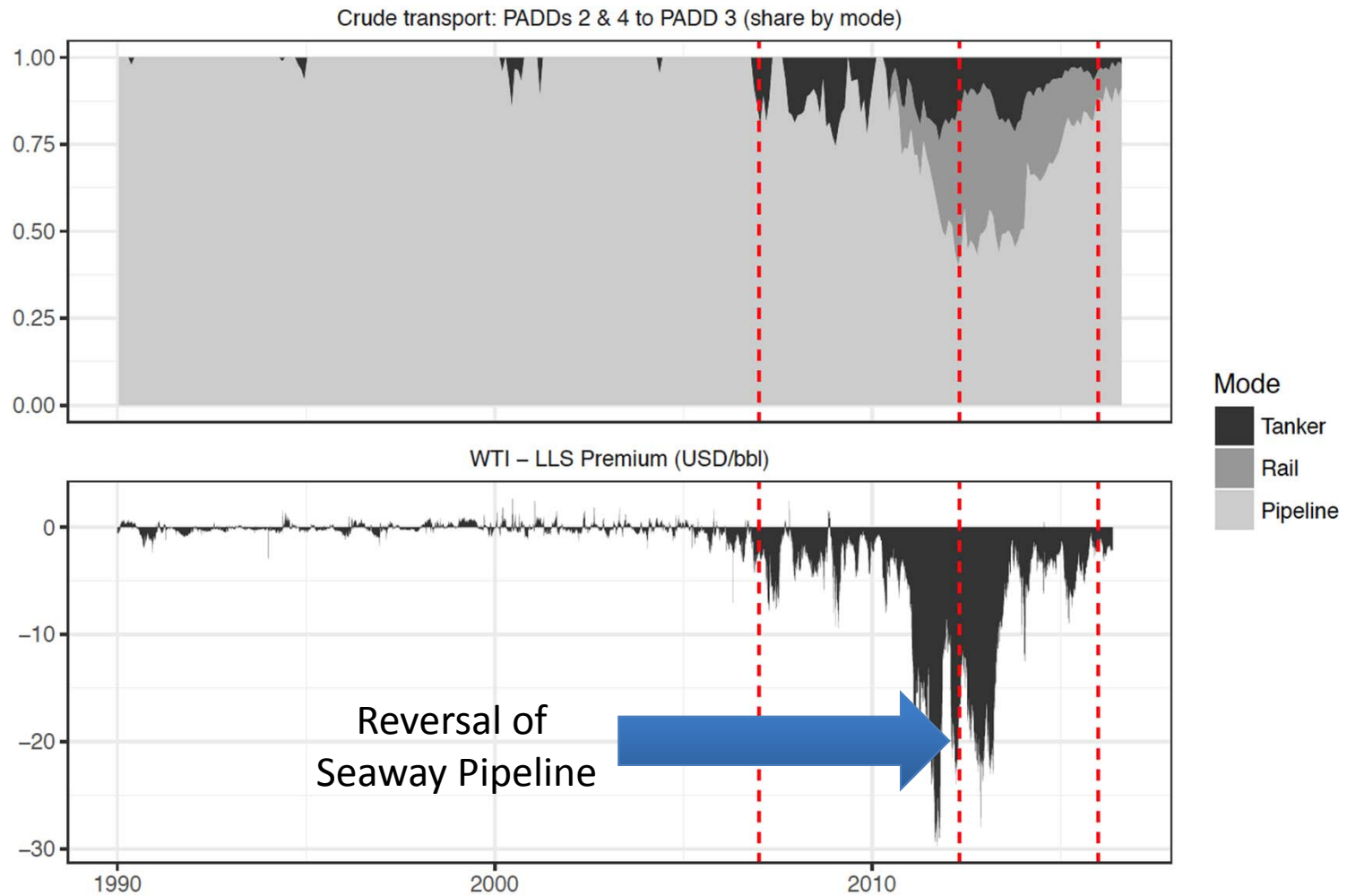




Transportation Infrastructure Development Roundtable

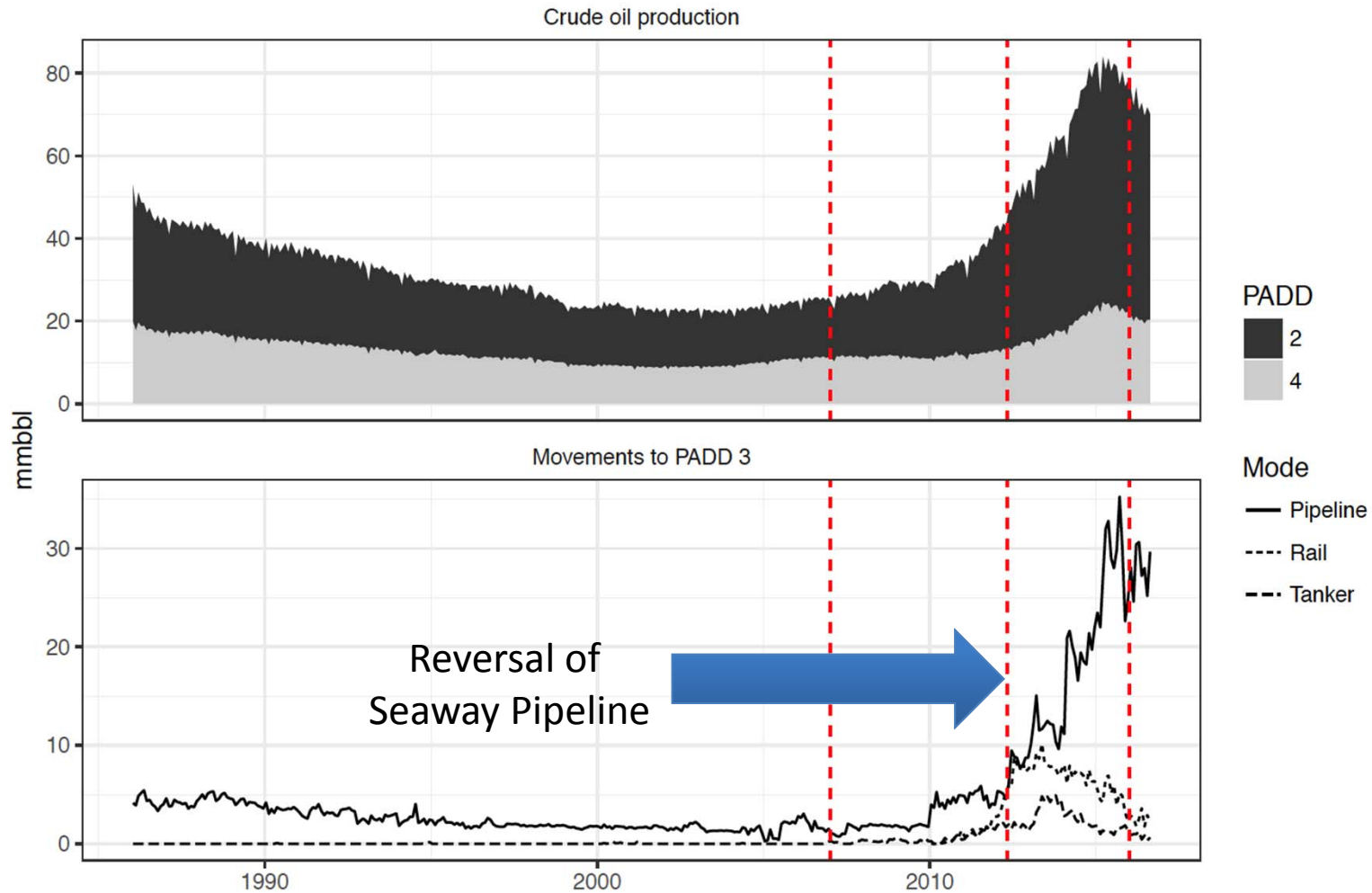
*Gregory B. Upton Jr., Ph.D.
Louisiana State University
Center for Energy Studies
October 18, 2017*

Price Differentials and Shipping Constraints



Lines at Jan 2007, May 2012, Jan 2016

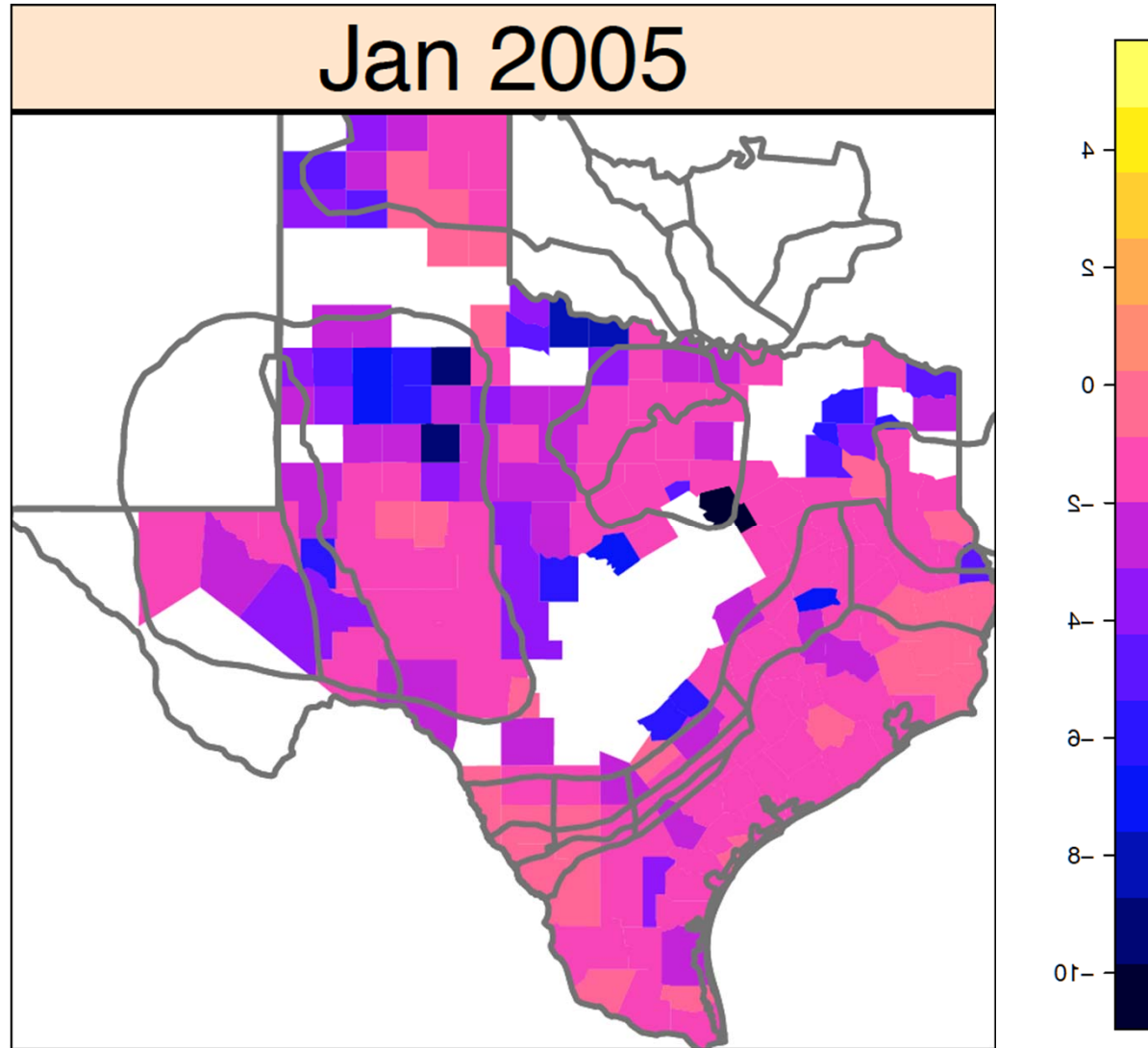
Price Differentials and Shipping Constraints



Lines at Jan 2007, May 2012, Jan 2016

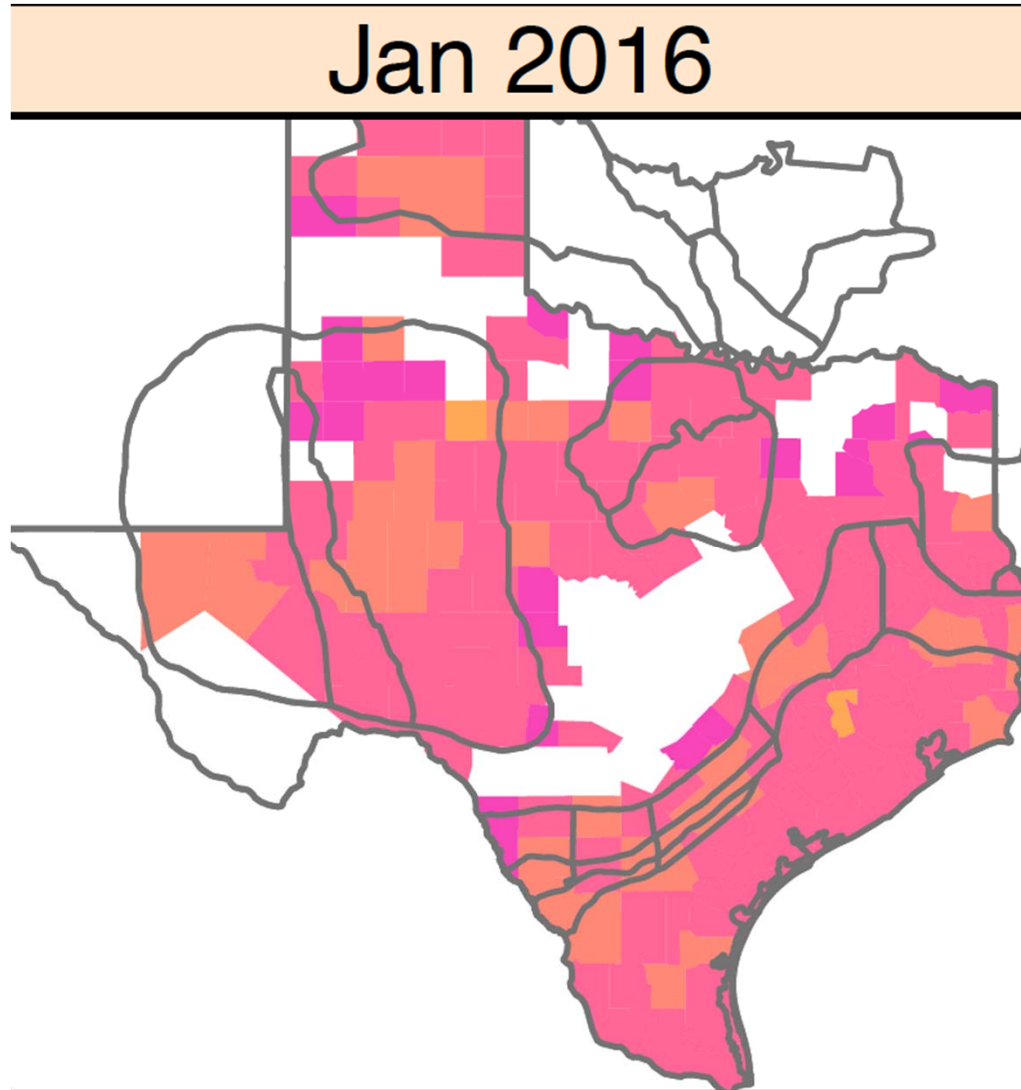
Natural Gas Price Premium to HH

During the peak of the natural gas boom, natural gas wellhead prices in west Texas were discounted heavily to Henry Hub.



Natural Gas Price Premium to HH

Recently, well head price differentials have stabilized and most areas counties are experiencing wellhead prices similar to Henry Hub.



Natural Gas Price Premium to HH

Even today, price discounts appear to be impacted by the availability of natural gas pipelines needed to get gas to Gulf Coast. Current research focuses on importance of natural gas pipelines on upstream economics.

