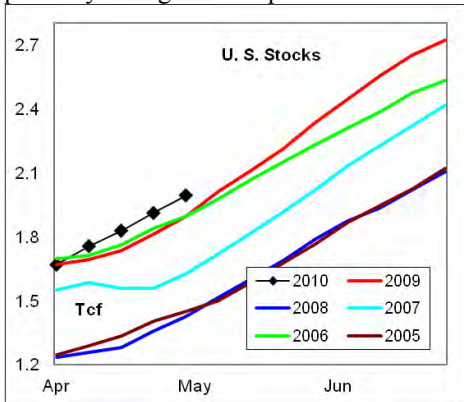


Summary¹ Stocks increased +83 Bcf last week, matching the prior record build for the week. Weekly stock builds have matched or exceeded historic highs for each of the past two months on below normal heating degree days across major markets. Stock levels are +5% above the prior 5-year high for the period.



In the East Region stocks increased +38 Bcf, which matched the mid range for the period. The +12 Bcf build in the West Region was a record build for the week. The stock build of +33 Bcf in the Producing Region was a record build for the period.

Heating degree days were -11% below normal in the East Region, +16% above normal in the West Region and +29% above normal in the Producing Region for the week ending May 1st.

Heating degree days were -5% below normal for the week ending May 1st and forecast to be -47% below normal for the week ending May 8th.

The 6-10 day NWS forecast for the week ending May 15th is for cooler than normal temperatures across the western 1/2 of the country and warmer than normal in the east/southeast region.

The 8-14 day NWS forecast for the week ending May 19th is for cooler than normal temperatures across the rocky mountain region and warmer than normal on the West and East Coasts.

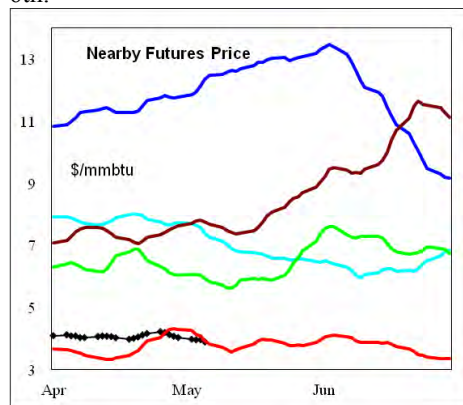
¹ Related Web Sites:

[Data Source is EIA Weekly Statistics](#)

[National Weather Service 6-10 Day](#)

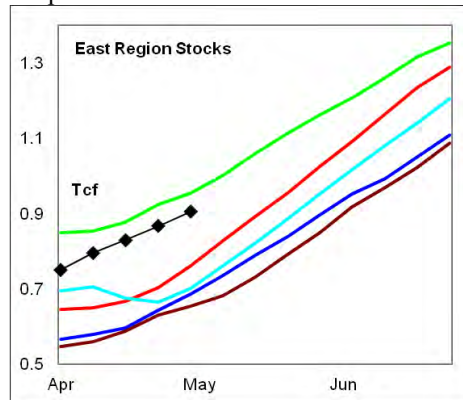
[National Weather Service 10-14 Day](#)

Prices: Nearby gas futures prices decreased -\$0.09/mmbtu for the week ending May 6th.



The 1st - 4th month forward price curve traded sideways on the week. The forward price curve is above the historic mid range for the period.

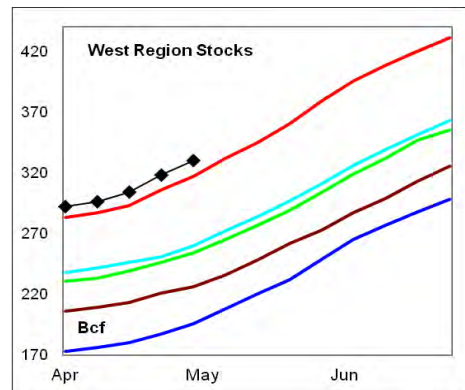
East Region stocks increased +38 Bcf on the week, which matched the mid range for the period. The latest 4-wk stock change was a record build for the period during the last 5-years. Stock levels were +19% above last year and near record highs for the period.



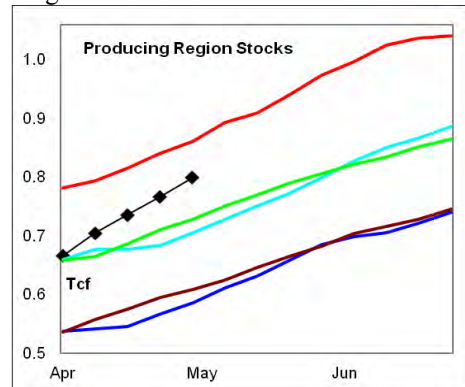
Heating degrees in the region were -11% below normal for the week ending May 1st and forecast to be -57% below normal for the week ending May 8th. Warmer than normal temperatures are forecast for the next 10-days.

West Region stocks increased +12 Bcf on the week, which was a record build for the week. The latest 4-wk stock build was above the historic range last week. Stock levels are +4% above the prior 5-year high.

Heating degree days were +16% above normal for the week ending May 1st, and forecast to be +1% above normal for the week ending May 8th. Near normal temperatures are forecast for the next 10-days.



Producing Region stocks increased +33 Bcf on the week. Stock builds in this region have been exceptionally high compared to the historic range, up +68% over the prior record rate of build. Stock levels are at the upper end of the historic range.



Heating degree days were +29% above normal for the week ending May 1st, and forecast to be -26% below normal for the week ending May 8th. Warmer than normal temperatures are forecast for the next 10 days.

Residual Fuel Oil Switching: The price spread between residual fuel oil and natural gas climbed to a new record high last week, in favor of natural gas. Residual fuel oil demand (including exports) was -7% below year ago levels for the latest 4-wk period.

Outlook: The rate of stock building in the Gulf Producing Region has been exceptional; up +68% over the prior record rate for the most recent 4-wk period. This rate is driven by increased production in the region which has more than offset fuel switching. Total stocks are now +5% above the prior record for this time of year. These fundamental trends should exert downward pressure on prices for the balance of the spring quarter.



NATURAL GAS: Graph Link and Weekly Summary

Report prepared as of: May 6, 2010

For the week ending: 30-Apr-10

Weekly Trends in Stocks and Heating Degree Days for the week ending:

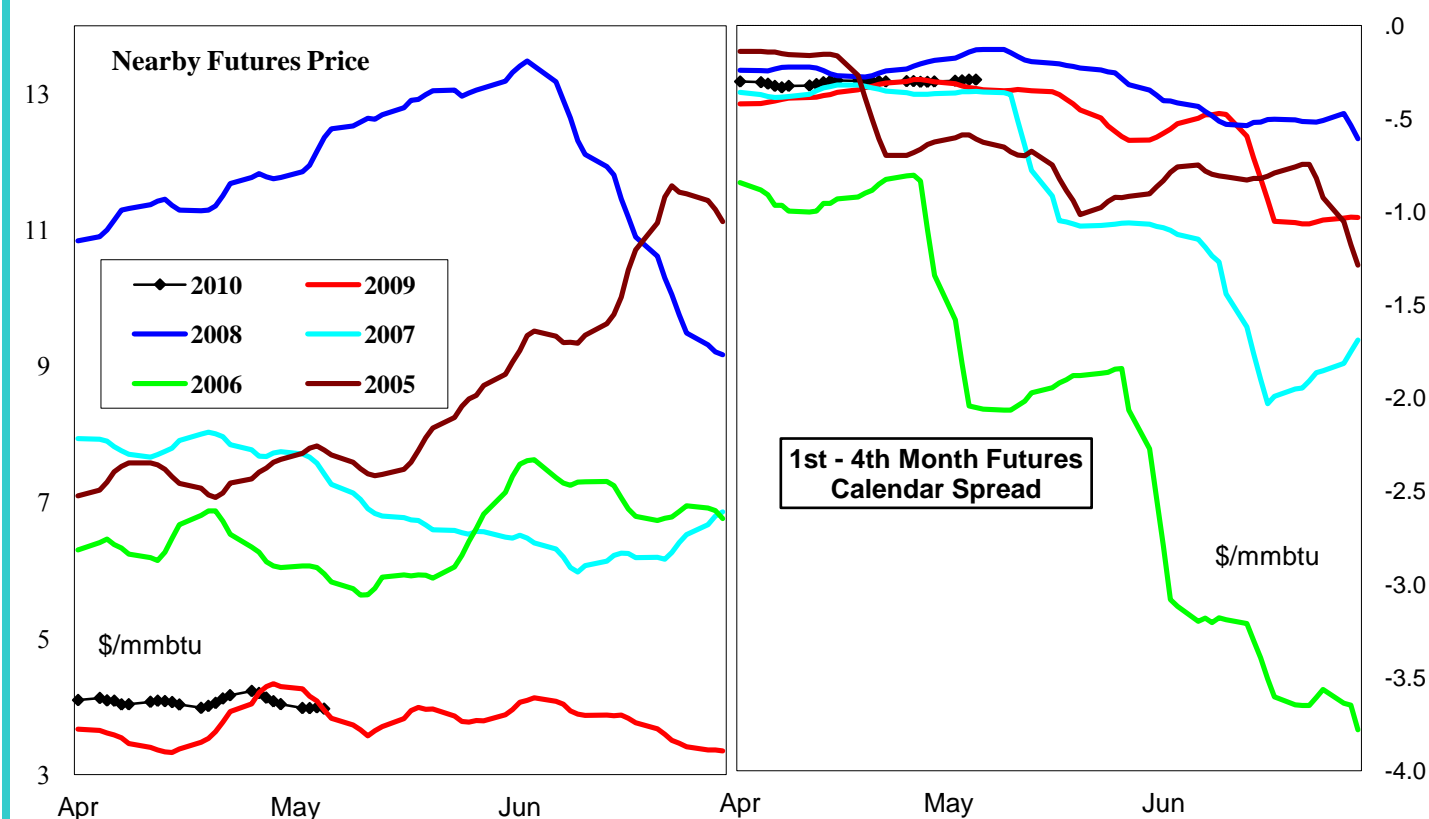
Week ending:	30-Apr-10			24-Apr-10		1-May-10		8-May-10	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	1,995	83	5.1	15	-4%	-13	-5%	-34	-47%
East	905	38	19.1	19	-5%	-18	-11%	-41	-57%
West	330	12	4.1	-1	-4%	6	16%	-23	1%
Producing	760	33	-7.4	10	14%	-5	29%	-16	-26%

Seasonal Trends in Stocks and Heating Degree Days

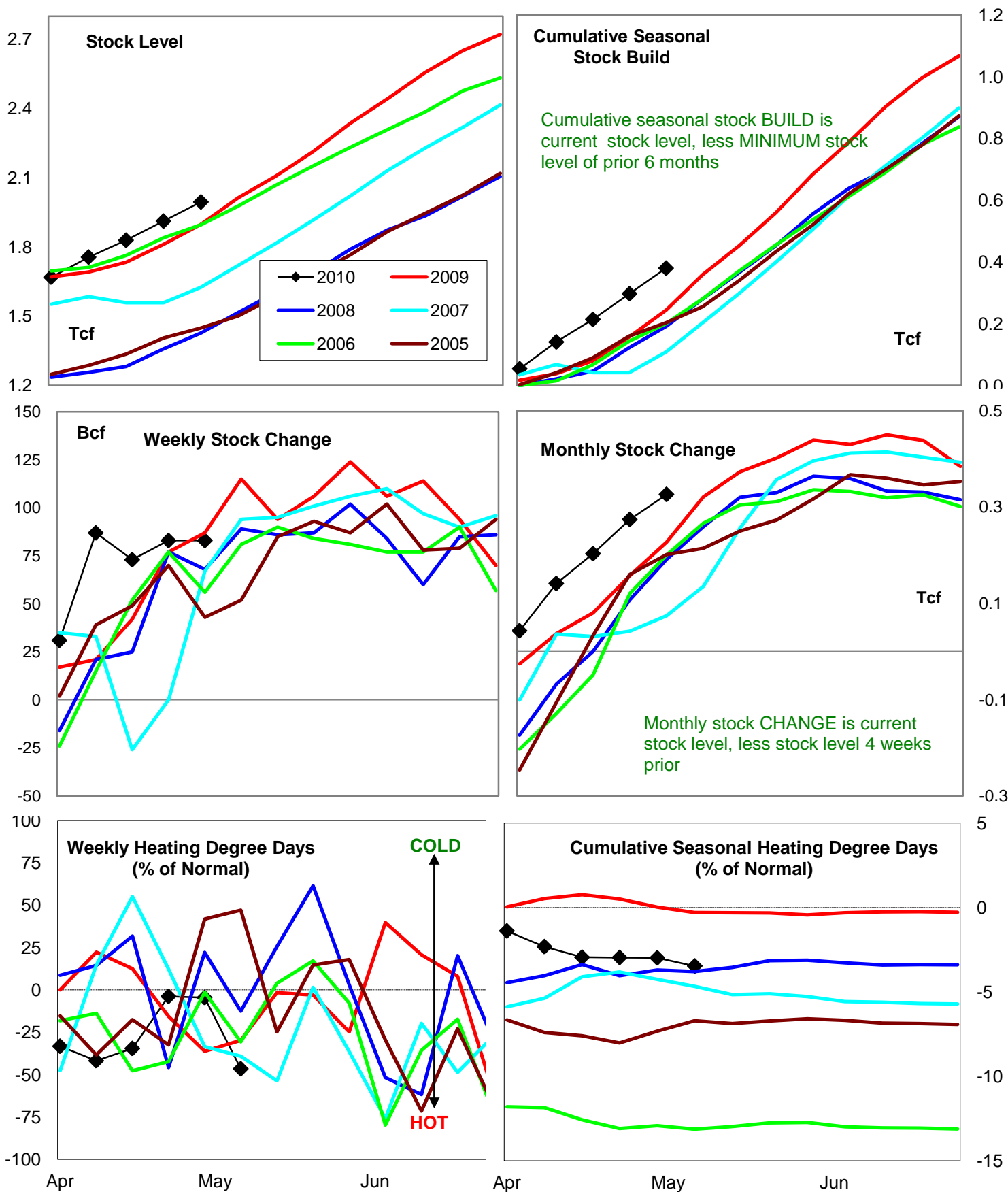
	Cumulative Stock Draw			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	380	136	35.8	76	-3.0	64	-3.0	29	-3.5
East	155	39	25.2	87	-5.0	69	-5.0	27	-5.6
West	47	8	17.0	88	-3.6	94	-3.3	71	-3.2
Producing	212	84	39.6	33	10.6	28	10.8	12	10.6

Futures Market Price Trends

Date:	30-Jun-10	Change vs prior week, month, year		
		24-Jun-10	3-Jun-10	30-Jun-09
1st month Futures	3.97	0.05	-0.10	0.00
% change	xxxxx	1.3	-2.5	0.0



United States Natural Gas Stock and Weather Trends



Variance to prior year

Stock Level

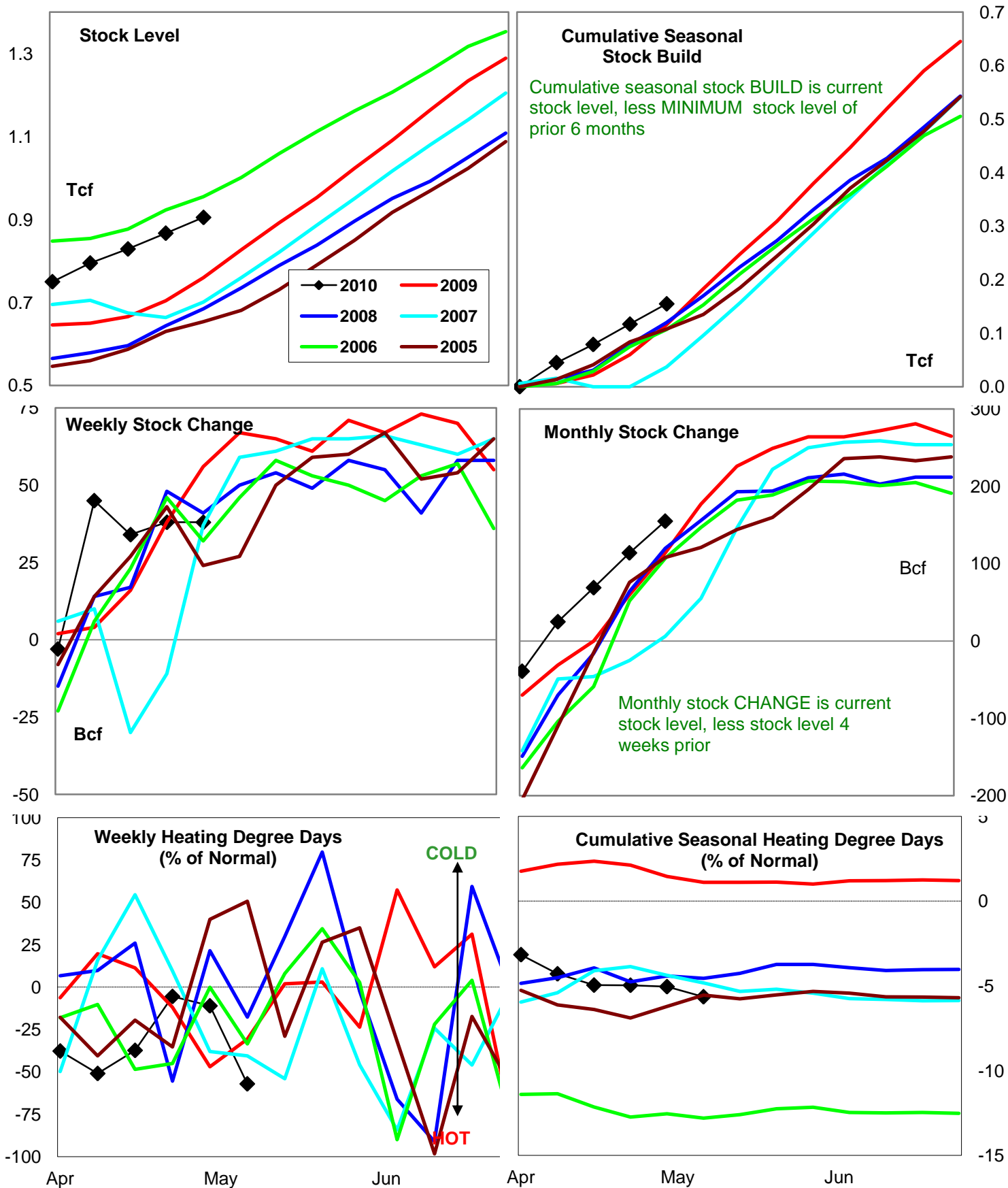
Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF
Percent Change (%)97
5.1-4
-4.699
43.6136
55.7

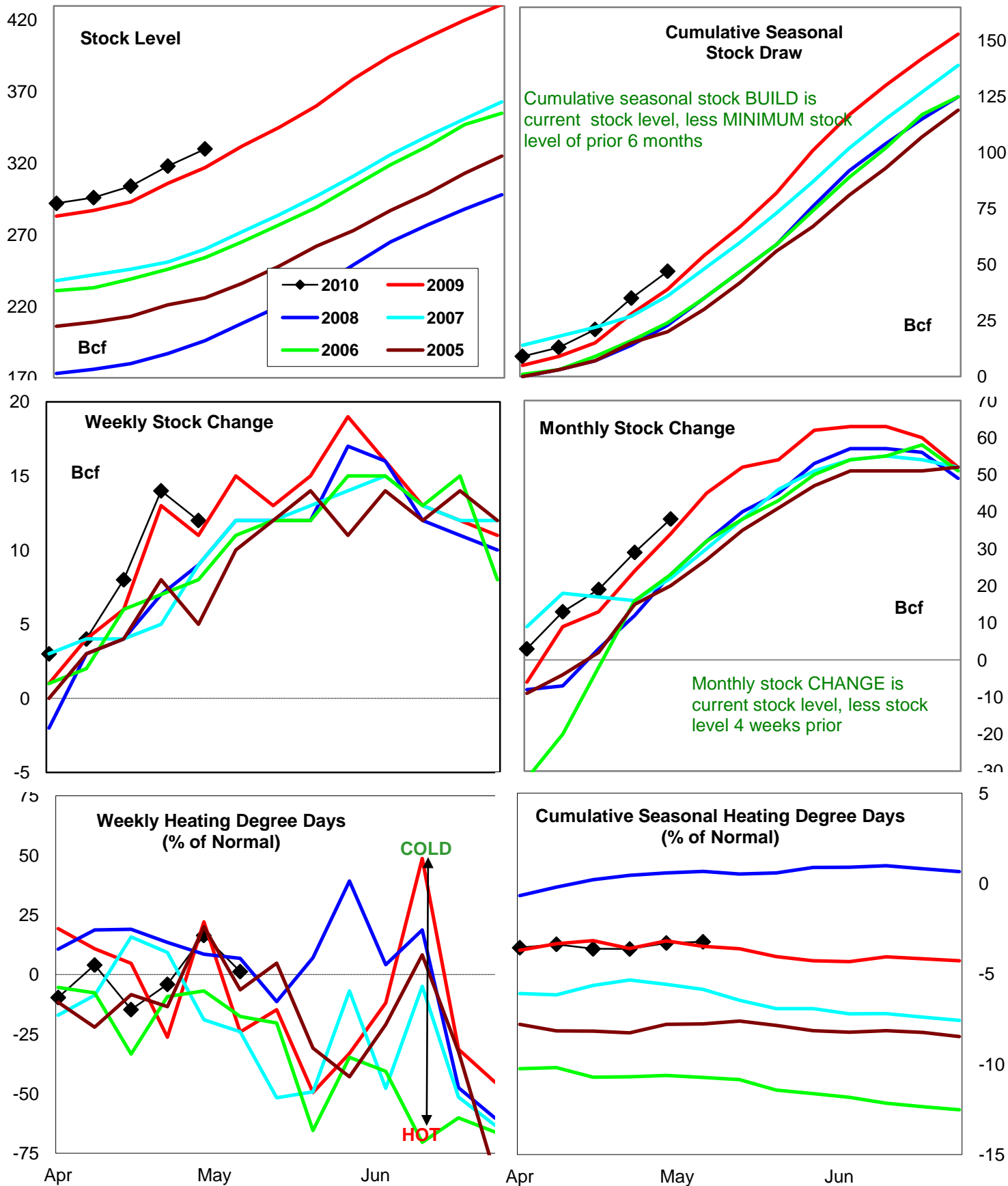
Natural Gas East Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)145
19.1-18
-32.141
36.039
33.6

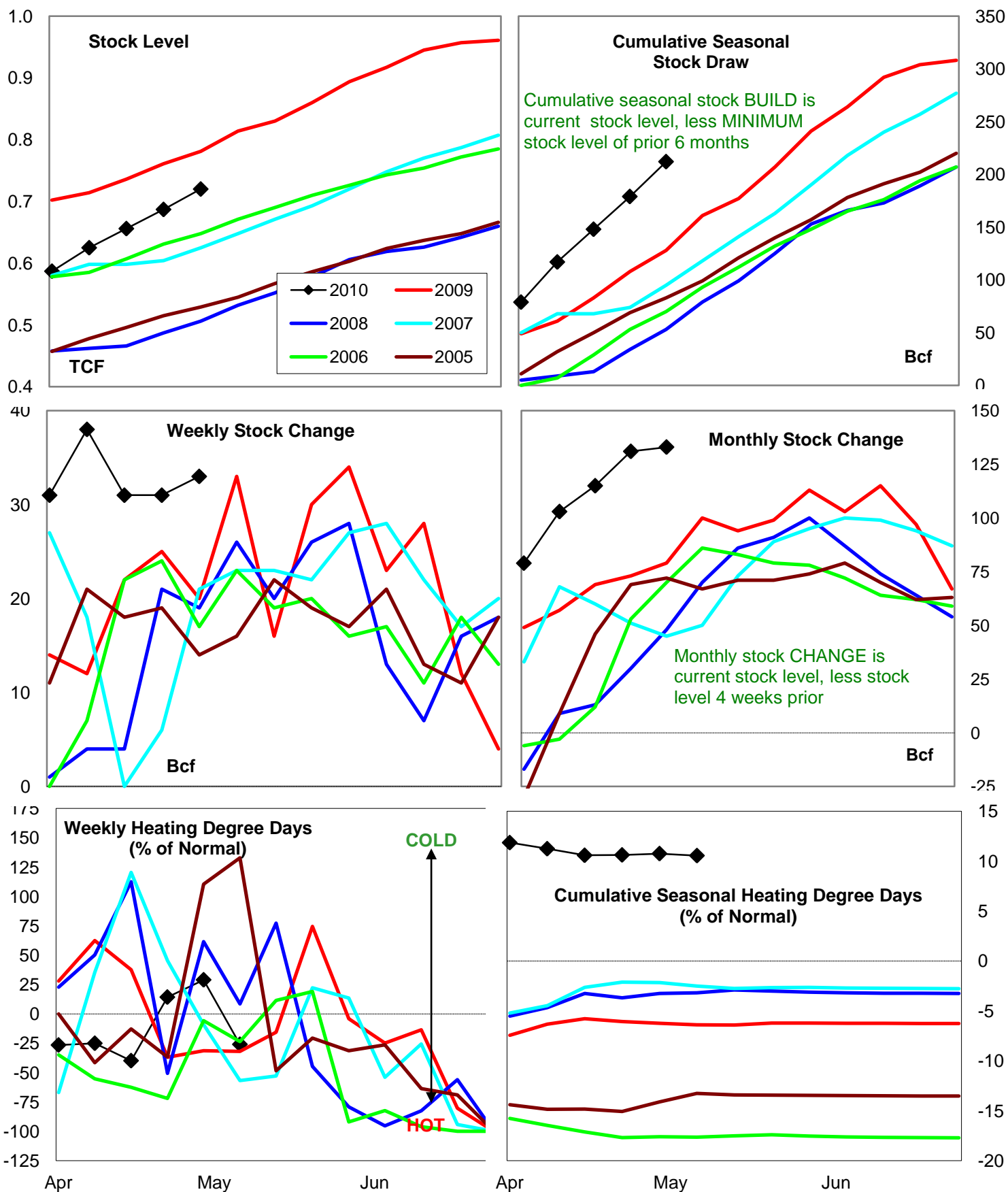
Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)13
4.11
9.14
11.88
20.5

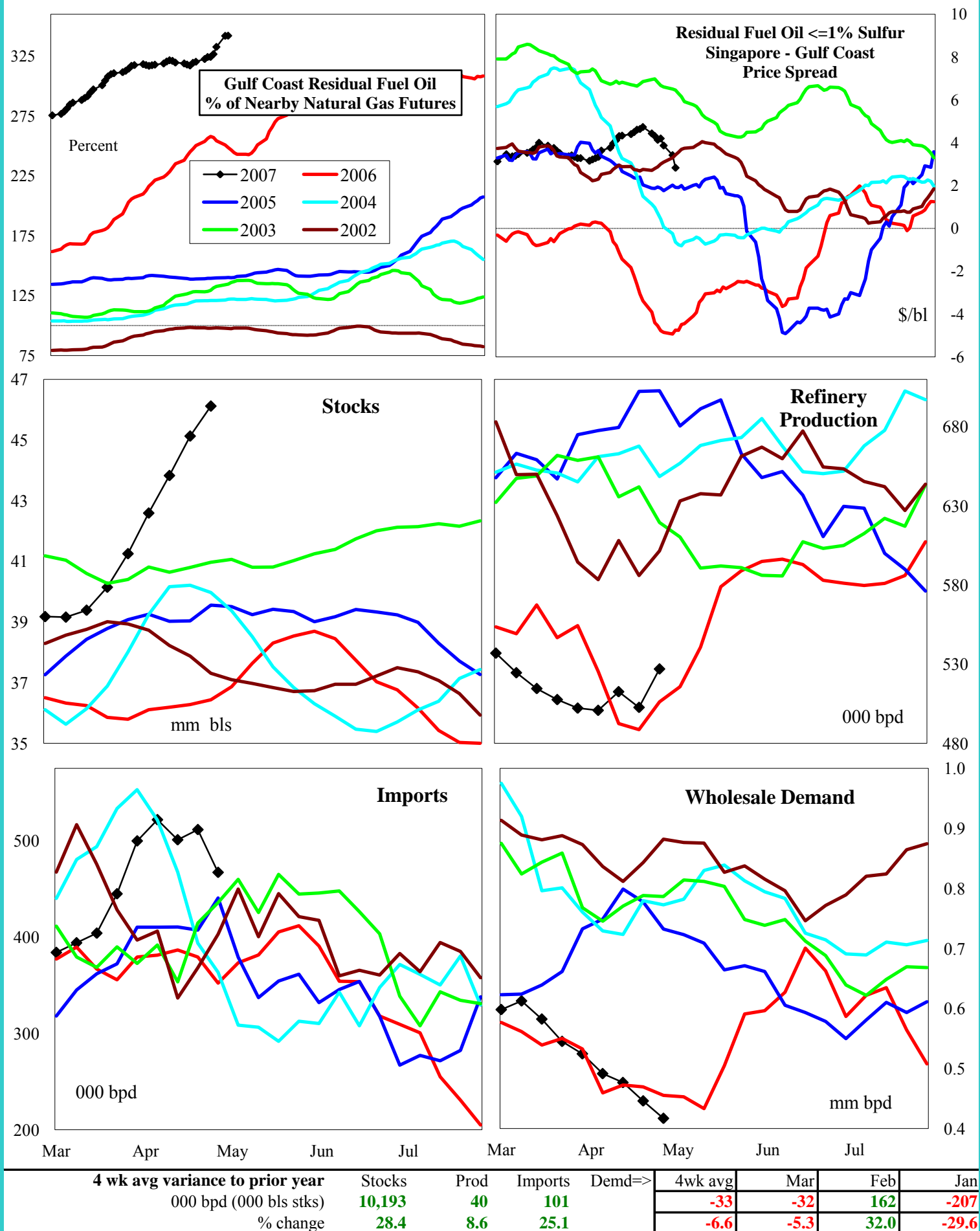
Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

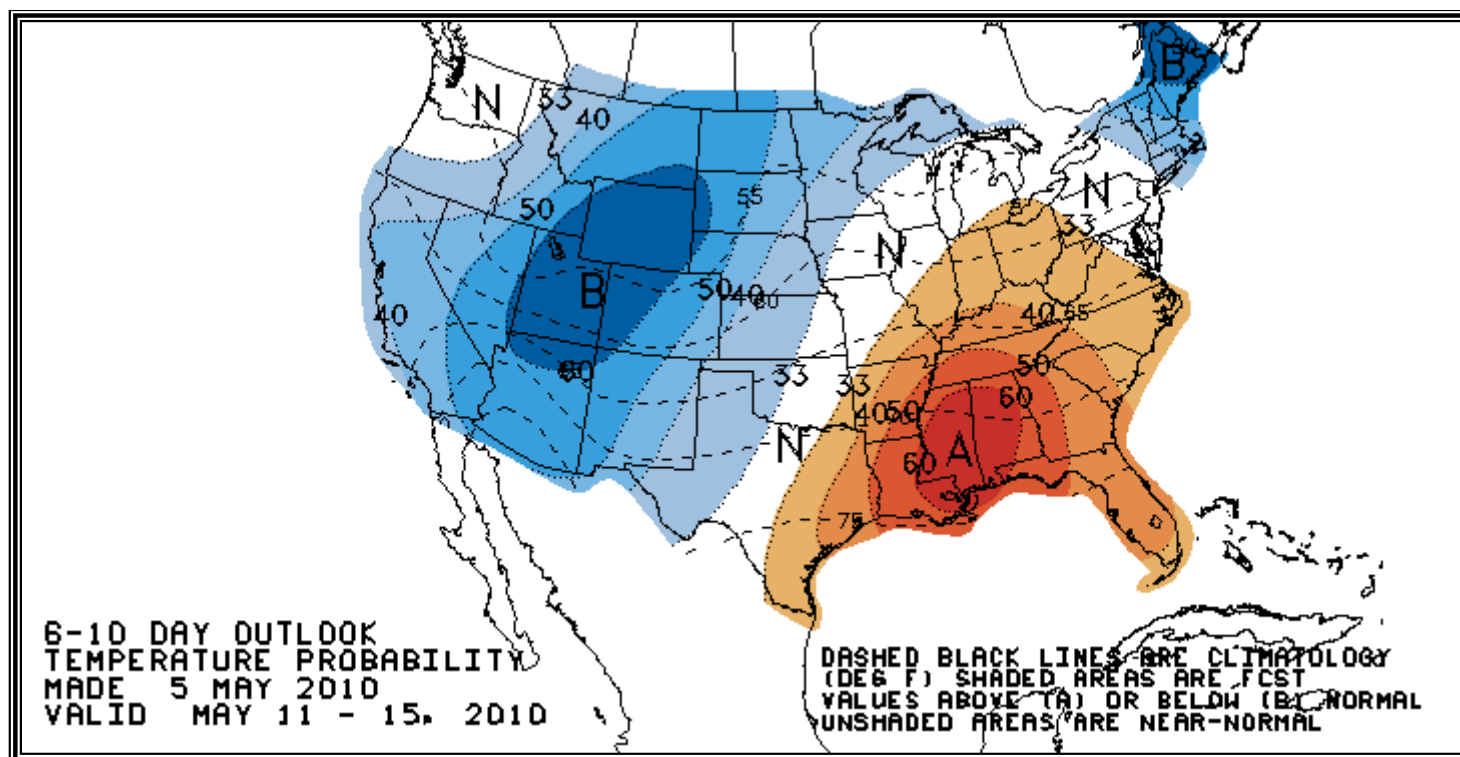
Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)-61
-7.413
65.054
68.484
65.6

U.S. Residual Fuel Oil Price Spreads and Supply Balance



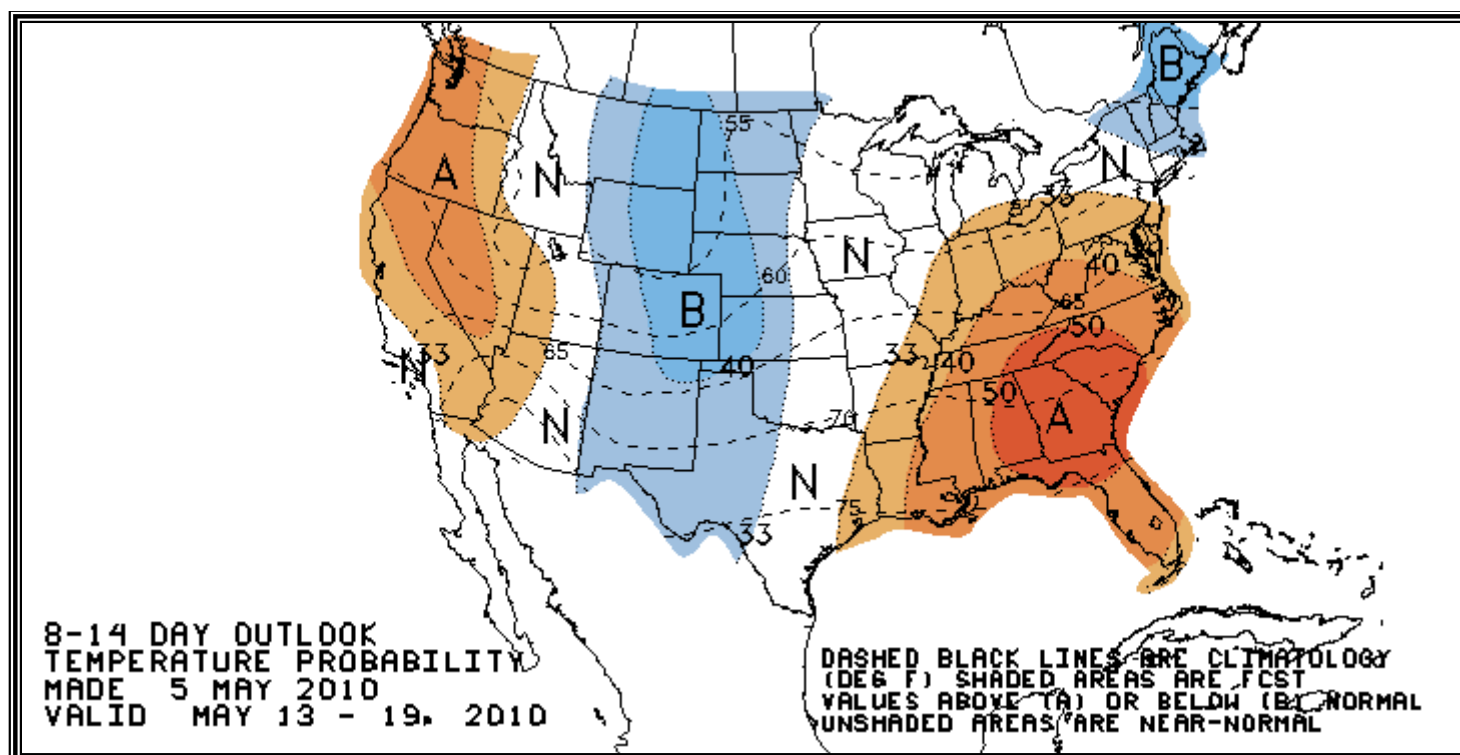
National Weather Service Climate Prediction Center Cooling

Degree Days 6 - 10 Day Forecast



National Weather Service Climate Prediction Center Cooling

Degree Days 8 - 14 Day Forecast



American Gas Association Regions

