Nordic Energy
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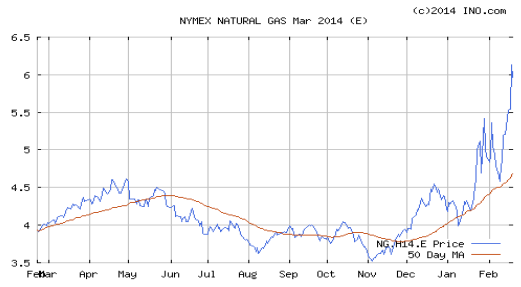
ENERGY MATTERS NATURAL GAS NEWSLETTER

Volume 515 February 20, 2014

Market- Natural gas prices continue to trade very high in the front months. March topped $.60 per therm …highest since 2010. Rapidly depleting natural gas storage inventories, natural gas prices for daily supplies and the month of February are still high. There have been 18 gas critical days in 2014. Prices are also supported by global increasing demand for Liquefied Natural Gas (LNG). There was a large withdrawal from storage reported again this morning. Gas is now at below average storage levels as seen on the graph to the right and is below last year levels and below five-year average. The US gas traditional rotary rig count decreased 14 rigs and horizontal drilling increased 7 rigs. Gas production levels due o shale drilling are still strong although many wells are frozen. Natural gas is very attractive to fix at this time.

The Crude oil price for Mar is higher this week at $103.20 per barrel. Heating oil is higher at $3.15 per gal. Unleaded gasoline futures are higher this week at $2.81 and gasoline at the pump is around $3.49…in Indiana. The natural gas storage report this week was a withdrawal of **250BCF**; storage is **975BCF lower** than last year and **741BCF below** than the 5 year average.



Above Graph – Mar 2014 NYMEX gas futures

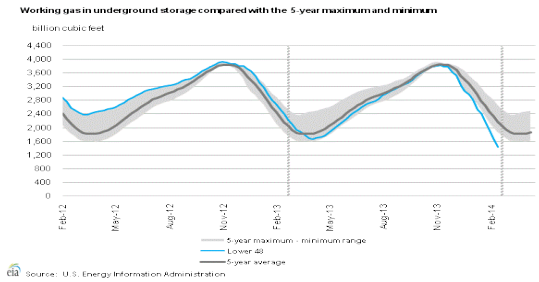
Extended Temperature Forecast: Chicago Area

	Thu	Fri	Sat	Sun	Mon
High	52	35	36	27	25
Low	31	25	12	7	4

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
1,443	2,418	2,184

The total is a decrease of 250 BCF from last week.



Above Graph - Storage levels as of February 20

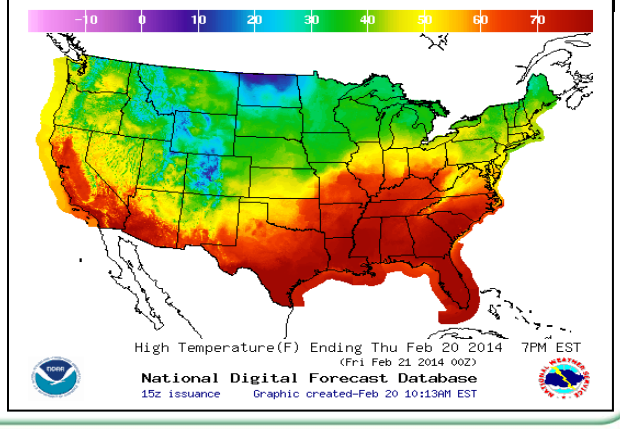
Comparative Fuels: Futures Prices for Mar

	Price	Compared to Nat Gas
Natural Gas (therm)	**$.6153**	**$.6153**
Propane (gal)	**$1.69**	**$1.84**
Crude Oil (barrel)	**$103.20**	
Heating Oil (gal)	**$3.15**	**$2.27**
Unleaded Gas (gal)	**$2.81**	

North American Traditional Nat. Gas Rig Count:

This week	337
Last week	351
Year Ago this week	421

US Horizontal Rig Count:

This week	1183
Last week	1176
Year Ago this week	1139

NGI Chicago for Feb 2014 $.7980