
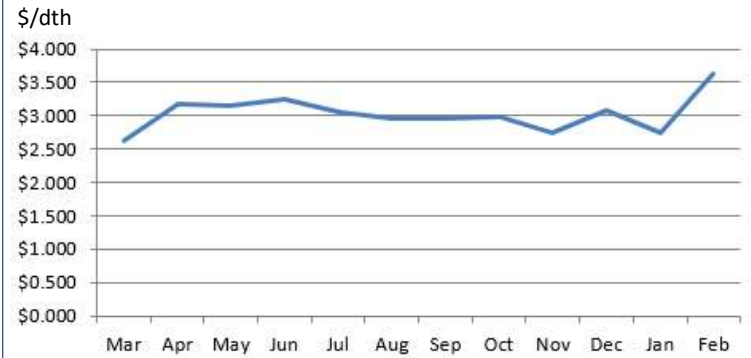


News Tracker:

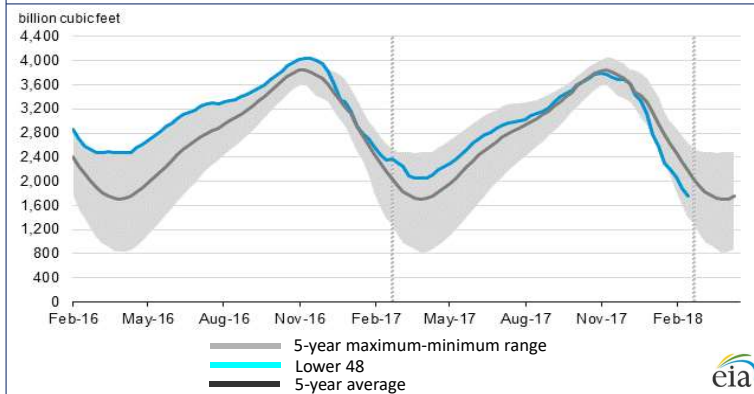
- Natural gas spot prices rose at most locations this from Wednesday, February 14 to Wednesday, February 21 (the Report Week). The Henry Hub spot price rose from \$2.51 per million British thermal units (MMBtu) to \$2.65/MMBtu from start to finish of the Report Week.
- At the New York Mercantile Exchange (Nymex), the March 2018 natural gas futures contract price rose 7¢ from \$2.587/MMBtu to \$2.659/MMBtu from open to close of the Report Week.
- Total U.S. consumption of natural gas fell by 14% compared with the previous report week, according to data from PointLogic Energy. Natural gas consumed for power generation declined by 4% week over week. Industrial sector consumption decreased by 6% week over week. Residential and commercial sector consumption declined by 24% week over week, largely because of warmer temperatures in the eastern half of the country. Natural gas exports to Mexico decreased 3%.
- Net withdrawals from storage totaled 124 Bcf for the week ending February 16, compared with the five-year (2013-17) average net withdrawal of 145 Bcf and last year's net withdrawals of 92 Bcf during the same week. Working gas stocks totaled 1,760 Bcf, which is 412 Bcf (or 19%) less than the five-year average and 609 Bcf (or 26%) less than last year at this time. Working gas stocks in all regions in the Lower 48 states are lower than year-ago levels.
- The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 27¢, averaging \$7.50/MMBtu for the week ending February 21. The price of ethane fell by 2%. The prices of natural gasoline and propane both rose by 3%, while butane and isobutane prices rose by 11% and 9%, respectively.
- According to Baker Hughes, for the week ending Tuesday, February 13, the natural gas rig count decreased by 7 to 177. The number of oil-directed rigs rose by 7 to 798. The total rig count remained at 975.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Mar 2017 - Feb 2018:



Working nat. gas in underground storage as of February 16, 2018

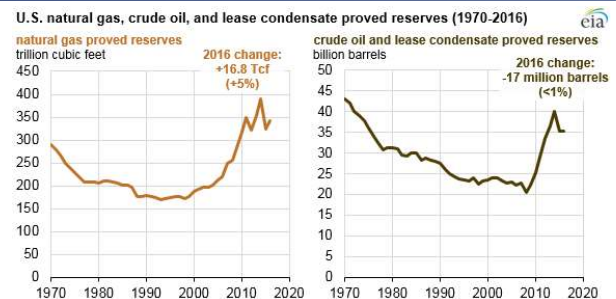


Forward 12-month NYMEX natural gas strip price - Mar18-Feb19:

Process Load-weighted \$2.816/dth - w/o/w = ▲\$0.043
 Typical Heat Load-weighted \$2.862/dth - w/o/w = ▲\$0.041

US proved reserves of natural gas up in 2016, oil reserves remain unchanged:

The US had 341.1 trillion cubic feet (Tcf) of natural gas proved reserves as of the end of 2016, an increase of 5% from 2015, according to EIA's recently released U.S. Crude Oil and Natural Gas Proved Reserves report. US crude oil and lease condensate proved reserves remained virtually unchanged from their 2015 level, at 35.2 billion barrels. Proved reserves are those volumes of oil and natural gas that geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions. Changes in proved reserves from year to year reflect new discoveries, either in new fields, new reservoirs in old fields, or extensions of existing reservoirs; net revisions and other adjustments to previous reserve estimates; and reductions from annual production of each fuel. Pennsylvania had the largest net increase in natural gas proved reserves of all states between 2015 and 2016, adding 6.1 Tcf of natural gas proved reserves in the Marcellus Shale play in the Appalachian Basin. Following a record high set in 2015, US production of natural gas decreased 1% between 2015 and 2016, the first annual decline in US natural gas production in 10 years. The share of natural gas proved reserves from shale compared with total natural gas increased from 54% to 62% in 2016 because gas reserves were added in several shales, including the Wolfcamp, Marcellus, Eagle Ford, Utica, Woodford, and Haynesville shales. Texas had the largest net increase in proved reserves of crude oil and lease condensate of all states between 2015 and 2016, adding 941 million barrels of proved crude oil and lease condensate reserves, mostly from development in the Permian Basin. Operators drilled and completed long horizontal wells into the stacked oil-bearing formations of the Spraberry Trend and the Wolfcamp Shale. Between 2015 and 2016, U.S. production of crude oil and lease condensate decreased by 6%.



Excerpted from 

“Comfort and prosperity have never enriched the world as much as adversity has.” -Billy Graham¹