

**Shale gas production continues to soar**

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By CASEY JUNKINS For The Times Leader

ST. CLAIRSVILLE - Ohio Marcellus and Utica shale drillers produced enough natural gas last year to power 37.5 million road trips from New Jersey to California, as the Buckeye State saw frackers pump 441 billion cubic feet of fuel - more than four times the amount drawn in 2013.

Even as natural gas prices remain depressed due to the supply glut in the Marcellus and Utica region because there is still not enough pipeline infrastructure, operators in Ohio, West Virginia and Pennsylvania continued increasing their output last year, according to data from the U.S. Energy Information Administration.

Selling prices on the New York Mercantile Exchange are now about $1.70 per 1,000 cubic-foot unit compared to this time in 2014, so some drillers have slowed down or stopped drilling in the low price environment. However, these slowdowns are not reflected in the most current EIA data.

Perhaps most telling is that Ohio reported no shale production whatsoever as recently as 2011.

However, drillers such as Rice Energy, Gulfport Energy, XTO Energy, Chesapeake Energy, Antero Resources, Statoil, Eclipse Resources, Magnum Hunter, Consol Energy and others extracted enough natural gas through Buckeye State fracking to power 246,519 trips to the moon and back last year, according to Cabot Oil & Gas.

"During the third quarter, we were able to continue to set record quarterly production levels, producing over 225 million cubic feet per day, while lowering our per unit operating expenses," Eclipse Chairman, President and CEO Benjamin W. Hulbert said of the period from July 1 through Sept. 30.

Rice Energy yielded 609 million cubic feet of gas per day during the third quarter, up by 15 percent from the April 1 to June 30 period.

"Our third quarter results demonstrate our ability to continue executing our development plan despite challenging commodity markets. The economic investment decisions we are making today will continue to deliver significant growth in the future," Rice CEO Daniel J. Rice IV said. "We are proud of our team's strong initiative and collaboration this year, evidenced by our strong results, which positions us for continued success in 2016."

As a subsidiary of global oil giant Exxon Mobil, XTO continues acquiring development acreage across eastern Ohio, while it also drills wells. The parent company earned $4.2 billion during the third quarter, which is actually down from the $8.1 billion it collected during the period in 2014.

"We maintain a relentless focus on business fundamentals, including cost management, regardless of commodity prices," Exxon Chairman and CEO Rex W. Tillerson said. "Quarterly results reflect the continued strength of our downstream and chemical businesses - and underscore the benefits of our integrated business model."

West Virginia also realized a steady climb in shale gas production during the last few years, as frackers such as Chesapeake Energy (prior to selling its operations to Southwestern Energy Co., Chevron, Gastar Exploration, Magnum, Antero, Noble Energy, Stone Energy and others kept pumping more fuel in 2014. The state reached 869 Bcf last year, up from 498 Bcf in 2013 - and just 192 in 2011.

Mountain State industry leaders believe multi-billion-dollar pipeline projects such as the Atlantic Coast Pipeline, the Leach XPress Pipeline, the Rover Pipeline and the Mountain Valley Pipeline will, once operational, relieve the Marcellus and Utica gas oversupply, which should increase demand.

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