

Gas Markets  
**Briefly Noted**

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Natural Gas Week's Gas Market Reconnaissance

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The Federal Energy Regulatory Commission has given the OK for Cheniere Energy's \$1 billion, 1.44 billion cubic feet per day Midship Pipeline that will move natural gas out of the Oklahoma's Scoop/Stack Play. The 200-mile pipeline would start in Kingfisher County, Oklahoma, and then head south and east to to Bryan County on the Oklahoma-Texas border where it will be connected to the interstate pipeline system. The system is expected to go on line by the third quarter of 2019. A Cheniere spokesman says the system will provide a ready source of natural gas that ultimately can be exported from the US via LNG terminals. Cheniere has one LNG exporting terminal in operation in southwestern Louisiana and another that is expected to begin operations soon in Corpus Christi, Texas. Midship is expected to transport natural gas from Devon Energy, Marathon Oil, Cimarex Energy and Gulfport Corp. .

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FERC has approved the commissioning of Freeport LNG's Train No. 1. The approval allows for the commissioning of the plant's first train and common areas to be shared with additional trains or units at the liquefaction and pretreatment facilities. The \$14 billion export plant is being built on Quintana Island at Freeport, Texas. Four trains are planned at Freeport, three of which are under construction. Each train will have a capacity to produce more than 5 million tons of LNG per year (685 million cubic feet of gas per day). Freeport construction was delayed by Hurricane Harvey in 2017 with the remaining three trains now expected to enter service between September 2019 and May 2020. The project has signed off-take deals with Trafigura, Osaka Gas, Jera, BP, Toshiba and SK E&S.

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The federal Bureau of Land Management has approved a drilling plan that could see up to 3,500 natural gas wells in Sublette County, Wyoming over the next four decades. The project is on 141,000 acres of the Normally Pressured Lance field, which lies on mostly federal land, with estimated recoverable reserves of 7 trillion cubic feet of natural gas and up to 140 million barrels of oil. Conservation groups quickly condemned the project, while energy companies, especially Jonah Energy, were just as quick to throw their support to the plan. The Western Watersheds Project said it is looking at legal options to overturn the BLM decision.

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The Texas Alliance of Energy Producers is taking issue with a Duke University study that shows water use for E&P operations in the Permian Basin has rocketed 767% between 2011-16. The report, compiled by researchers at Duke University's Nicholas School of the Environment, has been published in Science Advances. Duke University researchers said water use across all of the major shale plays has increased. That is understandable, said John Tintera, president of the Texas Alliance of Energy Producers. "If you use water to drill oil wells, and you drill more and bigger oil wells, you will use more water." The Texas **Bureau of Economic Geology**, says water use for shale gas in the state was reported at less than 1% of statewide water withdrawals. In the Barnett Shale near Dallas, water for fracking represents about 9% of the total water used by the city.

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The National Hurricane Center is monitoring a strong and well-defined low pressure system off the west coast of Senegal that has a 90% chance of becoming a tropical system over the next five days. The center said the system is moving to the west-northwest at 15 mph and should be near the Cabo Verde Islands within 48 hours.

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