



WEEKLY NATURAL GAS MARKET UPDATE

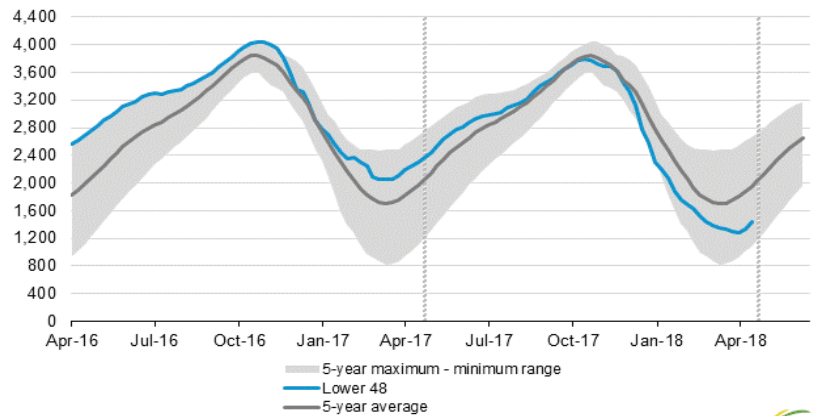
MAY 14, 2018

The Jun-2018 NYMEX natural gas contract closed Friday at \$2.806, up \$0.095 for the week. The 12-month strip average price of natural gas rose by \$0.071 over the same period. The Jun-2018 NYMEX crude oil contract closed Friday at \$70.70, up \$0.98 for the week. Updated NOAA forecasts suggest that above normal temperatures are expected across most of the US through at least the end of May. Later this week the NOAA will release its updated outlook for the approaching summer and beyond. Baker Hughes reported on Friday that the US natural gas rig count rose by 3 to 199 while total rigs (gas/oil combined) rose by 13 to 1045. In its most recent natural gas storage data, the EIA reported an injection of 89 Bcf into national inventories, a number at the low end of consensus market expectations. Early estimates for this week's report indicate an expected injection in the range of 100 to 110 Bcf vs. an injection of 64 Bcf for the same week last year and a 5-yr avg. injection of 87 Bcf.

EIA NATURAL GAS STORAGE REPORT
Week Ending May 4, 2018

Region	Inv. Level	Week Δ	Year Ago	5yr Avg.
East	243	+20	346	347
Midwest	240	+19	523	398
Mountain	92	+6	155	127
Pacific	195	+8	237	246
S. Central	662	+36	1033	832
Total	1432	+89	2295	1952

WORKING GAS IN UNDERGROUND STORAGE
COMPARED WITH 5-YEAR RANGE

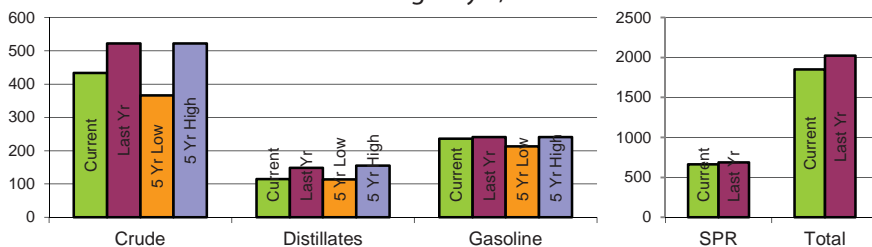


Source: U.S. Energy Information Administration



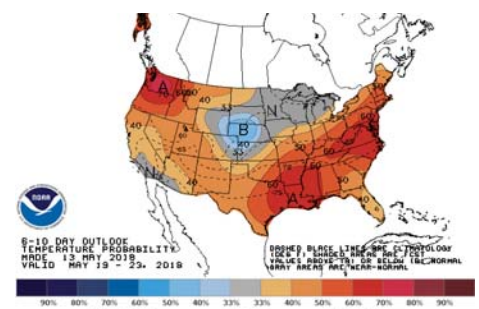
Storage Highlights: Working gas in storage was 1,432 Bcf as of Friday, May 4, 2018, according to EIA estimates. This represents a net increase of 89 Bcf from the previous week. Stocks were 863 Bcf less than last year at this time and 520 Bcf below the five-year average of 1,952 Bcf. At 1,432 Bcf, total working gas is within the five-year historical range.

EIA PETROLEUM INVENTORY (BARRELS X 1000)
Week Ending May 4, 2018

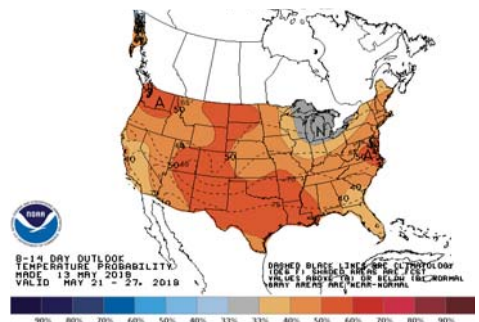


U.S. commercial crude oil inventories (excluding those in the Strategic Petroleum Reserve) decreased by 2.2 million barrels from the previous week. At 433.8 million barrels, U.S. crude oil inventories are in the lower half of the average range for this time of year. Total motor gasoline inventories decreased by 2.2 million barrels last week, and are in the upper half of the average range. Both finished gasoline inventories and blending components inventories decreased last week. Distillate fuel inventories decreased by 3.8 million barrels last week and are in the lower half of the average range for this time of year. Propane/propylene inventories increased by 2.3 million barrels last week, and are in the lower half of the average range. Total commercial petroleum inventories decreased by 1.5 million barrels last week.

6-10 DAY TEMP OUTLOOK (NOAA)



8-14 DAY TEMP OUTLOOK (NOAA)



BAKER HUGHES US NATURAL GAS RIG COUNT, 05/11/2018

	This Week	+/-	Last Week	+/-	Year Ago
Gas Rigs	199	+3	196	+27	172