US natural gas producers are more likely to practice output discipline for the near future and rely on drilling efficiency, ConocoPhillips' senior market analyst Matthew Henderson said today at the Mid-Continent LDC gas forum in Chicago, Illinois.

Gas producers are practicing output discipline across the US despite higher prices as more companies say they will focus on generating free cash flow and returning it to investors.

"The reality is that producers have taken a more disciplined approach, with rig recovery easing a lot more", Henderson said. "Producers are drilling at faster rates and frac crews are speeding up completion times as well."

The Bakken shale was cited as an example of a producing region that is seeing fewer completion crews, yet associated gas output has risen despite the lower rig count.

For June, the Bakken averaged 17 rigs, compared with 11 rigs from a year earlier and 56 rigs for June 2019, according to oilfield services provider Baker Hughes. Yet, North Dakota produced 2.8 Bcf/d (79mn m^3/d) in June, 46pc higher than a year earlier and less than 1pc lower than in June 2019, according to the US Energy Information Administration.

US producers are expected to focus more spending on drilling by 2023, but output will likely not top 2019 levels as more mature formations begin to age. Still, the US can expect about 9 Bcf/d of output growth over the next several years.

The Marcellus shale in the eastern US has been responsible for most US production growth recently, but issues related to regional takeaway capacity will likely limit that growth moving forward, so market participants can expect to see more production in the Haynesville shale of Louisiana and the Permian basin, Henderson said during his keynote address.