The Lower 48 Supply and Demand Picture

Robust, Delicate and Volatile all at the same time

EAST DALEY ANALYTICS

Presented By:

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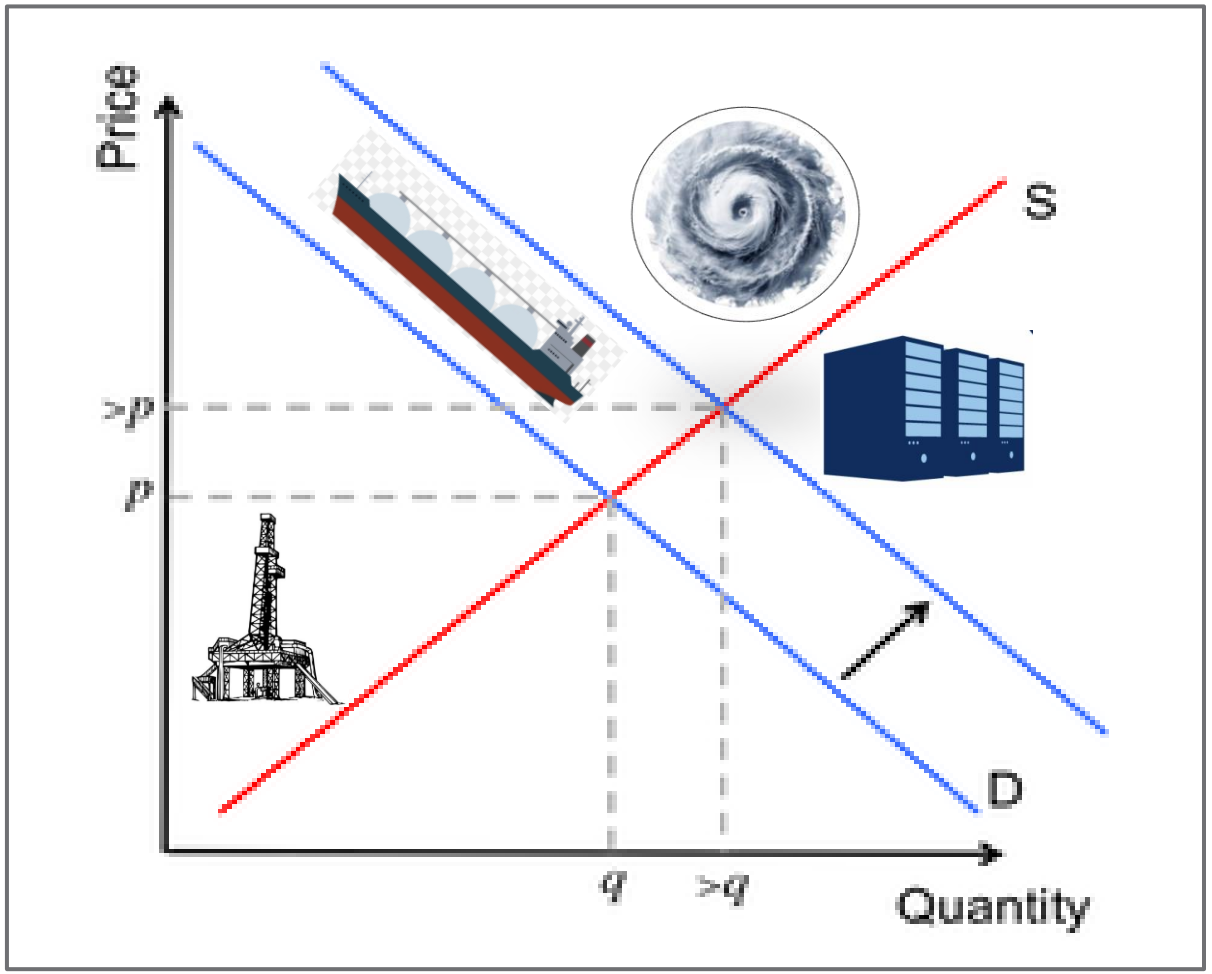
GPA Midstream. Sept. 23, 2025

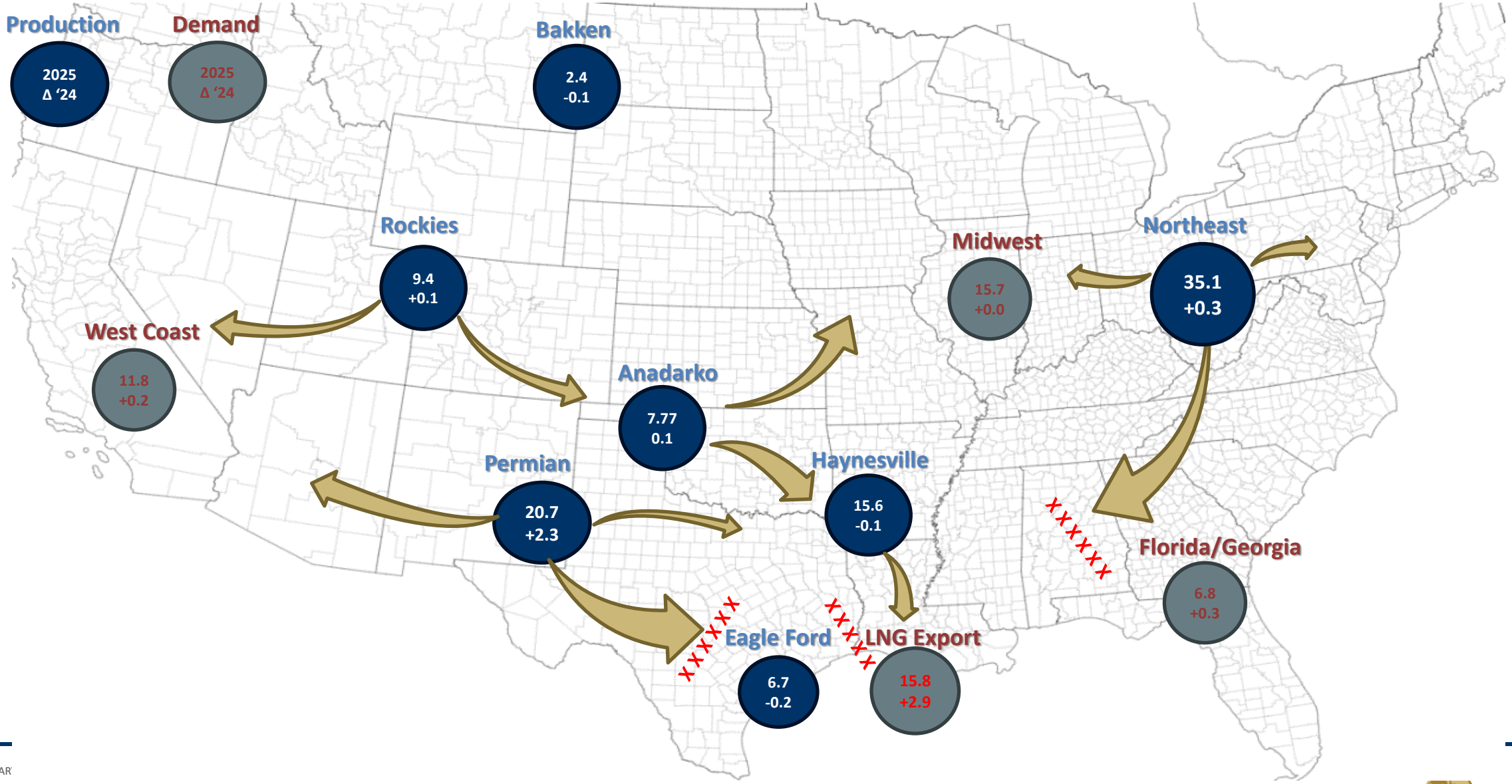
Today's Agenda

Robust, Delicate and Volatile all at the same time….

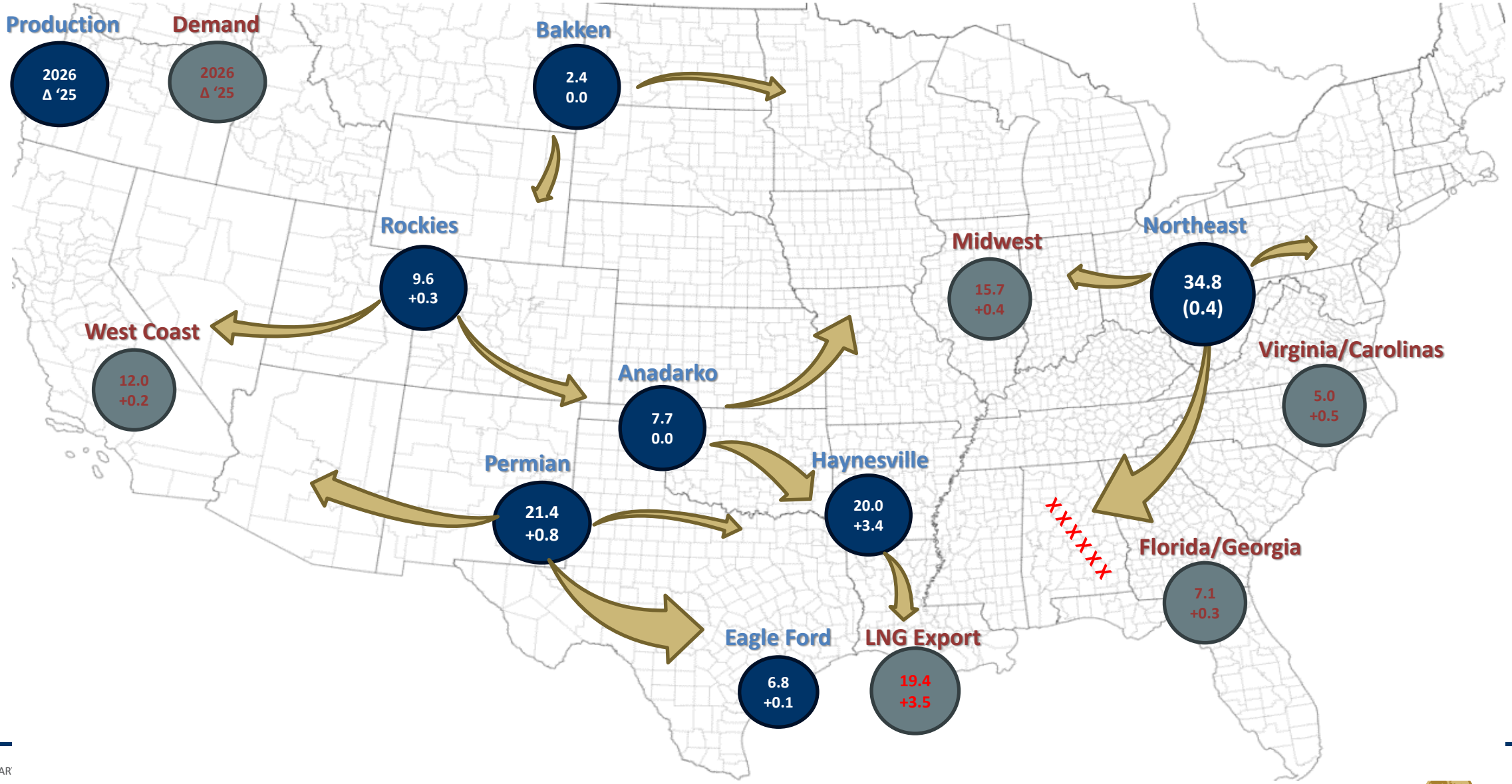
1. Undersupply to Oversupply in 12 Short Weeks – Gas Production Responds with More!
2. Basin Dynamics and Cross-Commodity Impacts
3. Gas Infrastructure Additions, Timing and Regional Basis
4. Storage and Price - Foreseeable Risks and Future Volatility



Production – 2025 versus 2024 (average to average in Bcf/d)

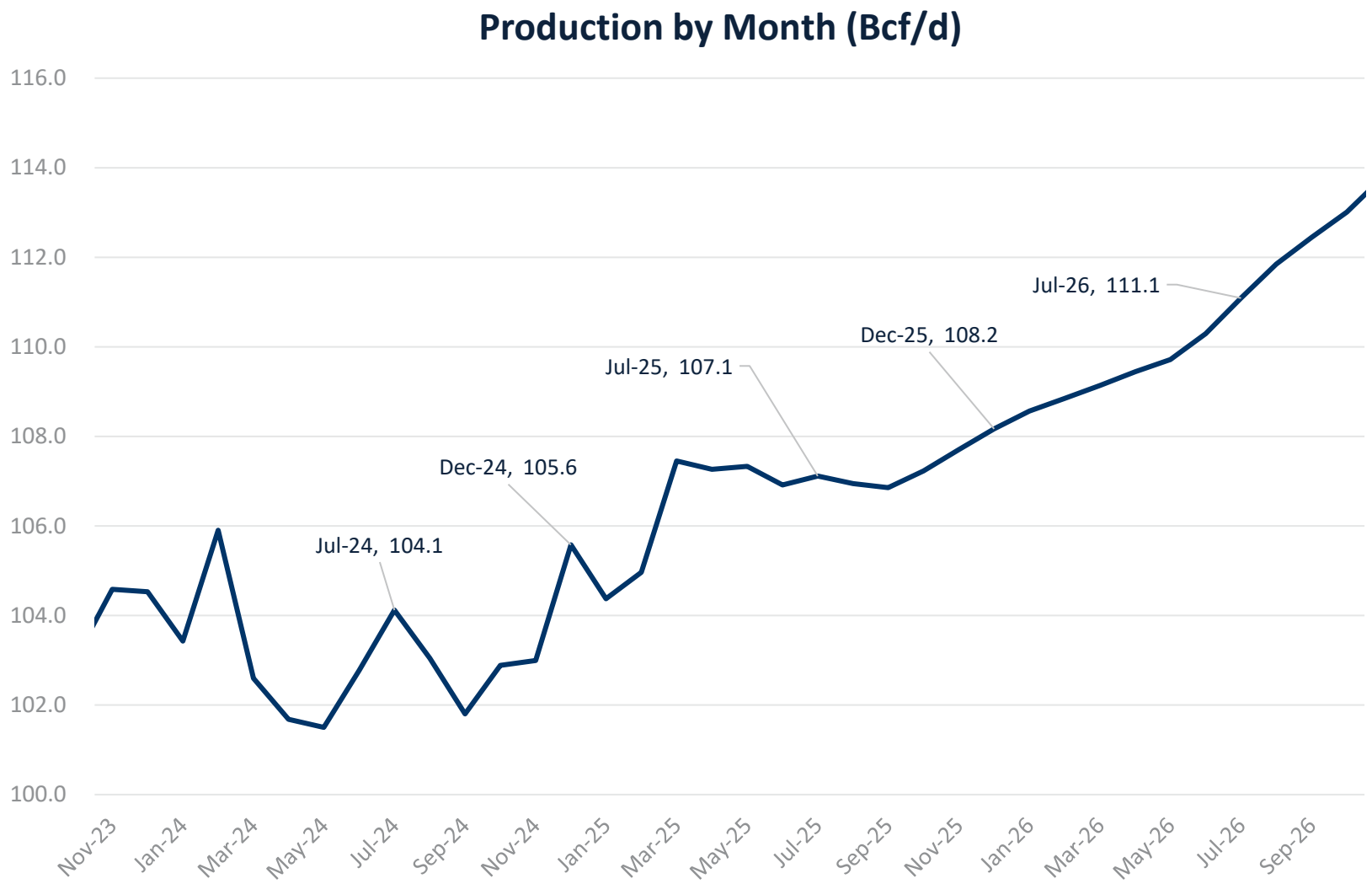


Supply and Demand – 2026 versus 2025 (average to average in Bcf/d)



Lower 48 Production Trends

- Production hit 107.4 Bcf/d in March and has not looked back. We expect to end the year above 108.0 Bcf/d as rigs deployed in the Haynesville begin to drive production gains.
- In July 2026 demand for LNG feedgas alone will be 4.0 Bcf/d higher, thus production must also tack higher and be closer to 111.0 Bcf/d over the next 10 months.
- Production gains will be driven by activity in the greater Haynesville. It is the marginal molecule with a breakeven price between $2.40 (core and $3.75 (emerging western Haynesville).



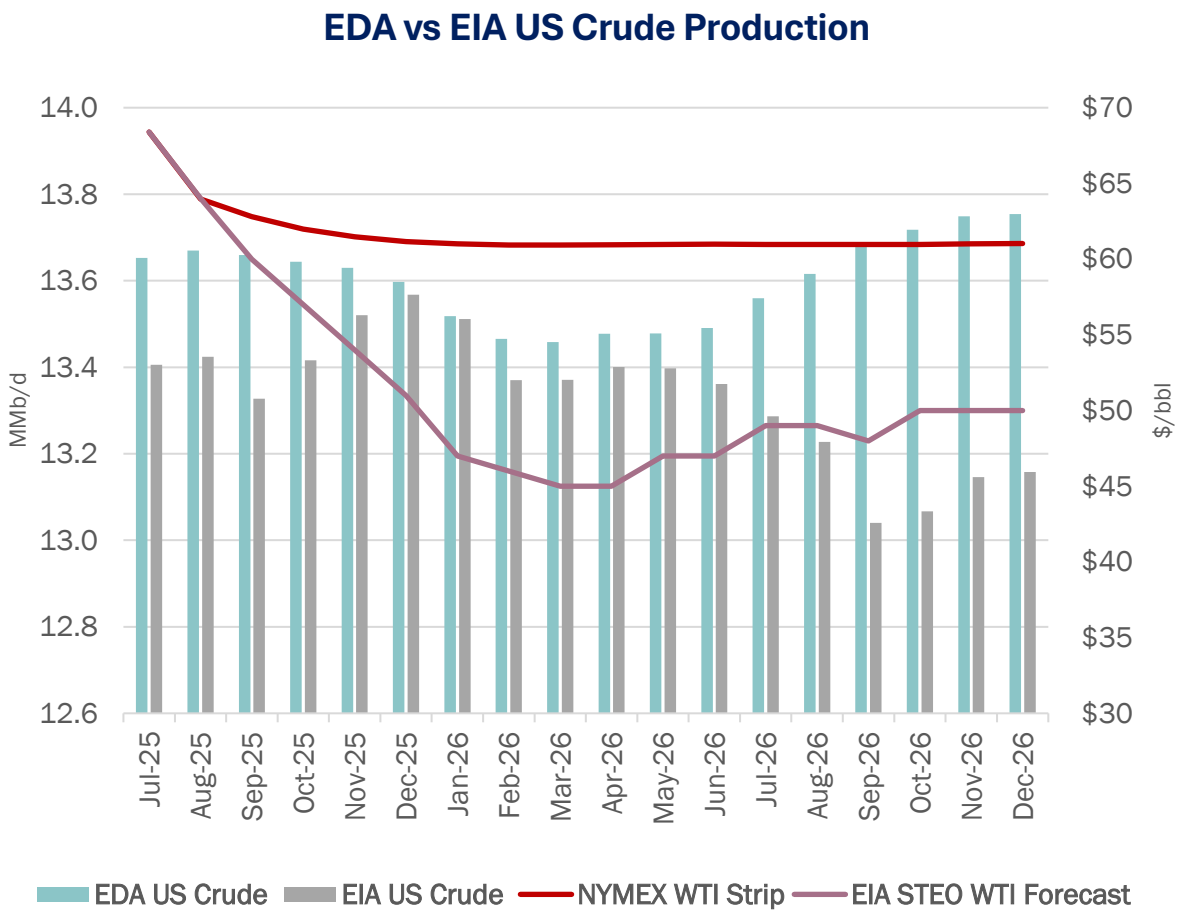
2026 Crude Oil – Everyone's Got An Opinion

In July, OPEC+ members agreed to accelerate unwinding production cuts of 2.2 MMb/d to September. A softer price environment could linger into early 2026 as inventory grows.

The latest OPEC+ MOMR has US crude oil production settling at 13.2 MMb/d in 2026.

In the August STEO, the EIA predicts US crude oil production to reach an all-time high of 13.6 MMb/d in Dec '25, then decline to 13.2 MMb/d by Dec '26.

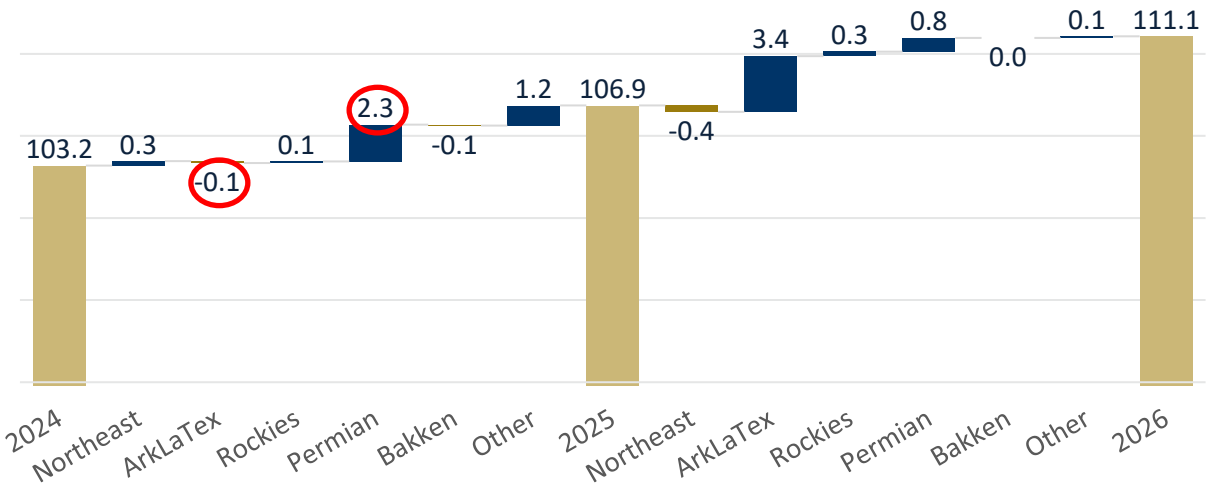
Early 2026 guidance from leading producers ExxonMobil (XOM), Chevron (CVX) and ConocoPhillips (COP) points to steady production growth. The higher WTI futures curve suggests traders are discounting the OPEC+ decision to unwind its production cuts.



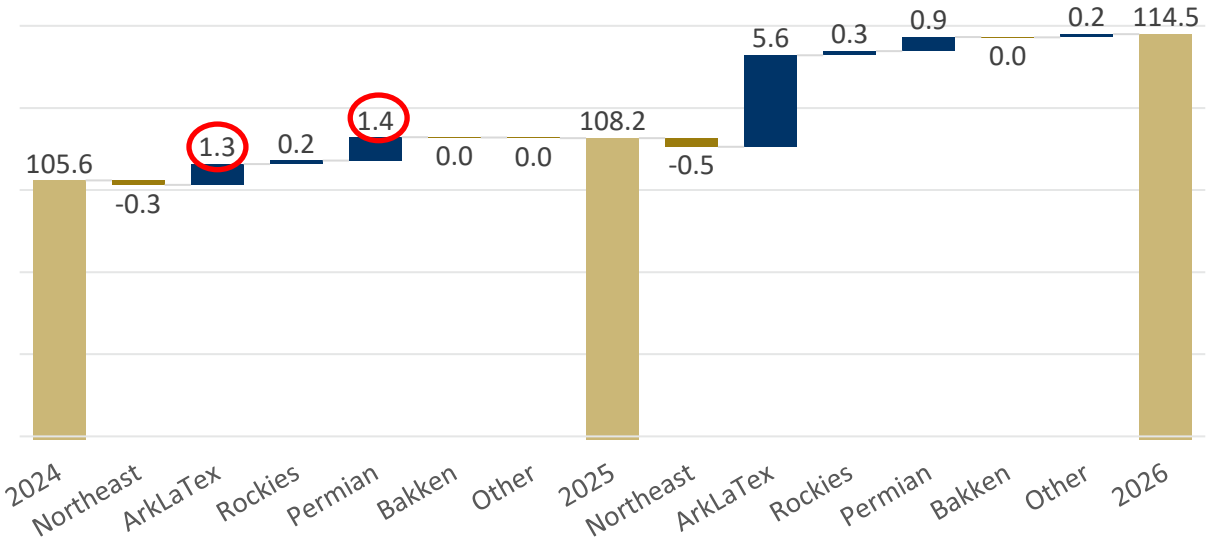
Where and when production will show up

Basin	L48	Permian	Haynesville	North East	Eagle Ford	Bakken
Rigs End 2024	548	286	37	31	51	36
Rigs End 2025	517	253	58	36	48	30

Lower 48 Production Evolution (Bcf/d, Avg.-Avg.)



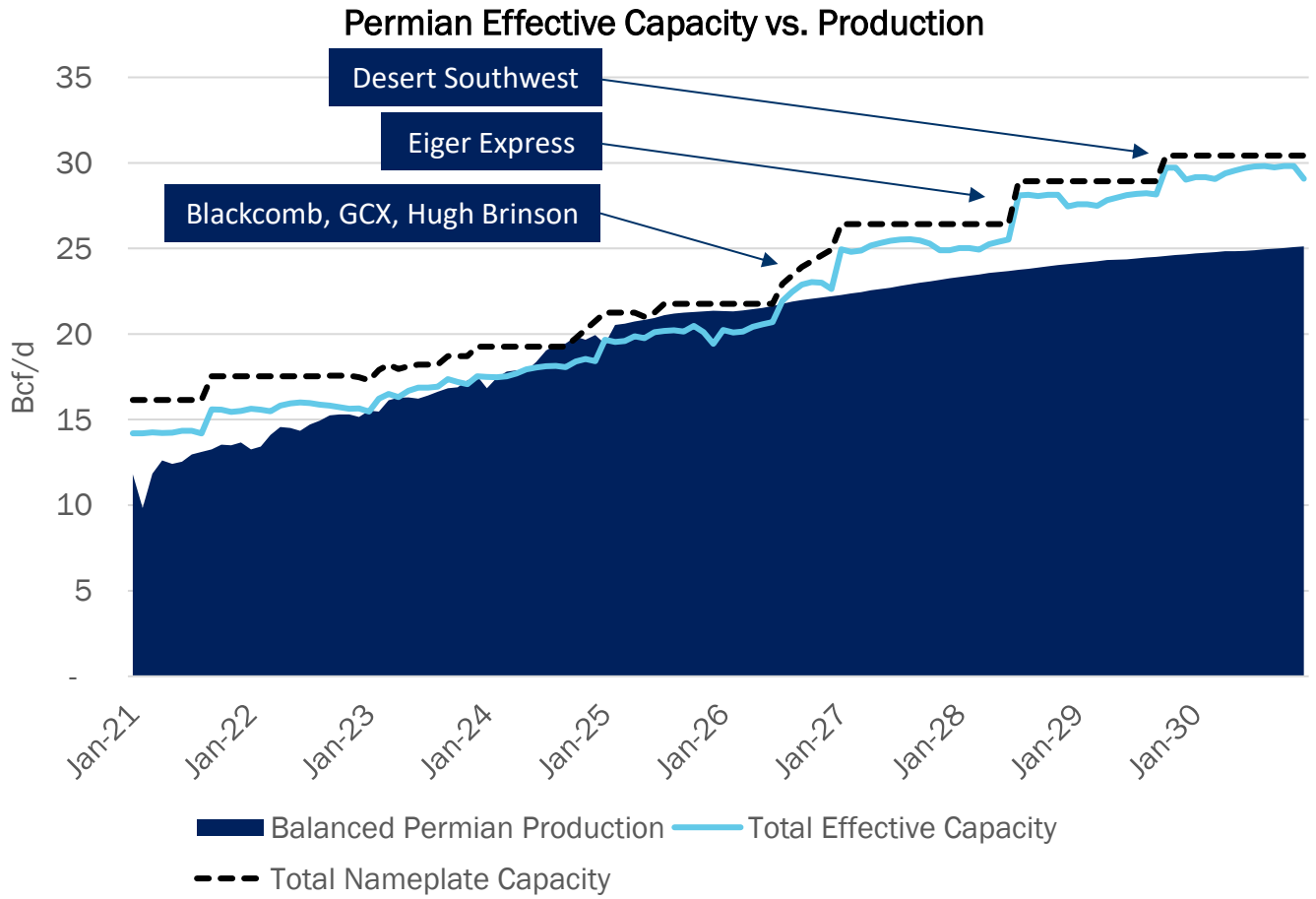
Lower 48 Production Evolution (Bcf/d, Exit-to-Exit)



- Haynesville (ArkLaTex) production levels are basically flat average to average from 2024 to 2025.
- Production gains are back loaded as we estimate December 2025 Haynesville production levels 2.1 Bcf/d higher than December 2024 levels.
- The inverse is true in the Permian as growth slows exit to exit.
- LEG and NG3 pipeline completions will make it easier for the Haynesville to grow.

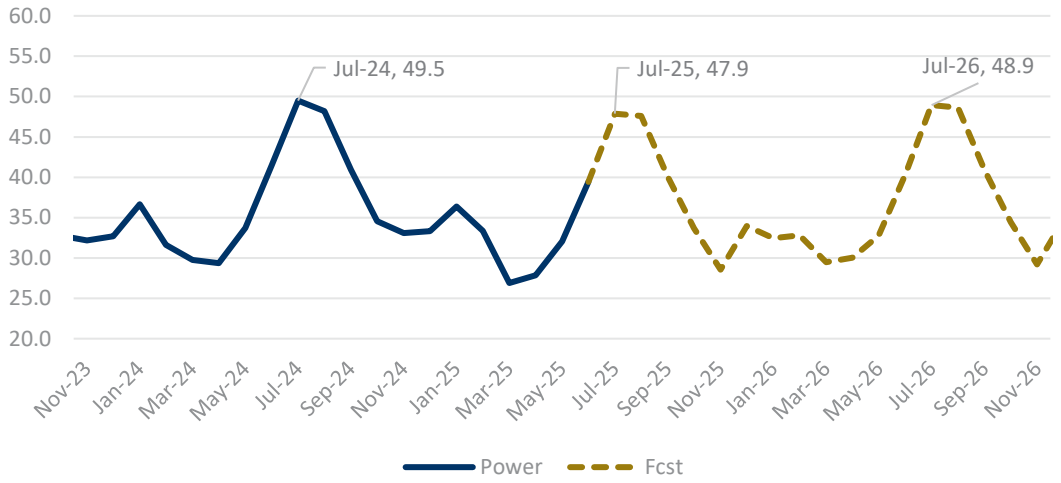
Crude, Gas at Odds in the Permian

- Current Permian production exceeds total effective egress capacity, and we observe an assumed flaring balance of nearly 0.5 Bcf/d in 2025.
- Based on the current WTI forward strip, production growth will be insufficient to fill over 8.6 Bcf/d of new egress capacity out of the Permian over the next five years, not including Tallgrass Energy's proposed Permian-to-Rockies Express connector. In the same period, we see production growth of just 4 Bcf/d, leading to a significant overbuild.
- We expect Waha basis to strengthen starting in 2027 in response to available egress capacity and growing Gulf Coast LNG demand, which could incentivize gas-directed drilling in the Permian for the first time in over a decade.



Gas-Fired Power Demand Prospects Look Bright

Power Burn Actual and Forecast (Bcf/d)



Significant Gas-Fired Power Burn Gains On Hold Until 2026

2025 power burn will average 36.0 Bcf/d, or 0.8 Bcf/d lower than the cal 2024 average. Summer 2025 will come in 0.7 Bcf/d lower than record power burn seen in summer 2024.

Summer 2025 gas prices will be higher at $3.16/Mmbtu. High coal stockpiles and competitive App basin pricing have led to gas to coal switching in the first half of the year. Renewables penetration and weather have also contributed to lower burns. Coal retirements and load growth have staved some of the decline with summer '25 largely resembling summer '23.

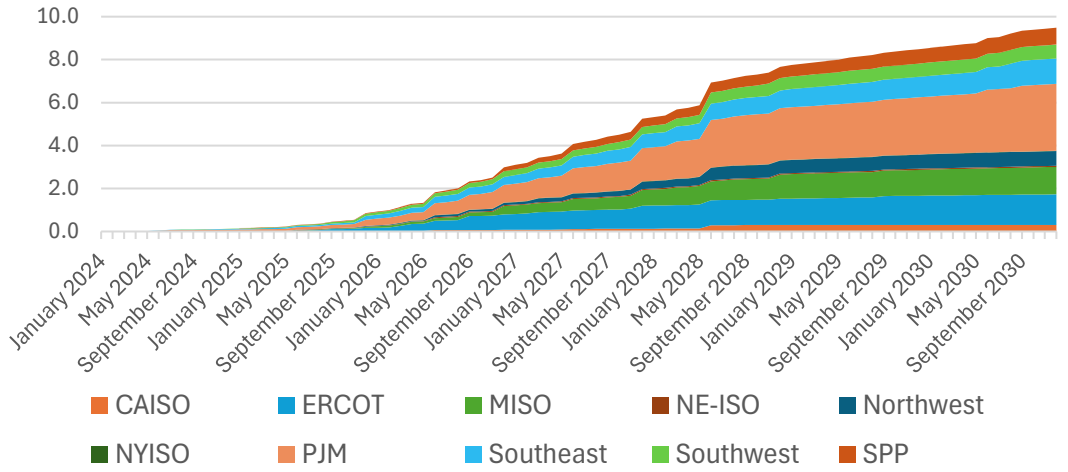
Long Term Prospects are Looking Up

Emerging data center gas demand will yield an incremental 5.0 Bcf/d by 2030. We are monitoring ~470 projects with an estimated load of 123 GW through 2030.

- 13.5 GW PUE adjusted load in 2025 (+0.6 Bcf/d)
- 37.0 GW PUE adjusted load in 2026 (+1.3 Bcf/d)

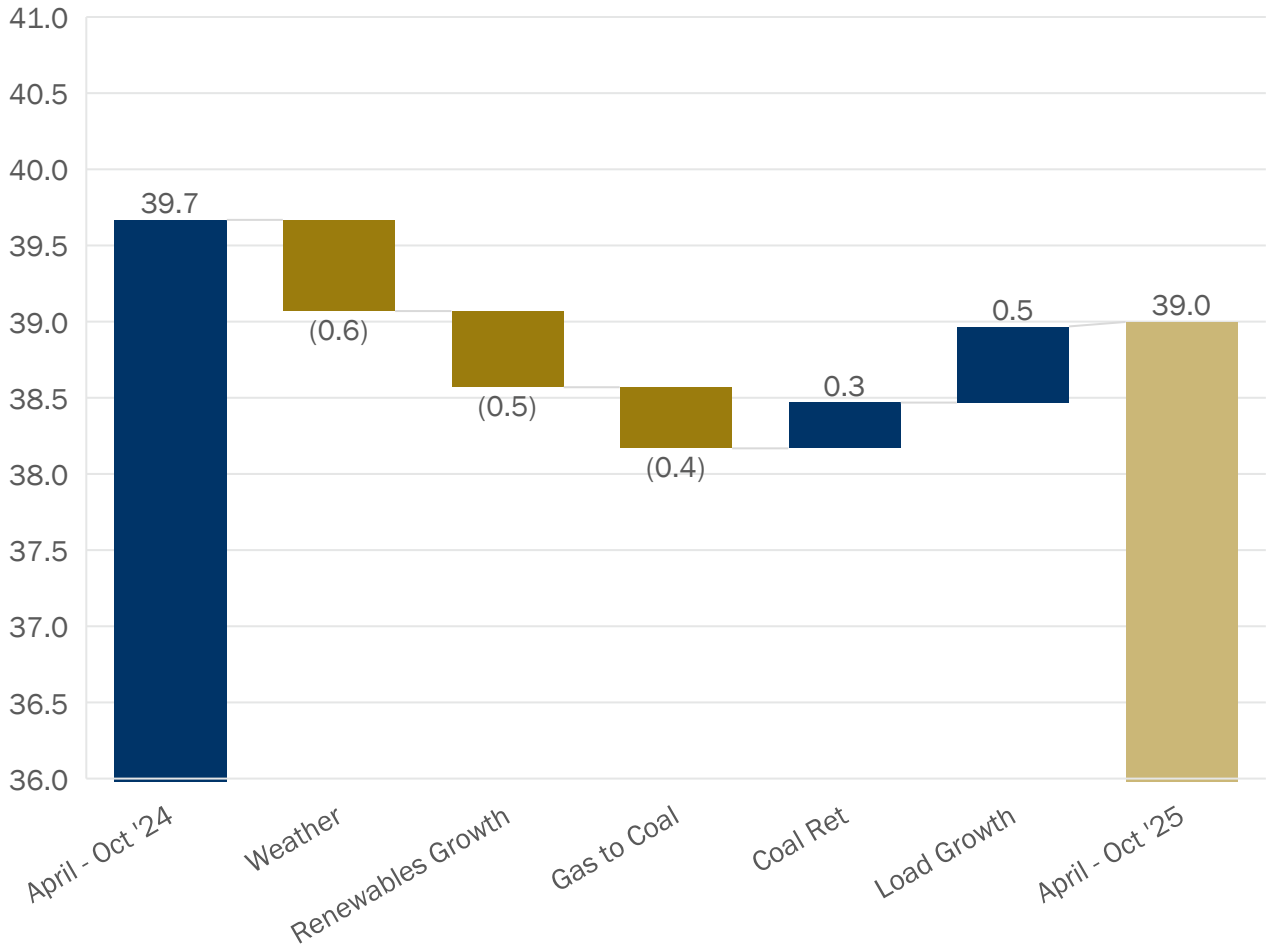
An off-grid solution trend is emerging as developers grow frustrated with utilities and ISO tie-in queues. Shift to single-cycle turbines is growing.

Potential Gas Burn By ISO/Region (Bcf/d)



Yeah, but what happened this summer?

Disposition of Summer 2025 Power Burn (Bcf/d)



Gas-fired Power Burn Had Everything Going Against It……

But, still managed to pull out its second highest levels of burn at 39.0 Bcf/d on average April to October surpassing summer 2023 burn levels by 0.7 Bcf/d.

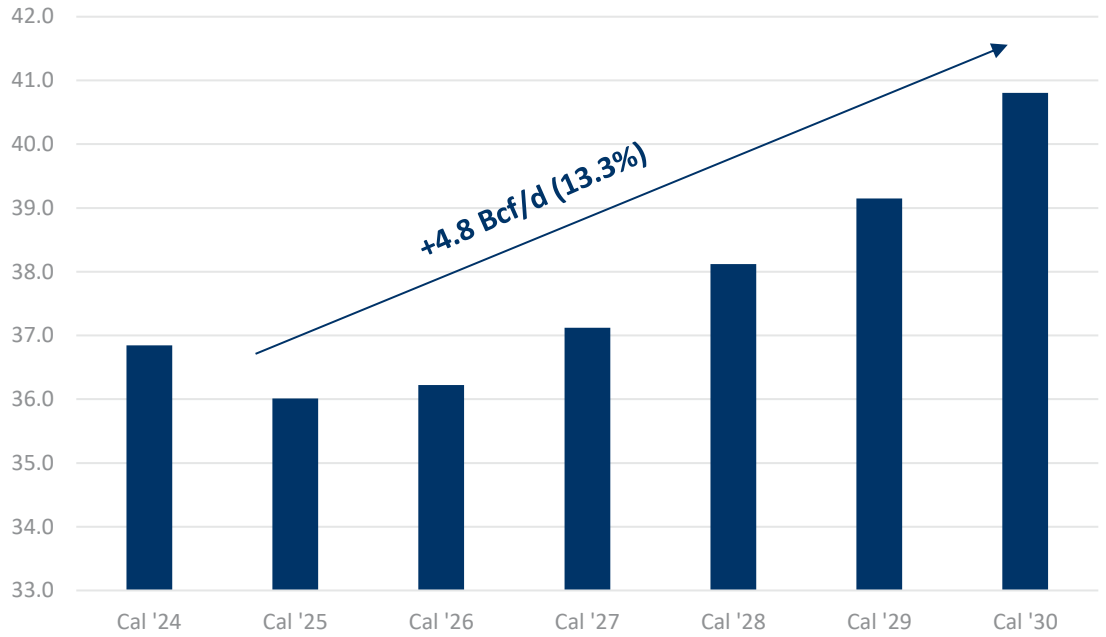
Summer 2024 was an exception, not the rule. Low gas prices in the $2-$2.50 per MMBtu range; less renewables penetration; and the hottest summer on a CDD basis ever.

Summer 2025 – not so hot; renewables are growing and price instigated some gas to coal switching in the Southeast, PJM and MISO.

Summer 2026 – we expect more non-intermittent, non-weather dependent load from data centers that will be fueled by natural gas (and renewables). With nearly 40 GW of demand on deck, baseload power demand will simply be higher and gas will answer the call.

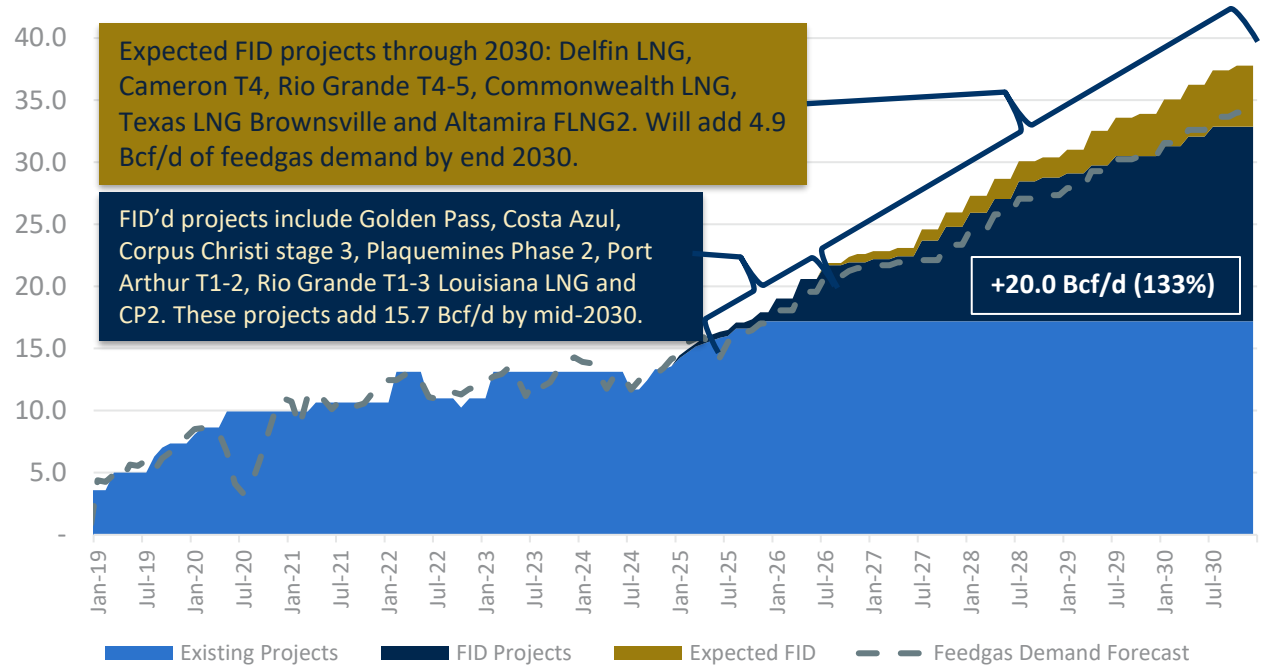
Demand Could Grow by 25 Bcf/d by 2030

Annual Gas-Fired Power Burn (Bcf/d)



- By the time we reach 2030 average summer power burn will be 44.4 Bcf/d. This represent a 6.0 Bcf/d increase, or 14% growth compared to summer 2025.
- Growth is driven by data centers housing AI GPUs, cloud storage, block chain technology and an assortment of other data intensive information. About 3.4 Bcf/d is attributable to on-grid solutions while up to 1.5 Bcf/d will be off-grid.

LNG Feedgas Capacity and Forecast (Bcf/d)

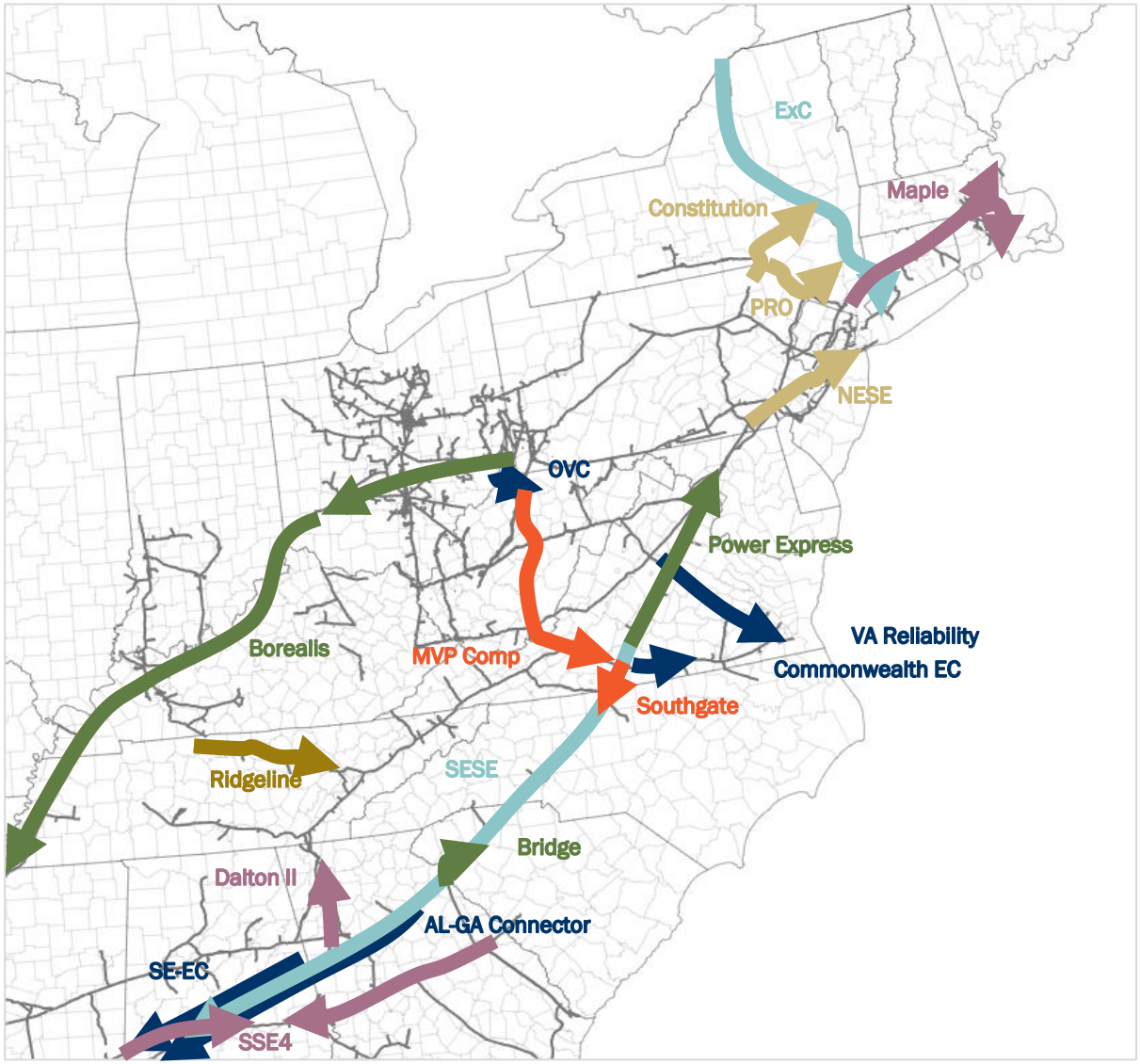


- Woodside FID in May bucks SPA firm commitment trend and relies on selling portion to private equity.
- Commonwealth needs 0.3 Bcf/d in SPAs to reach 80% threshold. CP2 reached FID in late July.
- Cheniere, Sempra, Energy Transfer and Venture Global in intense competition to FID four projects in 2025.

Eastern U.S. Infrastructure Projects

- Potential 3.6 Bcf/d of capacity to move gas from the Northeast to Southeast/Gulf.
- Within Northeast, 3.1 Bcf/d of inter-regional capacity to serve growing demand.

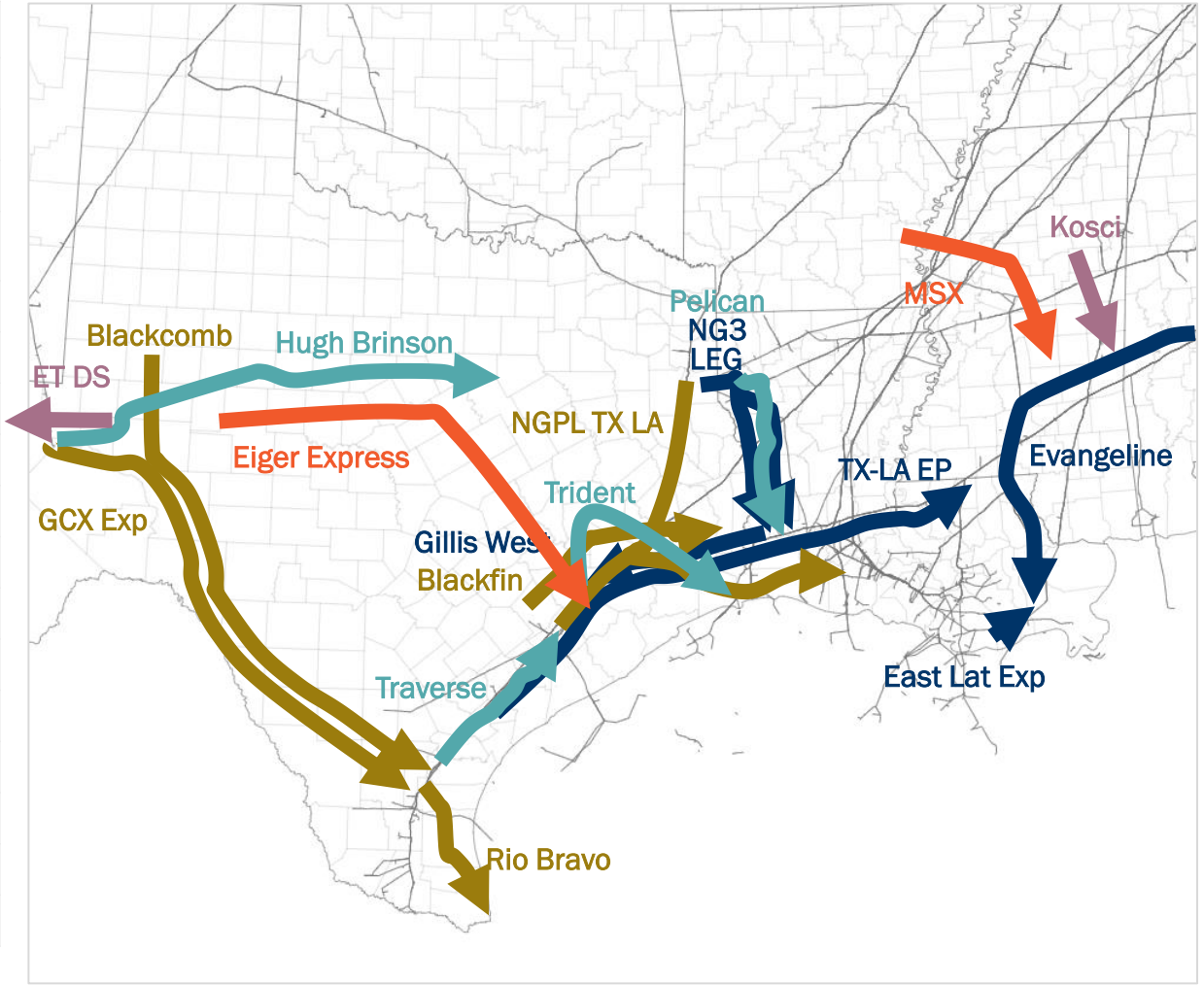
Year	Pipeline	Project	Capacity (MMcf/d)
Q4 2025	Transco	Commonwealth Energy Connector	105
Q4 2025	Transco	Alabama Georgia Connector	64
Q4 2025	Transco	Southeast Energy Connector	150
Q4 2025	Ohio Valley Connector	(Greenfield)	350
Q4 2025	Columbia Gas	Virginia Reliability	100
Q4 2026	ETNG	Ridgeline	300
Q4 2027	Transco	Southeast Supply Enhancement	1,597
Q4 2027	Iroquois	ExC	125
Q2 2028	MVP	Southgate	550
Q2 2028	MVP	Compression Expansion	500
Q4 2029	Transco	Dalton Lateral II	460
Q4 2029	Algonquin	Maple	720
Q4 2029	SONAT	SSE4	1,300
Q1 2030	TGT	Borealis	2,000
Q2 2030	Transco	Power Express	950
Q2 2030	Elba Express	Bridge	325
Spec	Constitution	(Greenfield)	650
Spec	Millennium	PRO	500
Spec	Transco	Northeast Supply Enhancement	400



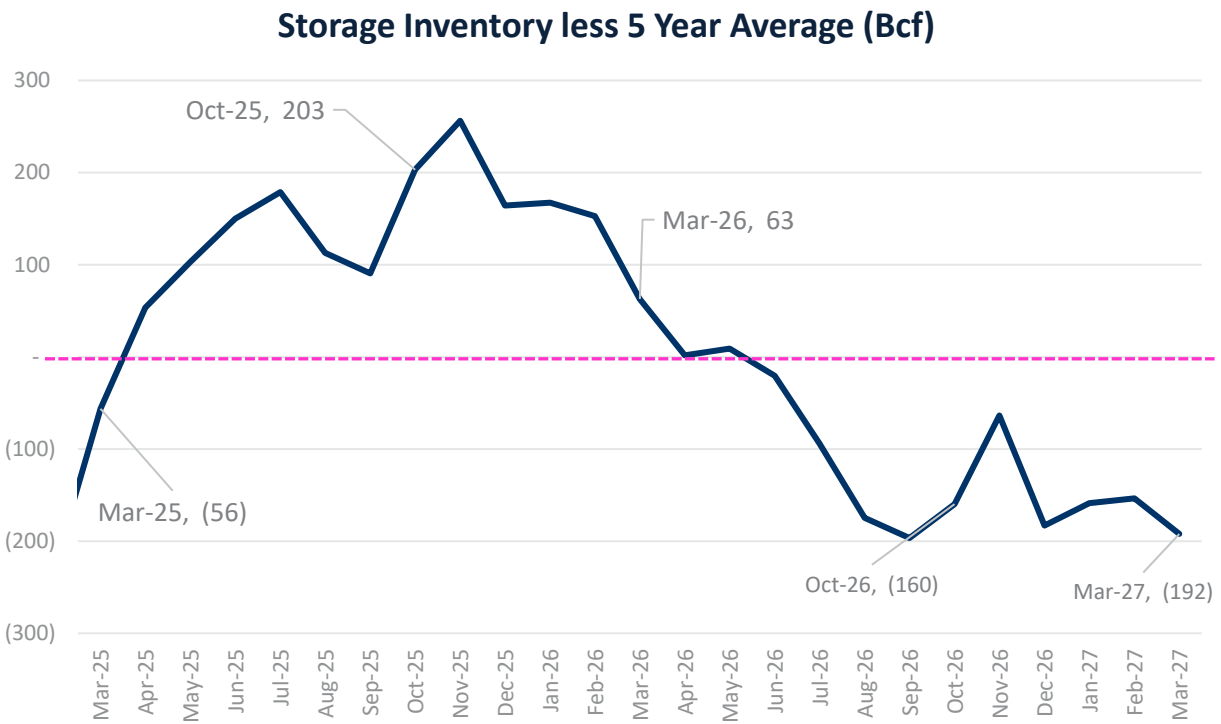
Southeast Gulf Infrastructure Projects

Year	Pipeline	Project	Capacity (MMcf/d)
Q3 2025	Louisiana Energy Gateway	(Greenfield)	1,800
Q4 2025	NG3	(Greenfield)	1,700
Q3 2025	Transco	Gillis West	115
Q1 2025	Transco	Texas to Louisiana Energy Pathway	364
Q1 2025	TGP/SONAT	Evangeline Pass	2,000
Q3 2025	Columbia Gulf	East Lateral Express	725
Q1 2026	Blackfin Pipeline/CPX	(Greenfield)	3,500
Q3 2026	Blackcomb Pipeline	(Greenfield)	2,500
Q3 2026	GCX	Compression Expansion	600
Q3 2026	NGPL	NGPL TXLA Expansion	300
Q3 2026	Rio Bravo	(Greenfield)	4,500
Q1 2027	Trident Intrastate Pipeline	(Greenfield)	2,000
Q2 2027	Pelican Pipeline	(Greenfield)	2,500
Q3 2027	Hugh Brinson	(Greenfield)	1,500
Q4 2027	Traverse Pipeline	(Greenfield)	1,750
Q3 2028	Eiger Express	(Greenfield)	2,500
Q4 2028	TGP	Mississippi Crossing	2,100
Q2 2029	TGT	Kosci Junction	1,500
Q4 2029	Energy Transfer	Desert Southwest	1,500

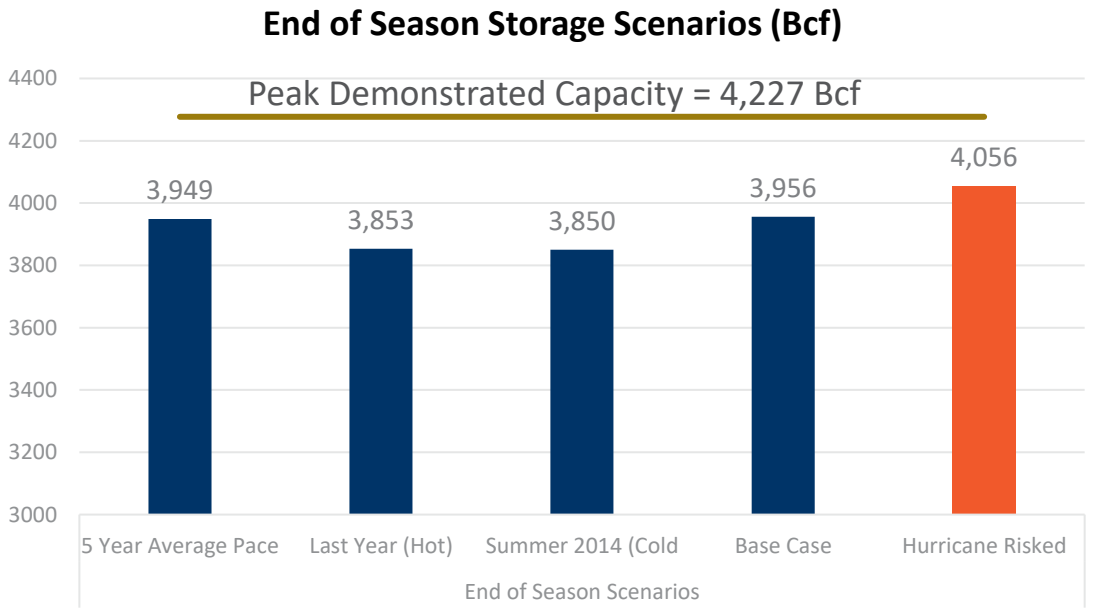
- 6.75 Bcf/d of capacity to move gas from the Haynesville to Gulf Coast LNG.
- 8.6 Bcf/d of capacity to move gas out of the Permian to LNG and other power demand.
- 15.4 Bcf/d of capacity to move gas between Aqua Dulce, HSC, south LA and Mississippi.



Near Term Storage and Price Outlook



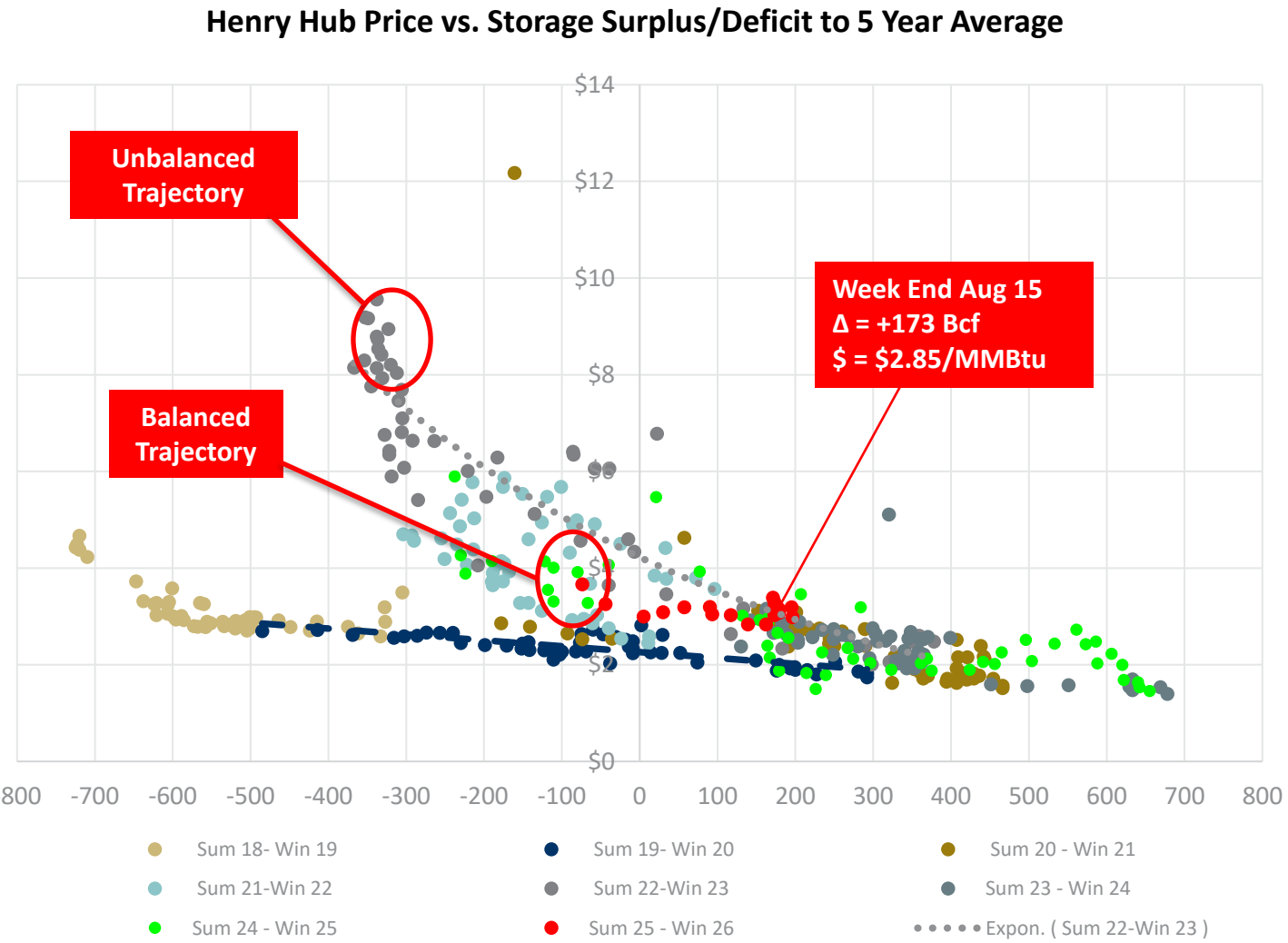
- The storage deficit to the 5-year average lasted for a scant 3 months following 24 months of surplus preceding. We expect inventories to remain at a marginal surplus through the end of winter 2025-26.
- Production will need to be close to 108.0 Bcf/d consistently before the end of the year to support growing LNG demand expected in Q1 2026. Failure to launch could result in a faster return to deficit conditions.

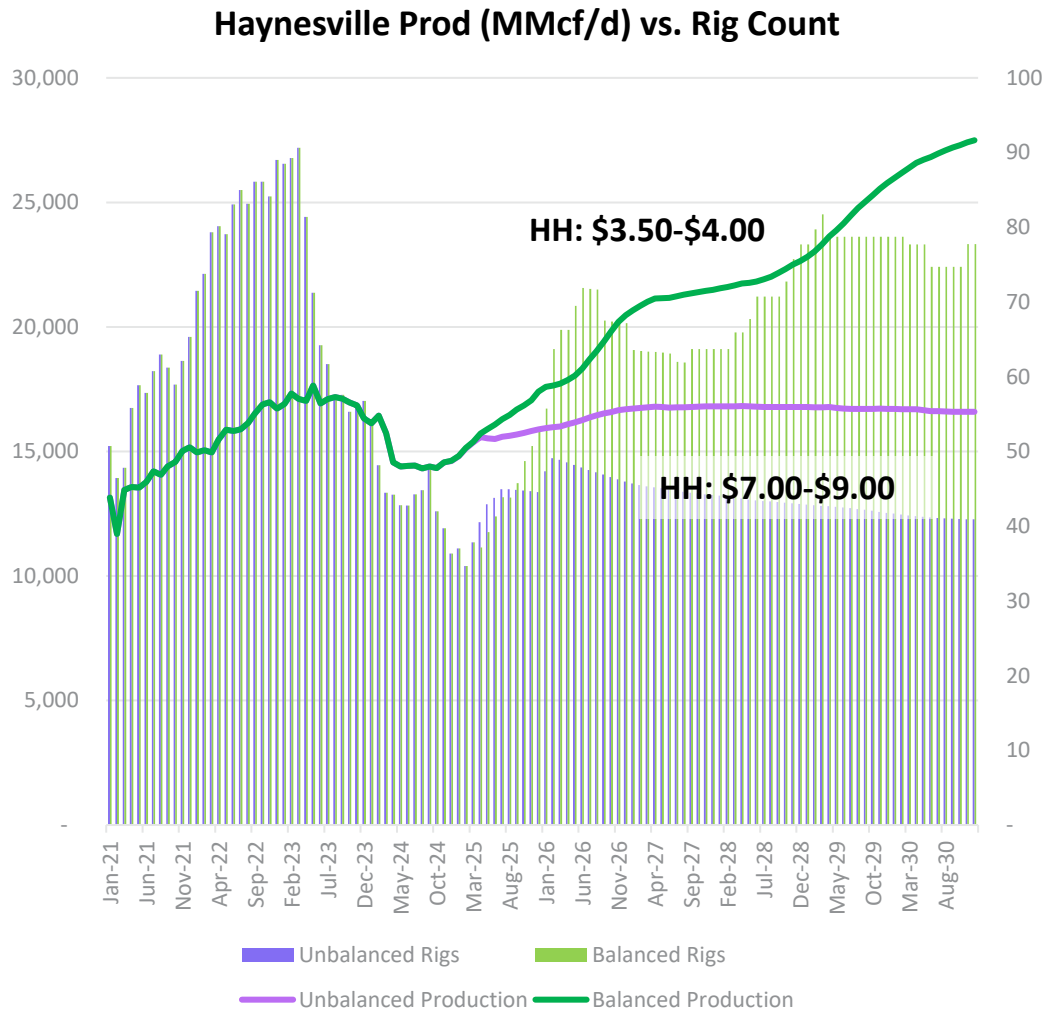


- A we approach the end of injection season, the pace of storage injections is leading to similar conclusions across injection pace scenarios.
- The outlier is a hurricane induced storage injection pattern. One major Hurricane (Erin) missed the Gulf in mid-August. There may be up to 4 more major Hurricanes left to navigate.
- A hurricane tracking to Port Arthur, TX delays cargos leaving and entering the port ~10 Bcf/d of demand at risk to be stranded.

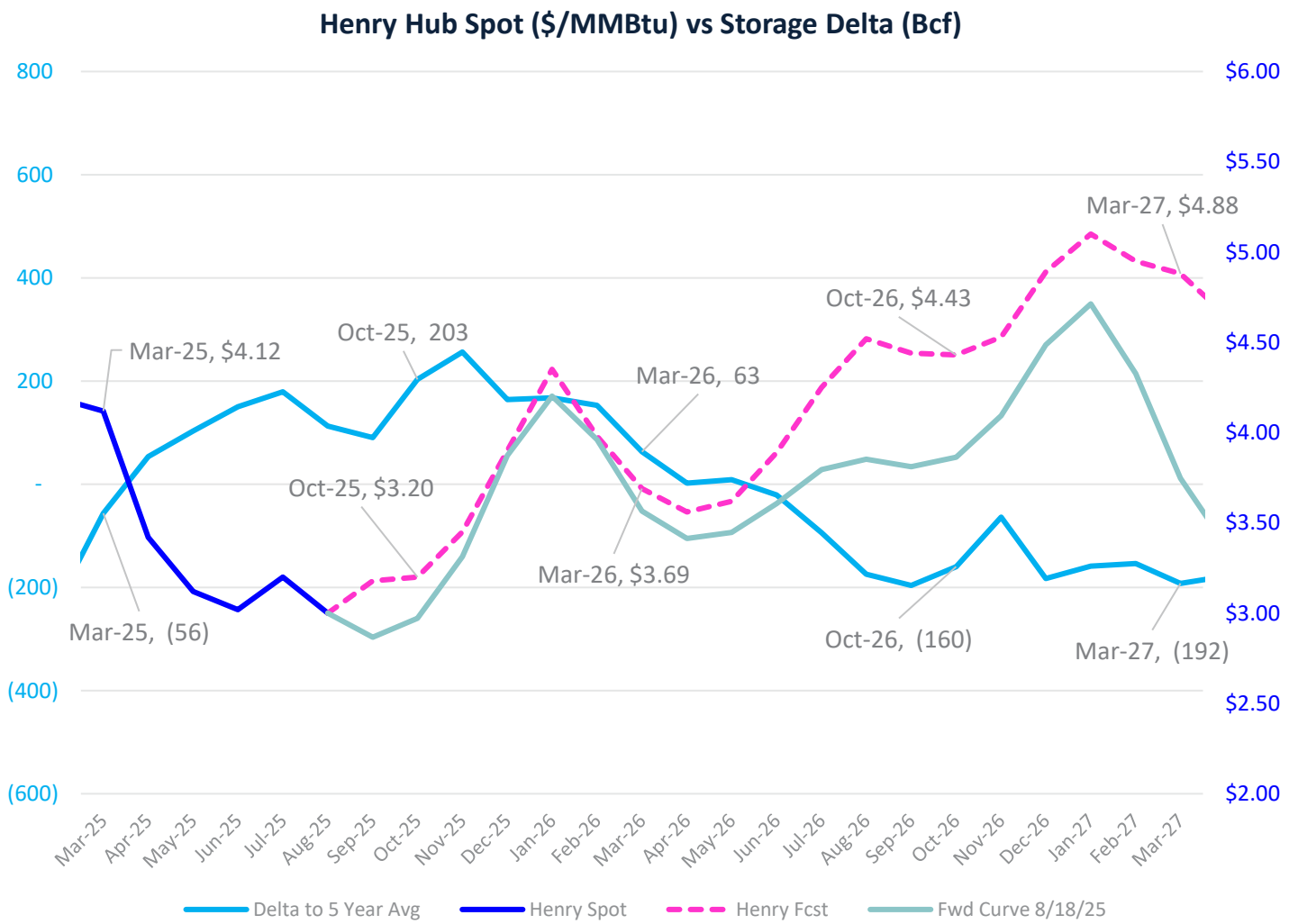
Product: Natural Gas Macro Supply & Demand | Learn More

Will Haynesville Answer the Call?





Marginal Upside in 2025, 2026 Oversold



- Summer 2025 prices will average $3.16/MMBtu or $0.07 above the forward curve. New non-intermittent demand from Plaquemines LNG and Corpus Christi Stage 3 will put pressure on storage injections, working on the surplus through the end of 2025.

- In 2026 a tighter market will bring more volatility in both cash and forward markets while storage inventories approach deficit conditions. It's now a common occurrence for the prompt and seasonal strips to move up and down rapidly based on temperature forecasts, pipeline maintenance events and summer hurricanes. Our forecast averages these extremes over the month, but the propensity for a pop in prices on any given day is still very high.

Period	2025	2026	Sum '25	Win '25-26	Sum '26
Fwd Curve	$3.44	$3.84	$3.09	$3.78	$3.68
EDA	$3.49	$4.18	$3.16	$3.87	$4.10
Delta	$0.05	$0.34	$0.08	$0.09	$0.42

Thank you!

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