

# NATURAL GAS



NEWS

JULY 31, 2017

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



## NYMEX NG Futures

| Month     | Close | Change  |
|-----------|-------|---------|
| Sep-17    | 2.941 | (0.026) |
| Oct-17    | 2.981 | (0.022) |
| Nov-17    | 3.063 | (0.019) |
| Dec-17    | 3.213 | (0.018) |
| Jan-18    | 3.303 | (0.017) |
| Feb-18    | 3.288 | (0.017) |
| Mar-18    | 3.232 | (0.014) |
| Apr-18    | 2.856 | (0.001) |
| May-18    | 2.823 | 0.004   |
| Jun-18    | 2.847 | 0.005   |
| Jul-18    | 2.871 | 0.005   |
| Aug-18    | 2.876 | 0.005   |
| Sep-18    | 2.856 | 0.006   |
| Oct-18    | 2.876 | 0.006   |
| Nov-18    | 2.924 | 0.006   |
| Dec-18    | 3.052 | 0.007   |
| Jan-19    | 3.138 | 0.007   |
| Feb-19    | 3.111 | 0.008   |
| Mar-19    | 3.042 | 0.008   |
| Apr-19    | 2.682 | 0.009   |
| May-19    | 2.646 | 0.009   |
| Jun-19    | 2.665 | 0.009   |
| Jul-19    | 2.689 | 0.010   |
| Aug-19    | 2.700 | 0.010   |
| 1YR Strip | 3.025 | (0.010) |
| 2017      | 3.050 | (0.021) |
| 5YR Strip | 2.845 | 0.009   |

## IN THE NEWS

Proposed Mountaineer XPress gas pipeline clears environmental hurdles — Platts reports: The second-largest natural gas expansion project proposed in the US Northeast reached a key milestone Friday, when the FERC released a favorable final environmental impact statement. FERC staff concluded there

- **Proposed Mountaineer XPress gas pipeline clears environmental hurdles**
- **US Weather Could Drive Natural Gas Demand**

would be some adverse and significant impacts from Columbia Gas Transmission's 170-mile, 2.7 Bcf/d Mountaineer XPress project running through West Virginia, but that, with various environmental plans, mitigation measures and further staff recommendations, those impacts would be "reduced to acceptable levels." The Mountaineer XPress project is roughly 500 MMcf/d shy of Rover Pipeline's 3.25 Bcf/d capacity. The West Virginia Department of Environmental Protection this week granted a Section 401 water quality certification for the pipeline. For more on this story visit [platts.com](http://bit.ly/2u5HkIv) or click <http://bit.ly/2u5HkIv>

US Weather Could Drive Natural Gas Demand - Market Realist reports: US natural gas futures contracts for September delivery were trading flat at \$2.96 per MMBtu in electronic trading at 1:45 AM EST on July 28, 2017. Prices are near a four-month low. The United States Natural Gas ETF follows US natural gas futures. It's also near a four-month low. It rose 1.4% to 6.64 on July 27, 2017. It has fallen 29% YTD (year-to-date). However, US natural gas futures have fallen 16.5% YTD due to mild weather and oversupply. The EIA estimates that electricity generation will use less natural gas this summer—compared to the previous summer. However, US natural gas would have the highest share in electricity generation. US natural gas would have a share of 34% compared to 32% coal of for electricity generation this summer. For more visit [marketrealist.com](http://bit.ly/2h9GeE7) or click <http://bit.ly/2h9GeE7>

## 12 MONTH CANDLESTICK (WEEKLY)



## Prompt Natural Gas (NG) Daily Sentiment

**BEARISH**



RESISTANCE

2.98 & 3.01

SUPPORT

2.92 & 2.89

## Trading Summary

### NATURAL GAS

| Futures   | Close     | Change  |
|-----------|-----------|---------|
| NG        | 2.941     | (0.026) |
| Volume    | 218,043   | (937)   |
| Open Int. | 1,053,330 | 5,123   |

### CRUDE AND GASOLINE

| Futures  | Close  | Change |
|----------|--------|--------|
| Crude    | 49.71  | 0.67   |
| RBOB     | 1.6761 | 0.0315 |
| Crude/NG | 16.90  | 0.37   |

### METALS

| Futures | Close    | Change |
|---------|----------|--------|
| Gold    | 1,268.40 | (0.50) |

### EQUITIES

| Exchange | Close     | Change   |
|----------|-----------|----------|
| DOW      | 21,830.31 | 33.76    |
| S&P 500  | 2,294.62  | (180.80) |

### CURRENCY

| Currency | Close  | Change |
|----------|--------|--------|
| EUR/USD  | 1.1792 | 0.0077 |
| USD/CND  | 1.2468 | 0.0034 |

## Contact Us



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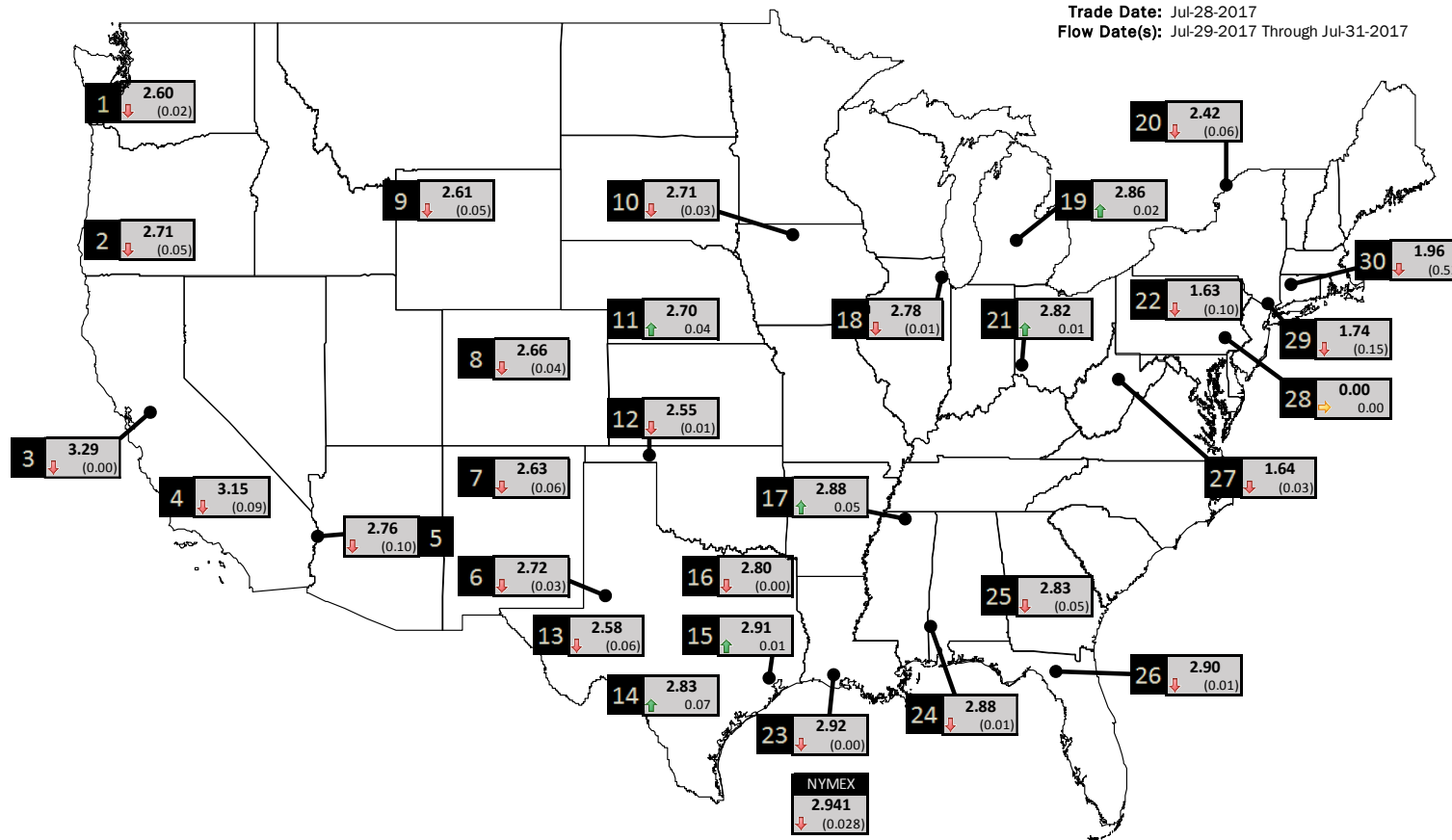
Phone: (800) 695-6626



# NATURAL GAS NEWS

## PHYSICAL SPOT NATURAL GAS PRICE MAP

Trade Date: Jul-28-2017  
Flow Date(s): Jul-29-2017 Through Jul-31-2017



| ID | DAILY INDEX         | PRICE | CHANGE |
|----|---------------------|-------|--------|
| 1  | Stanfield           | 2.60  | (0.02) |
| 2  | Malin               | 2.71  | (0.05) |
| 3  | PG&E - Citygate     | 3.29  | (0.00) |
| 4  | SoCal-Citygate      | 3.15  | (0.09) |
| 5  | SoCal Border        | 2.76  | (0.10) |
| 6  | Waha                | 2.72  | (0.03) |
| 7  | EP-SJ Blanco Pool   | 2.63  | (0.06) |
| 8  | Opal Plant Tailgate | 2.66  | (0.04) |
| 9  | NWP-Wyoming         | 2.61  | (0.05) |
| 10 | Ventura             | 2.71  | (0.03) |

| ID | DAILY INDEX          | PRICE | CHANGE |
|----|----------------------|-------|--------|
| 11 | NGPL-Midcont Pool    | 2.70  | 0.04   |
| 12 | Panhandle            | 2.55  | (0.01) |
| 13 | EP-Permian           | 2.58  | (0.06) |
| 14 | TGP-ZO               | 2.83  | 0.07   |
| 15 | Houston Ship Channel | 2.91  | 0.01   |
| 16 | NGPL-TXOK            | 2.80  | (0.00) |
| 17 | TETCO-M1 30          | 2.88  | 0.05   |
| 18 | Chicago Citygates    | 2.78  | (0.01) |
| 19 | Michcon              | 2.86  | 0.02   |
| 20 | Iroquois (into)      | 2.42  | (0.06) |

| ID | DAILY INDEX         | PRICE | CHANGE |
|----|---------------------|-------|--------|
| 21 | REX E-ANR           | 2.82  | 0.01   |
| 22 | Leidy-Transco       | 1.63  | (0.10) |
| 23 | Henry               | 2.92  | (0.00) |
| 24 | Transco-85          | 2.88  | (0.01) |
| 25 | Sonat-ZO South      | 2.83  | (0.05) |
| 26 | FGT-Z3              | 2.90  | (0.01) |
| 27 | Dominion-South      | 1.64  | (0.03) |
| 28 | Transco-Z6 (non-NY) | 0.00  | 0.00   |
| 29 | Transco-Z6 (NY)     | 1.74  | (0.15) |
| 30 | Iroquois-Z2         | 1.96  | (0.52) |

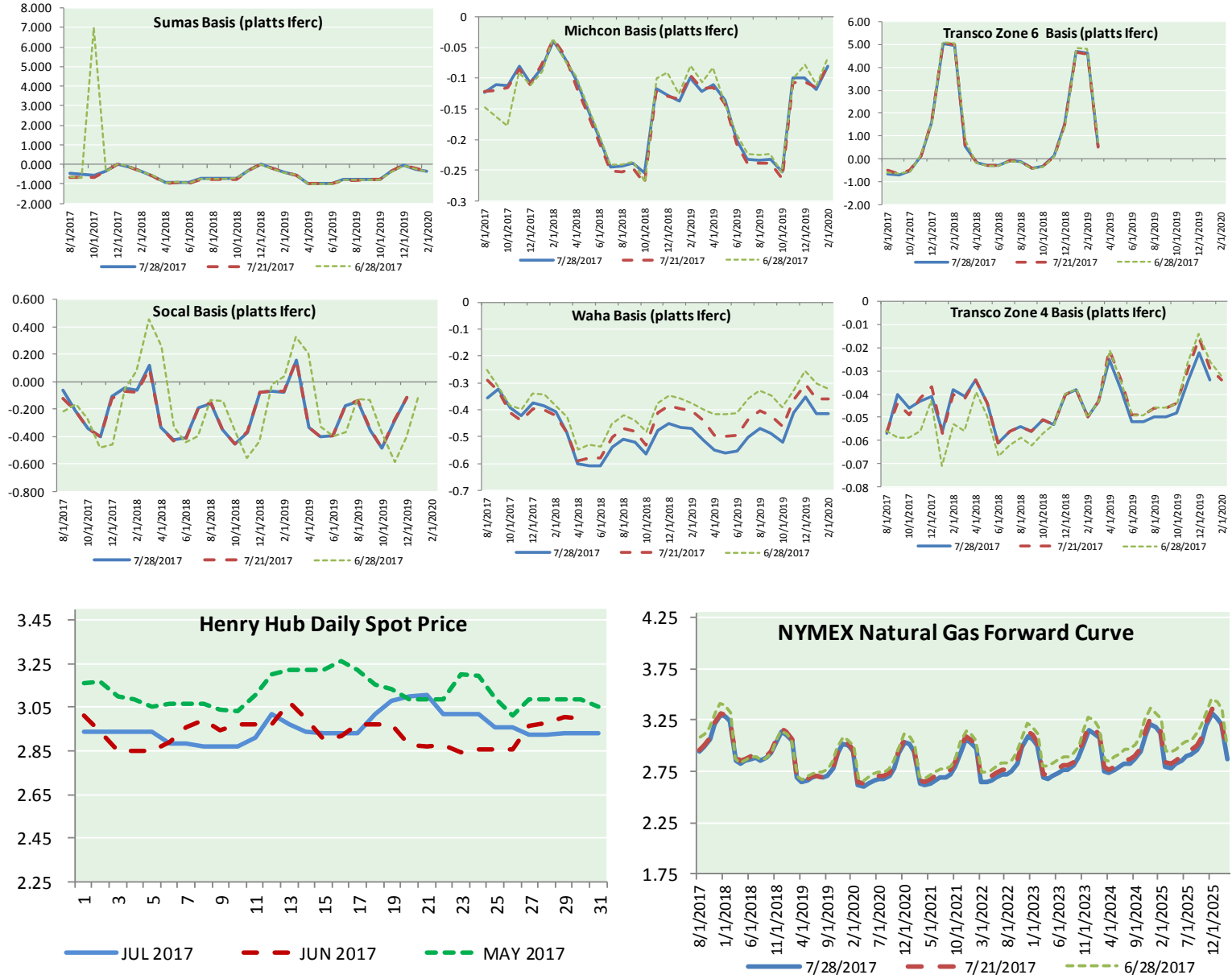
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# NATURAL GAS NEWS

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



### CME NG Option Prices

**ATM Call**

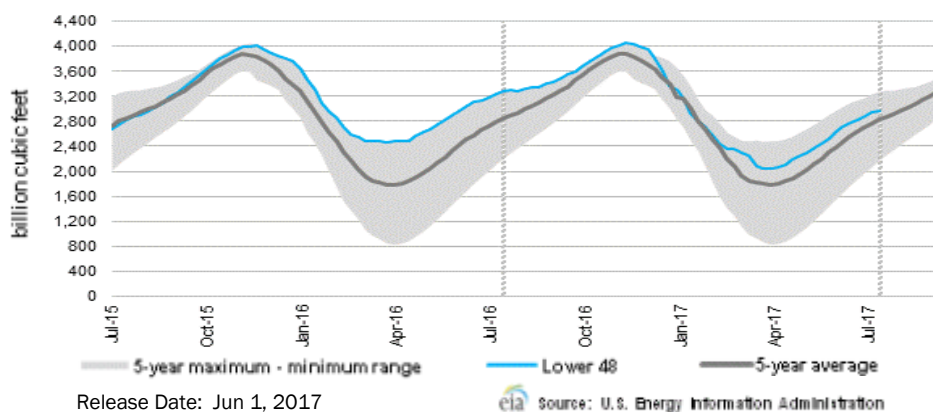
| Month  | Strike | Close | Imp Vol |
|--------|--------|-------|---------|
| Sep-17 | 2.850  | 0.147 | 45.0    |
| Oct-17 | 2.900  | 0.191 | 41.2    |
| Nov-17 | 3.000  | 0.215 | 37.5    |
| Dec-17 | 3.150  | 0.274 | 38.4    |
| Jan-18 | 3.250  | 0.343 | 42.2    |
| Feb-18 |        |       |         |
| Mar-18 |        |       |         |
| Apr-18 |        |       |         |
| May-18 |        |       |         |
| Jun-18 |        |       |         |
| Jul-18 |        |       |         |
| Aug-18 |        |       |         |
| Sep-18 |        |       |         |
| Oct-18 |        |       |         |
| Nov-18 |        |       |         |
| Dec-18 |        |       |         |
| Jan-19 |        |       |         |

### CME NG Option Prices

**ATM Put**

| Month  | Strike | Close | Imp Vol |
|--------|--------|-------|---------|
| Sep-17 | 2.850  | 0.061 | 20.6    |
| Oct-17 | 2.900  | 0.111 | 24.3    |
| Nov-17 | 3.000  | 0.159 | 26.2    |
| Dec-17 | 3.150  | 0.206 | 28.1    |
| Jan-18 | 3.250  | 0.294 | 34.7    |
| Feb-18 |        |       |         |
| Mar-18 |        |       |         |
| Apr-18 |        |       |         |
| May-18 |        |       |         |
| Jun-18 |        |       |         |
| Jul-18 |        |       |         |
| Aug-18 |        |       |         |
| Sep-18 |        |       |         |
| Oct-18 |        |       |         |
| Nov-18 |        |       |         |
| Dec-18 |        |       |         |
| Jan-19 |        |       |         |

WEEKLY GAS IN UNDERGROUND STORAGE WITH 5-YR RANGE



Rig Count

Report Date: July 28, 2017

|      | Total | Change |
|------|-------|--------|
| US - | 958   | +8     |
| CN - | 220   | +14    |

EIA Weekly NG Storage Actual and Surveys for July 21, 2017  
Released July 26, 2017

PIRA — +21  
ARM— +25  
Reuters — +25

EIA ACTUAL — +24

Total Working Gas In Storage

**2,973 BCF**

+28 BCF (LAST WEEK)  
(299) BCF (LAST YEAR)  
+141 BCF (5-YR AVG)

U.S. Natural Gas Supply Gas Week 7/13 - 7/19

Average daily values (BCF/d):  
Last Year (BCF/d)  
Dry Production — +71.2  
Total Supply — +77.8  
Last Week (BCF/d)  
Dry Production — +71.7  
Total Supply — +77.9

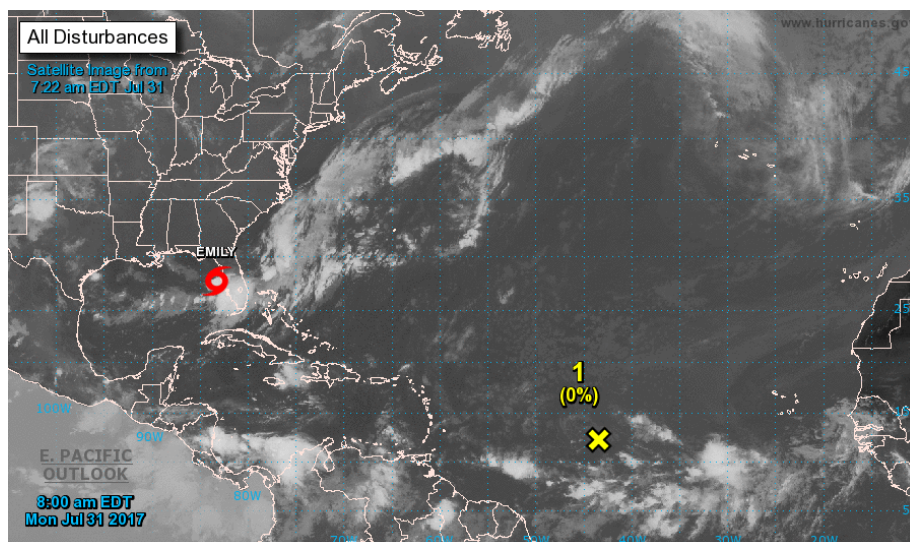
[NEXT REPORT ON AUG 3]

U.S. Natural Gas Demand Gas Week 7/13 - 7/19

Average daily values (BCF/d):  
Last Year (BCF/d)  
Power — +36.8  
Total Demand — +74.1  
Last Week (BCF/d)  
Power — +35.1  
Total Demand — +73.7

[NEXT REPORT ON AUG 3]

TROPICAL STORM ACTIVITY— ATLANTIC



For the North Atlantic...Caribbean Sea and the Gulf of Mexico:

The National Hurricane Center is issuing advisories on recently upgraded Tropical Storm Emily, located over the eastern Gulf of Mexico just offshore of the west-central Florida coast.

1. Shower activity remains limited in association with a tropical wave located about midway between the Cabo Verde Islands and the Lesser Antilles. Development, if any, of this system is expected to be slow to occur over the next several days while the system moves westward to west-northwestward at 10 to 15 mph.

- \* Formation chance through 48 hours...low...near 0 percent.
- \* Formation chance through 5 days...low...10 percent.

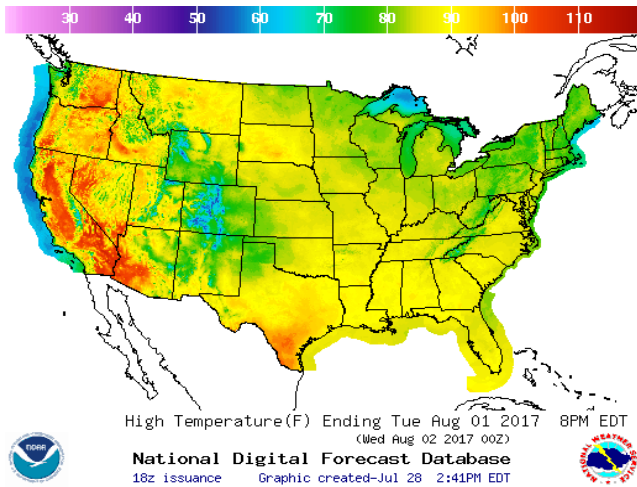
Public Advisories on Tropical Storm Emily are issued under WMO header WTNT31 KNHC and under AWIPS header MIATCPAT1. Forecast/Advisories on Tropical Storm Emily are issued under WMO header WTNT21 KNHC and under AWIPS header MIATCMAT1.

Forecaster Cangialosi

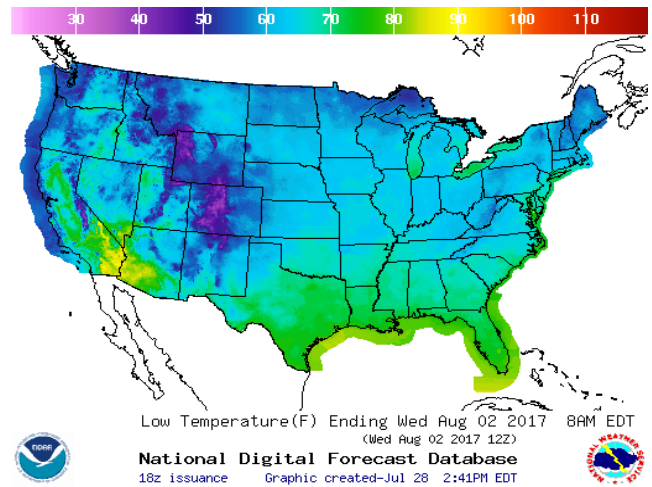


WEATHER – HIGH / LOW TEMPERATURE TOMORROW

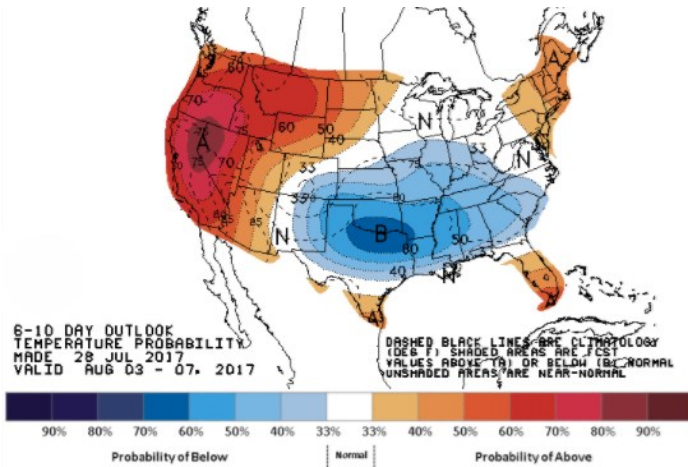
HIGH Temperature



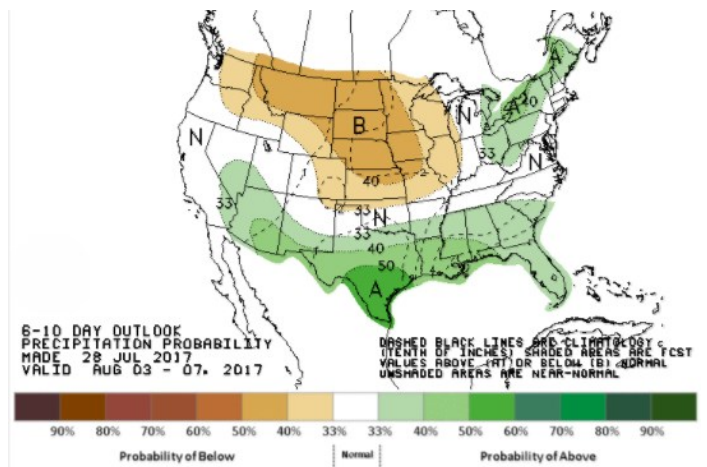
LOW Temperature



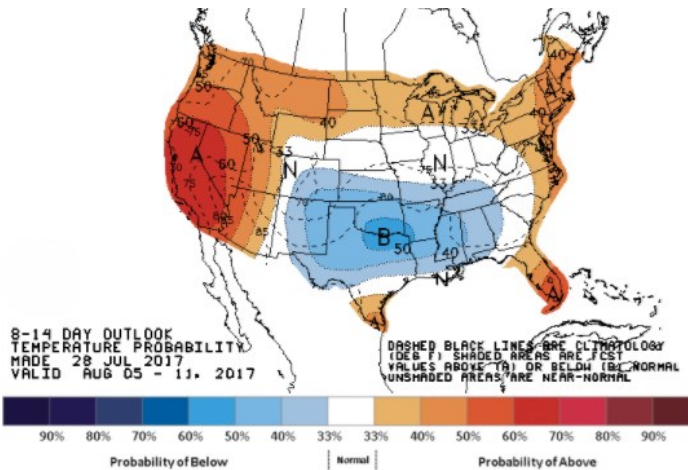
WEATHER – 6 TO 10 DAY OUTLOOK – NOAA  
Temperature



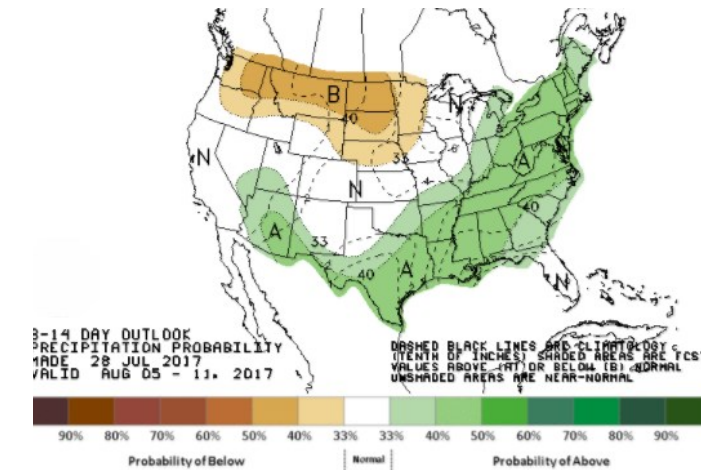
Precipitation



WEATHER – 8 TO 14 DAY OUTLOOK – NOAA  
Temperature



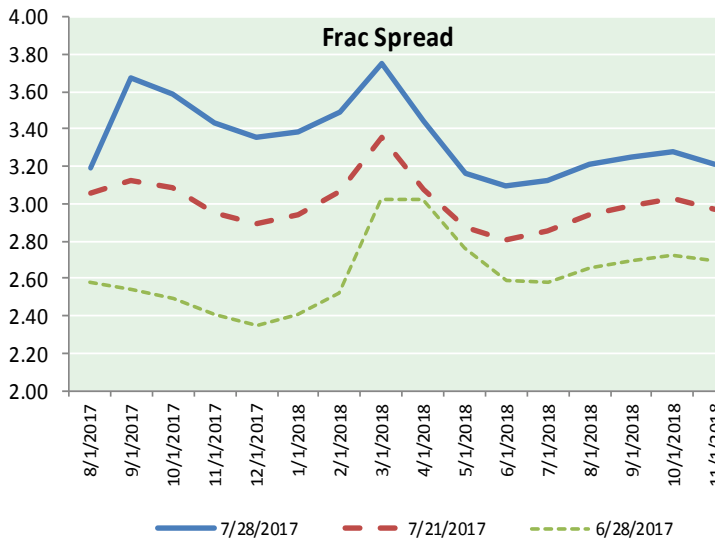
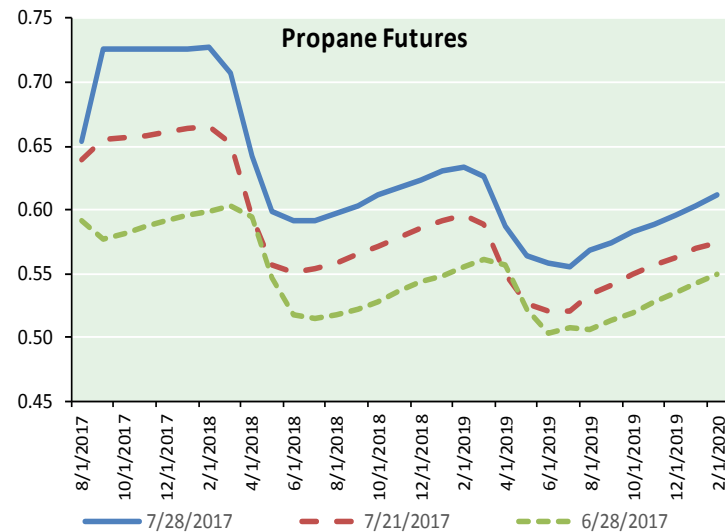
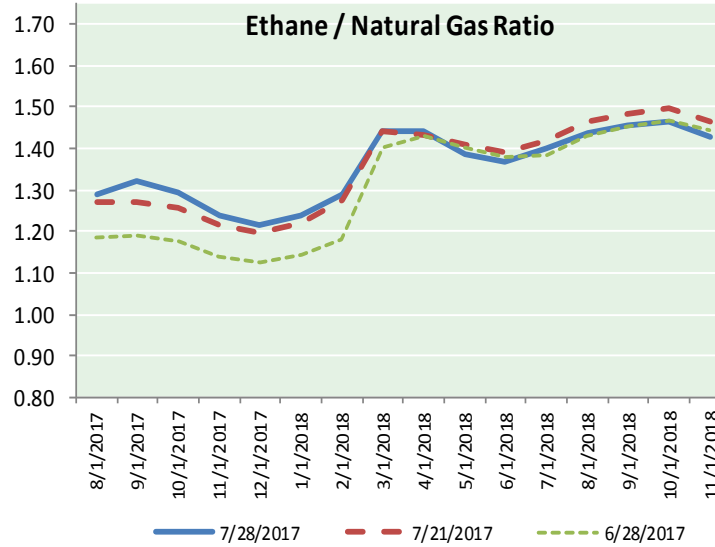
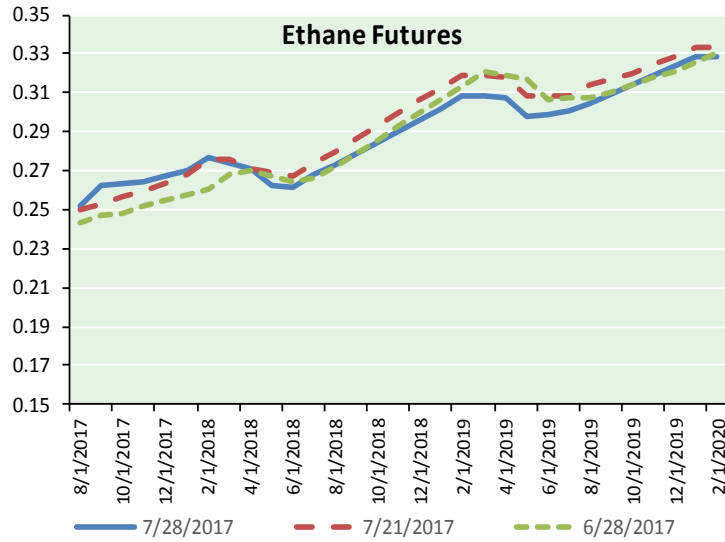
Precipitation



**NATURAL GAS NEWS**



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



**CME Future Prices**

**Ethane (C2)**

**Non-LDH— Mont Belvieu**

(cents/gallon)

| Month  | Close | Change  |
|--------|-------|---------|
| Aug-17 | 0.252 | (0.000) |
| Sep-17 | 0.262 | (0.000) |
| Oct-17 | 0.263 | (0.000) |
| Nov-17 | 0.264 | (0.001) |
| Dec-17 | 0.267 | (0.001) |
| Jan-18 | 0.270 | (0.002) |
| Feb-18 | 0.277 | (0.001) |
| Mar-18 | 0.274 | (0.002) |
| Apr-18 | 0.271 | (0.002) |
| May-18 | 0.263 | (0.003) |
| Jun-18 | 0.261 | (0.002) |
| Jul-18 | 0.268 | (0.003) |

1YR Strip 0.266 (0.002)

**CME Future Prices**

**Propane (C3)**

**Non-LDH— Mont Belvieu**

(cents/gallon)

| Month  | Close | Change  |
|--------|-------|---------|
| Aug-17 | 0.654 | (0.000) |
| Sep-17 | 0.726 | 0.003   |
| Oct-17 | 0.726 | 0.004   |
| Nov-17 | 0.726 | 0.004   |
| Dec-17 | 0.726 | 0.004   |
| Jan-18 | 0.726 | 0.004   |
| Feb-18 | 0.727 | 0.005   |
| Mar-18 | 0.708 | 0.006   |
| Apr-18 | 0.643 | 0.006   |
| May-18 | 0.599 | 0.006   |
| Jun-18 | 0.591 | 0.006   |
| Jul-18 | 0.591 | 0.006   |

1YR Strip 0.679 0.005

# NATURAL GAS NEWS



## Prompt WTI (CL) Crude Daily Sentiment

**BULLISH**



RESISTANCE

50.06 & 50.41

SUPPORT

49.11 & 48.51

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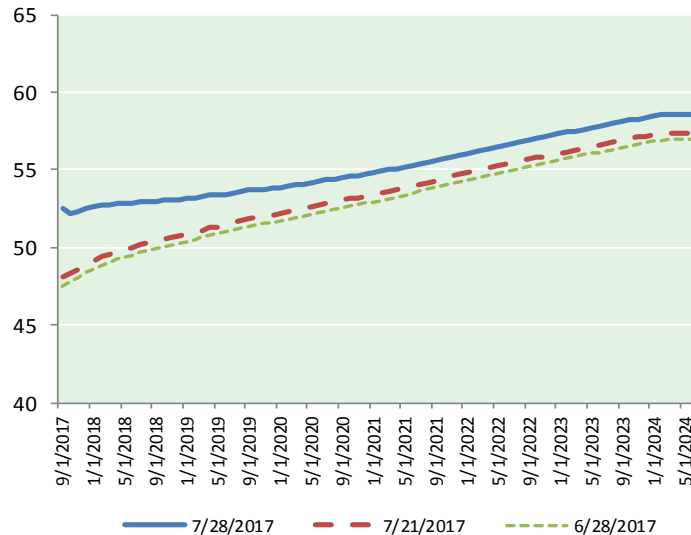
@MPG\_NatGasNews

## NYMEX Brent (BZ)

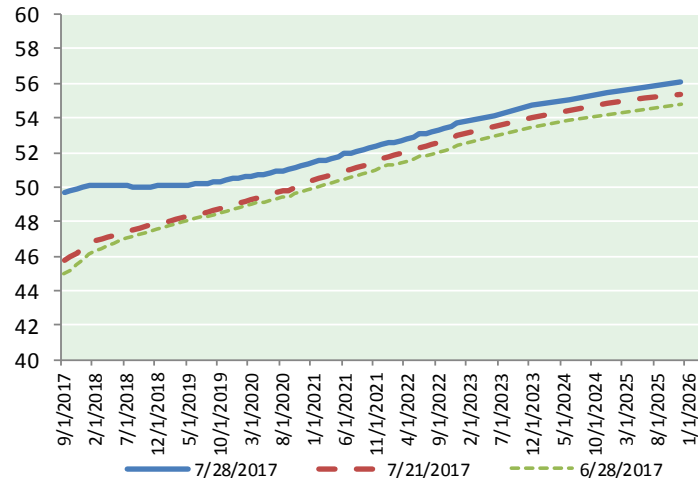
### Futures

| Month          | Close | Change |
|----------------|-------|--------|
| Sep-17         | 52.52 | 1.03   |
| Oct-17         | 52.22 | 0.70   |
| Nov-17         | 52.34 | 0.65   |
| Dec-17         | 52.48 | 0.63   |
| Jan-18         | 52.58 | 0.60   |
| Feb-18         | 52.69 | 0.57   |
| Mar-18         | 52.77 | 0.53   |
| Apr-18         | 52.83 | 0.50   |
| May-18         | 52.87 | 0.47   |
| Jun-18         | 52.89 | 0.43   |
| Jul-18         | 52.95 | 0.40   |
| Aug-18         | 53.00 | 0.37   |
| Sep-18         | 53.01 | 0.34   |
| Oct-18         | 53.03 | 0.31   |
| Nov-18         | 53.06 | 0.28   |
| Dec-18         | 53.10 | 0.25   |
| Jan-19         | 53.15 | 0.24   |
| Feb-19         | 53.22 | 0.23   |
| Mar-19         | 53.28 | 0.22   |
| Apr-19         | 53.38 | 0.22   |
| May-19         | 53.42 | 0.21   |
| Jun-19         | 53.44 | 0.20   |
| Jul-19         | 53.53 | 0.19   |
| Aug-19         | 53.60 | 0.19   |
| 1YR Strip 2017 | 52.68 | 0.57   |
| 5YR Strip      | 54.27 | 0.26   |

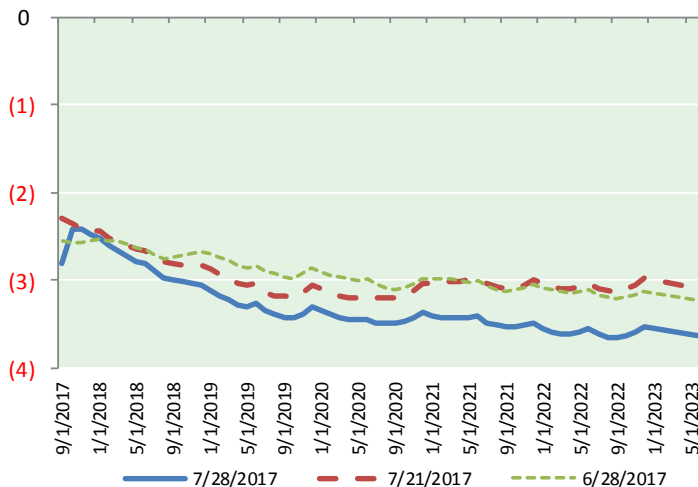
## BRENT CRUDE FORWARD CURVE



## 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-17       | Close | Change |
|--------------|-------|--------|
| Butane       | 0.799 | 0.001  |
| Iso-Butane   | 0.798 | 0.001  |
| Nat Gasoline | 1.046 | 0.000  |

## NYMEX WTI (CL) Futures

| Month          | Close | Change |
|----------------|-------|--------|
| Sep-17         | 49.71 | 0.67   |
| Oct-17         | 49.81 | 0.64   |
| Nov-17         | 49.93 | 0.61   |
| Dec-17         | 50.00 | 0.56   |
| Jan-18         | 50.06 | 0.52   |
| Feb-18         | 50.08 | 0.48   |
| Mar-18         | 50.10 | 0.45   |
| Apr-18         | 50.10 | 0.41   |
| May-18         | 50.09 | 0.38   |
| Jun-18         | 50.08 | 0.35   |
| Jul-18         | 50.05 | 0.31   |
| Aug-18         | 50.03 | 0.28   |
| Sep-18         | 50.02 | 0.25   |
| Oct-18         | 50.01 | 0.22   |
| Nov-18         | 50.02 | 0.19   |
| Dec-18         | 50.05 | 0.17   |
| Jan-19         | 50.04 | 0.15   |
| Feb-19         | 50.05 | 0.14   |
| Mar-19         | 50.06 | 0.13   |
| Apr-19         | 50.09 | 0.13   |
| May-19         | 50.12 | 0.13   |
| Jun-19         | 50.17 | 0.13   |
| Jul-19         | 50.18 | 0.12   |
| Aug-19         | 50.21 | 0.11   |
| 1YR Strip 2017 | 50.00 | 0.47   |
| 5YR Strip      | 51.00 | 0.16   |