

Volume 414 February 16, 2012

**Market-** The gas market traded mixed to higher during the week and is rising today after a larger than expected 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 another huge decrease this week of 25 putting the count at 720 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 \$101.58 per barrel. Heating oil is lower at \$3.18 per gal. Unleaded gasoline futures are higher this week at \$3.18 and gasoline at the pump is around \$3.49...in Indiana. The natural gas storage report today was a withdrawal of 127 BCF; storage is **817 BCF higher** than last year and **765 BCF higher** than the 5 year average.



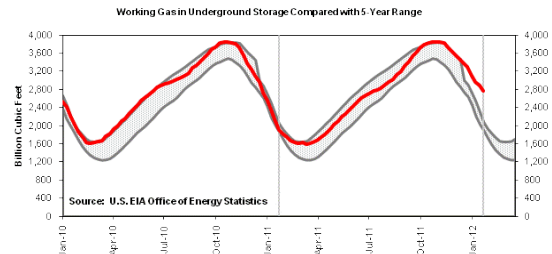
Above Graph – Mar 2012 NYMEX gas futures

**Weather: Today:** Mostly cloudy early, then sunshine for the afternoon. High 43F. Winds WNW at 10 to 20 mph. **Tonight:** Clear to partly cloudy. Low 33F. Winds W at 10 to 15 mph. **Fri:** Except for a few afternoon clouds, mainly sunny. High 49F. Winds SW at 10 to 20 mph. **Sat:** Mix of sun and clouds. Highs in the upper 30s and lows in the upper 20s. **Sunday:** Mostly sunny. Highs in the mid 30s and lows in the upper 20s. **Mon:** Highs in the low 40s and lows in the upper 30s.

**Storage Statistics: (BCF) Billion Cubic Ft**

This Week	Last Year	5 Year Ave.
2,761	1,944	1,966

The total is a decrease of 127 BCF from last week.



Above Graph - Storage levels as of 2-16-12

**Comparative Fuels: Futures Prices for Mar**

	Price	Compared to Nat Gas
Natural Gas (therm)	\$2.559	\$2.559
Propane (gal)	\$1.19	\$1.29
Crude Oil (barrel)	\$101.58	
Heating Oil (gal)	\$3.18	\$2.28
Unleaded Gas (gal)	\$3.18	

**North American Natural Gas Rig Count:**

This week	720
Last week	745
Year Ago this week	906

**US Horizontal Rig Count:**

This week	1171
Last week	1174
Year Ago this week	980

**NGI for February 2012 \$2.770**

