Wilson sees gas potential in wake of 2020



Scott Wilson

"When two black swans—weak industry fundamentals and a global pandemic—collided midair, a downward spiral became a freefall," wrote **Scott Wilson**. "Accompanied by the human tragedy of illness and financial hardship, industry employment shrunk at a pace not seen since 1986 and caused a contraction to the lowest

international rig count since Baker Hughes started keeping records 43 years ago."

That dramatic "lead" kicked off a Nov. 1 article in JPT

magazine, the flagship publication of the Society of Petroleum Engineers. The article is at https://pubs.spe.org/en/jpt/jpt-articledetail/?art=7787

Wilson is a senior vice president for Ryder Scott in Denver. In his article, he answers the question: How has this upheaval affected the demand for natural gas and our industry supplies? Not very much, opined Wilson.

He cited natural gas and its reliability in maintaining essential goods and services. Wilson maintained that gas-fired electricity usage has increased, as stay-at-home orders nullify the economies of scale provided by shared workspaces.

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On the demand side, natural-gas-powered delivery trucks bring goods to homes as people stay away from crowded stores. While office buildings are kept cool or warm for a small number of onsite workers, work-from-home employees now demand a comfortable home 24 hours a day rather than just evenings and weekends.

Worldwide demand has dropped but Wilson writes that

decline has been matched by the decrease in associated gas from shut-in oil wells.

"Natural-gas suppliers continue to provide uninterrupted service despite fewer people and smaller budgets. Like other essential workers, they are heroes and deserve our sincerest thanks," wrote Wilson.

He introduced three related SPE technical papers for November and recommended additional papers.