

Newstracker:

-Natural gas spot prices were mixed from Wednesday, April 19, to Wednesday, April 26 (the Report Week), during which the Henry Hub spot price fell 1 cent to \$2.19/MMBtu.


-The May 2023 NYMEX natural gas futures contract expired on Wednesday at \$2.117/MMBtu, down 11 cents from the previous Wednesday. The June 2023 NYMEX contract price decreased to \$2.305/MMBtu, down 9 cents from last Report Week. The price of the 12-month strip averaging June 2023 through May 2024 futures contracts declined 4 cents to \$3.042/MMBtu. International natural gas futures prices decreased this Report Week, with LNG cargoes in East Asia decreasing 66 cents to a weekly average of \$11.90/MMBtu and prices at TTF in the Netherlands decreasing 51 cents to a weekly average of \$12.84/MMBtu. In the same week last year, prices were \$25.26/MMBtu in East Asia and \$10.29/MMBtu at TTF.

-Net natural gas injections into storage totaled 79 Bcf for the week ending April 21, compared with the five-year average net injections of 43 Bcf and last year's net injections of 42 Bcf during the same week. Working natural gas stocks totaled 2,009 Bcf, which is 365 Bcf (22%) more than the five-year average and 525 Bcf (35%) more than last year at this time.

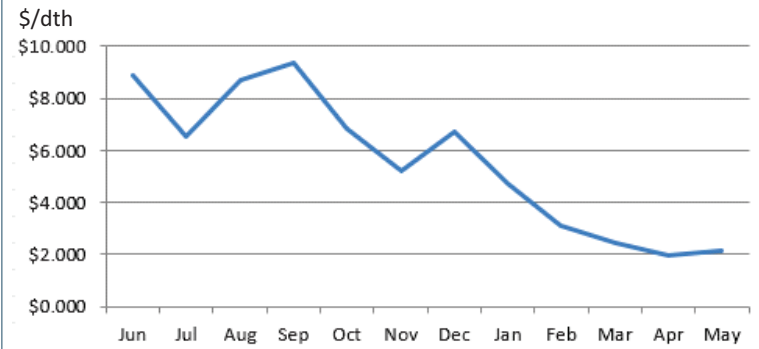
-Total US consumption of natural gas rose by 6.7% (4.5 Bcf/d) compared with the previous Report Week. In the residential and commercial sectors, natural gas consumption increased by 21.1% (3.6 Bcf/d) as below-normal temperatures spread across much of the US this week. Natural gas consumed for power generation rose by 1.9% (0.5 Bcf/d), and natural gas consumed by the industrial sector also rose by 1.9% (0.4 Bcf/d). Natural gas exports to Mexico increased 9.4% (0.5 Bcf/d). Natural gas deliveries to US LNG export facilities averaged 14.0 Bcf/d, or 0.5 Bcf/d lower than last week.

-The natural gas plant liquids composite price at Mont Belvieu, Texas, fell by 16 cents/MMBtu, averaging \$7.18/MMBtu for the week ending April 26. Propane prices fell 4%, while the Brent crude oil price fell by 6%, resulting in a 9% decrease in the propane discount relative to crude oil.

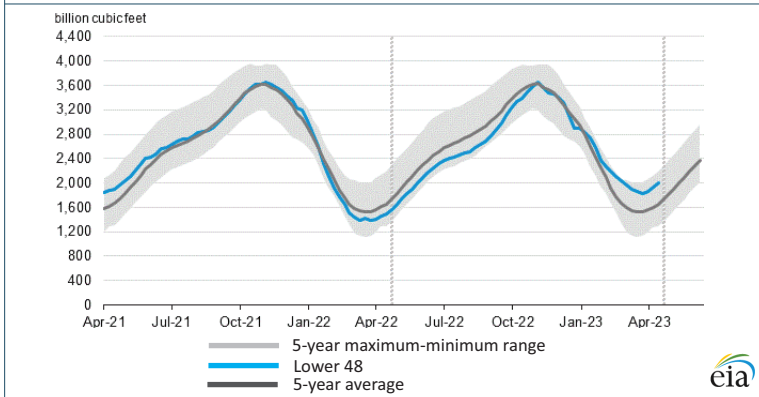
-For the week ending Tuesday, April 18, the natural gas rig count rose by 2 rigs from a week ago to 159 rigs. The number of oil-directed rigs rose 3 rigs from a week ago to 591 rigs. The total rig count, which includes 3 miscellaneous rigs, is 753, or 58 more rigs than last year at this time.

Excerpted from 

Monthly NYMEX Natural Gas Settle Price: Jun 2022 - May 2023:



Working natural gas in underground storage as of Apr. 21, 2023

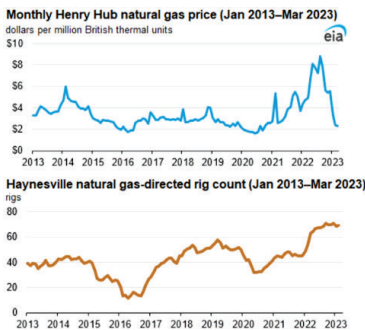


Forward 12-month NYMEX natural gas strip price - Jun23-May24:

Process Load-weighted \$3.042/dth - w/o/w = ▲\$0.038
 Typical Heat Load-weighted \$3.348/dth - w/o/w = ▲\$0.020

Haynesville natural gas production reached a record high in February 2023:

Dry natural gas production from the Haynesville shale play in northeastern Texas and northwestern Louisiana reached new highs in February 2023, averaging 14.4 Bcf/d, 9% more than the annual 2022 average of 13.2 Bcf/d. Haynesville natural gas production in February accounted for about 14% of all US dry natural gas production. The Haynesville is the third-largest shale gas-producing play in the US, behind the Permian play in Texas and New Mexico, and the Marcellus play in the Appalachian Basin. In 2022, dry natural gas production averaged 25.2 Bcf/d from the Marcellus (83% of Appalachian Basin production), and 15.4 Bcf/d from the Permian play. Altogether, the Marcellus, the Permian, and the Haynesville account for 55% of US dry natural gas production. Natural gas production in the Haynesville increased in 2022, from an average 12.4 Bcf/d in January to 14.1 Bcf/d in December. Natural gas prices rose relatively steadily throughout most of 2022 as well. The US benchmark Henry Hub reached a monthly high for the year in August at \$8.81/MMBtu. The Henry Hub price declined in the second half of 2022 to average \$5.53/MMBtu in December but was 26% higher than at the start of the year. Drilling costs in the Haynesville tend to be higher because natural gas wells in the play are deeper than in other plays. As natural gas prices rose in 2022, economics for developing new wells in the Haynesville improved, which led some producers to add more rigs in the play and increase production. The rise in active natural gas-directed rigs in the Haynesville in 2022 followed rising natural gas prices. In the Haynesville, an average of 65 rigs were in operation in 2022, which was 43% more than the average number of active rigs in 2021. In the first three months of 2023, as natural gas prices fell, the number of active rigs in the Haynesville plateaued at about 68 rigs. Pipeline takeaway capacity out of the Haynesville is currently estimated to be around 16 Bcf/d. The Enterprise Products Partners' Gillis Lateral pipeline and the associated expansion of the Acadian Haynesville Extension, which move natural gas from the Haynesville to demand centers and liquefied natural gas terminals along the US Gulf Coast, were the most recent pipeline projects to enter service (December 2021) in the area.



“I’ve never been more happy for a strikeout in my life.” -Drew Maggi¹

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¹<https://pittsburghbaseballnow.com/after-13-minor-league-seasons-drew-maggi-finally-gets-his-moment/>