

Expand Energy revisits 15%-20% international gas price exposure target

14 Oct 2025 | News

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LNG | Natural gas

Size of production footprint makes it a challenge: CEO

Company has secured several LNG agreements

US shale gas producer Expand Energy is rethinking its target of linking 15%-20% of output to global pricing amid doubts that the company can achieve it on a large and growing 7-plus Bcf/d base of production, CEO Nick Dell'Osso said Oct. 13 during remarks at an industry conference.

The company hasn't settled on a new target but still anticipates achieving a "meaningful percentage" of international price exposure on its production over several years, Dell'Osso told a crowd at LDC Gas Forums' Gulf Coast Energy Forum in New Orleans.

Before merging with Southwestern Energy in 2024, stand-alone Chesapeake Energy [had promoted](#) the 15%-20% target and secured both [preliminary](#) and binding agreements for LNG offtake linked to Platts JKM pricing. As recently as January 2025, Dell'Osso said 15%-20% was "still... a great number," although he noted at the time the challenge of attaining that target with a much larger, post-merger production base.

The target "was really related to the fact that we think that is the amount of supply in the US that will end up in international markets -- probably greater than 20% over the next few years -- so then we should mirror that," Dell'Osso said in New Orleans.

Expand reported production of 7.2 Bcfe/d, including 92% natural gas, during Q2 2025, and has guided to a ramp in production to 7.5 Bcfe/d in 2026. A 20% share of that volume would amount to 1.5 Bcfe/d, a volume that approximates or exceeds the rates of production reported by at least three publicly traded gas producers during the second quarter.

"It becomes quite a large volume to think about for one company to deliver into those markets and have the economic structures in place to do that," Dell'Osso said of the 15%-20% LNG target. "So I don't know that we'll still get to 15% to 20%, just given the scale, but I would expect over several years that we'll get to a meaningful percentage."

Expand and LNG

Year to date, US LNG feedgas demand has averaged just over 16 Bcf/d, up from 2024's roughly 13.2 Bcf/d, according to S&P Global Commodity Insights data.

Expand projects demand growth in the LNG sector of 14-plus Bcf/d through the end of the decade, Dell'Osso said Oct. 13.

Before linking up with Southwestern, Dell'Osso and then-Chesapeake [signed a heads of agreement](#) providing for the company to supply global commodities trader Vitol up to 1 million mt/year of LNG for a 15-year term, with the purchase price indexed to the Platts JKM benchmark.

Months prior, Chesapeake had also secured a heads of agreement under which it agreed to supply up to 2 million mt/y of LNG, linked to JKM, to Gunvor on an FOB basis for 15 years. That deal [amounted to about 7%](#) of Chesapeake's total equity volume, Chesapeake executive Josh Viets said in September 2023.

The company in February 2024 went on to convert 0.5 million mt/y of that 2 million mt/y with Gunvor into a binding sales and purchase agreement.

Since closing the merger in October 2024, Expand has yet to announce any new HOAs or SPAs.

In the past, Dell'Osso's team has also [contemplated buying a stake](#) in an export terminal, something that global oil majors Shell, ExxonMobil and TotalEnergies have done.

At the New Orleans conference, Dell'Osso said Expand would consider taking equity in a project but doubted the prospect, saying it hasn't proven to be a necessary move.

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