U.S. monthly natural gas production expected to decline through 2020

The U.S. Energy Information Administration forecasts that U.S. dry natural gas production will average 95.3 billion cubic feet per day in 2020, up 3% from 2019. However, EIA expects monthly production to generally decline through 2020, falling from an estimated 96.3 billion cubic feet per day in January to 92.3 billion cubic feet per day in December.

Most of the decline in production will occur in the Appalachian and Permian regions. In the Appalachian region, low natural gas prices are discouraging drilling for natural gas. In the Permian, low oil prices are expected to reduce the associated production of natural gas from wells drilled to produce oil.

In its March Short-Term Energy Outlook, EIA forecasts that U.S. dry natural gas production will average 92.6 billion cubic feet per day in 2021, down 3% from 2020. This would be the first decline in average annual natural gas production since 2016.

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