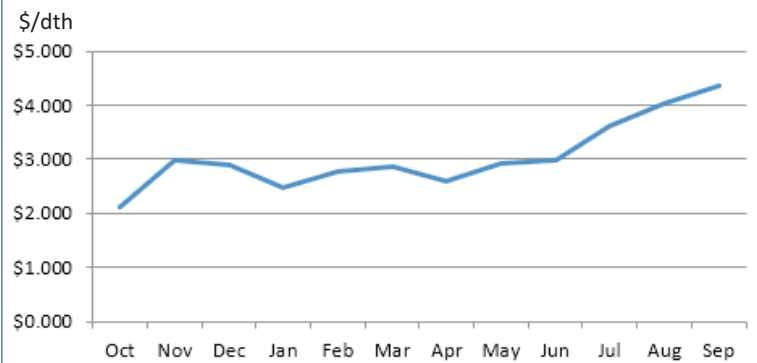


Newstracker:

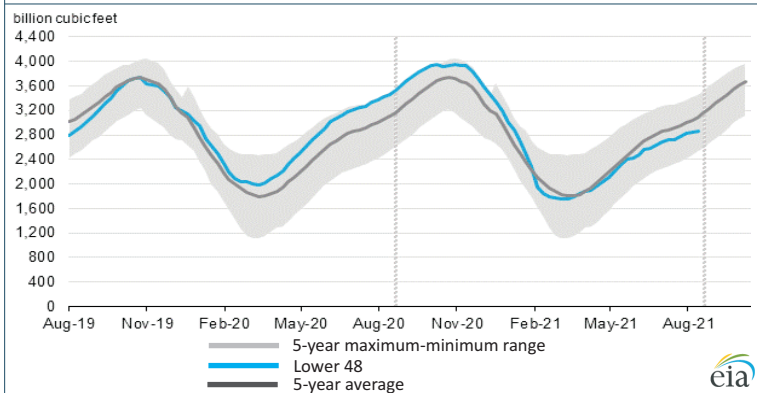
- Natural gas spot prices rose at most locations from Wednesday, August 25, to Wednesday, September 1 (the Report Week), during which the Henry Hub spot price rose from \$4.01/MMBtu to \$4.46/MMBtu.
- The September 2021 NYMEX natural gas futures contract expired Friday, August 27 at \$4.370/MMBtu, up 47¢/MMBtu. The October 2021 NYMEX contract price increased to \$4.615/MMBtu, up 69¢/MMBtu from Wednesday, August 25 to Wednesday, September 1. The price of the 12-month strip averaging October 2021 through September 2022 futures contracts climbed 41¢/MMBtu to \$4.066/MMBtu. Much of the price increase was attributable to supply disruption caused by Hurricane Ida.
- Net natural gas injections into storage totaled 20 Bcf for the week ending August 27, compared with the five-year (2016-2020) average net injections of 53 Bcf and last year's net injections of 36 Bcf during the same week. Working natural gas stocks totaled 2,871 Bcf, which is 222 Bcf (7%) lower than the five-year average and 579 Bcf (17%) lower than last year at this time.
- Average total US consumption of natural gas fell by 1.4%, or 1.0 Bcf/d, compared with the prior Report Week. Natural gas demand for power generation fell by 2.3%, or 0.9 Bcf/d, as temperatures moderated near the end of the report week across the central and northeastern US. The industrial sector and pipeline fuel use decreased by 0.6% and 2.9% (or 0.1 Bcf/d and 0.2 Bcf/d), respectively. Demand in the residential and commercial sector was relatively flat week over week, as were pipeline receipts at LNG export terminals. Exports to Mexico increased by 4.1%, or 0.2 Bcf/d.
- The natural gas plant liquids composite price at Mont Belvieu, Texas, rose by 27¢/MMBtu, averaging \$9.84/MMBtu for the week ending September 1. Isobutane and natural gasoline prices rose 4%, following the 4% increase in Brent crude oil prices.
- According to Baker Hughes, as of August 24, the natural gas rig count remained flat at 97 rigs. The number of oil-directed rigs rose by 5 rigs to 410 rigs. The total rig count increased by 5 rigs, and it now stands at 508 rigs, or 264 rigs (108%) above the August 14, 2020, total of 244 rigs, which was the lowest level in the past 20 years.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Oct 2020 - Sep 2021:



Working natural gas in underground storage as of August 27, 2021

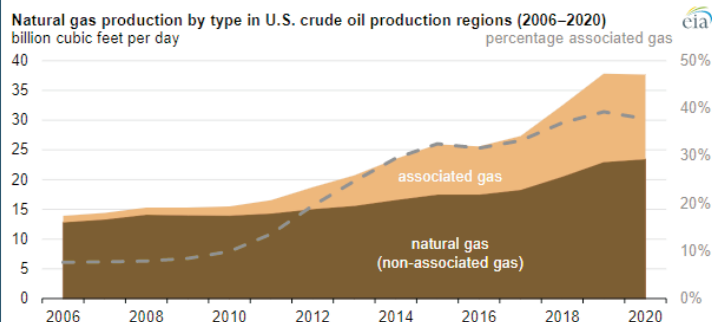


Forward 12-month NYMEX natural gas strip price - Oct21-Sep22:

Process Load-weighted \$4.066/dth - w/o/w = ▲ \$0.406
Heat Load-weighted \$4.377/dth - w/o/w = ▲ \$0.513

Associated natural gas production declines in 2020, following three years of growth:

In 2020, annual production of associated-dissolved natural gas (or associated gas) which is natural gas produced from oil wells declined in the combined five major US onshore crude oil-producing regions for the first time since 2016. The share of associated gas produced in these five regions (Permian, Bakken, Eagle Ford, Niobrara, and Anadarko) declined by 1.5% year over year and averaged 37.7% of natural gas production in the regions. Associated gas production averaged 14.2 billion cubic feet per day (Bcf/d) in 2020 (a 4.1% decline from 2019) amid a 9.2% drop in oil production in these regions. When natural gas dissolves in crude oil under the pressure of a rock formation, associated gas is released when the pressure on the crude oil is relieved by bringing it to the surface. Until 2020, the share of associated gas in these five regions, along with oil production, had been increasing. Between 2016



and 2019, associated gas production grew at its most rapid pace (6.1 Bcf/d) because of high levels of new crude oil production. Production of both crude oil and associated gas in 2020 declined with decreased demand for crude oil following responses to the COVID-19 pandemic. Associated gas contains natural gas plant liquids (NGPLs) such as ethane, propane, normal butane, isobutane, and natural gasoline. NGPLs are used as feedstocks to produce plastics, fibers, and other products; they are also used for heating and for transportation. Despite the 2020 decline in associated gas, years of rising associated gas production led to record high volumes of NGPL production in 2020, driven by high ethane demand. Ethane consumption has been growing steadily both domestically and through exports since 2014.

Excerpted from 

“I’m not interested in my legacy. I made up a word: ‘live-acy.’ I’m more interested in living.” -John Glenn¹