TXOGA

MONTHLY ENERGY ECONOMICS REVIEW

JULY 2026

MONTHLY ENERGY ECONOMICS REVIEW

Highlights – July 2026 Report

- **TXOGA: Texas oil and natural gas production remains near record highs**
  - TXOGA estimates for June: **5.8 million barrels per day (mb/d)** of crude oil, **36.3 billion cubic feet per day (bcf/d)** of marketed natural gas, and **4.4 mb/d** of natural gas liquids (NGLs)
  - In June, Texas accounted for **41.9% of U.S. crude oil** and **29.7% of marketed natural gas** production

- **April 2026 data from EIA indicates that Texas production is near or at record highs**
  - **Crude oil: 5.8 mb/d –** Near record levels set Summer 2025
  - **Gross natural gas: 38.8 bcf/d** – record levels
  - **Marketed natural gas: 36.1 bcf/d** – record levels
  - **NGLs: 4.4 mb/d** – record levels

- **Natural gas flows – April 2026** **(see slide 5 for full flow chart)**
  - Dry natural gas production: 30.3 bcf/d
  - In-state consumption: 12.7 bcf/d, driven by industry and power generation
  - Exports: 15.7 bcf/d, per U.S. ITC data, including:
    - LNG exports: 9.9 bcf/d
    - Pipeline exports to Mexico: 5.8 bcf/d

- **Energy exports – May 2026** *(most recent data)*

  Total energy exports: **$30.0 billion**, up 80% year-over-year (y/y), including:

Product	Export value (billion dollars)
Crude oil	$16.8
Refined products	$8.3
Hydrocarbon gas liquids (HGLs)	$2.7
Natural gas (pipeline + LNG)	$2.2

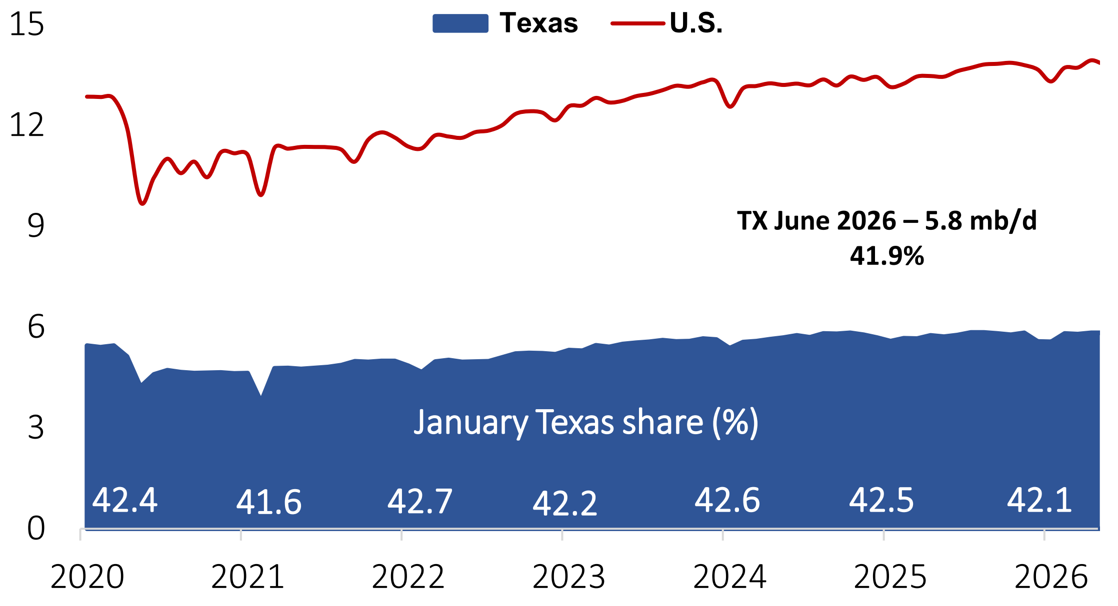
- **Texas electricity demand and generation are projected to grow sharply through 2027.**
  - West South Central (WSC) summer demand is expected to rise 17% from 2025 to 2027 after remaining flat since 2023; Texas accounts for about 70% of WSC electric demand.
  - Growth will be driven by data centers, AI, crypto mining, oil and gas activity, LNG exports, and petrochemicals.
  - ERCOT generation is projected to increase 18%, led by natural gas and solar; solar capacity delays could shift more generation to natural gas.

Texas production remains near record highs, driving U.S. energy growth

- EIA data for ***April 2026*** show Texas crude oil production at 5.8 mb/d, similar to record levels achieved summer 2025; marketed natural gas production at 36.1 bcf/d, an all-time record high; NGL production of 4.4 mb/d, also a record high.
- US crude production reached an all-time high in April at 13.93 mb/d.
- In ***June 2026***, TXOGA estimates that Texas produced 5.8 mb/d of crude oil, 36.3 bcf/d of marketed natural gas, and 4.4 mb/d of NGLs. In June 2026, Texas supplied 41.9% of U.S. crude and 29.7% of marketed natural gas - reinforcing Texas' central role in U.S. energy growth.

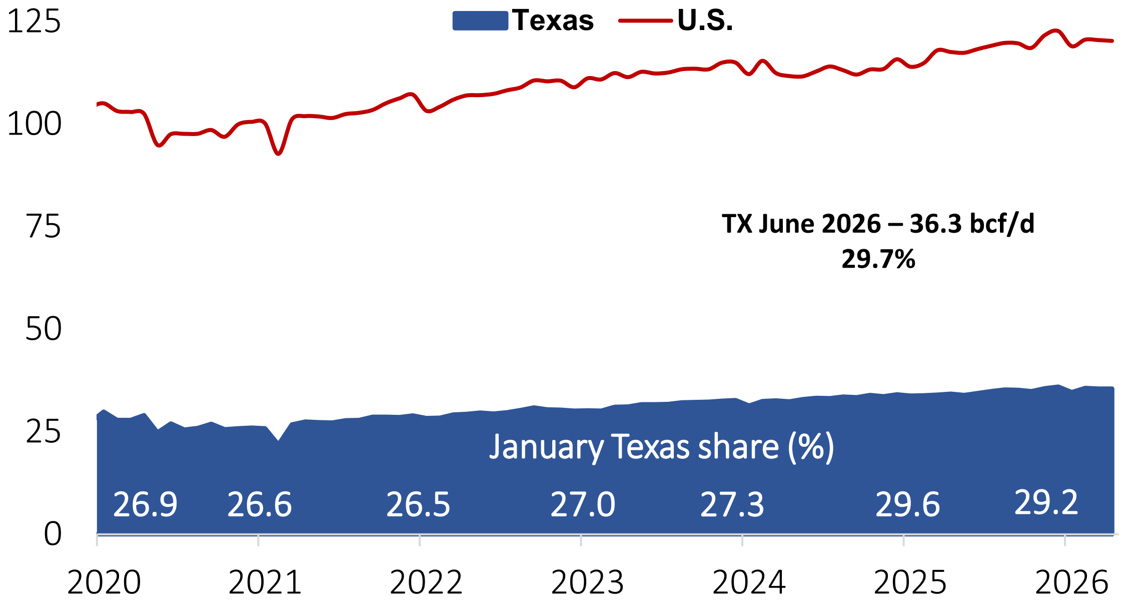
U.S. and Texas crude oil production, Jan. 2020 – June 2026

Million barrels per day (mb/d)



U.S. and Texas natural gas marketed production

Billion cubic feet per day (bcf/d)



sources: Energy Information Administration (EIA); TXOGA analysis

Texas’ petroleum value chain – April 2026

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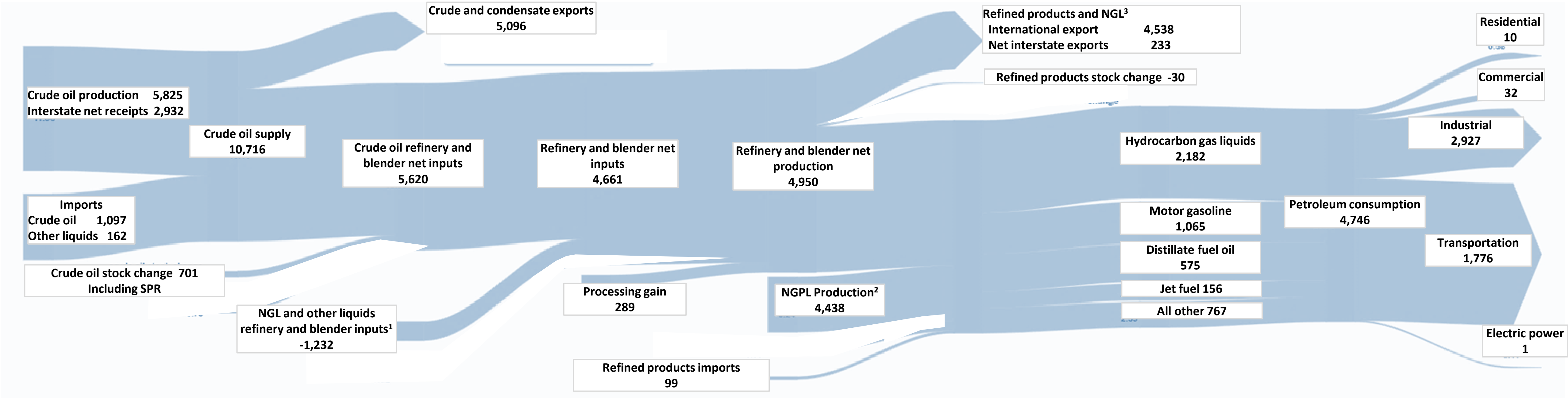
- Crude and condensate exports surged to over 5 mb/d
- Natural gas liquids continues to set production records, slightly higher than last month.

Texas’ petroleum value chain estimates for April 2026

Thousand barrels per day (kb/d)



[1] Includes unfinished oils, hydrogen/biofuels/other hydrocarbons, and gasoline blending components
[2] Includes NGL field production.
[3] Includes finished products and HGLs
Notes: Based on EIA’s preliminary data, which are subject to revision, and USITC trade data. TXOGA estimation is required for consumption by fuel and end-use sector, which influence the interstate movement calculations

sources: Energy Information Administration (EIA); U.S. International Trade Commission; TXOGA analysis

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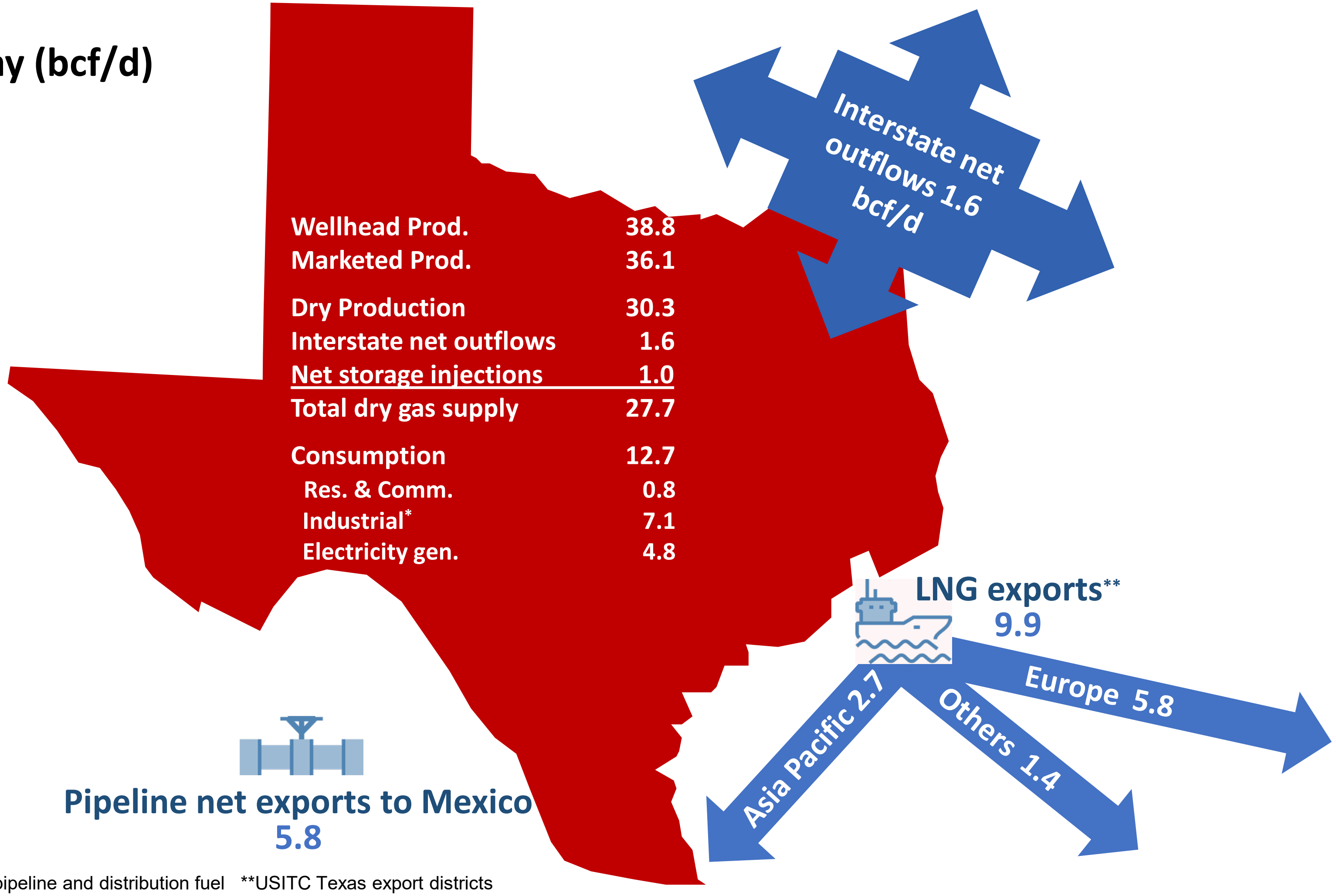
Texas' natural gas flows in April 2026

- TXOGA estimates Texas dry gas supply at 27.7 Bcf/d, net of storage injections and interstate outflows.
- Texas consumers used 12.7 bcf/d, primarily for industrial demand and electricity generation
- Natural gas exports totaled 15.7 bcf/d, including 9.9 bcf/d as LNG—59% shipped to Europe—and 5.8 bcf/d via pipeline to Mexico

Billion cubic feet per day (bcf/d)



Wellhead Prod.	38.8
Marketed Prod.	36.1
Dry Production	30.3
Interstate net outflows	1.6
Net storage injections	1.0
Total dry gas supply	27.7
Consumption	12.7
Res. & Comm.	0.8
Industrial*	7.1
Electricity gen.	4.8

*Includes industrial end-use consumption plus lease, plant, pipeline and distribution fuel **USITC Texas export districts
sources: U.S. Energy Info. Admin.; U.S. International Trade Commission (USITC); TXOGA analysis

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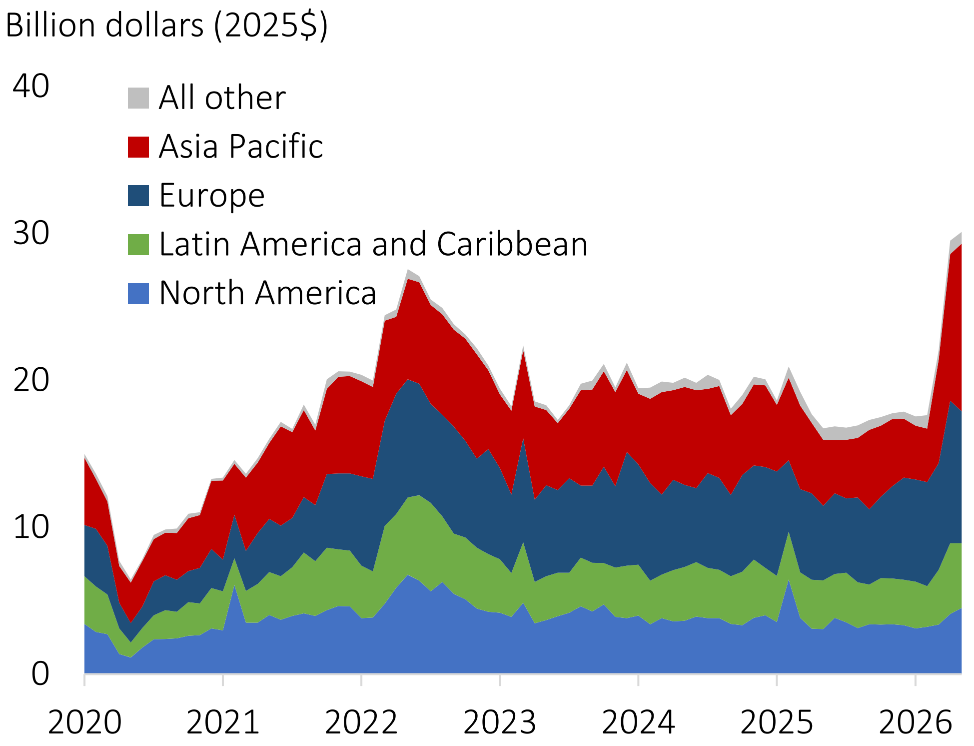
May Texas energy exports

- The value of Texas energy exports of oil, natural gas, and related products continued to surge in May 2026 to $30.0 billion, **up 80% y/y** due both to rising global energy prices and increased export volumes.
- Europe and Asia remain the leading destinations of Texas crude, LNG, and HGLs. Latin America is a leading destination of refined products.

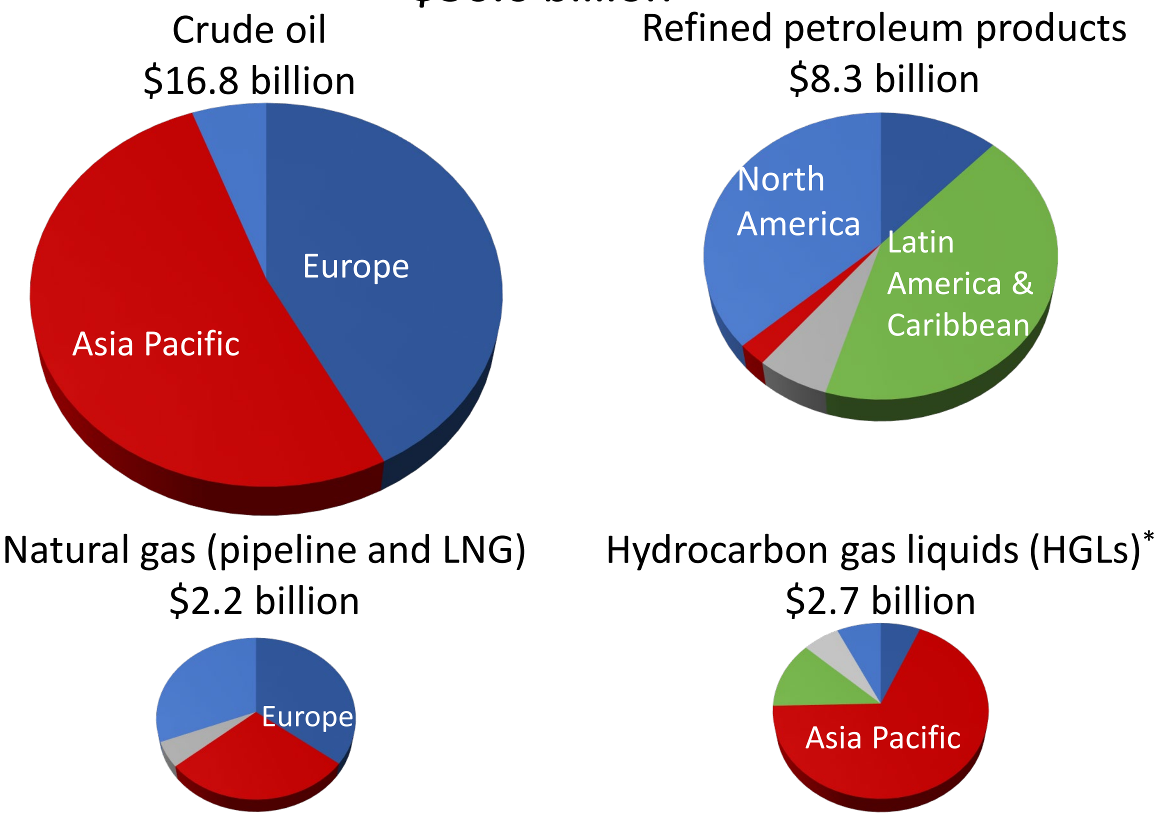
Texas' exports of oil, natural gas, hydrocarbon gas liquids (HGLs) and refined petroleum products, by region and month



source: U.S. International Trade Commission; TXOGA analysis

May 2026 Texas' exports by product and region

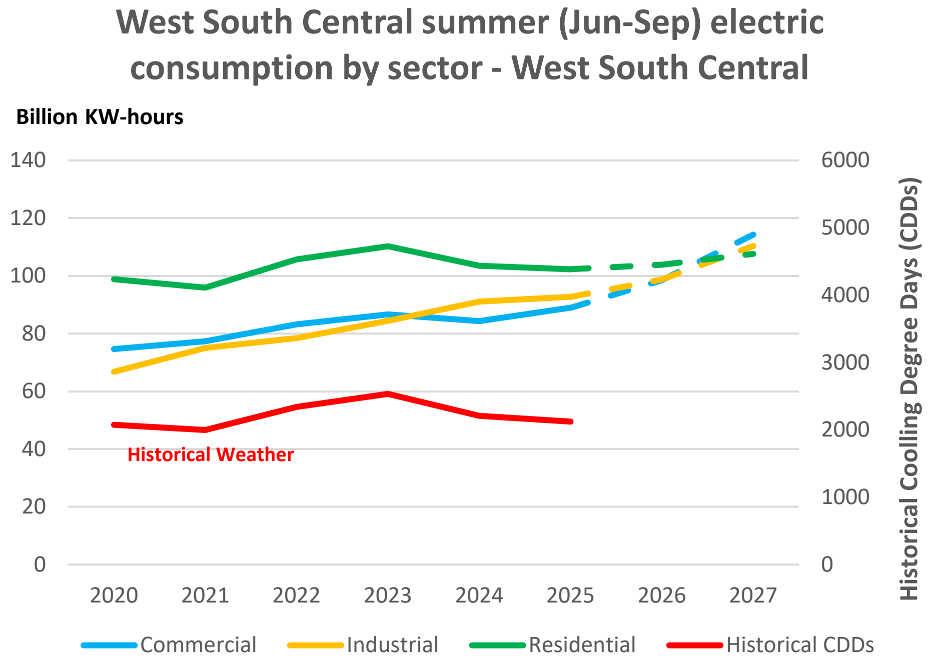
$30.0 billion



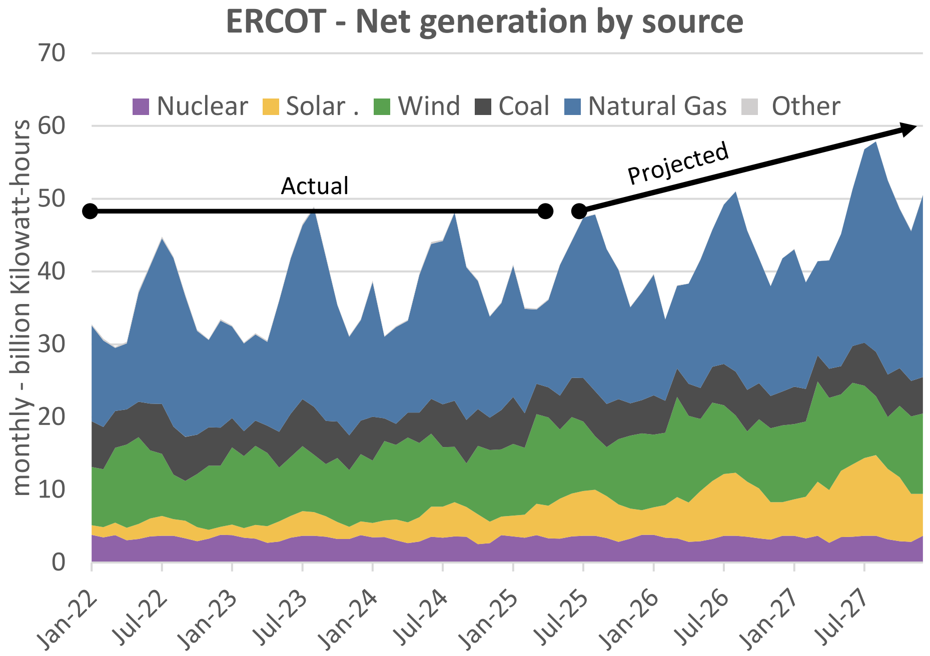
*Natural gas liquids (NGLs) refer to hydrocarbons such as ethane, propane, butanes, and natural gasoline separated from natural gas. The U.S. International Trade Commission (USITC) and trade statistics often use the broader term "hydrocarbon gas liquids (HGLs)," which includes NGLs as well as olefins and refinery-produced liquefied petroleum gases. In this report, NGL and HGL figures align depending on data source (EIA vs. USITC).

Strong growth in TX electric demand and generation projected

- EIA projects that WSC summer demand ***will surge 17% from 2025 to 2027***, led by commercial and industrial growth. West South Central (WSC) summer electricity use was relatively flat from 2023 to 2025. Texas represents about 70% of WSC demand.
- Commercial growth will be driven by AI and data centers and crypto mining, while industrial electricity demand growth will reflect increased oil and gas production and processing, LNG exports, and petrochemical manufacturing.
- ERCOT generation is ***projected to increase 18% from 2025 to 2027***, with most of the growth coming from natural gas and solar. More than 14 GW of solar capacity is planned through 2027; if some solar projects are delayed or canceled, additional generation could come from natural gas or other sources.



Source: EIA, NOAA CDD's = Cooling Degree Days
Note: EIA does not have a specific consumption forecast for ERCOT. WSC includes TX, OK,LA, AR



Source: EIA STEO

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At-a-Glance – June and April 2026 production

Product	TXOGA June 2026 estimate	EIA April 2026 Reported
Crude Oil	5.8 mb/d	***5.8 mb/d***
NGL	4.4 mb/d	***4.4 mb/d***
Gross Nat. Gas	39.0 bcf/d	***38.8 bcf/d***
Marketed Nat. Gas	36.3 bcf/d	***36.1 bcf/d***
Dry Nat. Gas	30.4 bcf/d	Not reported

Italics and bold denote records based on latest available EIA data. TXOGA estimates reflect preliminary conditions through June 2026

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