

NATURAL GAS



NEWS

AUGUST 3, 2018

Prior Day's NYMEX Aug-18 Contract (CT)



NYMEX NG Futures

Month	Close	Change
Sep-18	2.816	0.058
Oct-18	2.822	0.052
Nov-18	2.857	0.046
Dec-18	2.958	0.039
Jan-19	3.043	0.038
Feb-19	3.006	0.035
Mar-19	2.903	0.035
Apr-19	2.605	0.023
May-19	2.578	0.022
Jun-19	2.608	0.022
Jul-19	2.642	0.023
Aug-19	2.648	0.022
Sep-19	2.629	0.021
Oct-19	2.645	0.020
Nov-19	2.696	0.019
Dec-19	2.823	0.017
Jan-20	2.918	0.018
Feb-20	2.881	0.018
Mar-20	2.778	0.015
Apr-20	2.490	0.012
May-20	2.454	0.010
Jun-20	2.483	0.010
Jul-20	2.513	0.010
Aug-20	2.520	0.010
1YR Strip	2.791	0.035
2018	2.863	0.049
5YR Strip	2.647	0.013

IN THE NEWS

A Price Spike Looms For Natural Gas— Oil Price reported: U.S. natural gas inventories are at low levels, raising the risk that prices could receive a jolt this winter if a cold snap hits. The U.S. natural gas market is cyclical. Demand spikes in the winter as people and businesses turn up the heat, but consumption dips in spring and fall because of mild temperatures. That means that

- **A Price Spike Looms For Natural Gas**
- **Billions at Risk for U.S. LNG Exports on China 25% Tariffs**

between November and March, gas inventories are drawn down, only to be replenished between April and October.

The peaks and valleys of this market fluctuate from year to year, but generally they follow a predictable pattern. However, at the same time, U.S. natural gas demand is rising on a structural basis, as coal plants shut down and more gas-fired generation comes online. Plus, gas exports in the form of LNG are steadily on the rise. That means that while demand continues to follow a cyclical pattern, both the peaks and the valleys of this pattern are rising steadily over time. For more on this story visit oilprice.com or click <https://bit.ly/2n7IZpC>

Billions at Risk for U.S. LNG Exports on China 25% Tariffs— Bloomberg reported: China is proposing a 25 percent tariff on imports of U.S. liquefied natural gas as retaliation for the Trump Administration's latest push to increase tariffs on the Asian giant. The shares of America's largest gas exporter, Cheniere Energy Inc., fell on the report. Such a move would be a major blow for America's emerging business to export the chilled fuel abroad, a key outlet needed for shale supplies growing at a record clip this year. It's the first time the fuel has been ensnared by the expanding trade war, and comes as Russia plans to begin pumping gas to China through its newly-built 2,500-mile (4,000 kilometer) Power of Siberia pipeline by the end of 2019. Billions of U.S. dollars may hang in the balance as Cheniere, Tellurian Inc. and other developers have been courting utilities and state-backed companies in the Asian country to justify construction of more terminals to ship the super-chilled form of natural gas. For more on this story visit bloomberg.com or click <https://bloom.bg/2LNwMff>

12 MONTH CANDLESTICK (WEEKLY)



Prompt Natural Gas (NG) Daily Sentiment

BULLISH



RESISTANCE

2.85 & 2.88

SUPPORT

2.76 & 2.71

Trading Summary

NATURAL GAS

Futures	Close	Change
NG	2.816	0.058
Volume	460,999	(323,531)
Open Int.	1,576,382	25,129

CRUDE AND GASOLINE

Futures	Close	Change
Crude	68.96	1.30
RBOB	2.0681	0.0230
Crude/NG	24.49	(0.04)

METALS

Futures	Close	Change
Gold	1,210.60	6.30

EQUITIES

Exchange	Close	Change
DOW	25,404.25	78.09
S&P 500	-1,471.49	7.40

CURRENCY

Currency	Close	Change
EUR/USD	1.1592	0.0007
USD/CND	1.2405	(0.0046)

Contact Us



Mansfield Energy Corp

1025 Airport Pkwy
Gainesville, GA 30501

www.mansfield.energy

info@mansfieldoil.com

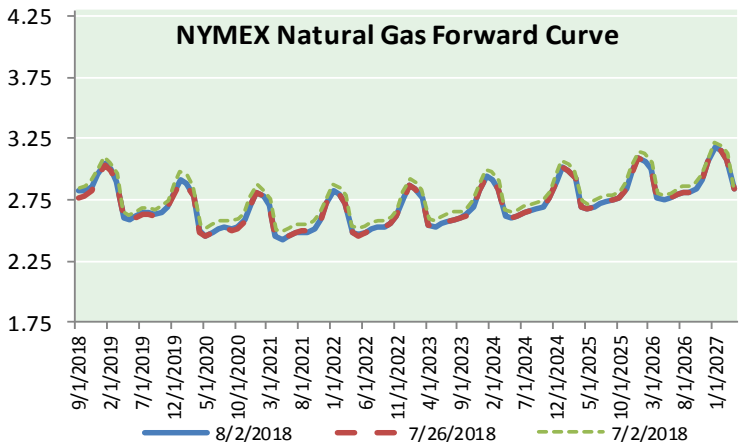
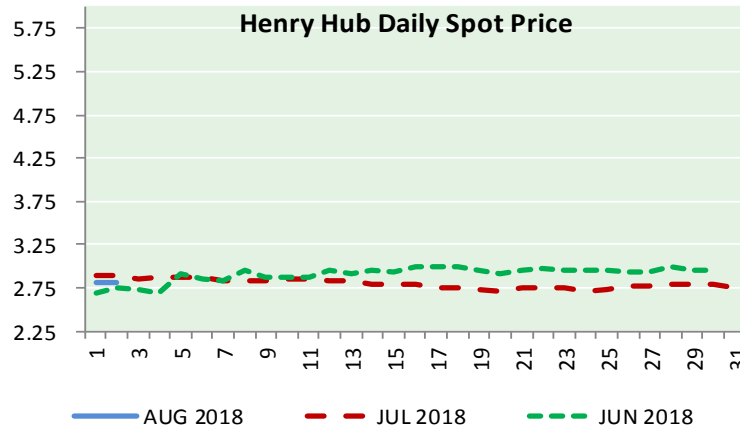
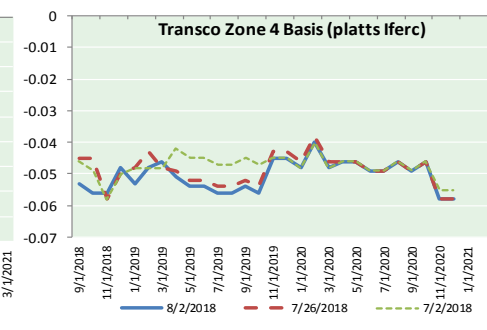
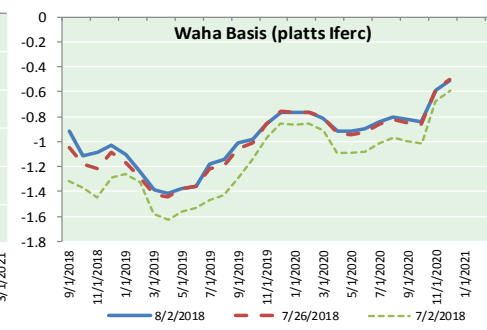
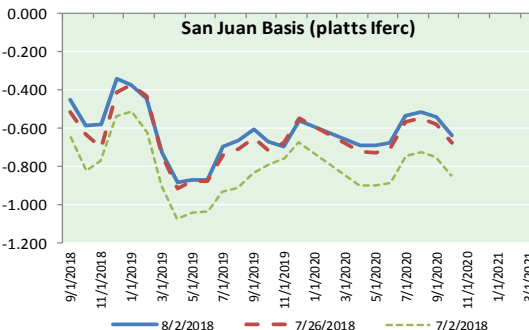
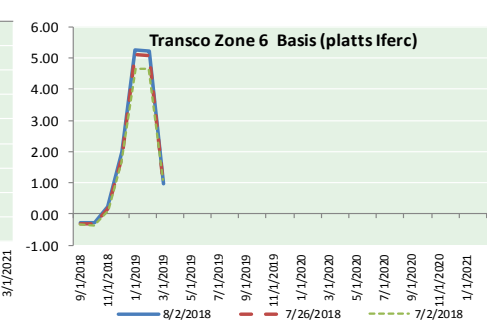
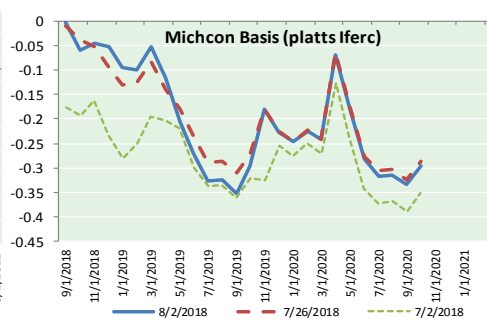
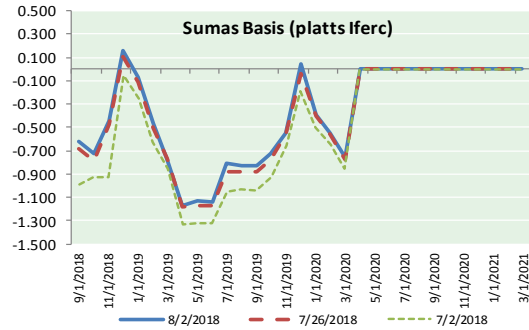
Phone: (800) 695-6626



NATURAL GAS NEWS



NATURAL GAS BASIS FUTURES, HENRY HUB SPOT PRICES, AND FORWARD CURVE



NYMEX WTI Delivery

Month Average (\$/bbl)

(Excluding Weekends and Holidays)

Month: August 2018

Day	Price	Day	Price
1	67.66	16	
2	68.96	17	
3		18	
4		19	
5		20	
6		21	
7		22	
8		23	
9		24	
10		25	
11		26	
12		27	
13		28	
14		29	
15		30	
		31	

Average (Aug) 68.3100
(through 08/02/2018)

Average (Jul) 70.5819

Average (Jun) 67.3229

CME NG Option Prices

ATM Call

Month	Strike	Close	Imp Vol
Oct-18			
Nov-18	2.850	0.079	16.9
Dec-18			
Jan-19			
Feb-19			

CME NG Option Prices

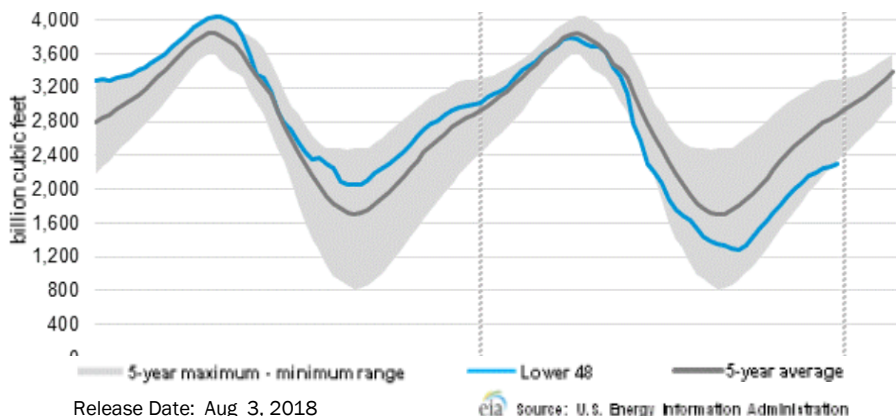
ATM Put

Month	Strike	Close	Imp Vol
Oct-18			
Nov-18	2.850	0.110	26.2
Dec-18			
Jan-19			
Feb-19			

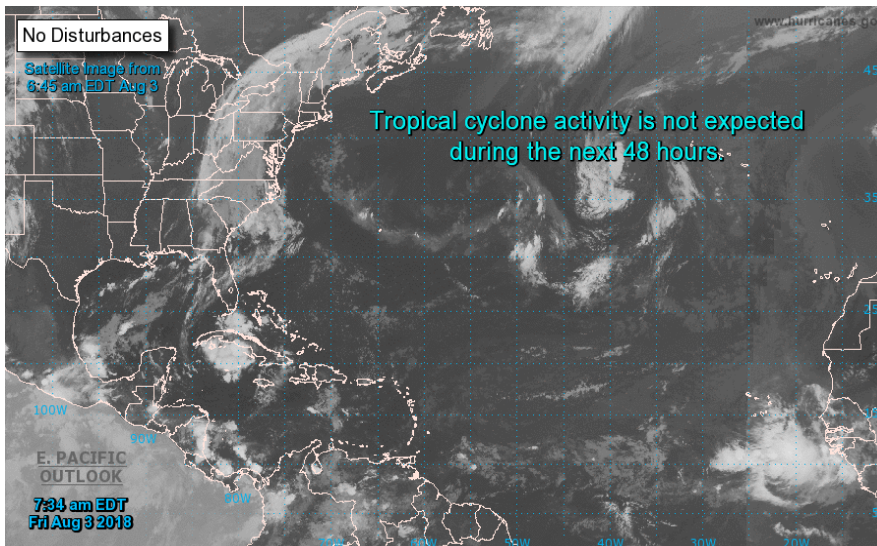


NATURAL GAS NEWS

WEEKLY GAS IN UNDERGROUND STORAGE WITH 5-YR RANGE

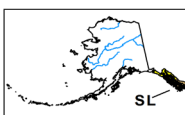
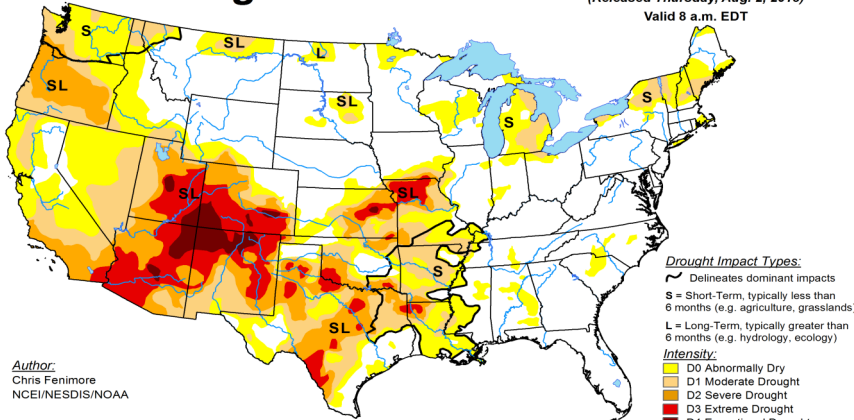


TROPICAL STORM ACTIVITY— ATLANTIC



U.S. Drought Monitor

July 31, 2018
 (Released Thursday, Aug. 2, 2018)
 Valid 8 a.m. EDT



USDA, NDMC, NOAA logos and URL: <http://droughtmonitor.unl.edu/>

Rig Count

Report Date: July 27, 2018

	Total	Change
US -	1048	+2
CN -	223	+12

EIA Weekly NG Storage Actual and Surveys for August 3, 2018

Released July 26, 2018

Range (35) to (74)

PIRA — (40)

Citi Futures — (44)

Reuters — (41)

Total Working Gas In Storage

2,308 BCF

35 BCF (LAST WEEK)

(668) BCF (LAST YEAR)

(565) BCF (5-YR AVG)

U.S. Natural Gas Supply Gas Week 7/26 — 8/1

Average daily values (BCF/D):

Last Year (BCF/d)

Dry Production — +73.4

Total Supply — +79.3

Last Week (BCF/d)

Dry Production — +81.0

Total Supply — +86.6

[NEXT REPORT ON Aug 10]

U.S. Natural Gas Demand Gas Week 7/26 — 8/1

Average daily values (BCF/D):

Last Year (BCF/d)

Power — +34.4

Total Demand — +73.3

Last Week (BCF/d)

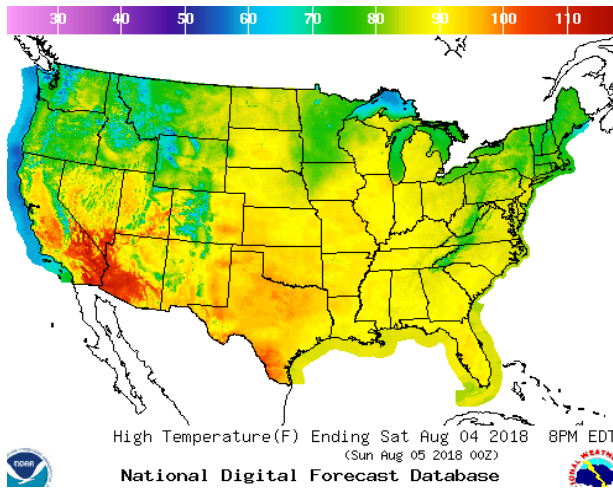
Power — +36.8

Total Demand — +78.9

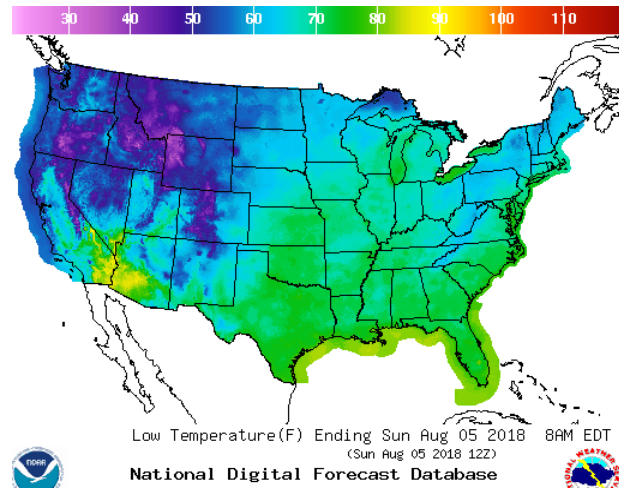
[NEXT REPORT ON Aug 10]

WEATHER – HIGH / LOW TEMPERATURE SATURDAY

HIGH Temperature

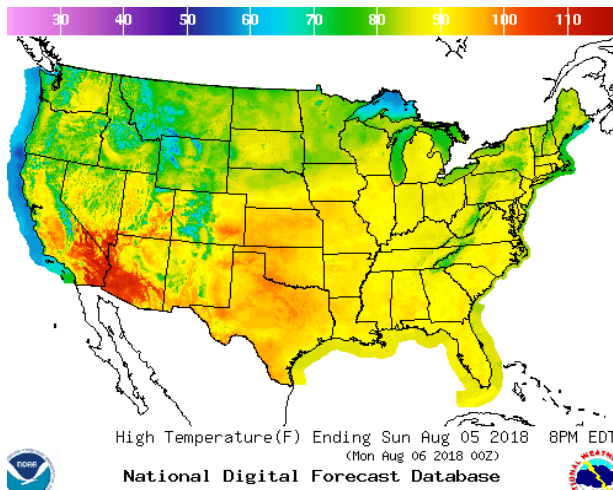


LOW Temperature

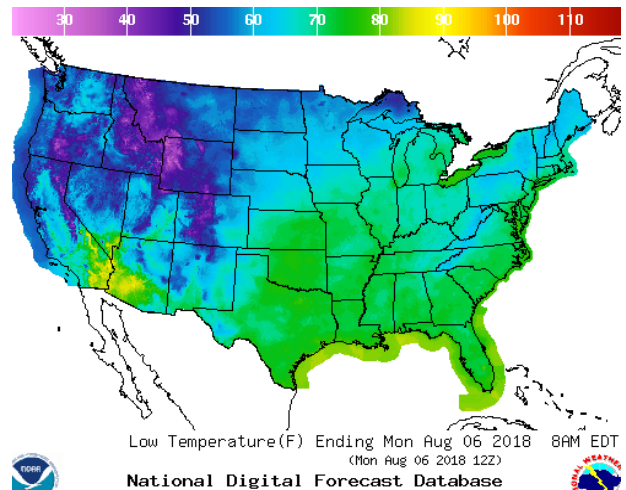


WEATHER – HIGH / LOW TEMPERATURE SUNDAY

HIGH Temperature

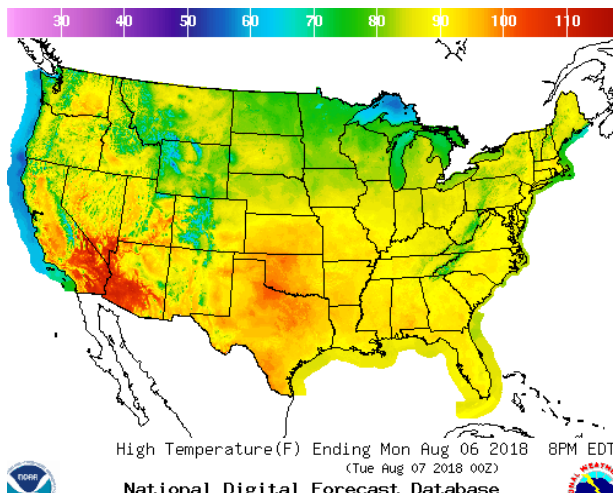


LOW Temperature

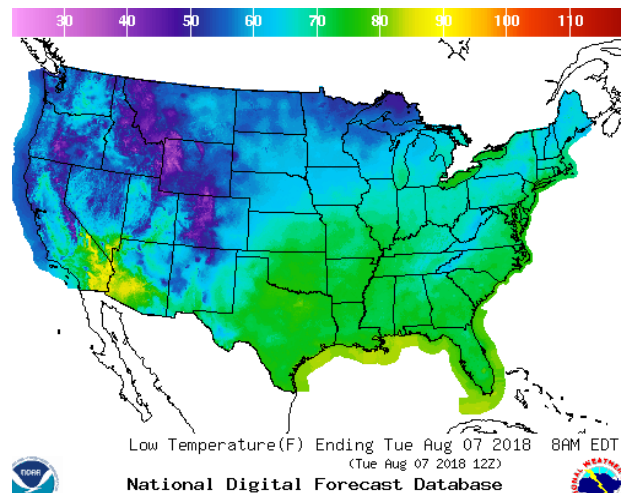


WEATHER – HIGH / LOW TEMPERATURE MONDAY

HIGH Temperature



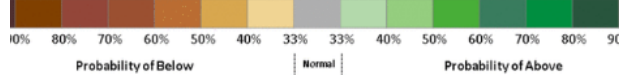
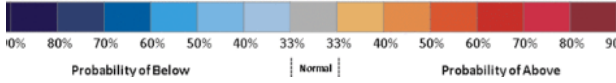
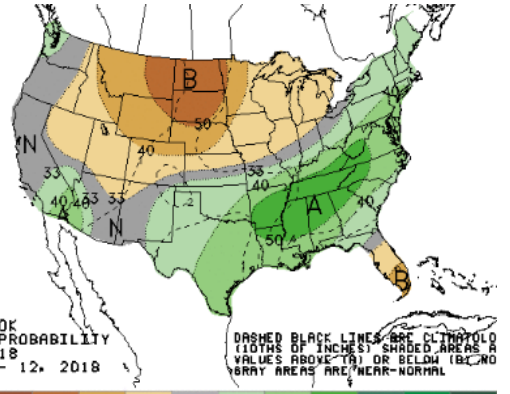
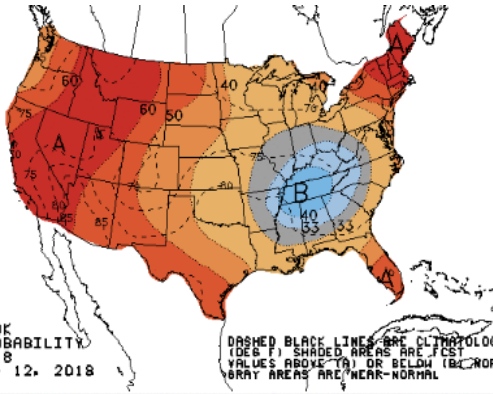
LOW Temperature



NATURAL GAS NEWS

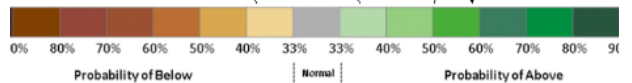
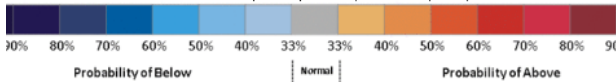
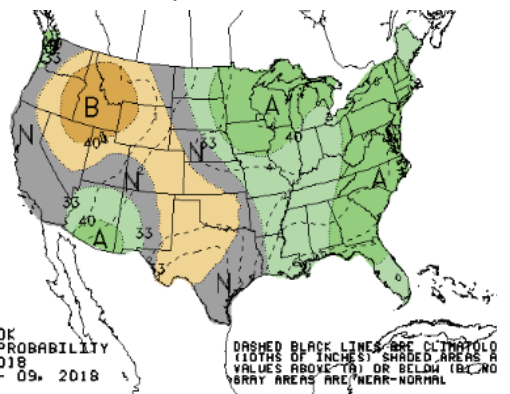
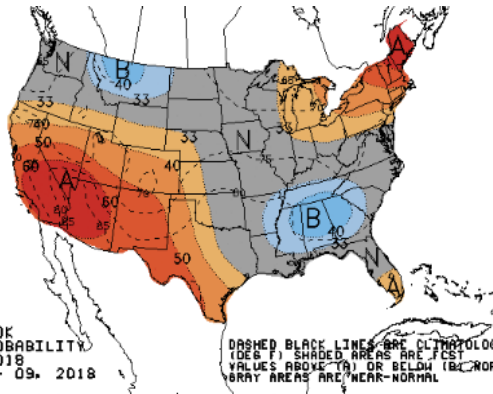
WEATHER — 6 TO 10 DAY OUTLOOK — NOAA Temperature

Precipitation



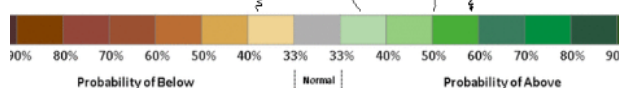
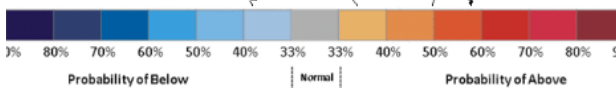
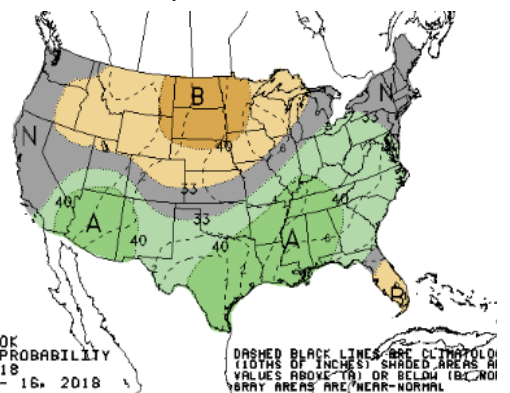
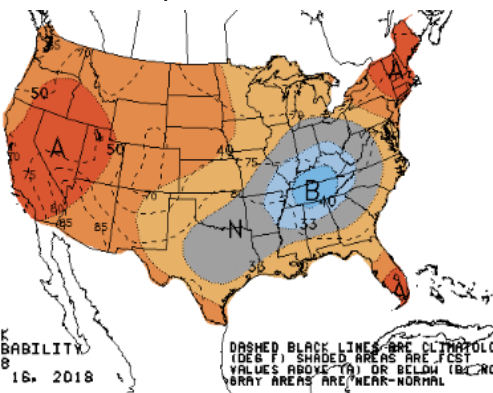
WEATHER — 8 TO 14 DAY OUTLOOK — NOAA Temperature

Precipitation



WEATHER — 30 DAY OUTLOOK — NOAA Temperature

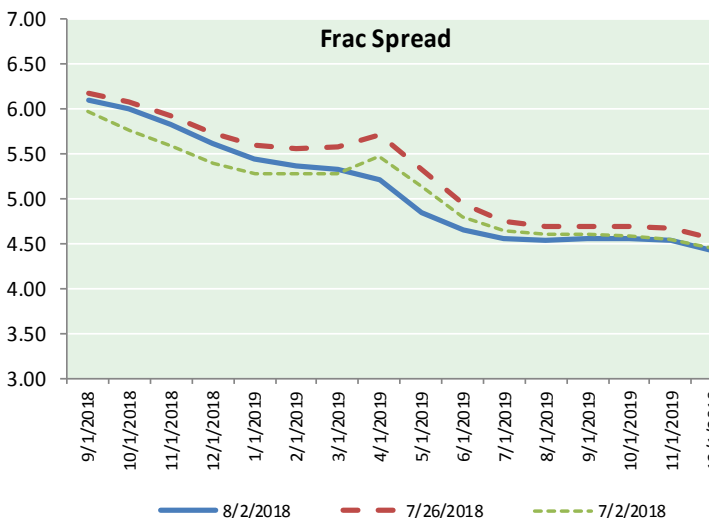
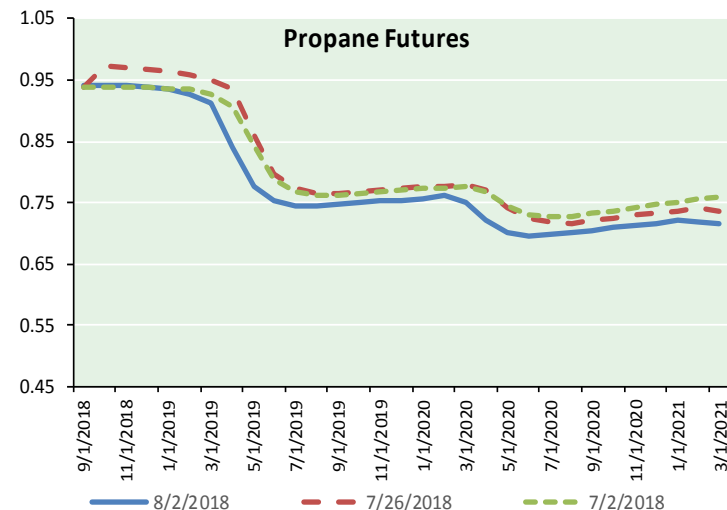
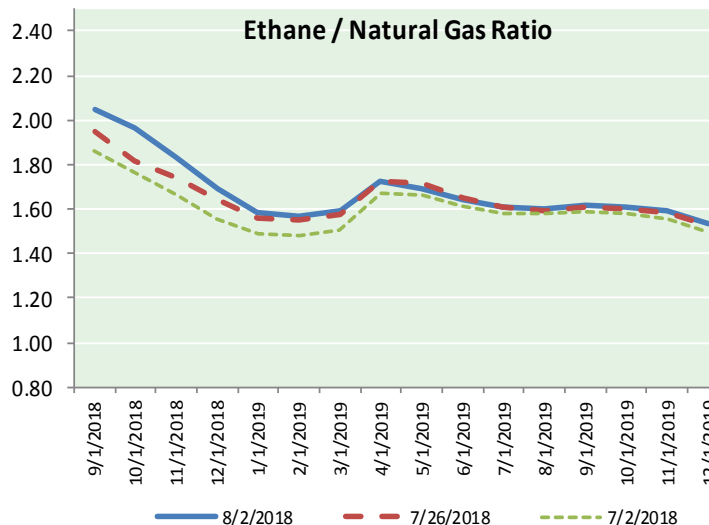
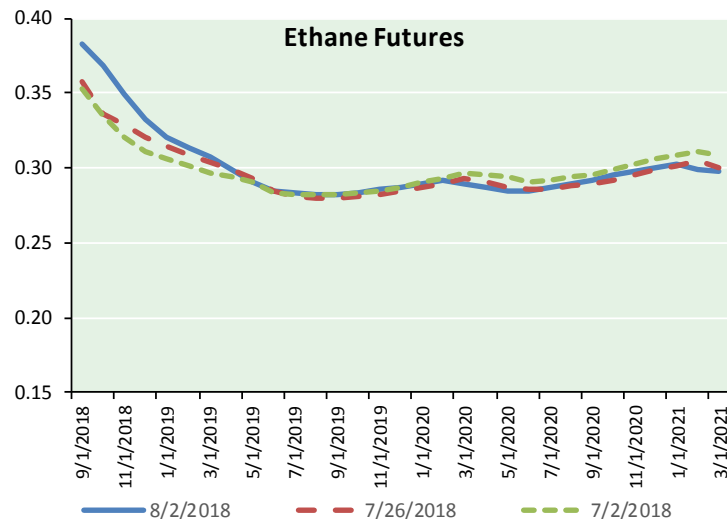
Precipitation





NATURAL GAS NEWS

ETHANE FUTURES, NG/ETHANE RATIO, PROPANE FUTURES, AND THE FRAC SPREAD



CME Future Prices

Ethane (C2)

Non-LDH— Mont Belvieu

Month	Close	Change
Sep-18	0.383	0.015
Oct-18	0.368	0.016
Nov-18	0.349	0.015
Dec-18	0.333	0.009
Jan-19	0.321	0.007
Feb-19	0.314	0.007
Mar-19	0.307	0.006
Apr-19	0.299	0.005
May-19	0.290	0.004
Jun-19	0.285	0.002
Jul-19	0.283	0.002
Aug-19	0.282	0.001

1YR Strip 0.318 0.007

CME Future Prices

Propane (C3)

Non-LDH— Mont Belvieu

Month	Close	Change
Sep-18	0.942	0.008
Oct-18	0.941	0.009
Nov-18	0.940	0.010
Dec-18	0.939	0.010
Jan-19	0.936	0.011
Feb-19	0.927	0.010
Mar-19	0.913	0.010
Apr-19	0.840	0.010
May-19	0.777	0.008
Jun-19	0.754	0.008
Jul-19	0.745	0.008
Aug-19	0.745	0.007

1YR Strip 0.866 0.009

NATURAL GAS NEWS



Prompt WTI (CL) Crude Daily Sentiment

BULLISH



RESISTANCE

69.91 & 70.85

SUPPORT

67.47 & 65.97

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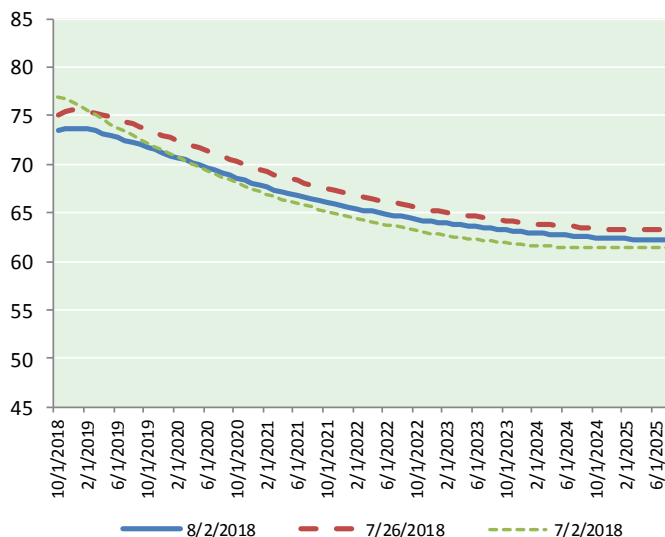
@MPG_NatGasNews

NYMEX Brent (BZ)

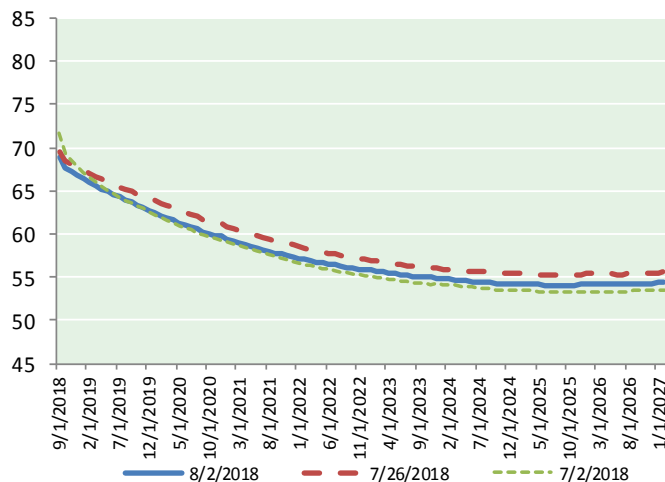
Futures

Month	Close	Change
Oct-18	73.45	1.06
Nov-18	73.68	1.01
Dec-18	73.74	0.98
Jan-19	73.69	0.95
Feb-19	73.57	0.93
Mar-19	73.39	0.91
Apr-19	73.20	0.89
May-19	72.97	0.88
Jun-19	72.72	0.88
Jul-19	72.48	0.87
Aug-19	72.24	0.87
Sep-19	72.00	0.88
Oct-19	71.72	0.88
Nov-19	71.47	0.88
Dec-19	71.17	0.88
Jan-20	70.91	0.89
Feb-20	70.66	0.89
Mar-20	70.40	0.88
Apr-20	70.14	0.88
May-20	69.88	0.86
Jun-20	69.63	0.86
Jul-20	69.37	0.86
Aug-20	69.11	0.86
Sep-20	68.85	0.86
1YR Strip	73.09	0.93
2018	73.62	1.02
5YR Strip	67.86	0.89

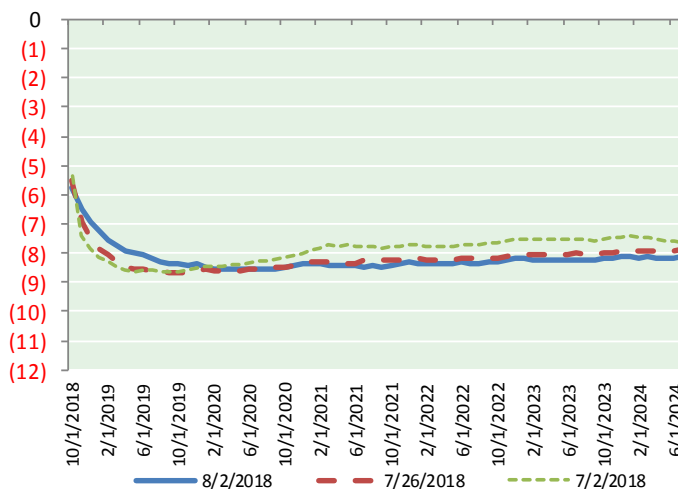
BRENT CRUDE FORWARD CURVE



WTI CRUDE FORWARD CURVE



WTI-BRENT SPREAD



FRAC Spread

Specifications

Ethane : 42%	66,500 btu/g
Propane: 28%	90,830 btu/g
Butane: 11%	102,916 btu/g
Iso-Butane: 6%	98,935 btu/g
Natural Gasoline: 13%	115,021 btu/g

Prompt NGL Futures

(\$/gallon)

Sep-18	Close	Change
Butane	1.115	0.014
Iso-Butane	1.120	(0.002)
Nat Gasoline	1.527	0.019

NYMEX WTI (CL) Futures

Month	Close	Change
Sep-18	68.96	1.30
Oct-18	67.66	1.16
Nov-18	67.18	1.07
Dec-18	66.79	1.01
Jan-19	66.45	0.99
Feb-19	66.01	0.97
Mar-19	65.62	0.94
Apr-19	65.27	0.92
May-19	64.96	0.89
Jun-19	64.64	0.83
Jul-19	64.29	0.79
Aug-19	63.96	0.77
Sep-19	63.64	0.72
Oct-19	63.35	0.68
Nov-19	63.05	0.63
Dec-19	62.78	0.60
Jan-20	62.44	0.56
Feb-20	62.13	0.53
Mar-20	61.83	0.51
Apr-20	61.57	0.50
May-20	61.33	0.48
Jun-20	61.09	0.46
Jul-20	60.81	0.45
Aug-20	60.57	0.44
1YR Strip	65.98	0.97
2018	67.65	1.14
5YR Strip	59.82	0.53