

Volume 413 February 9, 2012

Market- The gas market traded mixed to lower during the week and falling today after a small storage withdrawal report this morning; we still have more gas in storage than last year and the 5 year average. The US gas traditional rig count was a huge decrease this week of 32 putting the count at 745 and horizontal drilling decreased. Prices continue to be tempered by flat industrial demand and a sluggish economy. Gas production levels due mostly to shale drilling are still strong and exports continue. Natural gas is very attractive to fix at this time.

The Crude oil price for March is higher this week at \$99.83 per barrel. Heating oil is higher at \$3.19 per gal. Unleaded gasoline futures are higher this week at \$3.00 and gasoline at the pump is around \$3.59...in Indiana. The natural gas storage report today was a withdrawal of 78 BCF; storage is **714 BCF higher** than last year and **714 BCF higher** than the 5 year average.



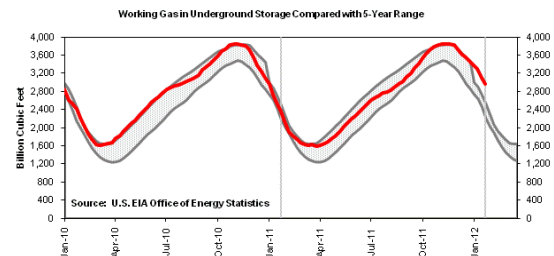
Above Graph – Mar 2012 NYMEX gas futures

Weather: Today: Sunny. High 38F. Winds WSW at 10 to 20 mph. **Tonight:** Clear to partly cloudy. Low 33F. Winds SW at 10 to 20 mph. **Fri:** Occasional snow showers. High around 35F. Winds NNW at 20 to 30 mph. Snow accumulating 1 to 3 inches. **Sat:** Mainly sunny. Highs in the upper 20s and lows in the low 20s. **Sun:** Sunshine. Highs in the low 30s and lows in the upper 20s. **Mon:** Mostly Cloudy. Highs in the mid 30s with temperatures nearly steady overnight.

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
2,888	2,174	2,174

The total is a decrease of 78 BCF from last week.



Above Graph - Storage levels as of 2-9-12

Comparative Fuels: Futures Prices for Mar

	Price	Compared to Nat Gas
Natural Gas (therm)	\$2.422	\$2.422
Propane (gal)	\$1.24	\$1.35
Crude Oil (barrel)	\$99.83	
Heating Oil (gal)	\$3.19	\$2.29
Unleaded Gas (gal)	\$3.00	

North American Natural Gas Rig Count:

This week	745
Last week	777
Year Ago this week	911

US Horizontal Rig Count:

This week	1174
Last week	1185
Year Ago this week	981

NGI for February 2012 \$2,770

