

Volume 375 May 5, 2011

Market Natural gas traded mixed to higher this week as dollars continue into the commodity markets; but has been dropping sharply after the storage report this morning. Actual spring weather should ease demand and prices. Crude oil and other energy liquids are influenced higher by the unrest in the Middle East. Gas production levels due mostly to on-shore shale drilling are causing an over-supply condition; gas is now being exported as LNG. Industrial demand is recovering slowly. Natural gas is attractive to fix at this time to protect this year and beyond. The North American rig count is 882 this week. After a rise in count starting a year and a half ago the rig count has leveled off but increased 4 this week.

The Crude oil price for June is lower this week at \$105.73 per barrel. Heating oil is lower at \$3.05 per gal. Unleaded gasoline futures are lower this week at \$3.23 and gasoline at the pump is around \$4.25...in Indiana. The natural gas storage report today was an injection of 72 BCF. Storage is 226 BCF lower than last year and 17 BCF lower than the 5 year average.

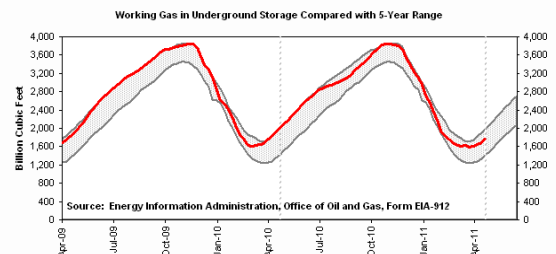


Weather Thu: Mostly cloudy skies with a few showers this afternoon. High 59F. Winds S at 20 to 30 mph. Chance of rain 40%. **Fri:** Partly cloudy skies. High 61F. Winds WNW at 10 to 20 mph. **Sat:** Cloudy with showers and thunderstorms.. Highs in the upper 50s and lows in the upper 40s. **Sun:** Occasional showers possible. Highs in the low 60s and lows in the low 50s. **Mon:** A few thunderstorms possible. Highs in the mid 60s and lows in the mid 50s.

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
1,757	1,983	1,774

The total is an increase of 72 BCF from last week.



Above Graph - Storage levels as of 5-5-11

Comparative Fuels: Futures Prices for June

	Price	Compared to Nat Gas
Natural Gas (therm)	\$0.4356	\$0.4356
Propane (gal)	\$1.58	\$1.72
Crude Oil (barrel)	\$105.73	
Heating Oil (gal)	\$3.05	\$2.19
Unleaded Gas (gal)	\$3.23	

North American Natural Gas Rig Count:

This week	882
Last week	878
Year Ago this week	958

NYMEX Futures Price for Winter

Nov 2011-Mar 2012 \$0.5273 per therm.

NYMEX Futures Price for 1 YR

Jun 2011-May 2012 \$0.5214 per therm.

NGI for May 2011 \$0.4490

