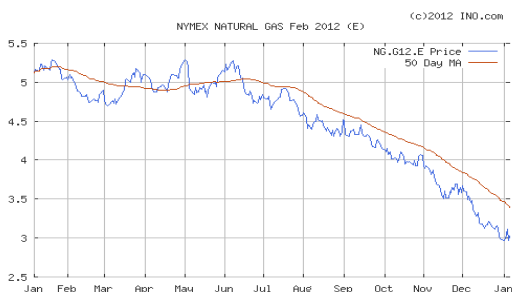


Volume 408 January 5, 2012

Market Temperatures are generally warmer than normal and winter has not had an impact on demand. The storage report was a large withdrawal but we still have more gas in storage than last year and the 5 year average. The rig count was an increase this week after a number of weekly reductions. Prices continue to be tempered by flat industrial demand and 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 809 this week which is an increase of 7 from last week.

The Crude oil price for February is higher this week at \$102.44 per barrel. Heating oil is higher at \$3.07 per gal. Unleaded gasoline futures are higher this week at \$2.75 and gasoline at the pump is around \$3.49...in Indiana. The natural gas storage report today was a withdrawal of 76 BCF; storage is **356 BCF higher** than last year and **458 BCF higher** than the 5 year average.



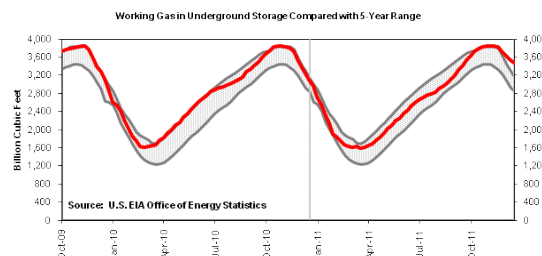
Above Graph – Feb 2012 NYMEX gas futures

Weather: Today: Sunshine and a few clouds. High 54F. Winds W at 10 to 15 mph. **Tonight:** Partly cloudy skies. Low around 35F. Winds WNW at 10 to 15 mph. **Sat:** A mainly sunny sky. High near 45F. Winds WNW at 10 to 15 mph. **Tomorrow night:** A few clouds. Low 32F. Winds WNW at 5 to 10 mph. **Sunday:** Considerable cloudiness. Highs in the low 40s and lows in the low 30s. **Monday:** Mostly sunny. Highs in the mid 40s and lows in the upper 30s. **Tuesday:** Sunny. Highs in the upper 40s and lows in the mid 30s.

Storage Statistics: (BCF) Billion Cubic Ft

This Week	Last Year	5 Year Ave.
3,472	3,116	3,014

The total is a decrease of 76 BCF from last week.



Above Graph - Storage levels as of 1-5-12

Comparative Fuels: Futures Prices for Feb

	Price	Compared to Nat Gas
Natural Gas (therm)	\$3.012	\$3.012
Propane (gal)	\$1.42	\$1.55
Crude Oil (barrel)	\$102.44	
Heating Oil (gal)	\$3.07	\$2.21
Unleaded Gas (gal)	\$2.75	

North American Natural Gas Rig Count:

This week	809
Last week	802
Year Ago this week	919

Typical Fixed Price for Winter

Feb 2012-Mar 2012 **\$3.4150** per therm.

Typical Fixed Price for 1 YR

Feb 2012-Jan 2013 **\$3.4375** per therm.

NGI for January 2012 \$3.310

