

Volume 415 February 23, 2012

Market- The gas market traded mixed to higher during the week but is slightly down today after the storage 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 decrease this week of 4 putting the count at 716 and horizontal drilling decreased again. 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 \$105.89 per barrel. Heating oil is higher at \$3.27 per gal. Unleaded gasoline futures are higher this week at \$3.26 and gasoline at the pump is around \$3.69...in Indiana. The natural gas storage report today was a withdrawal of 166 BCF; storage is **753 BCF higher** than last year and **744 BCF higher** than the 5 year average.



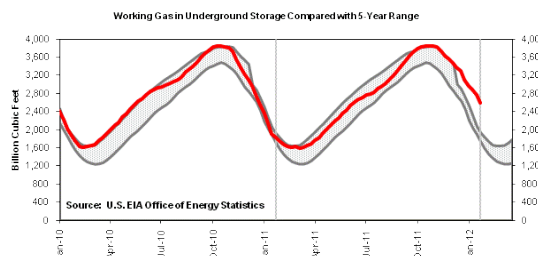
Above Graph – Mar 2012 NYMEX gas futures

Weather: Today: Rain and snow. Temps in the mid 30s. Winds E at 10 to 20 mph. Chance of precip 90%. **Tonight:** Snow likely. Low 32F. Winds NNW at 20 to 30 mph. Chance of snow 90%. Snow accumulating 4 to 6 inches. **Fri:** Light snow during the morning. Temps nearly steady in the mid 30s. Winds WNW at 15 to 25 mph. Chance of snow 70%. **Sat:** Mix of sun and clouds. Highs in the mid 30s and lows in the upper 20s. **Sun:** Sunshine. Highs in the upper 40s and lows in the upper 30s. **Mon:** Partly cloudy and windy. Highs in the low 40s and lows in the upper 20s.

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
2,595	1,842	1,851

The total is a decrease of 166 BCF from last week.



Above Graph - Storage levels as of 2-23-12

Comparative Fuels: Futures Prices for Mar

	Price	Compared to Nat Gas
Natural Gas (therm)	\$2.611	\$2.611
Propane (gal)	\$1.19	\$1.29
Crude Oil (barrel)	\$105.89	
Heating Oil (gal)	\$3.27	\$2.34
Unleaded Gas (gal)	\$3.26	

North American Natural Gas Rig Count:

This week	716
Last week	720
Year Ago this week	905

US Horizontal Rig Count:

This week	1163
Last week	1171
Year Ago this week	984

NGI for February 2012 \$2,770

