



Volume 365 February 24, 2011

**Market** Natural gas traded mixed to higher this week. Crude oil and other energy liquids are influenced higher by the unrest in the Middle East. Production levels due mostly to on-shore shale drilling are causing an over-supply condition. Industrial demand is recovering. Natural gas is attractive to fix at this time to protect this year and beyond. The North American rig count is 905 this week. After a general rise in count starting a year ago the rig count has leveled off and decreased 1 this week.

The Crude oil price for March is higher this week at \$99.60 per barrel. Heating oil is higher at \$2.94 per gal. Unleaded gasoline futures are higher this week at \$2.76 and gasoline at the pump is around \$3.29...in Indiana. The natural gas storage report today was a withdrawal of 81 BCF. Storage is 48 BCF lower than last year and 61 BCF lower than the 5 year average.

Weather - **Thu:** Cloudy skies. Temps nearly steady in the mid to upper 30s. Winds NNE at 10 to 20 mph. **Tonight:** Cloudy with snow. Low 31F. Winds NNE at 20 to 30 mph. Chance of snow 80%. Snow accumulating 1 to 3 inches. **Fri:** Mostly cloudy skies. Temps nearly steady in the low to mid 30s. Winds N at 20 to 30 mph. **Sat:** Snow showers. Highs in the low 30s and lows in the upper 20s. **Sun:** Mostly cloudy. Highs in the upper 30s with temperatures nearly steady overnight.

**Gas Storage Statistics: (BCF) Billion Cubic Feet**

This Week	Last Year	5 Year Ave.
1,830	1,878	1,891

The total of 1,830 BCF is a decrease of 81 BCF from last week.

**Comparative Fuels: Futures Prices for Mar**

	Price	Compared to Nat Gas
Natural Gas (therm)	<b>\$3.935</b>	<b>\$3.935</b>
Propane (gal)	<b>\$1.38</b>	<b>\$1.50</b>
Crude Oil (barrel)	<b>\$99.60</b>	
Heating Oil (gal)	<b>\$2.94</b>	<b>\$2.11</b>
Unleaded Gas (gal)	<b>\$2.76</b>	

**North American Natural Gas Rig Count:**

This week	905
Last week	906
Year Ago this week	893

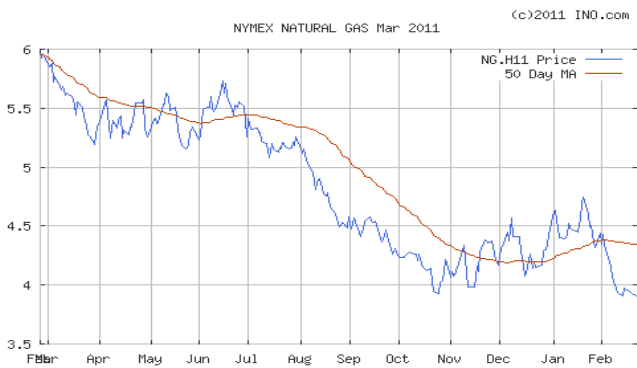
**NYMEX Futures Price for Winter – Nov 11-Mar 12**

**\$.5002** per therm.

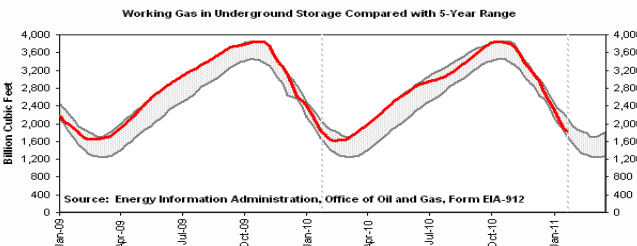
**NYMEX Futures Strip Price for 1 YR- Mar 11-Feb 12:**

**\$.4712** per therm.

**NGI for February 2011 \$ .4610** per therm

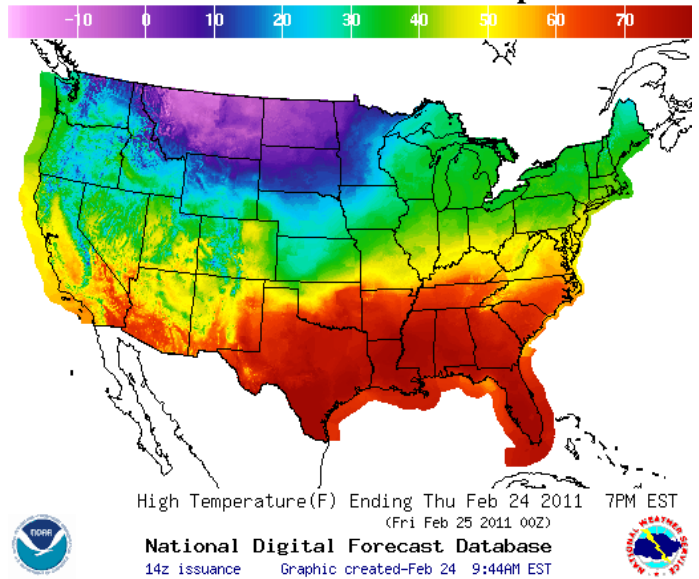


Above Graph – March 2011 NYMEX gas futures



The graph above shows storage levels as of 2-24-11

**Current Weather Map**



**Extended Temperature Forecast: Chicago Area**

Thu	Fri	Sat	Sun	Mon
31 - 39	27 - 33	28 - 32	35 - 39	25 - 37