

February 18, 2022

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Physical Spot Prices – February 17, 2022

| | Price | Change | Natural Gas Equivalent |
|---------------------------|---------------|----------|------------------------|
| Natural Gas – H. Hub | \$4.486/MMBtu | +\$0.527 | \$4.49 |
| Propane – Mont Belvieu | \$1.279/gal | +\$0.030 | \$13.98 |
| Crude Oil – WTI Cush | \$93.66/bbl | +\$4.000 | \$16.15 |
| No.2 Heating Oil – NYH | \$104.37/bbl | -\$1.680 | \$17.92 |
| No.6 Resid. – G. Coast | \$79.75/bbl | -\$1.280 | \$12.68 |
| Cent App Coal (prev. day) | \$93.25/ton | \$0.000 | \$3.73 |

Change is from previous week

U.S. Rotary Rig Count for:

Week ending 02-11-22

| | Gas | Oil |
|-----------|-----|-----|
| Current | 118 | 516 |
| Last Week | 116 | 497 |
| Last Year | 90 | 306 |

Market Update is a weekly publication of Encore Energy Services, Inc. and is designed to provide industrial and commercial customers with the latest "Market News" in the natural gas industry. The information contained herein is intended as general business information. This publication contains forward-looking material and is not intended for a specific business situation. If you would like copies of previous reports, please visit our website or contact your Sales Manager.

Futures Pricing

At the close of business Thursday, February 17, 2022 the future strip prices were as follows:

| | This Week 02/17/22 | Last Week 02/10/22 | Change | Last Month 01/18/22 | Change | Last Year 02/17/21 | Change |
|----------------------|-----------------------|-----------------------|----------|------------------------|----------|-----------------------|----------|
| NYMEX near month | \$4.486 | \$3.959 | +\$0.527 | \$4.048 | +\$0.438 | \$3.083 | +\$1.403 |
| NYMEX 12-month strip | \$4.599 | \$4.145 | +\$0.454 | \$4.167 | +\$0.432 | \$2.674 | +\$1.925 |
| NYMEX Winter strip | \$4.681 | \$4.297 | +\$0.384 | \$4.277 | +\$0.404 | \$2.758 | +\$1.923 |
| NYMEX Summer strip | \$4.515 | \$4.046 | +\$0.469 | \$4.076 | +\$0.439 | \$2.558 | +\$1.957 |

Near month range for the week = \$3.876 - \$4.793

Current near month is Mar '22

Summer strip is Apr '22 – Oct '22

12-month strip is Mar '22 – Feb '23

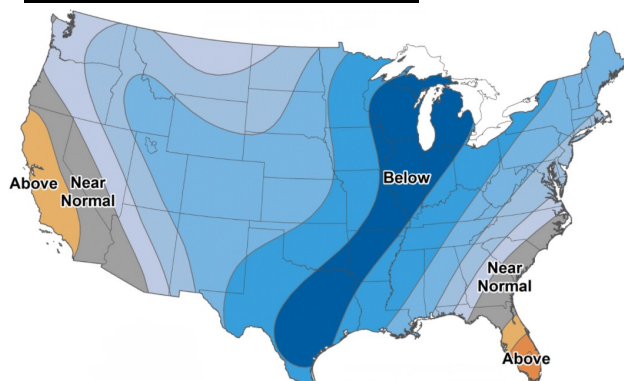
Winter strip is Nov '22 – Mar '23

Near-Month Natural Gas

Futures Prices (NYMEX) through Feb 17



Temperature Forecast Feb 25 through Mar 03, 2022



For more information on anything addressed in this report, please contact your Sales Manager.

Sources: NOAA, EIA, CME Group and Baker Hughes

Storage Report

For the week ending Feb 11, 2022, natural gas storage reported by the Energy Information Administration (EIA) was (in Bcf):

| This Week | Last Week | Last Year | 5 Yr. Ave. |
|-----------|-----------|-----------|------------|
| 1,911 | 2,101 | 2,315 | 2,162 |

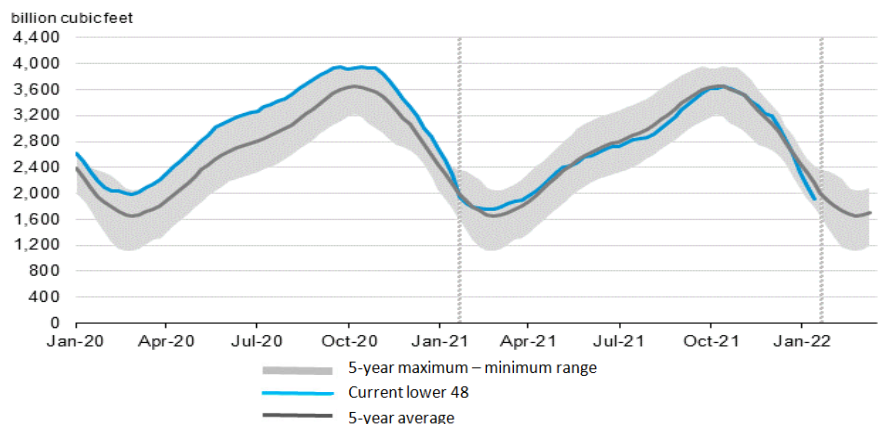
Change this week: -190 Bcf

Change for the same week last year: -227 Bcf

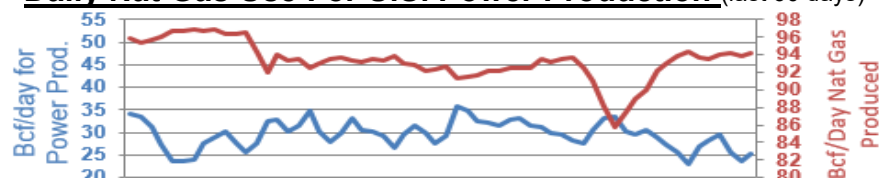
Inventory vs. 1 Year ago: -17.5%

Inventory vs. 5-Yr. Ave: -11.6%

Working Gas in Storage Compared to 5-Year Range



Daily Nat Gas Use For U.S. Power Production (last 60 days)



Last 52 week Average = 31.2 Bcf/day

Last 30 day Average = 29.8 Bcf/day

% of U.S. Demand = 39%

% of U.S. Demand = 27%