

# NATURAL GAS



JULY 17, 2018

## Prior Day's NYMEX

### Aug-18 Contract (CT)



## NYMEX NG Futures

Month	Close	Change
Aug-18	2.752	(0.045)
Sep-18	2.724	(0.042)
Oct-18	2.740	(0.040)
Nov-18	2.792	(0.040)
Dec-18	2.912	(0.037)
Jan-19	2.999	(0.034)
Feb-19	2.967	(0.033)
Mar-19	2.875	(0.031)
Apr-19	2.609	(0.026)
May-19	2.583	(0.024)
Jun-19	2.613	(0.024)
Jul-19	2.644	(0.024)
Aug-19	2.651	(0.024)
Sep-19	2.633	(0.024)
Oct-19	2.652	(0.023)
Nov-19	2.706	(0.023)
Dec-19	2.837	(0.023)
Jan-20	2.935	(0.021)
Feb-20	2.899	(0.019)
Mar-20	2.805	(0.018)
Apr-20	2.537	(0.007)
May-20	2.503	(0.008)
Jun-20	2.535	(0.008)
Jul-20	2.568	(0.008)
1YR Strip	2.768	(0.033)
2018	2.784	(0.041)
5YR Strip	2.663	(0.013)

## IN THE NEWS

**Natural gas well drilling on rise, API reports**— Kallanish Energy reported: An American Petroleum Institute (API) report released last week showed a 265 percent increase in estimated exploratory gas well completions as compared to the second quarter of 2017. API officials said the report demonstrates continued growth and strength of the nation's

- **Natural gas well drilling on rise, API reports**
- **NIPSCO inspecting gas lines in Chesterton and Michigan City**

energy production. "Right now, the U.S. production is supplying substantially all the growth in oil demand throughout the world," Dean Foreman, API chief economist, said. "For this growth and dominance to continue, our energy infrastructure must keep pace with production, especially in areas like the Permian Basin in Texas and the Bakken in North Dakota, that have experienced major growth in natural gas and oil production." For more on this story visit [dailyenergyinsider.com](http://dailyenergyinsider.com) or click <https://bit.ly/2uux3lP>

**NIPSCO inspecting gas lines in Chesterton and Michigan City**— NWI reported: NIPSCO warns that residents in Chesterton and Michigan City may smell the chemical that's mixed into natural gas and hear "audible noises" as crews check natural gas pipelines in the area this week. The Merrillville-based utility and contractors from Minnesota Limited and T.D. Williamson will be performing inspections to ensure the integrity of NIPSCO's natural gas lines in Porter and LaPorte counties Tuesday through Thursday. "NIPSCO performs these inspections periodically to test the integrity of our natural gas lines," the company said in a press release. "This is done to ensure we can continue to provide safe and efficient natural gas service to our customers. Residents and businesses near County Road 1500 North and Furnessville Road in Chesterton and County Line Road and 300 North in Michigan City may observe a distinguishable audible noise and may experience natural gas odors in the air as a result of this routine procedure." The inspections are not expected to experience any service disruptions. For more on this story visit [nwitimes.com](http://nwitimes.com) or click <https://bit.ly/2JugjzZ>

## 12 MONTH CANDLESTICK (WEEKLY)



## Prompt Natural Gas (NG) Daily Sentiment

**BEARISH**



RESISTANCE

2.78 & 2.80

SUPPORT

2.74 & 2.71

## Trading Summary

### NATURAL GAS

Futures	Close	Change
NG	2.752	(0.045)
Volume	410,819	(379,112)
Open Int.	1,508,502	12,334

### CRUDE AND GASOLINE

Futures	Close	Change
Crude	71.01	0.68
RBOB	2.1067	0.0350
Crude/NG	25.80	0.66

### METALS

Futures	Close	Change
Gold	1,239.60	4.20

### EQUITIES

Exchange	Close	Change
DOW	25,019.41	94.52
S&P 500	-1,086.65	3.02

### CURRENCY

Currency	Close	Change
EUR/USD	1.1710	0.0025
USD/CND	1.2405	(0.0016)

## Contact Us

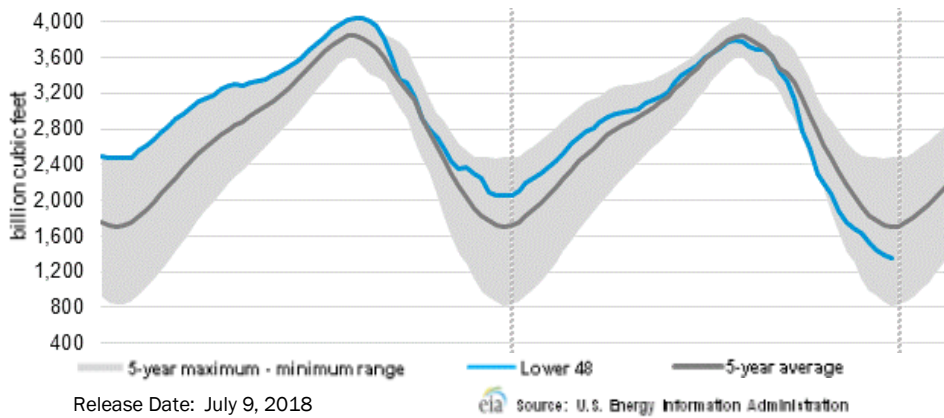


**Mansfield Energy Corp**  
 1025 Airport Pkwy  
 Gainesville, GA 30501  
  
[www.mansfield.energy](http://www.mansfield.energy)  
[info@mansfieldoil.com](mailto:info@mansfieldoil.com)

Phone: (800) 695-6626



WEEKLY GAS IN UNDERGROUND STORAGE WITH 5-YR RANGE



Rig Count

Report Date: July 6, 2018

	Total	Change
US -	1052	+5
CN -	182	+10

EIA Weekly NG Storage Actual and Surveys for July 13, 2018

Released July 12, 2018

Range (41) to (70)

PIRA – (54)

Citi Futures – (57)

Reuters – (54)

EIA ACTUAL – 51

Total Working Gas In Storage

2,203 BCF

51 BCF (LAST WEEK)

(725) BCF (LAST YEAR)

(519) BCF (5-YR AVG)

U.S. Natural Gas Supply Gas Week 7/5– 7/11

Average daily values (BCF/D):

Last Year (BCF/d)

Dry Production – +81.1

Total Supply – +78.0

Last Week (BCF/d)

Dry Production – +81.3

Total Supply – +87.7

[NEXT REPORT ON Jul 20]

U.S. Natural Gas Demand Gas Week 7/5– /11

Average daily values (BCF/D):

Last Year (BCF/d)

Power – +33.7

Total Demand – +72.2

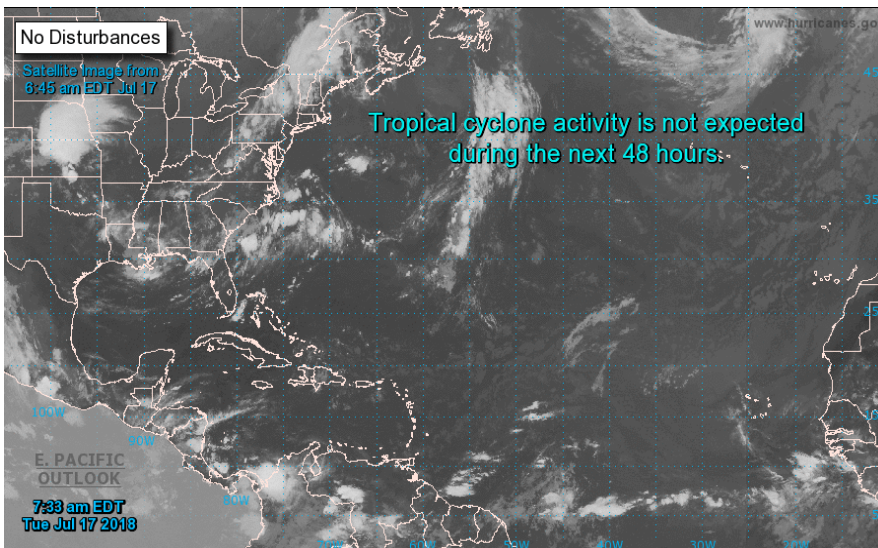
Last Week (BCF/d)

Power – +37.0

Total Demand – +77.8

[NEXT REPORT ON Jul 20]

TROPICAL STORM ACTIVITY– ATLANTIC

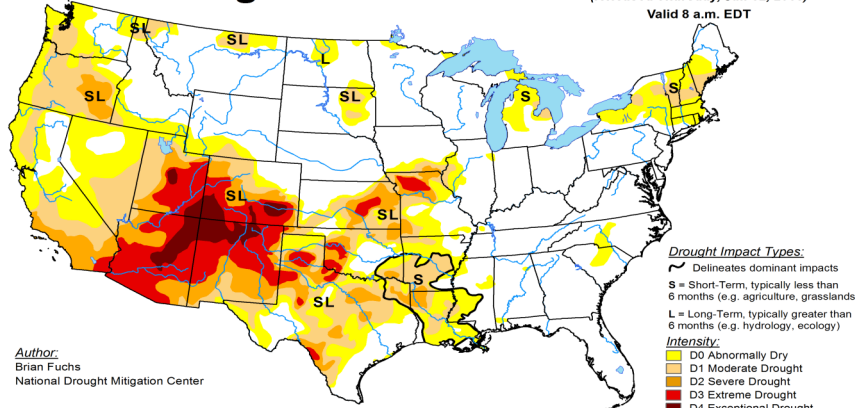


U.S. Drought Monitor

July 10, 2018

(Released Thursday, Jul. 12, 2018)

Valid 8 a.m. EDT



Author: Brian Fuchs, National Drought Mitigation Center

**Drought Impact Types:**  
 ~ Delineates dominant impacts  
 S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)  
 L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

**Intensity:**  
 D0 Abnormally Dry  
 D1 Moderate Drought  
 D2 Severe Drought  
 D3 Extreme Drought  
 D4 Exceptional Drought

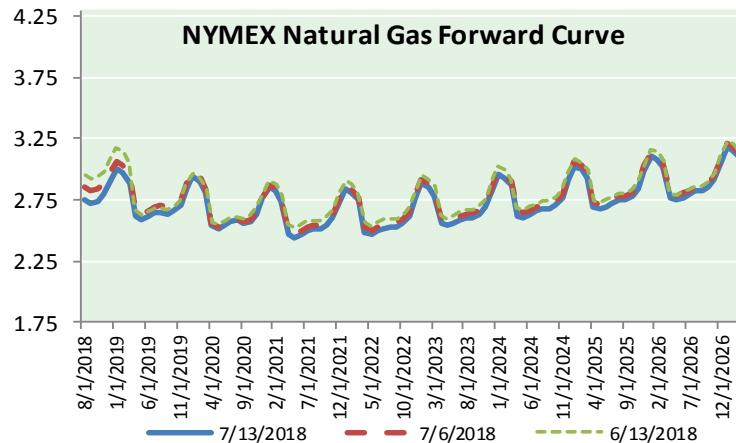
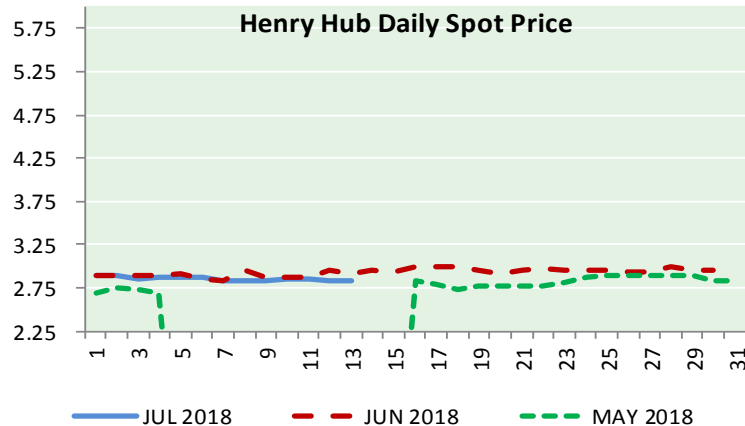
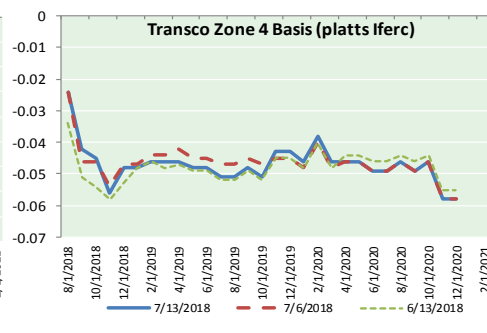
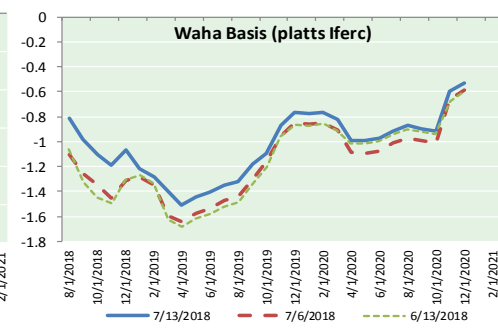
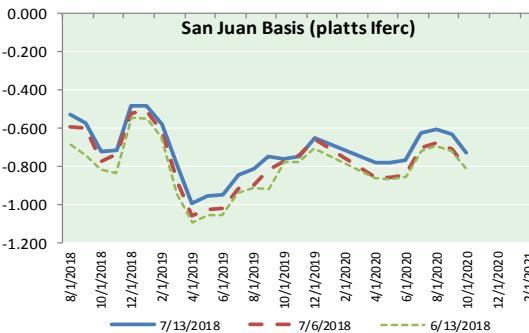
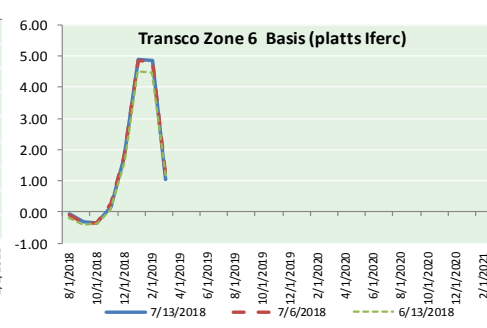
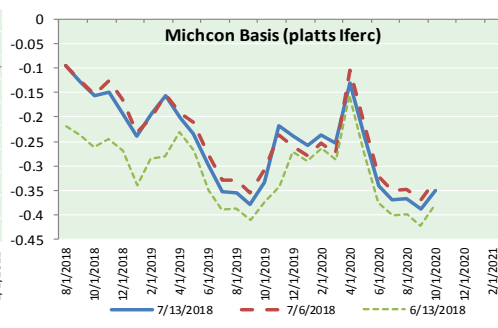
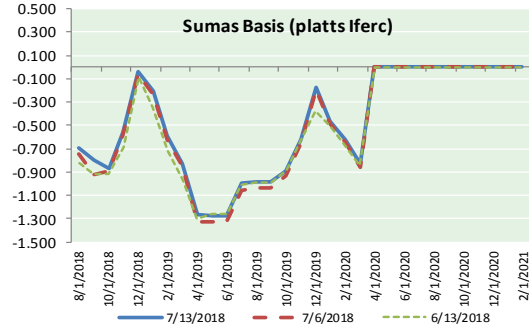
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.



<http://droughtmonitor.unl.edu/>



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



NYMEX WTI Delivery

Month Average (\$/bbl)

(Excluding Weekends and Holidays)

Month: July 2018

Day	Price	Day	Price
1		16	
2	73.94	17	
3	74.14	18	
4		19	
5	72.94	20	
6	73.80	21	
7		22	
8		23	
9	73.85	24	
10	74.11	25	
11	70.38	26	
12	70.33	27	
13	71.01	28	
14		29	
15		30	
		31	

Average (Jul) 72.7222 (through 07/13/2018)

Average (Jun) 67.3229

Average (May) 69.9832

CME NG Option Prices

ATM Call

Month	Strike	Close	Imp	Vol
Sep-18				
Oct-18	2.750	0.063		18.7
Nov-18				
Dec-18				
Jan-19				

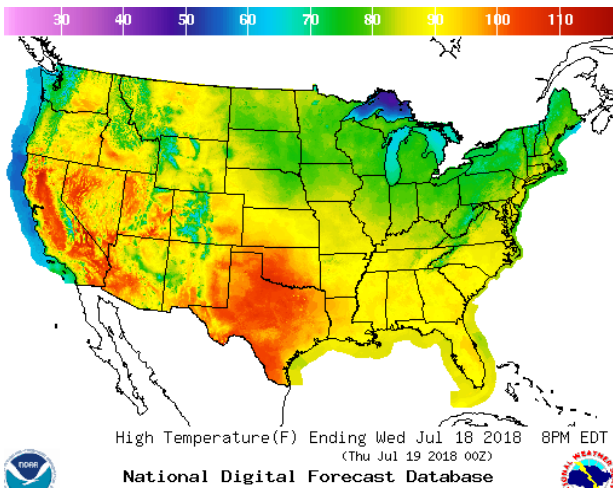
CME NG Option Prices

ATM Put

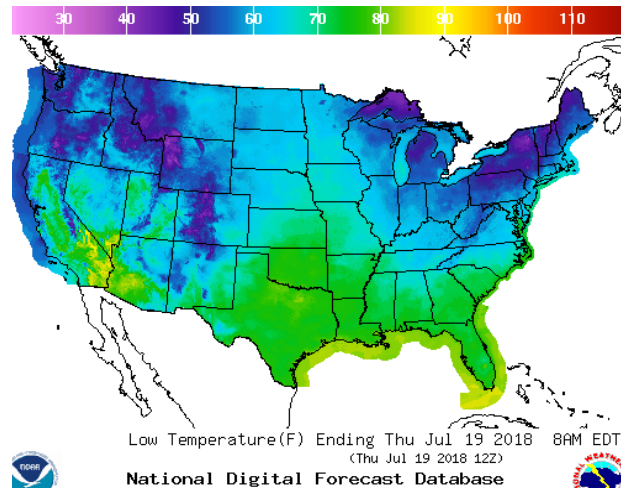
Month	Strike	Close	Imp	Vol
Sep-18				
Oct-18	2.750	0.094		22.5
Nov-18				
Dec-18				
Jan-19				

WEATHER – HIGH / LOW TEMPERATURE TOMORROW

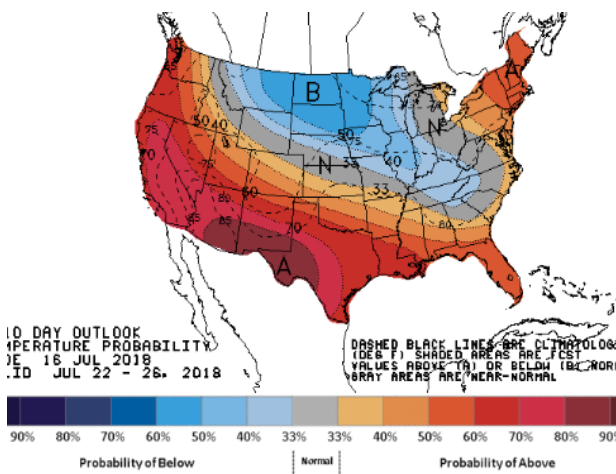
HIGH Temperature



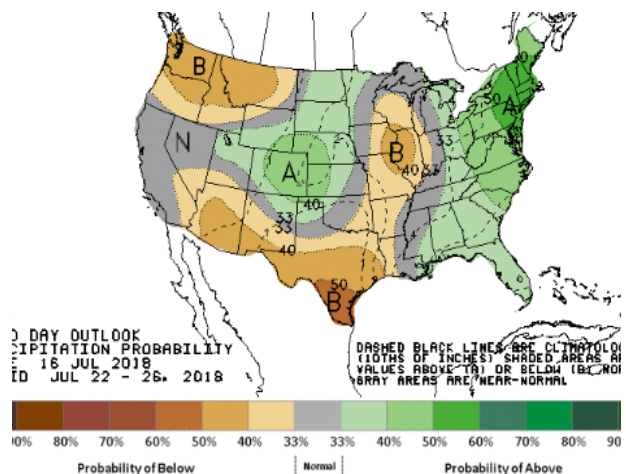
LOW Temperature



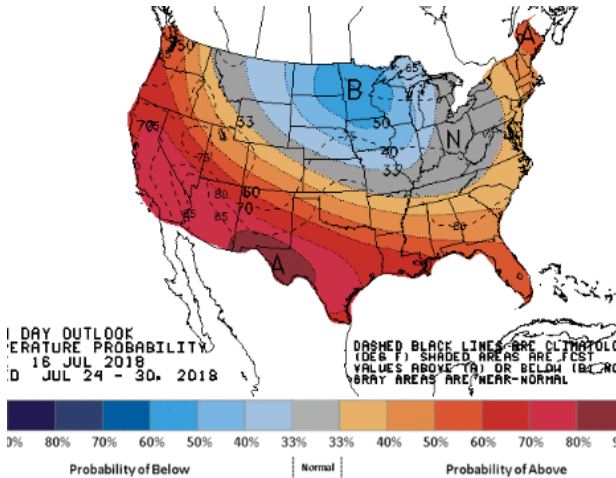
WEATHER – 6 TO 10 DAY OUTLOOK – NOAA  
Temperature



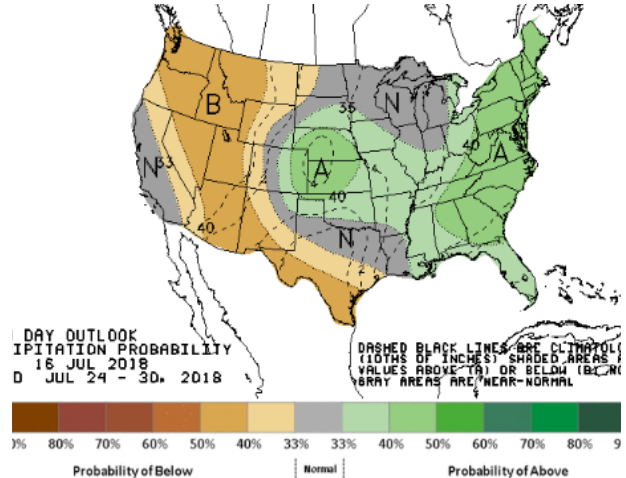
Precipitation



WEATHER – 8 TO 14 DAY OUTLOOK – NOAA  
Temperature



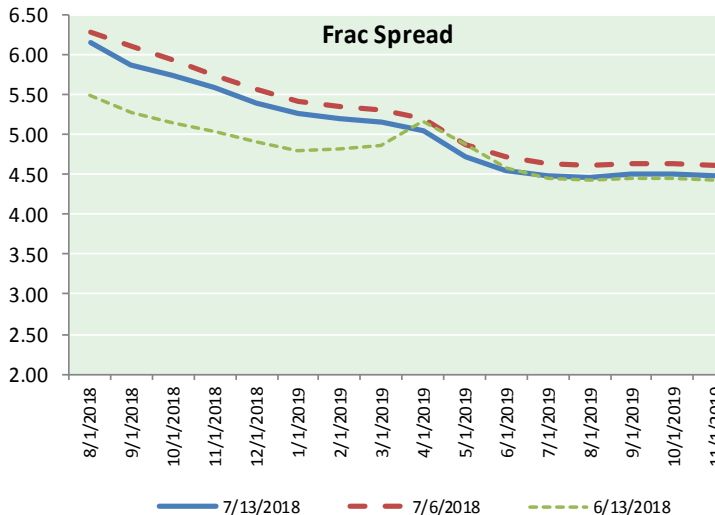
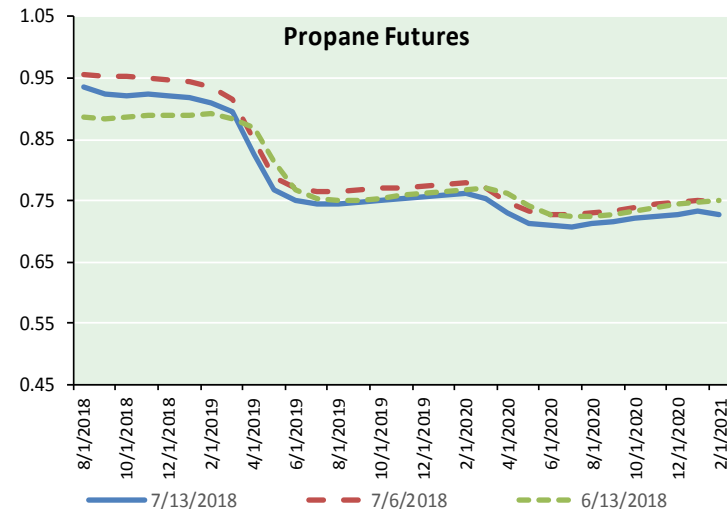
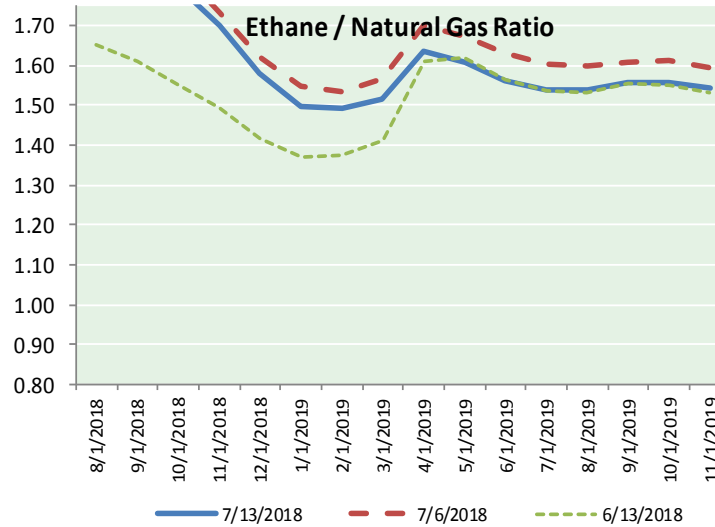
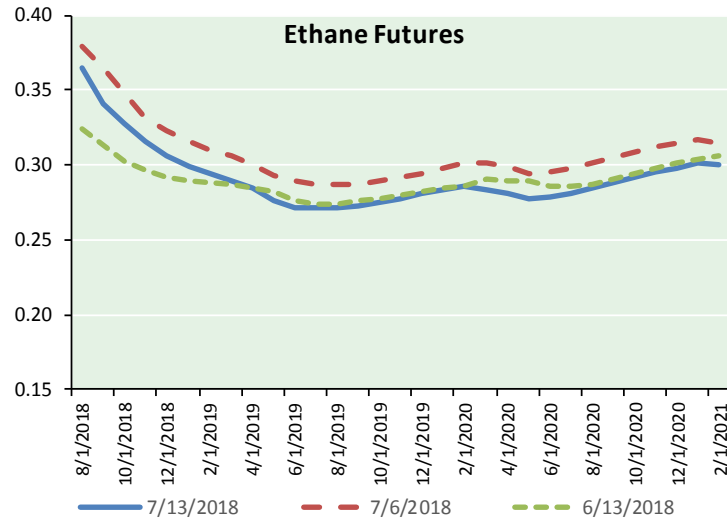
Precipitation



# NATURAL GAS NEWS



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



### CME Future Prices

#### Ethane (C2)

#### Non-LDH— Mont Belvieu

Month	Close	Change
Aug-18	0.365	(0.005)
Sep-18	0.341	(0.009)
Oct-18	0.328	(0.006)
Nov-18	0.316	(0.004)
Dec-18	0.306	(0.003)
Jan-19	0.299	(0.002)
Feb-19	0.294	(0.002)
Mar-19	0.290	(0.003)
Apr-19	0.284	(0.004)
May-19	0.276	(0.003)
Jun-19	0.272	(0.002)
Jul-19	0.271	(0.002)

1YR Strip 0.303 (0.004)

### CME Future Prices

#### Propane (C3)

#### Non-LDH— Mont Belvieu

Month	Close	Change
Aug-18	0.936	(0.003)
Sep-18	0.923	(0.004)
Oct-18	0.923	(0.004)
Nov-18	0.923	(0.002)
Dec-18	0.921	(0.002)
Jan-19	0.919	(0.002)
Feb-19	0.910	(0.001)
Mar-19	0.894	(0.001)
Apr-19	0.827	(0.001)
May-19	0.768	(0.002)
Jun-19	0.750	(0.000)
Jul-19	0.745	(0.000)

1YR Strip 0.870 (0.002)

**NATURAL GAS NEWS**



**Prompt WTI (CL) Crude**

**Daily Sentiment**

**BEARISH**



RESISTANCE

70.09 & 72.13

SUPPORT

66.80 & 65.55

**FOLLOW US ON TWITTER:**



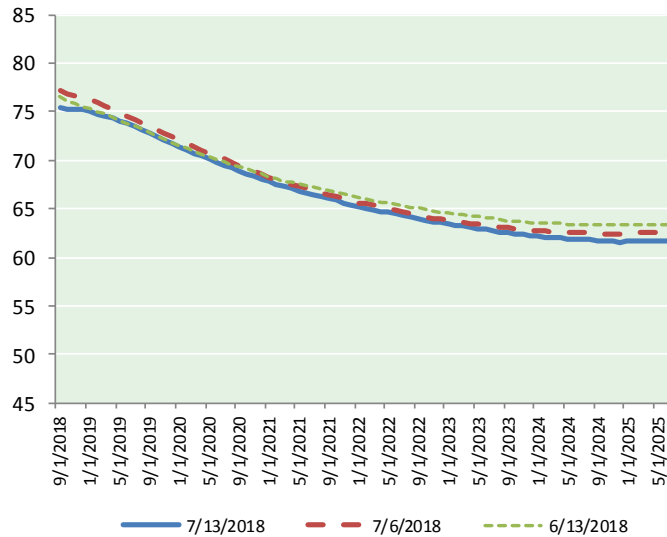
@MPG\_NatGasNews

**NYMEX Brent (BZ)**

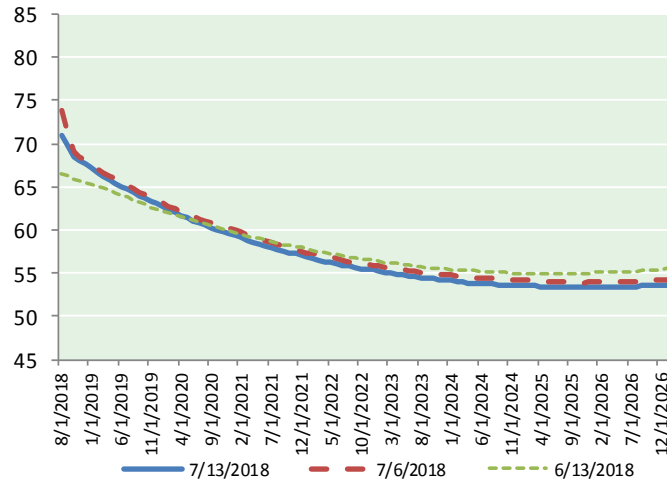
**Futures**

Month	Close	Change
Sep-18	75.33	0.88
Oct-18	75.26	0.82
Nov-18	75.23	0.77
Dec-18	75.15	0.71
Jan-19	74.99	0.66
Feb-19	74.78	0.63
Mar-19	74.55	0.60
Apr-19	74.33	0.58
May-19	74.07	0.57
Jun-19	73.75	0.55
Jul-19	73.43	0.52
Aug-19	73.09	0.49
Sep-19	72.73	0.46
Oct-19	72.37	0.43
Nov-19	72.04	0.41
Dec-19	71.67	0.40
Jan-20	71.34	0.37
Feb-20	71.04	0.34
Mar-20	70.72	0.31
Apr-20	70.40	0.27
May-20	70.10	0.24
Jun-20	69.80	0.21
Jul-20	69.50	0.16
Aug-20	69.20	0.11
1YR Strip	74.50	0.65
2018	75.24	0.80
5YR Strip	68.11	0.08

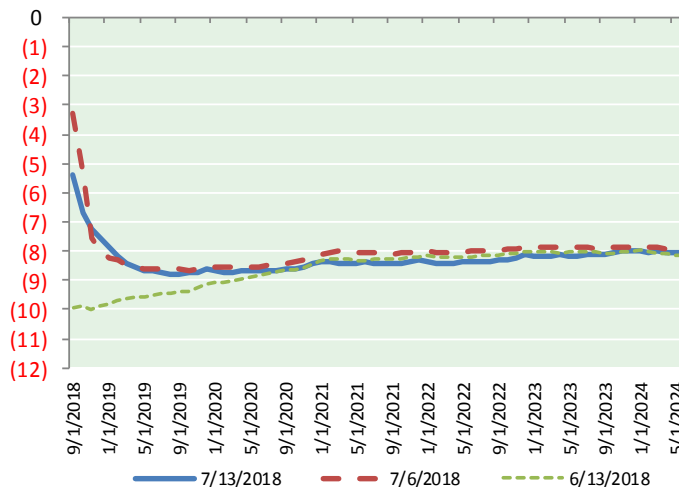
**BRENT CRUDE FORWARD CURVE**



**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)**

Aug-18	Close	Change
Butane	1.185	0.003
Iso-Butane	1.214	(0.000)
Nat Gasoline	1.523	0.013

**NYMEX WTI (CL) Futures**

Month	Close	Change
Aug-18	71.01	0.68
Sep-18	69.95	0.60
Oct-18	68.55	0.48
Nov-18	68.01	0.57
Dec-18	67.58	0.62
Jan-19	67.15	0.65
Feb-19	66.62	0.67
Mar-19	66.15	0.67
Apr-19	65.76	0.68
May-19	65.40	0.66
Jun-19	65.07	0.63
Jul-19	64.69	0.61
Aug-19	64.32	0.58
Sep-19	63.96	0.55
Oct-19	63.64	0.52
Nov-19	63.33	0.49
Dec-19	63.03	0.46
Jan-20	62.67	0.43
Feb-20	62.33	0.39
Mar-20	62.01	0.37
Apr-20	61.70	0.34
May-20	61.41	0.31
Jun-20	61.12	0.28
Jul-20	60.82	0.26
1YR Strip	67.16	0.63
2018	69.02	0.59
5YR Strip	60.01	0.11