Nordic Energy
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ENERGY MATTERS NATURAL GAS NEWSLETTER

Volume 497 October 10, 2013

Market- Natural gas traded higher this week as weather across the country is supporting demand for gas and a tropical storm in the gulf evacuated some drilling rigs. Prices continue to rise after the storage report this morning. An improving economy is keeping prices supported as well as oil over $100 and new natural gas LNG exports. The once over-supply of gas in storage is now at average levels as seen on the graph to the right; storage right now is below last year levels but above the five-year average. The US gas traditional rig count increased 2 rigs and horizontal drilling increased 14 rigs. Gas production levels due mostly to shale drilling are still strong. Natural gas is very attractive to fix at this time.

The Crude oil price for Nov is lower this week at $103.05 per barrel. Heating oil is higher at $3.07 per gal. Unleaded gasoline futures are higher this week at $2.69 and gasoline at the pump is around $3.39…in Indiana. The natural gas storage report this week was an injection of 90BCF; storage is **138BCF lower** than last year and **55BCF above** than the 5 year average.

Above Graph – Nov 2013 NYMEX gas futures

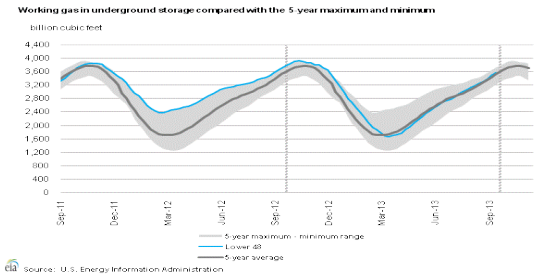
Extended Temperature Forecast: Chicago Area

	Thu	Fri	Sat	Sun	Mon
High	74	75	74	67	65
Low	56	58	52	50	54

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
3,577	3,715	3,522

The total is an increase of 90 BCF from last week.



Above Graph - Storage levels as of October 10

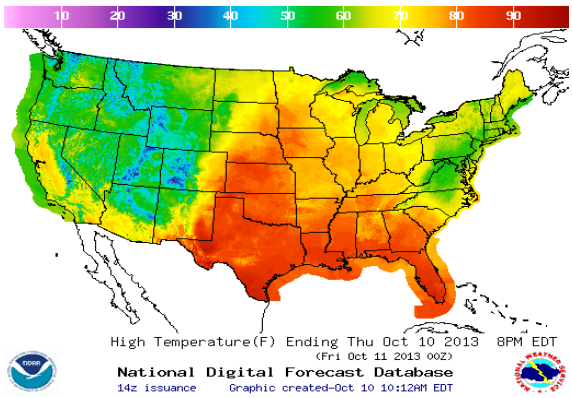
Comparative Fuels: Futures Prices for Nov

	Price	Compared to Nat Gas
Natural Gas (therm)	**$.3772**	**$.3772**
Propane (gal)	**$1.09**	**$1.20**
Crude Oil (barrel)	**$103.05**	
Heating Oil (gal)	**$3.07**	**$2.21**
Unleaded Gas (gal)	**$2.69**	

North American Traditional Nat. Gas Rig Count:

This week	378
Last week	376
Year Ago this week	437

US Horizontal Rig Count:

This week	1099
Last week	1085
Year Ago this week	1132

NGI Chicago for October 2013 $.3640