

Volume 420 March 29, 2012

Market- April natural gas futures expired yesterday at \$.2191 per therm; May is now the front month. The natural gas market traded mixed this week but lower this morning. Ample supply is keeping prices in check. This week was a storage **injection**. 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 11 and horizontal drilling decreased 6 rigs. 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 May is lower this week at \$104.62 per barrel. Heating oil is higher at \$3.21 per gal. Unleaded gasoline futures are higher this week at \$3.37 and gasoline at the pump is around \$4.39...in Indiana. The natural gas storage report today was an injection of 57 BCF; storage is **816 BCF higher** than last year and **900 BCF higher** than the 5 year average.

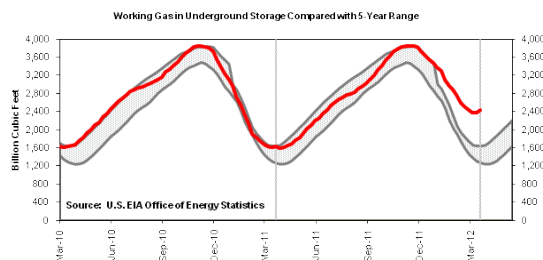


Above Graph – May 2012 NYMEX gas futures

Weather: Today: A mix of clouds and sun. High 52F. Winds NE at 10 to 20 mph. **Tonight:** cloudy with periods of light rain after midnight. Low 46F. Winds E at 20 to 30 mph. Chance of rain 70%. **Fri:** Showers in the morning followed by a few lingering showers in the afternoon. High 54F. SE winds shifting to N at 20 to 30 mph. Chance of rain 70%. **Sat:** Times of sun and clouds. Highs in the upper 50s and lows in the low 50s. **Sun:** Mix of sun and clouds. Highs in the low 80s and lows in the mid 60s. **Mon:** A few clouds. Highs in the low 80s and lows in the low 50s.

Storage Statistics: (BCF) Billion Cubic Ft	This Week	Last Year	5 Year Ave.
	2,437	1,621	1,537

The total is an increase of 57 BCF from last week.



Above Graph - Storage levels as of 3-29-12

Comparative Fuels: Futures Prices for May	Price	Compared to Nat Gas
Natural Gas (therm)	\$2.246	\$2.246
Propane (gal)	\$1.28	\$1.38
Crude Oil (barrel)	\$104.62	
Heating Oil (gal)	\$3.21	\$2.31
Unleaded Gas (gal)	\$3.37	

North American Traditional Nat. Gas Rig Count:	
This week	652
Last week	663
Year Ago this week	880

US Horizontal Rig Count:	
This week	1174
Last week	1180
Year Ago this week	995

NGI for April 2012 estimated \$2281

