

Volume 377 May 19, 2011

Market Natural gas traded mixed and is about the same as last week. Weather across the country is moderate easing natural gas electric generation demand. 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 874 this week. After a rise in count starting a year and a half ago the rig count has leveled off and decreased 16 this week.

The Crude oil price for June is higher this week at \$99.94 per barrel. Heating oil is higher at \$2.91 per gal. Unleaded gasoline futures are lower this week at \$2.98 and gasoline at the pump is around \$4.09...in Indiana. The natural gas storage report today was an injection of 92 BCF. Storage is 235 BCF lower than last year and 36 BCF lower than the 5 year average.



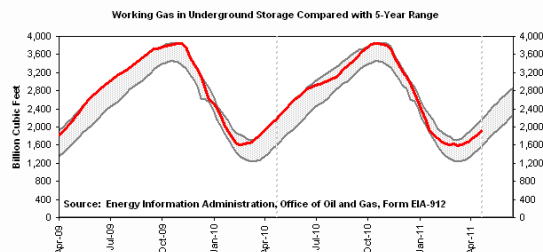
Above Graph – June 2011 NYMEX gas futures

Weather Thu: Mostly cloudy skies with a few showers this afternoon. High 64F. Winds NNE at 5 to 10 mph. Chance of rain 30%. **Fri:** Intervals of clouds and sunshine. High 69F. Winds NE at 10 to 15 mph. **Sat:** Thundershowers. Highs in the low 70s and lows in the low 60s. **Sun:** Partly cloudy with a stray thunderstorm. Highs in the mid 70s and lows in the low 60s. **Mon:** Scattered thunderstorms possible. Highs in the mid 70s and lows in the mid 50s.

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
1,919	2,154	1,955

The total is an increase of 92 BCF from last week.



Above Graph - Storage levels as of 5-19-11

Comparative Fuels: Futures Prices for June

	Price	Compared to Nat Gas
Natural Gas (therm)	\$.4137	\$.4137
Propane (gal)	\$1.52	\$1.66
Crude Oil (barrel)	\$99.94	
Heating Oil (gal)	\$2.91	\$2.09
Unleaded Gas (gal)	\$2.98	

North American Natural Gas Rig Count:

This week	874
Last week	890
Year Ago this week	951

NYMEX Futures Price for Winter

Nov 2011-Mar 2012 **\$.5082** per therm.

NYMEX Futures Price for 1 YR

Jun 2011-May 2012 **\$.5024** per therm.

NGI for May 2011 \$4490

