the report week led to a rise in heating demand, as temperatures in New York dropped to an average of 55°F, or 5°F below normal.

**Prices in the Appalachian Basin production region are mixed as pipeline maintenance results in market dislocation.** The price at Tennessee Zone 4 Marcellus, in northeast Pennsylvania, decreased 41¢ from \$1.91/MMBtu last Wednesday to \$1.50/MMBtu yesterday, after falling to \$0.95/MMBtu on Friday. [Williams reports](#) maintenance on its [Leidy Line](#), which provides an outlet for northeast Pennsylvania production, resulting in reduced takeaway capacity and downward pressure on prices in the region. The price at [Dominion South](#) in southwest Pennsylvania, rose 9¢ from \$2.24/MMBtu last Wednesday to a weekly high of \$2.33/MMBtu yesterday.

**U.S. supply of natural gas remains mostly flat.** According to data from IHS Markit, the average total supply of natural gas fell slightly by 0.1% compared with the previous report week. Dry natural gas production remained mostly flat week over week at 91.6 Bcf/d, a 0.2% increase compared with the previous report week. Average net imports from Canada decreased by 5.6% from last week.

**Warm weather increases cooling demand.** Total U.S. consumption of natural gas rose by 0.4% compared with the previous report week, according to data from IHS Markit. Natural gas consumed for power generation climbed by 4.1% week over week, as temperatures were [warmer than normal for most of the country](#), increasing cooling demand. Industrial sector consumption decreased by 3.3% week over week. In the residential and commercial sectors, consumption declined slightly by 0.4%. Natural gas exports to Mexico decreased 0.5%. Natural gas deliveries to U.S. liquefied natural gas (LNG) export facilities (LNG pipeline receipts) exceeded 11 Bcf/d again this week, averaging 11.2 Bcf/d, or 0.13 Bcf/d lower than last week.

**U.S. LNG exports increase week over week.** Twenty two LNG vessels (seven from Sabine Pass, five from Corpus Christi, four each from Cameron and Freeport, and one each from Cove Point and Elba Island) with a combined LNG-carrying capacity of 84 Bcf departed the United States between April 29 and May 5, 2021, according to shipping data provided by Bloomberg Finance, L.P.

The ODNR quarterly report lists 2,723 horizontal shale wells, 2,674 of which reported oil and natural gas production during the quarter.

There are currently 3,396 Utica Permits, and 2,885 Utica shale wells drilled.

There was a total of 2,326,539,953 Bcf produced in the calendar year of 2020.

As of May 4, the national total rig count increased to 477.