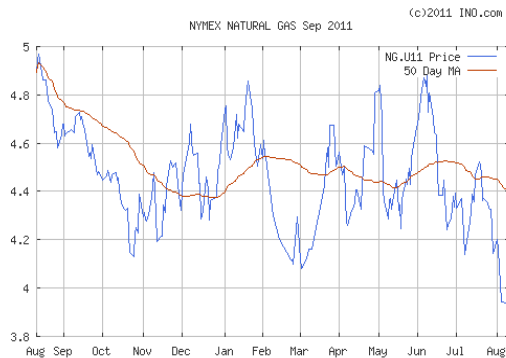


Volume 389 August 11, 2011

Market Natural gas traded mixed to higher this week after reacting to last week's market developments of a sluggish economic report and the stock market drop. Prices are rising this morning after a weak storage injection. Gas production levels due mostly to shale drilling are still strong; but shale fracking practice under some environmental scrutiny now. Natural gas is attractive to fix at this time to protect this year and beyond. The North American rig count is 883 this week. After a rise in count starting a year and a half ago the rig count has leveled off but increased by 6 this week.

The Crude oil price for September is lower this week at \$82.58 per barrel. Heating oil is lower at \$2.86 per gal. Unleaded gasoline futures are higher this week at \$2.80 and gasoline at the pump is around \$3.69...in Indiana. The natural gas storage report today was an injection of 25 BCF; but storage is 197 BCF lower than last year and 80 BCF lower than the 5 year average.



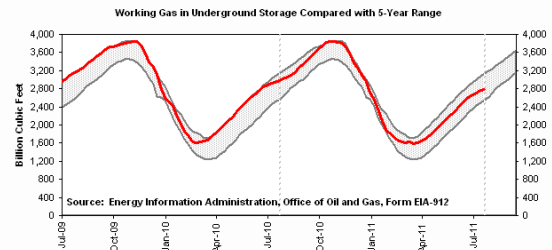
Above Graph – Sept 2011 NYMEX gas futures

Weather Today: Sunny. High near 80F. Winds W at 5 to 10 mph. **Tonight:** Mainly clear skies. Low 62F. Winds SSW at 5 to 10 mph. **Fri:** Generally sunny despite a few afternoon clouds. High around 80F. Winds S at 10 to 15 mph. **Sat:** Thundershowers. Highs in the mid 70s and lows in the mid 60s. **Sun:** Occasional showers possible. Highs in the upper 70s and lows in the mid 60s. **Mon:** Mainly sunny. Highs in the low 80s and lows in the mid 60s.

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
2,758	2,944	2,826

The total is an increase of 43 BCF from last week.



Above Graph - Storage levels as of 8-11-11

Comparative Fuels: Futures Prices for Sept

	Price	Compared to Nat Gas
Natural Gas (therm)	\$ 4.091	\$ 4.091
Propane (gal)	\$ 1.54	\$ 1.68
Crude Oil (barrel)	\$ 82.58	
Heating Oil (gal)	\$ 2.86	\$ 2.05
Unleaded Gas (gal)	\$ 2.80	

North American Natural Gas Rig Count:

This week	883
Last week	877
Year Ago this week	983

NYMEX Futures Price for Winter

Nov 2011-Mar 2012 \$**.4794** per therm.

NYMEX Futures Price for 1 YR

Sep 2011-Aug 2012 \$**.4763** per therm.

NGI for August 2011 \$4.490

