

MARKET NEWS AND INFORMATION

# NATURAL GAS



NEWS

DECEMBER 22, 2017

## Prior Day's NYMEX Jan-17 Contract (CT)



## NYMEX NG Futures

Month	Close	Change
Jan-18	2.598	(0.039)
Feb-18	2.592	(0.044)
Mar-18	2.559	(0.045)
Apr-18	2.510	(0.034)
May-18	2.528	(0.030)
Jun-18	2.574	(0.029)
Jul-18	2.620	(0.028)
Aug-18	2.623	(0.029)
Sep-18	2.604	(0.030)
Oct-18	2.631	(0.029)
Nov-18	2.696	(0.027)
Dec-18	2.831	(0.027)
Jan-19	2.927	(0.025)
Feb-19	2.917	(0.026)
Mar-19	2.867	(0.022)
Apr-19	2.612	(0.022)
May-19	2.596	(0.019)
Jun-19	2.626	(0.017)
Jul-19	2.658	(0.016)
Aug-19	2.659	(0.016)
Sep-19	2.645	(0.015)
Oct-19	2.671	(0.015)
Nov-19	2.720	(0.014)
Dec-19	2.863	(0.014)
1YR Strip	2.614	(0.033)
2018	2.614	(0.033)
5YR Strip	2.771	(0.004)

## IN THE NEWS

**A \$1.7 Billion Natural Gas Pipeline To Ease The Permian Glut** — Oil Price reported: Kinder Morgan Texas Pipeline, DCP Midstream, and an affiliate of Targa Resources Corp announced on Thursday a final investment decision to proceed with the Gulf Coast Express Pipeline Project (GCX Project), designed to transport up to 1.92 billion cubic feet per day (Bcf/d) of natural gas. The GCX

- **A \$1.7 Billion Natural Gas Pipeline To Ease The Permian Glut**
- **Alaska oil and natural gas exploration boom in question**

Project Mainline portion consists of approximately 82 miles of 36-inch pipeline and 365 miles of 42-inch pipeline originating at the Waha Hub near Coyanosa, TX in the Permian Basin, and terminating near Agua Dulce, TX. Kinder Morgan and its partners decided to proceed with the gas pipeline plan after they had executed definitive joint venture agreements and secured sufficient firm transportation agreements with shippers. Around 85% of the project capacity is subscribed and committed under long-term, binding transportation agreements, and the partners expect that the remaining capacity will be subscribed by early 2018. The pipeline is expected to be in service in Oct 2019, subject to receiving all regulatory approvals. Construction is planned to begin in Q1 2018. For more visit [oilprice.com](http://oilprice.com) or click <http://bit.ly/2DtWXJf>

**Alaska oil and natural gas exploration boom in question** — Platts reported: Congressional Democrats and environmentalists are preparing for a legislative and legal fight against oil and natural gas drilling in Alaska's Arctic National Wildlife Refuge after Congress this week approved drilling there for the first time in decades. On Tuesday, the House and Senate approved a \$1.5 trillion tax reform package that includes a provision requiring the US Interior Department to hold at least two lease sales in the Coastal Plain of ANWR, offering a minimum of 400,000 acres each within 10 years. The House made technical fixes to the legislation Wednesday and President Donald Trump is expected to sign it into law early next month. Environmental groups are expected to sue to block ANWR development, challenging potentially inadequate environmental reviews. For more on this story visit [platts.com](http://platts.com) or click <http://bit.ly/2B37Gsl>

## 12 MONTH CANDLESTICK (WEEKLY)



## Prompt Natural Gas (NG) Daily Sentiment

**BEARISH**



RESISTANCE

2.67 & 2.72

SUPPORT

2.57 & 2.52

## Trading Summary

### NATURAL GAS

Futures	Close	Change
NG	2.598	(0.039)
Volume	532,229	(500,515)
Open Int.	1,502,954	(843)

### CRUDE AND GASOLINE

Futures	Close	Change
Crude	58.36	0.27
RBOB	1.7476	0.0123
Crude/NG	22.52	0.48

### METALS

Futures	Close	Change
Gold	1,267.30	(1.00)

### EQUITIES

Exchange	Close	Change
DOW	24,782.29	55.64
S&P 500	2,679.25	(2.22)

### CURRENCY

Currency	Close	Change
EUR/USD	1.1871	0.0031
USD/CND	1.2708	(0.0030)

## Contact Us



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[www.mansfield.energy](http://www.mansfield.energy)  
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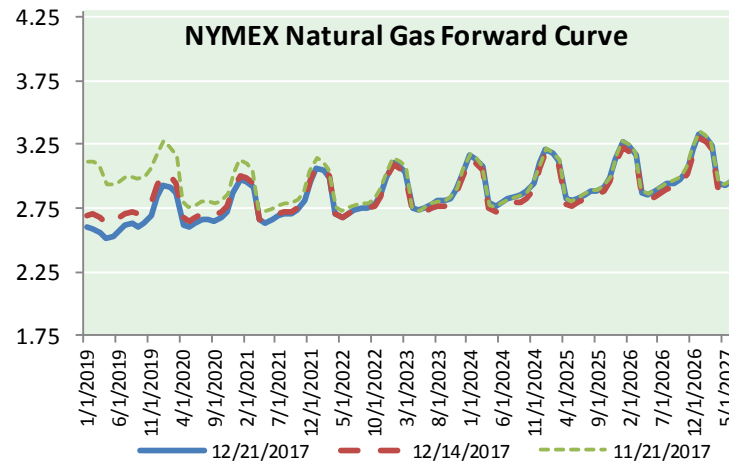
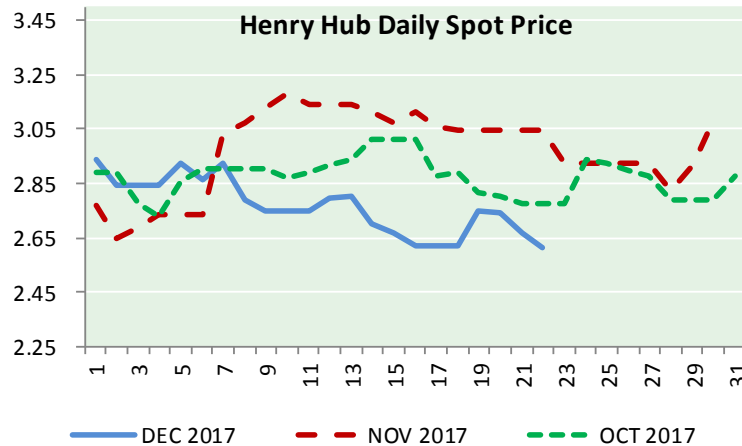
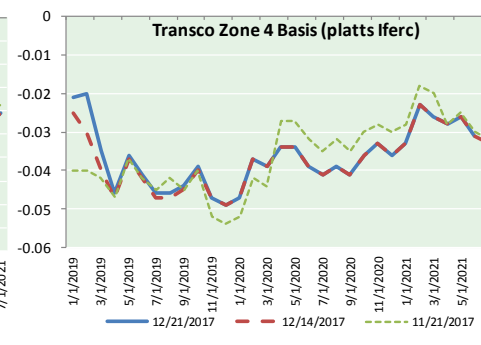
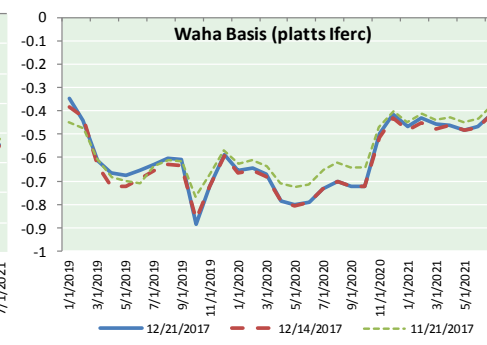
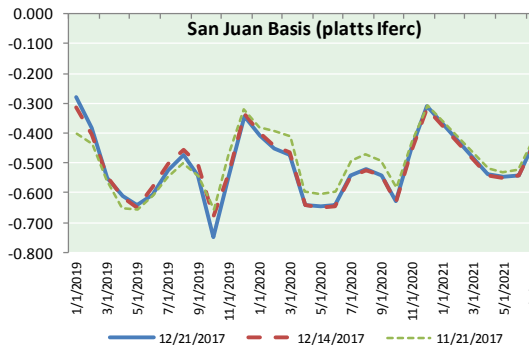
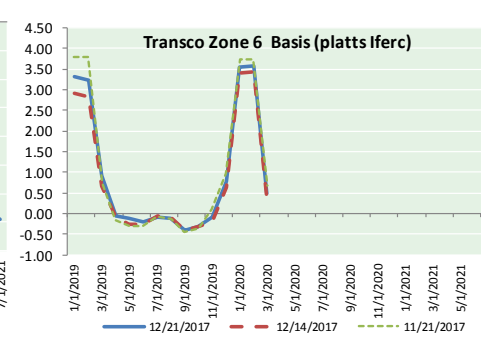
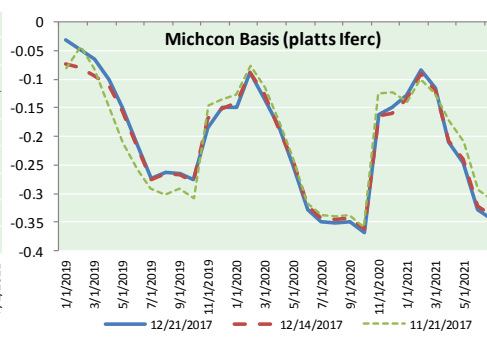
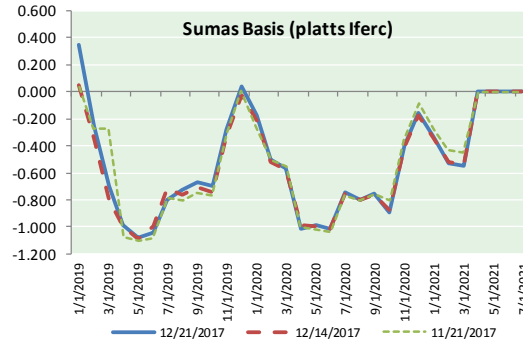
Phone: (800) 695-6626



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: December 2017

Day	Price	Day	Price
1	58.36	16	
2		17	
3		18	57.16
4	57.47	19	57.46
5	57.62	20	58.09
6	55.96	21	58.36
7	56.69	22	
8	57.36	23	
9		24	
10		25	
11	57.99	26	
12	57.14	27	
13	56.60	28	
14	57.04	29	
15	57.30	30	
		31	

**Average (Dec)** 57.3733  
(through 12/21/2017)

**Average (Nov)** 56.6629

**Average (Oct)** 51.5945

**CME NG Option Prices**

**ATM Call**

Month	Strike	Close	Imp Vol
Jan-18	2.600	0.051	37.5
Feb-18	2.600	0.134	39.4
Mar-18			
Apr-18			
May-18			

**CME NG Option Prices**

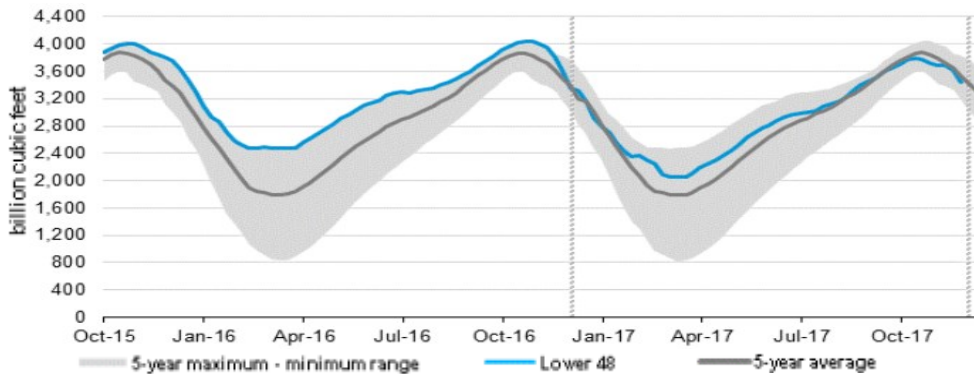
**ATM Put**

Month	Strike	Close	Imp Vol
Jan-18	2.600	0.053	56.2
Feb-18	2.600	0.140	45.0
Mar-18			
Apr-18			
May-18			



# NATURAL GAS NEWS

## WEEKLY GAS IN UNDERGROUND STORAGE WITH 5-YR RANGE



Release Date: December 21, 2017

Source: U.S. Energy Information Administration

## Rig Count

Report Date: December 15, 2017

	Total	Change
US -	930	(1)
CN -	238	+19

## EIA Weekly NG Storage Actual and Surveys for December 15, 2017

Released December 21, 2017

PIRA — (172)  
 ARM — (175)  
 Reuters — (170)

EIA ACTUAL — (182)

## Total Working Gas In Storage

**3,444 BCF**

(182) BCF (LAST WEEK)  
 (183) BCF (LAST YEAR)  
 (84) BCF (5-YR AVG)

## U.S. Natural Gas Supply Gas Week 12/14 - 12/20

Average daily values (BCF/d):

Last Year (BCF/d)

Dry Production — +69.1

Total Supply — +75.9

Last Week (BCF/d)

Dry Production — +84.8

Total Supply — +82.0

[NEXT REPORT ON JAN 4]

## U.S. Natural Gas Demand Gas Week 12/14 - 12/20

Average daily values (BCF/d):

Last Year (BCF/d)

Power — +27.3

Total Demand — +116.6

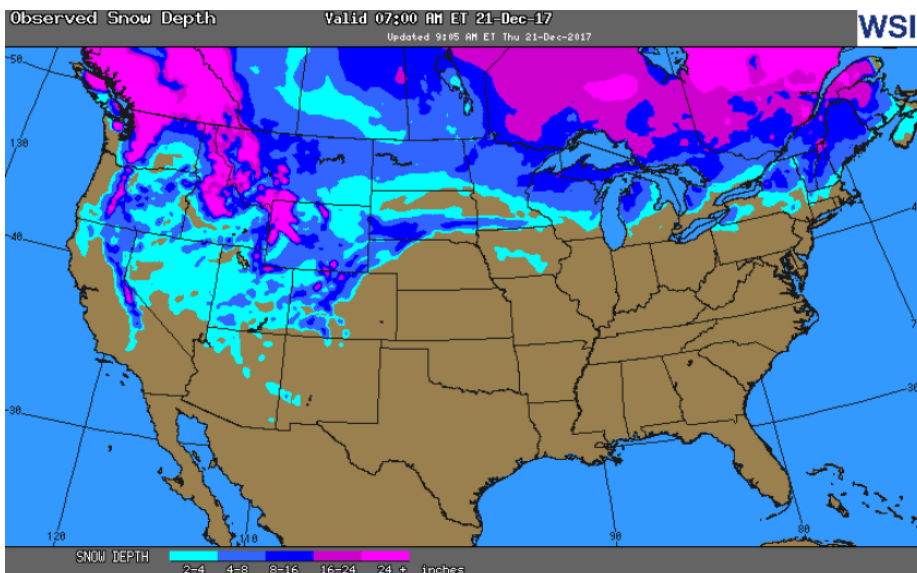
Last Week (BCF/d)

Power — +27.6

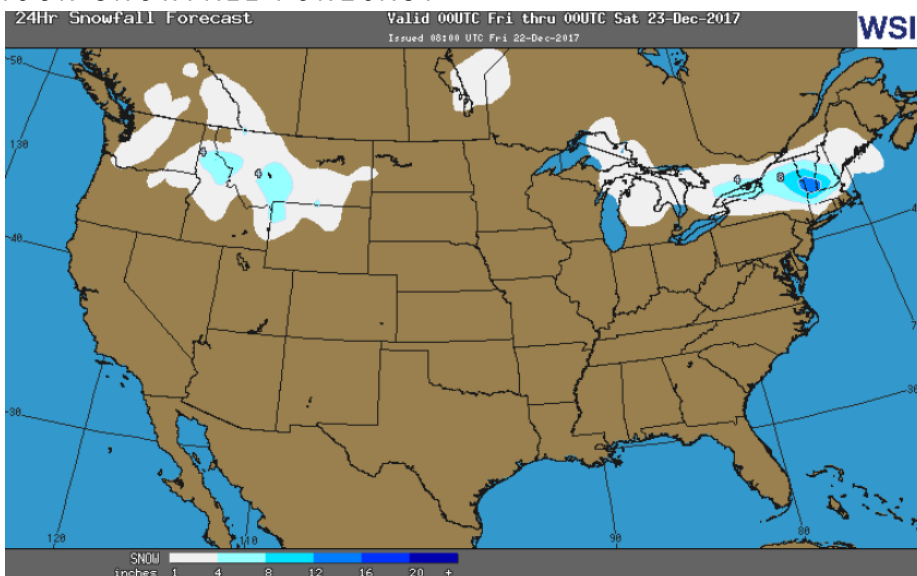
Total Demand — +107.2

[NEXT REPORT ON JAN 4]

## OBSERVED SNOW DEPTH

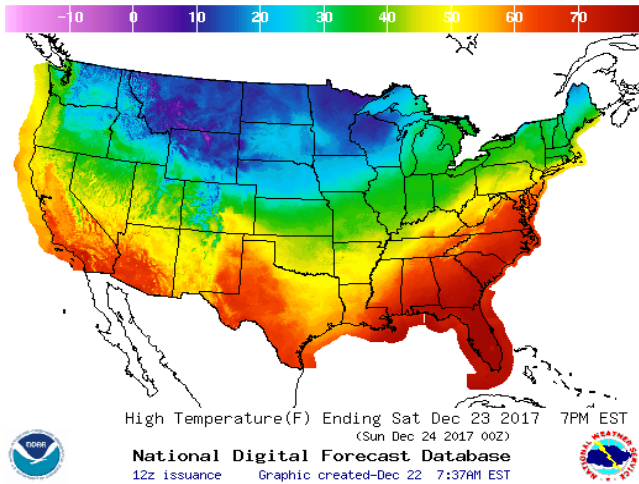


## 24 HOUR SNOWFALL FORECAST

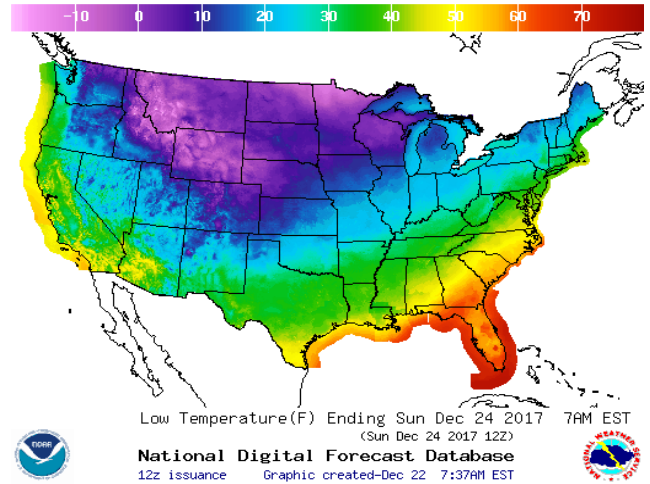


WEATHER – HIGH / LOW TEMPERATURE SATURDAY

HIGH Temperature

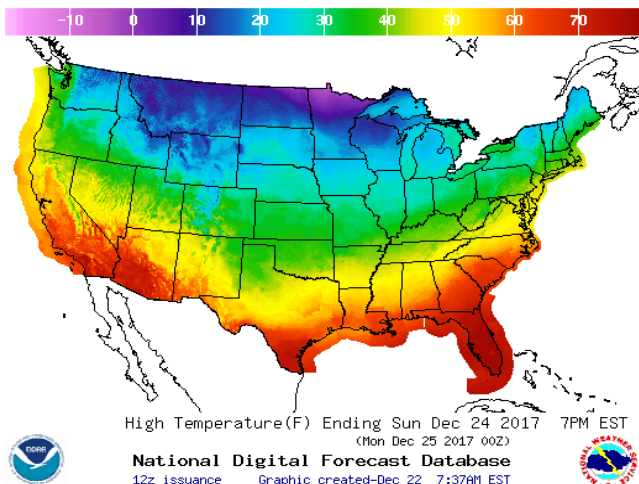


LOW Temperature

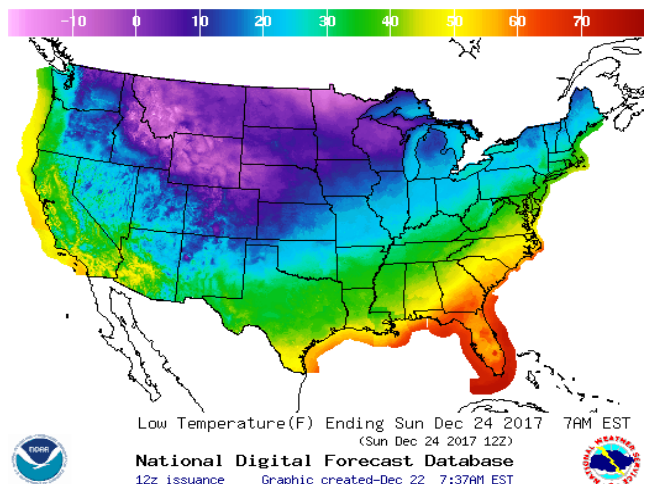


WEATHER – HIGH / LOW TEMPERATURE SUNDAY

HIGH Temperature

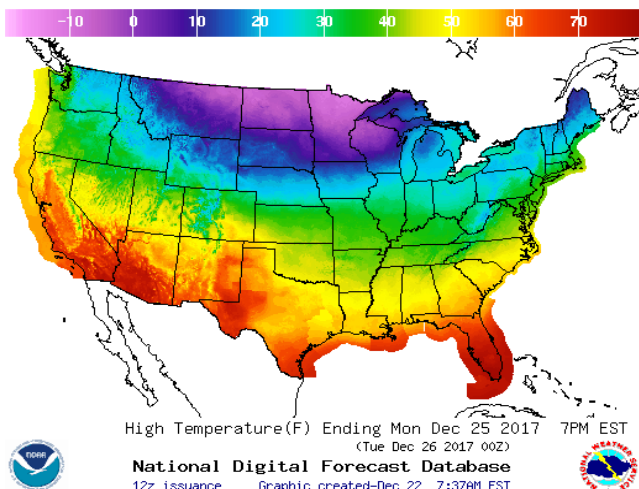


LOW Temperature

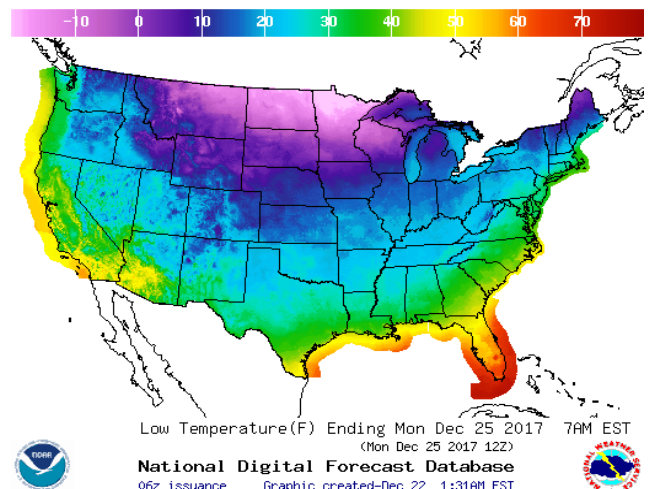


WEATHER – HIGH / LOW TEMPERATURE MONDAY

HIGH Temperature

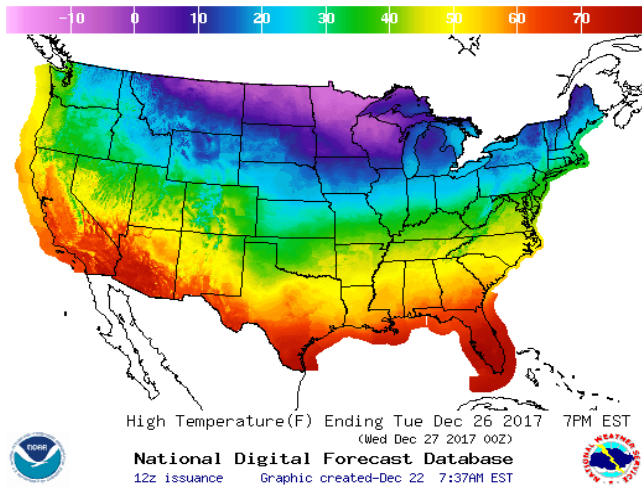


LOW Temperature

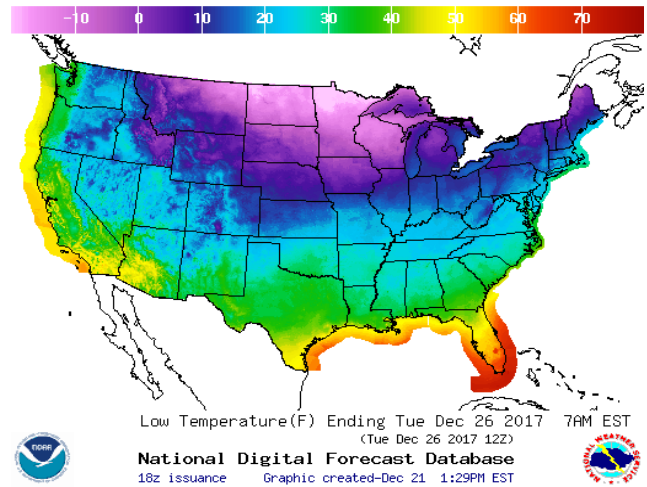


WEATHER – HIGH / LOW TEMPERATURE TUESDAY

HIGH Temperature

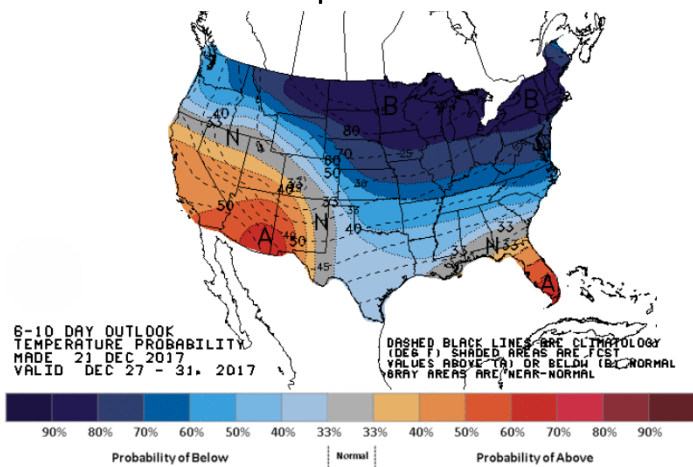


LOW Temperature

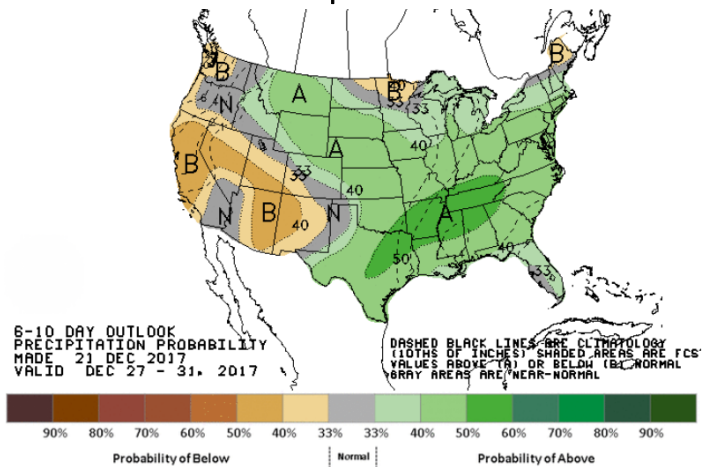


WEATHER – 6 TO 10 DAY OUTLOOK – NOAA

Temperature

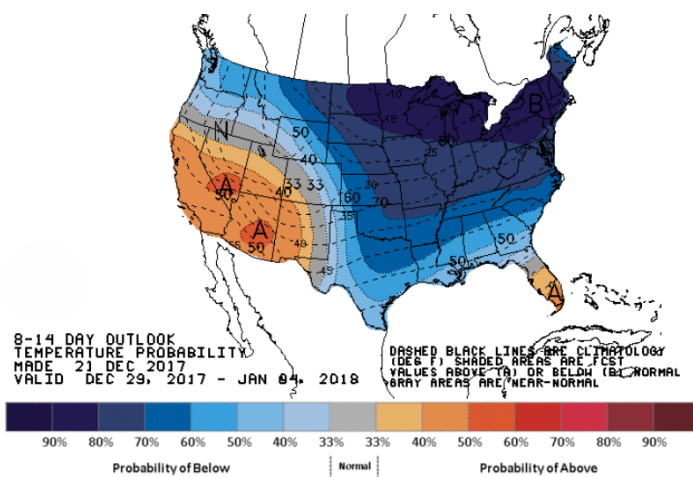


Precipitation

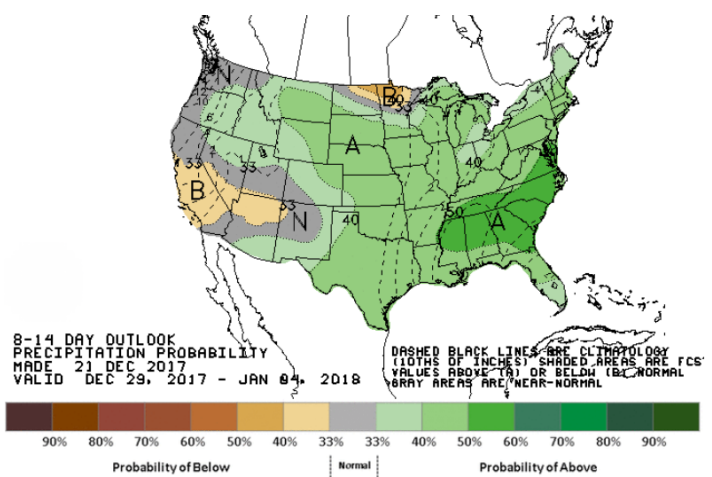


WEATHER – 8 TO 14 DAY OUTLOOK – NOAA

Temperature



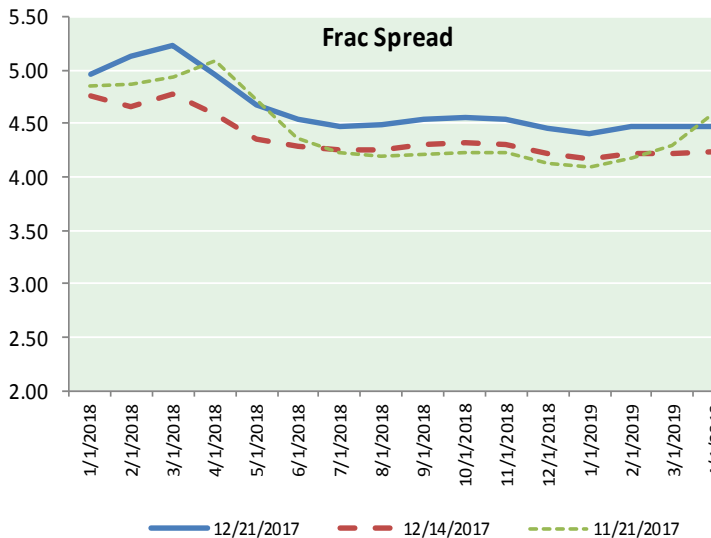
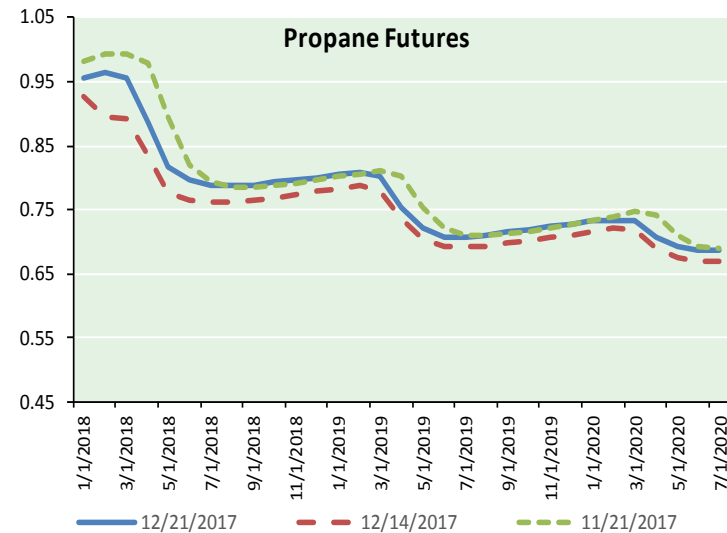
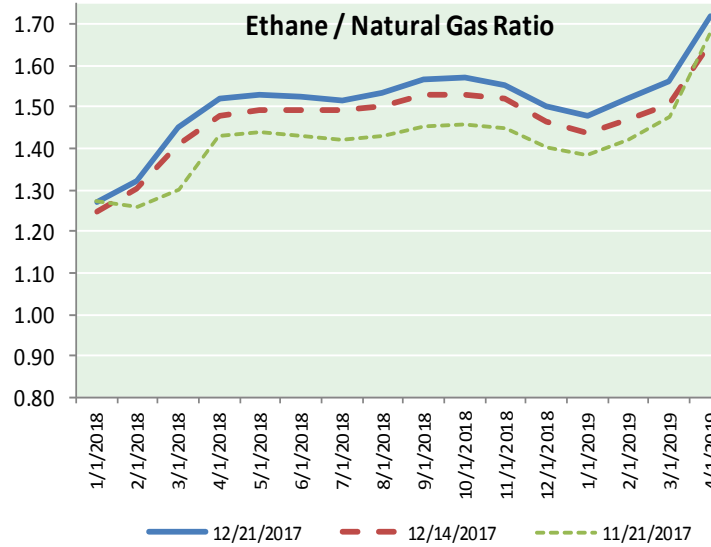
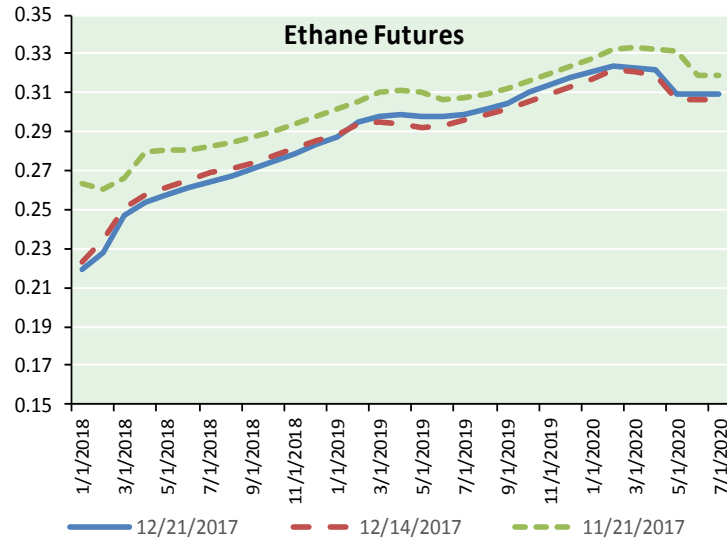
Precipitation



# NATURAL GAS NEWS



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



### CME Future Prices

#### Ethane (C2)

##### Non-LDH— Mont Belvieu

	(cents/gallon)	
Month	Close	Change
Jan-18	0.219	0.001
Feb-18	0.228	0.001
Mar-18	0.247	0.000
Apr-18	0.254	0.002
May-18	0.258	0.001
Jun-18	0.261	0.001
Jul-18	0.264	0.000
Aug-18	0.268	(0.001)
Sep-18	0.271	(0.001)
Oct-18	0.275	(0.001)
Nov-18	0.279	(0.001)
Dec-18	0.283	(0.001)

1YR Strip 0.259 0.000

### CME Future Prices

#### Propane (C3)

##### Non-LDH— Mont Belvieu

	(cents/gallon)	
Month	Close	Change
Jan-18	0.955	0.000
Feb-18	0.964	0.004
Mar-18	0.957	0.004
Apr-18	0.886	0.004
May-18	0.818	0.003
Jun-18	0.796	0.001
Jul-18	0.788	0.001
Aug-18	0.787	0.001
Sep-18	0.788	0.000
Oct-18	0.793	0.001
Nov-18	0.797	0.001
Dec-18	0.801	0.001

1YR Strip 0.844 0.002

# NATURAL GAS NEWS



## Prompt WTI (CL) Crude

### Daily Sentiment

**BULLISH**



RESISTANCE

58.51 & 59.26

SUPPORT

57.76 & 57.01

### FOLLOW US ON TWITTER:



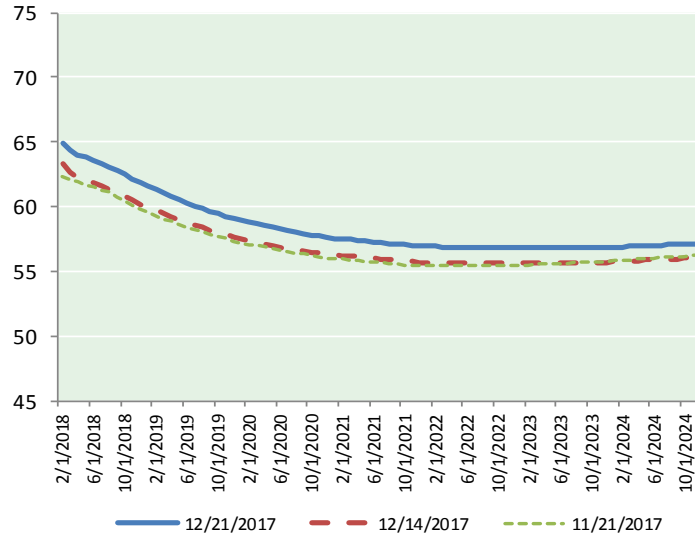
@MPG\_NatGasNews

## NYMEX Brent (BZ)

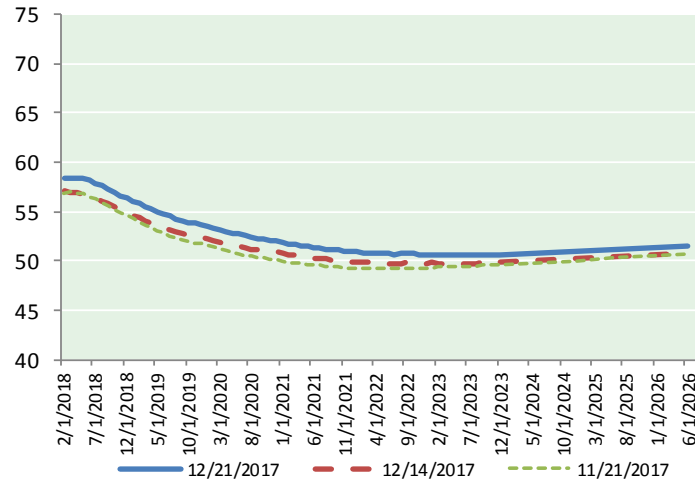
### Futures

Month	Close	Change
Feb-18	64.90	0.34
Mar-18	64.43	0.32
Apr-18	64.04	0.32
May-18	63.79	0.31
Jun-18	63.58	0.31
Jul-18	63.35	0.31
Aug-18	63.07	0.31
Sep-18	62.78	0.31
Oct-18	62.47	0.31
Nov-18	62.17	0.31
Dec-18	61.84	0.31
Jan-19	61.59	0.31
Feb-19	61.31	0.31
Mar-19	61.02	0.30
Apr-19	60.77	0.30
May-19	60.52	0.29
Jun-19	60.28	0.29
Jul-19	60.08	0.28
Aug-19	59.87	0.28
Sep-19	59.67	0.28
Oct-19	59.49	0.28
Nov-19	59.29	0.28
Dec-19	59.08	0.27
Jan-20	58.94	0.27
1YR Strip	63.17	0.31
2018	63.31	0.31
5YR Strip	58.98	0.25

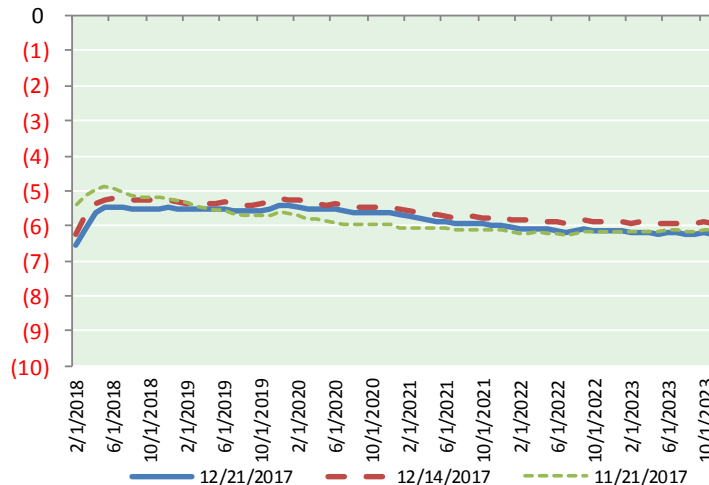
## BRENT CRUDE FORWARD CURVE



## 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)

Jan-18	Close	Change
Butane	1.021	0.010
Iso-Butane	1.025	0.010
Nat Gasoline	1.347	0.010

## NYMEX WTI (CL) Futures

Month	Close	Change
Feb-18	58.36	0.27
Mar-18	58.40	0.27
Apr-18	58.39	0.28
May-18	58.30	0.26
Jun-18	58.13	0.25
Jul-18	57.88	0.25
Aug-18	57.57	0.25
Sep-18	57.25	0.24
Oct-18	56.94	0.23
Nov-18	56.65	0.23
Dec-18	56.38	0.24
Jan-19	56.08	0.23
Feb-19	55.78	0.23
Mar-19	55.50	0.23
Apr-19	55.24	0.23
May-19	54.99	0.22
Jun-19	54.76	0.22
Jul-19	54.51	0.21
Aug-19	54.29	0.21
Sep-19	54.09	0.21
Oct-19	53.92	0.21
Nov-19	53.79	0.22
Dec-19	53.67	0.22
Jan-20	53.50	0.23
1YR Strip	57.53	0.25
2018	57.66	0.25
5YR Strip	53.24	0.20