



Natural Gas Weekly

Report Published: 10/28/2022

WEEK IN REVIEW

	East Daley Analytics Forecast On: 10/25/22		
	10/25/2022	Week 1	Change
Nov 22 Dry Supply	99.2	99.2	0.0
Rigs		↔	0.0
Flows		↔	0.0
Infra Constraints		↔	0.0
Storage		↔	0.0
Total			0.0

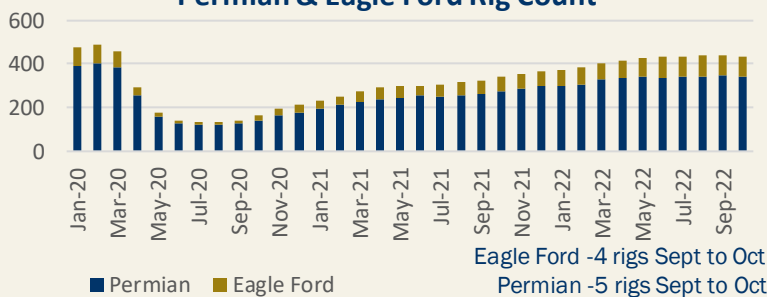
Commentary

-13 Rigs Sept to Oct vs. EDA fcst'd -23
 Flows -0.3% Sept to Oct vs. EDA fcst'd dry gas production +0.6%.
 Waha trading negative because of GCX pipe mtce in the Permian.
 Storage Injections on 10/26 in line with expectations.
 The constraints in the Permian are not expected to impact our November supply forecast.

- **Rigs** - Rigs in October are down 5 in the Permian and 4 in the Eagle Ford; the reduction in activity is in line with our forecast.
- **Flows** - Anadarko pipeline samples increased 7% W-o-W. The gain is due to a recovery from the Arkoma 1 compressor station following an October 12 explosion that caused an outage on the Arkoma Connector Pipeline. **We've seen a decrease in our Anadarko samples of ~473 MMcf/d in October, but we expect this decline is just noise rather than a production decrease as volumes were redirected to other pipelines, such as Enable Gas Transmission and NGPL, as well as intrastate pipelines not picked up in the sample.**
- **Infra Constraints** - Waha gas prices plunged into negative territory this week as planned and unplanned maintenance on the El Paso and Gulf Coast Express pipelines further cut into limited Permian takeaway. Work on the two systems limited egress by nearly 1.2 Bcf/d, led by an 855 MMcf/d cut on Gulf Coast Express amid compressor repairs. The El Paso system also saw its Plains North interconnect with the NGPL system unexpectedly lose service in North Texas.
- **Infra Constraints** - Maintenance work on the two pipelines is scheduled to be completed by week's end, which should bring some relief to Permian shippers, isolating the severely discounted Waha prices to October. Nevertheless, East Daley forecasts the latest volatility to be a preview of what's ahead. **In our latest basin forecast, we project Permian egress pipelines will effectively run full by late 2022 into early 2023.**
- **Storage** - We forecast storage to end October at 3,447 Bcf, implying 53 Bcf of injections during the last week of October, just 189 Bcf short of the 5-year average.

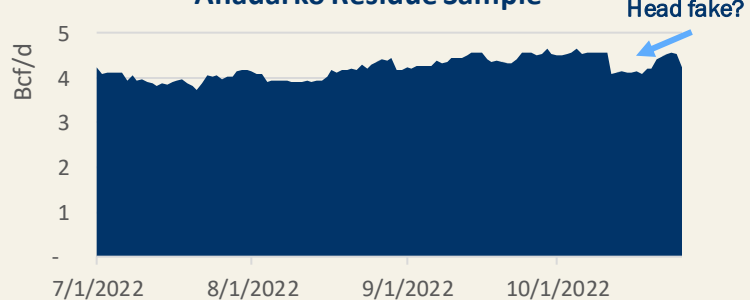
Rigs

Permian & Eagle Ford Rig Count



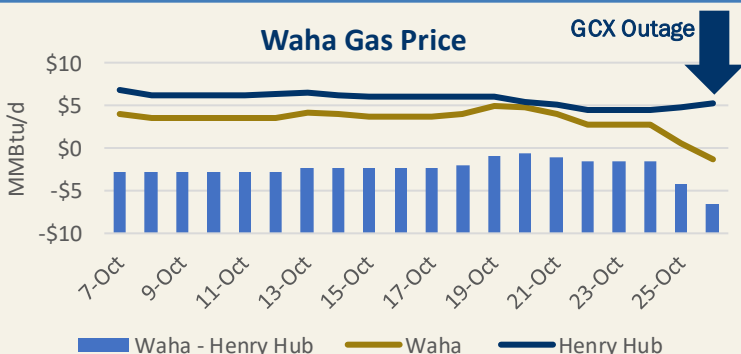
Flows

Anadarko Residue Sample



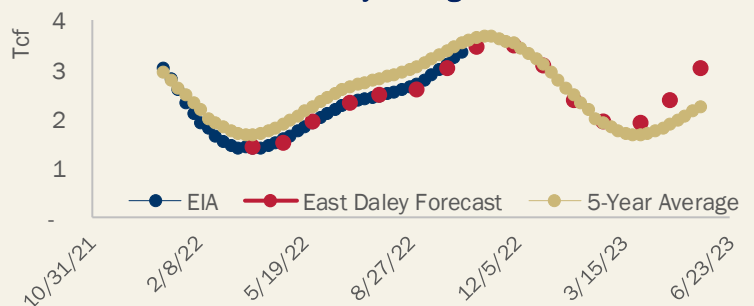
Infra Constraints

Waha Gas Price



Storage

East Daley Storage Tracker





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