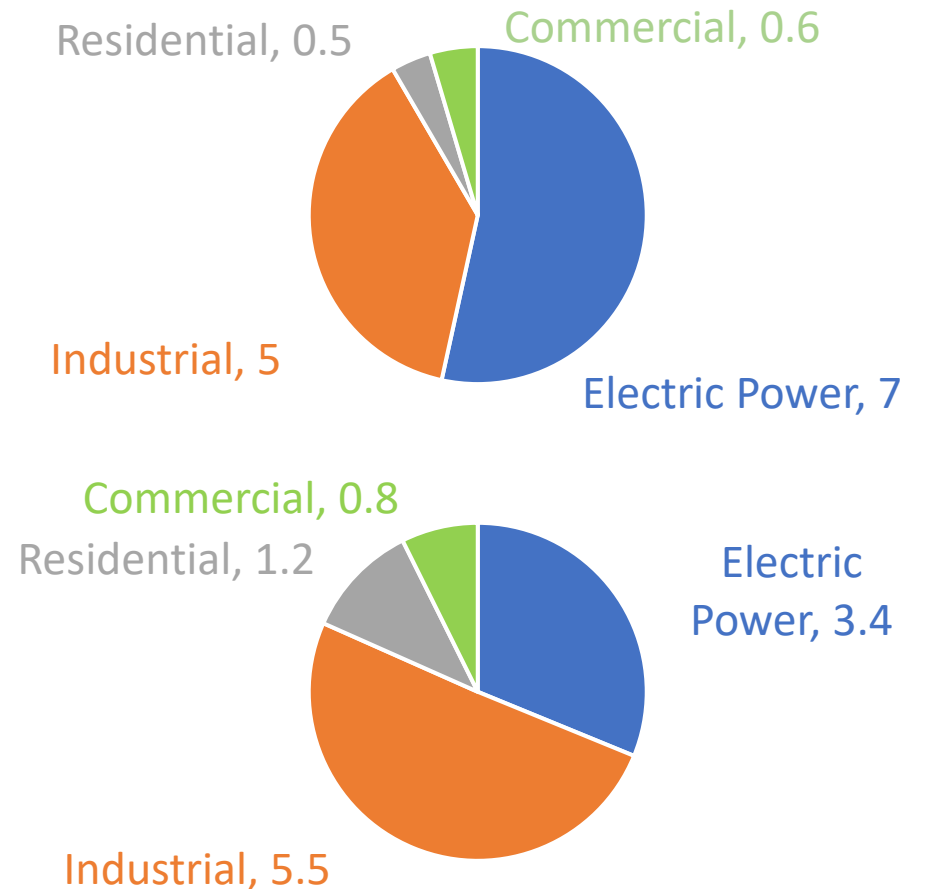


## Texas Natural Gas

- Production on average more than 22 BCF/d
- Export more than 5 BCF/d to Mexico and as LNG
- 36% associated gas produced with oil
- Natural gas price lacks Btu parity with oil price
- Flaring or venting up to 0.6 BCF/d, typically less
- Flaring typically about 4% of associated gas

Consumption



## Flaring versus Venting



### Flaring

Noisy

Visible

Some odor

Occasional and controlled

Emits carbon dioxide

### Venting

No noise

Invisible

Odorless

Inadvertant

Emits methane

- Carbon dioxide and methane are both greenhouse gases
- Methane has up to 100 times the Global Warming Potential of carbon dioxide.