

Volume 404 December 8, 2011

Market Natural gas traded lower this week given colder weather and higher demand. Storage had another small withdrawal. Usually, rig counts rise in the winter but we have another reduction this week. Prices continue to be tempered by flat industrial demand, a sluggish economy. Gas production levels due mostly to shale drilling are still strong. Natural gas is very attractive to fix at this time to protect this winter and beyond. The North American rig count is 856 this week which is a decrease of 9 from last week.

The Crude oil price for January is lower this week at \$98.89 per barrel. Heating oil is lower at \$2.96 per gal. Unleaded gasoline futures are lower this week at \$2.56 and gasoline at the pump is around \$3.29...in Indiana. The natural gas storage report today was a withdrawal of 20 BCF; storage is **102 BCF higher** than last year and **307 BCF higher** than the 5 year average.



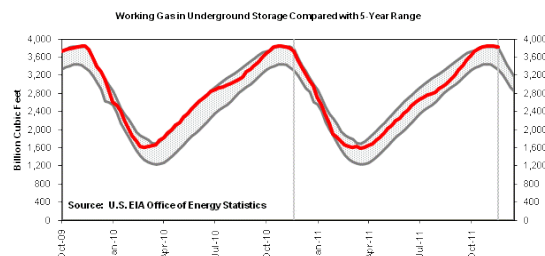
Above Graph – Jan 2012 NYMEX gas futures

Weather: Today: Generally cloudy. High 37F. Winds W at 5 to 10 mph. **Tonight:** Snow showers will become more widely scattered overnight. Low near 25F. Winds WNW at 10 to 15 mph. Chance of snow 40%. **Fri:** Mainly sunny. High 28F. Winds W at 10 to 20 mph. **Sat:** Mainly sunny. Highs in the low 30s and lows in the upper 20s. **Sun:** Sunshine. Highs in the low 40s and lows in the low 30s. **Mon:** Mix of sun and clouds. Highs in the upper 30s and lows in the mid 30s

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
3,831	3,729	3,524

The total is a decrease of 20 BCF from last week.



Above Graph - Storage levels as of 12-8-11

Comparative Fuels: Futures Prices for Jan

	Price	Compared to Nat Gas
Natural Gas (therm)	\$3.447	\$3.447
Propane (gal)	\$1.45	\$1.58
Crude Oil (barrel)	\$98.89	
Heating Oil (gal)	\$2.96	\$2.11
Unleaded Gas (gal)	\$2.56	

North American Natural Gas Rig Count:

This week	856
Last week	865
Year Ago this week	961

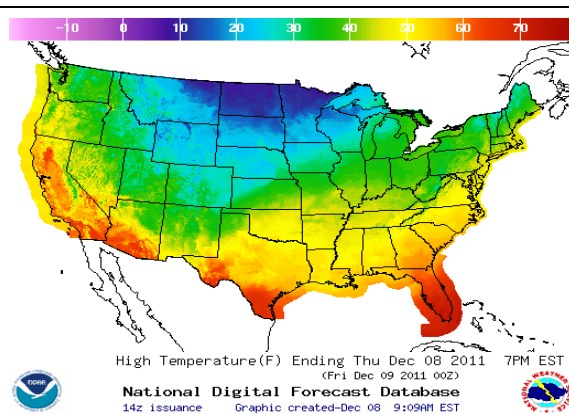
Typical Fixed Price for Winter

Jan 2012-Mar 2012 \$4.486 per therm.

Typical Fixed Price for 1 YR

Jan 2012-Dec 2012 \$4.606 per therm.

NGI for December 2011 \$3.720



High Temperature (F) Ending Thu Dec 08 2011 7PM EST
(Fri Dec 09 2011 00Z)
National Digital Forecast Database
14z issuance Graphic created-Dec 08 9:09AM EST