Nordic Energy
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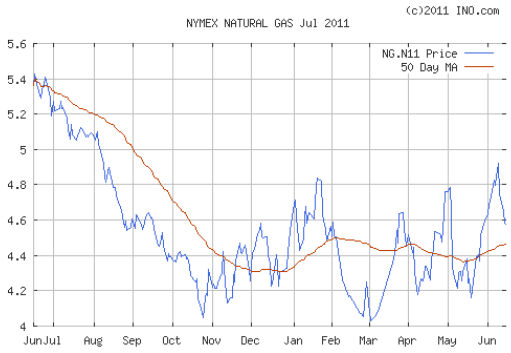
ENERGY MATTERS NATURAL GAS NEWSLETTER

Volume 381 June 16, 2011

Market Natural gas traded lower this week but still supported by hot summer temperatures across the country causing more gas to be used for electric generation. Gas production levels due mostly to on-shore shale drilling are causing an over-supply condition; gas is also 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 879 this week. After a rise in count starting a year and a half ago the rig count has leveled off and decreased 8 this week.

The Crude oil price for July is lower this week at $94.92 per barrel. Heating oil is lower at $3.00 per gal. Unleaded gasoline futures are higher this week at $2.95 and gasoline at the pump is around $3.85…in Indiana. The natural gas storage report today was an injection of 69 BCF. Storage is 275 BCF lower than last year and 76 BCF lower than the 5 year average.



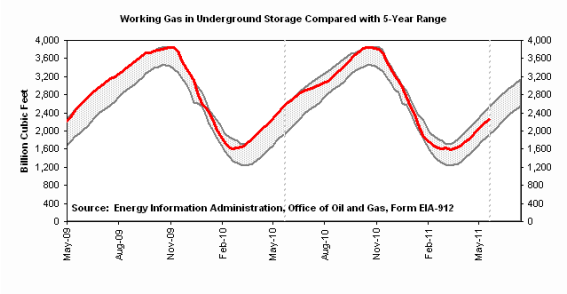
Above Graph – July 2011 NYMEX gas futures

Weather **Thu:** Partly cloudy with isolated thunderstorms possible. High 76F. Winds W at 10 to 15 mph. Chance of rain 30%. **Fri:** Partly cloudy. High around 75F. Winds NE at 5 to 10 mph. **Sat:** Scattered thunderstorms. Highs in the low 80s and lows in the mid 60s. **Sun:** Partly cloudy, chance of a thunderstorm. Highs in the low 80s and lows in the upper 60s. **Mon:** Slight chance of a thunderstorm. Highs in the low 80s and lows in the upper 60s.

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
2,256	2,531	2,332

The total is an increase of 69 BCF from last week.



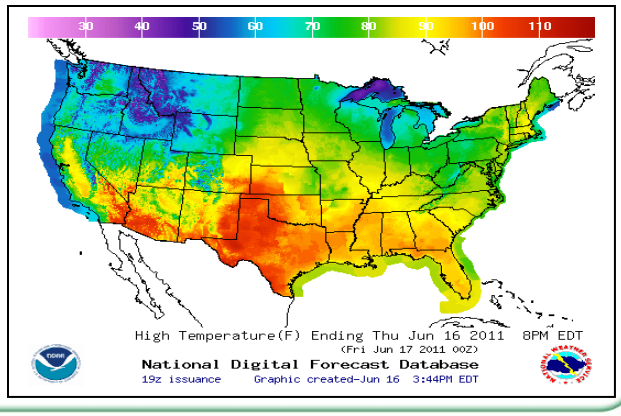
Above Graph - Storage levels as of 6-16-11

Comparative Fuels: Futures Prices for July

	Price	Compared to Nat Gas
Natural Gas (therm)	**$.4424**	**$.4424**
Propane (gal)	**$1.54**	**$1.68**
Crude Oil (barrel)	**$94.92**	
Heating Oil (gal)	**$3.00**	**$2.16**
Unleaded Gas (gal)	**$2.95**	

North American Natural Gas Rig Count:

This week	879
Last week	887
Year Ago this week	954

NYMEX Futures Price for Winter
Nov 2011-Mar 2012 $.5289 per therm.
NYMEX Futures Price for 1 YR
Jul 2011-Jun 2012 $.5235 per therm.

NGI for June 2011 $.4390