

Volume 501 November 7, 2013

Market- Natural gas traded mixed to flat this week as normal weather moves across the country yet coal to natural gas switching is keeping prices supported. An improving economy and future cold weather is also keeping prices supported as well as 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 rotary rig count decreased 16 rigs and horizontal drilling increased 6 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 Dec is lower this week at \$93.93 per barrel. Heating oil is lower at \$2.83 per gal. Unleaded gasoline futures are lower this week at \$2.51 and gasoline at the pump is around \$3.09...in Indiana. The natural gas storage report this week was an injection of 35BCF; storage is **112BCF lower** than last year and **57BCF above** than the 5 year average.



Above Graph – Dec 2013 NYMEX gas futures

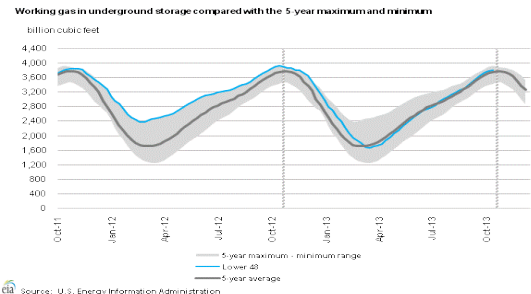
Extended Temperature Forecast: Chicago Area

| | Thu | Fri | Sat | Sun | Mon |
|------|-----|-----|-----|-----|-----|
| High | 47 | 48 | 55 | 47 | 48 |
| Low | 35 | 43 | 40 | 39 | 37 |

Storage Statistics: (BCF) Billion Cubic Ft

| This Week | Last Year | 5 Year Ave. |
|-----------|-----------|-------------|
| 3,814 | 3,926 | 3,757 |

The total is an increase of 35 BCF from last week.



Above Graph - Storage levels as of November 7

Comparative Fuels: Futures Prices for Dec

| | Price | Compared to Nat Gas |
|---------------------|---------|---------------------|
| Natural Gas (therm) | \$3.516 | \$3.516 |
| Propane (gal) | \$1.16 | \$1.29 |
| Crude Oil (barrel) | \$93.93 | |
| Heating Oil (gal) | \$2.83 | \$2.04 |
| Unleaded Gas (gal) | \$2.51 | |

North American Traditional Nat. Gas Rig Count:

| | |
|--------------------|-----|
| This week | 360 |
| Last week | 376 |
| Year Ago this week | 424 |

US Horizontal Rig Count:

| | |
|--------------------|------|
| This week | 1104 |
| Last week | 1098 |
| Year Ago this week | 1105 |

NGI Chicago for November 2013 \$3.750

