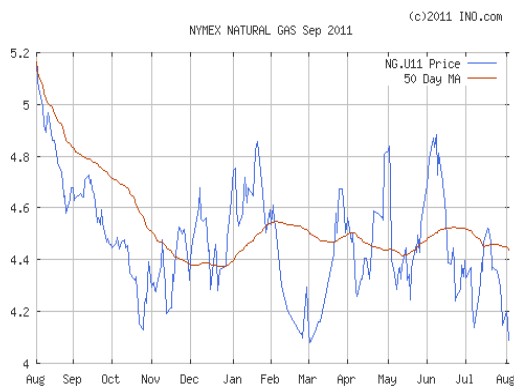


Volume 388 August 4, 2011

Market Natural gas traded mixed this week; but is much lower today after the storage report, sluggish economic reports and the stock market. Gas production levels due mostly to shale drilling are still strong; but shale fracking practice under some environmental scrutiny now. Natural gas is attractive to fix at this time to protect this year and beyond. The North American rig count is 877 this week. After a rise in count starting a year and a half ago the rig count has leveled off and decreased by 12 this week.

The Crude oil price for September is much lower this week at \$86.88 per barrel. Heating oil is lower at \$2.90 per gal. Unleaded gasoline futures are lower this week at \$2.75 and gasoline at the pump is around \$3.75...in Indiana. The natural gas storage report today was an injection of 44 BCF; but storage is 186 BCF lower than last year and 68 BCF lower than the 5 year average.



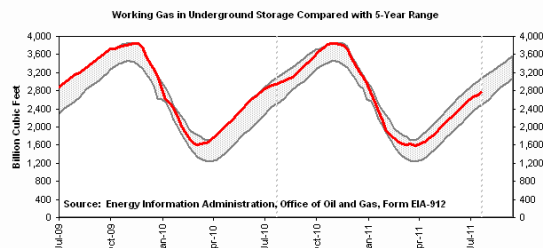
Above Graph – Sept 2011 NYMEX gas futures

Weather Today: Sun and clouds mixed. High 81F. Winds NE at 10 to 15 mph. **Tonight:** Considerable clouds this evening. Some decrease in clouds late. Low 69F. Winds NE at 5 to 10 mph. **Tomorrow:** Mostly cloudy skies early will become partly cloudy later in the day. High 81F. Winds ENE at 5 to 10 mph. **Sat:** Partly cloudy. Highs in the mid 80s and lows in the low 70s. **Sun:** Partly cloudy with a stray thunderstorm. Highs in the mid 80s and lows in the upper 60s.

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
2,758	2,944	2,826

The total is an increase of 43 BCF from last week.



Above Graph - Storage levels as of 8-4-11

Comparative Fuels: Futures Prices for Sept

	Price	Compared to Nat Gas
Natural Gas (therm)	\$0.3926	\$0.3926
Propane (gal)	\$1.54	\$1.68
Crude Oil (barrel)	\$86.88	
Heating Oil (gal)	\$2.90	\$2.09
Unleaded Gas (gal)	\$2.75	

North American Natural Gas Rig Count:

This week	877
Last week	889
Year Ago this week	972

NYMEX Futures Price for Winter

Nov 2011-Mar 2012 \$0.4785 per therm.

NYMEX Futures Price for 1 YR

Sep 2011-Aug 2012 \$0.4754 per therm.

NGI for August 2011 \$4.490

