

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

**Prices July 13, 2021**

NYMEX Settle – July - 2021	\$3.62
One Year NYMEX strip (Aug. 2021 – July 2022)	\$3.46
Summer NYMEX strip for 2021 (Aug.-October, 2021)	\$3.70
Winter NYMEX strip – 2021 (Nov., 2021 – Mar. 2022)	\$3.79

TCO Index Posting – July, 2021	\$3.02
DTI Index Posting – July, 2021	\$2.69

July 8, 2021 Storage Report:

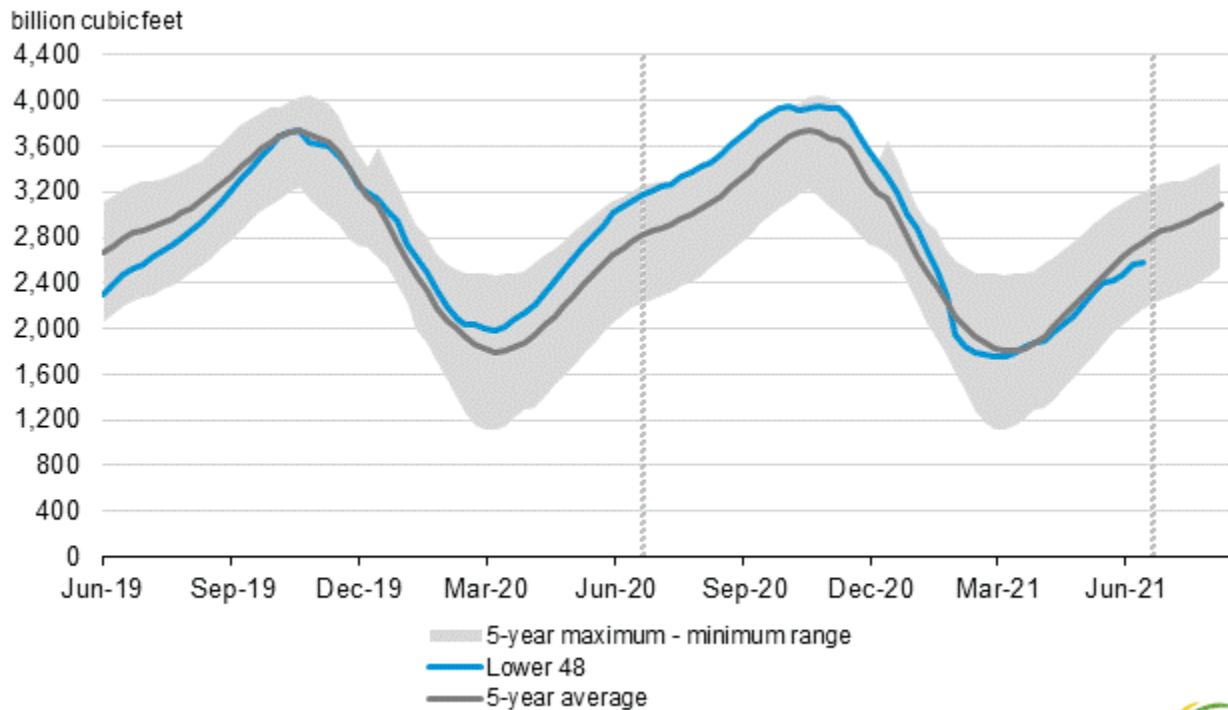
Working gas in underground storage, Lower 48 states

Region	Stocks billion cubic feet (Bcf)				Historical Comparisons			
	07/02/21	06/25/21	net change	implied flow	Year ago (07/02/20)		5-year average (2016-20)	
					Bcf	% change	Bcf	% change
<b>East</b>	521	513	8	8	654	-20.3	578	-9.9
<b>Midwest</b>	638	623	15	15	758	-15.8	6566	-2.7
<b>Mountain</b>	177	173	4	4	179	-1.1	170	4.1
<b>Pacific</b>	246	244	2	2	309	-20.4	286	-14.0
<b>South Central</b>	991	1,005	-14	-14	1,225	-19.1	1,075	-7.8
<b>Salt</b>	286	296	-10	-10	365	-21.6	310	-737
<b>Nonsalt</b>	705	709	-4	-4	861	-18.1	765	-7.8
<b>Total</b>	<b>2,574</b>	<b>2,558</b>	<b>16</b>	<b>16</b>	<b>3,125</b>	<b>-17.6</b>	<b>2,764</b>	<b>-6.9</b>

## Summary

Working gas in storage was 2,574 Bcf as of Friday, July 2, 2021, according to EIA estimates. This represents a net increase of 16 Bcf from the previous week. Stocks were 551 Bcf less than last year at this time and 190 Bcf below the five-year average of 2,764 Bcf. At 2,574 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 declined sharply and then rose this week.** At the Algonquin Citygate, which serves [Boston-area](#) consumers, the price went down \$1.18 from \$4.19/MMBtu last Wednesday to \$3.01/MMBtu yesterday after reaching a low for the week of \$2.76/MMBtu. At the Transcontinental Pipeline Zone 6 trading point for New York City, the price increased 7¢ from \$3.19/MMBtu last Wednesday to \$3.26/MMBtu yesterday, an increase from the 28¢ drop from last Wednesday, June 30 to Thursday, July 1.

**Appalachia Basin price movements are mixed this week.** The Tennessee Zone 4 Marcellus spot price increased 6¢ from \$2.59/MMBtu last Wednesday to \$2.65/MMBtu yesterday. The price at Eastern Gas South (formerly known as Dominion South until June 1, 2021) in Southwest Pennsylvania fell 8¢ from \$2.81/MMBtu last Wednesday to \$2.73/MMBtu yesterday after reaching a low of \$2.66/MMBtu last Thursday.

**Natural gas consumption by the electric power sector declines this week as record temperatures ease.** Total U.S. consumption of natural gas fell by 3.8% compared with the previous report week, according to data from IHS Markit. [All-time high temperatures](#) in the West and higher-than-normal temperatures in the South [eased this week](#), lessening natural gas consumption for power generation, which declined by 5.8% week over week. Consumption in the residential and commercial sectors also declined this week by 4.1%. Industrial sector consumption decreased by 0.1% week over week. Natural gas exports to Mexico decreased 2.9% and intermittent maintenance continued [at the Agua Dulce and Brownsville Compressor stations](#). Natural gas deliveries to U.S. liquefied natural gas (LNG) export facilities (LNG pipeline receipts) averaged 10.9 Bcf/d, or 0.11 Bcf/d lower than last week.

**U.S. LNG exports decrease week over week.** Twenty LNG vessels (six from Sabine Pass; four each from Cameron, Corpus Christi, and Freeport; and two from Cove Point) with a combined LNG-carrying capacity of 75 Bcf departed the United States between July 1 and July 7, 2021, according to shipping data provided by Bloomberg Finance, L.P.

Sabine Pass LNG received [authorization](#) from the Federal Energy Regulatory Commission (FERC) to introduce fuel gas and commission the fuel gas system for Train 6, which is currently under construction. Sabine Pass LNG has five LNG liquefaction units (called trains) in operation and is the largest U.S. LNG export facility, with a combined capacity of 3.0 Bcf/d baseload (3.5 Bcf/d peak). The sixth train is the final train and will expand Sabine Pass's LNG export capacity by an additional 0.7 Bcf/d (peak). Train 6 is expected to start LNG production by the end of this year and enter commercial service in the first quarter of 2022.

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 3,428 Utica Permits, and 2,914 Utica shale wells drilled.

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

As of July 4, the national total rig count increased to 470.