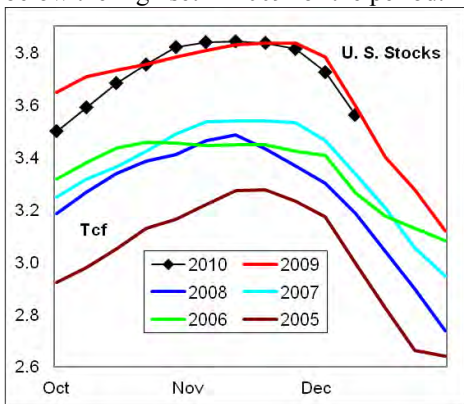
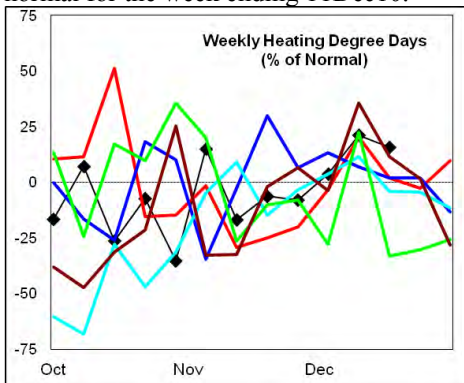




Summary¹ Stocks decreased -164 Bcf last week, the draw was above the mid range for the week. Stock levels were -1% below the high set in 2009 for the period.



Heating degree days were +21% above normal for the week ending 11Dec10.



In the East Region stocks decreased -111 Bcf for the period, a record draw for the week. Stocks decreased -11 Bcf in the West Region, matching the lowest draw of the last 5-years for this period. The stock draw of -42 Bcf in the Producing Region was less than the 5-year mid range for this week.

Heating degree days were +27% above normal in the East Region, -12% below normal in the West Region and +17% above normal in the Producing Region for the week ending 11Dec10.

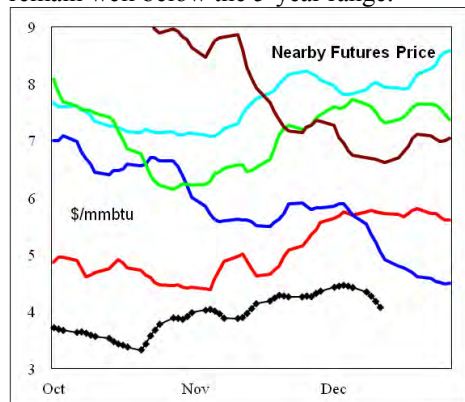
Heating degree days were +21% above normal for the week ended 11Dec10, and are forecast to be +16% above normal for

the week ending 18Dec10.

The 6-10 day NWS forecast for the week ending December 25th is for dramatically colder than normal temperatures in the south eastern 1/3rd of the country and much warmer than normal in the western 1/2 of the country.

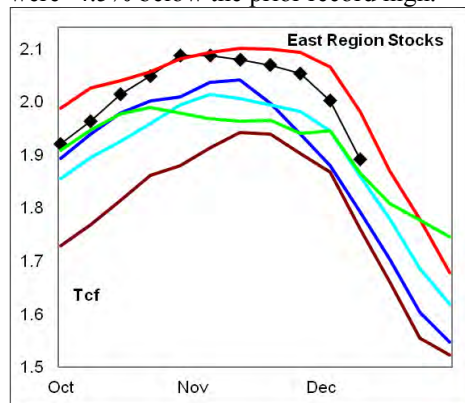
The 8-14 day NWS forecast for the week ending December 29th is for much warmer than normal temperatures in the western 2/3rds of the country and colder than normal in southeast states.

Prices: Nearby gas futures prices decreased -\$0.36/mmbtu for the week ending 16Dec10. Prompt month futures prices remain well below the 5-year range.



The 1st - 4th month forward price curve traded lower last week ending 16Dec10. The spread is now flat, with the level matching the 5-year high for the period.

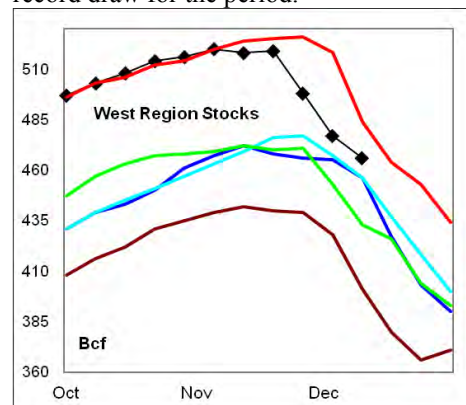
East Region stocks decreased -111 Bcf last week, a record draw for the week. The latest 4-wk stock draw was greater than the mid range for the last 5-years. Stock levels were -4.5% below the prior record high.



Heating degree days in the region are forecast to be +20% above normal for the week ending 18Dec10. Very high heating degree days are forecast for the next 10-days.

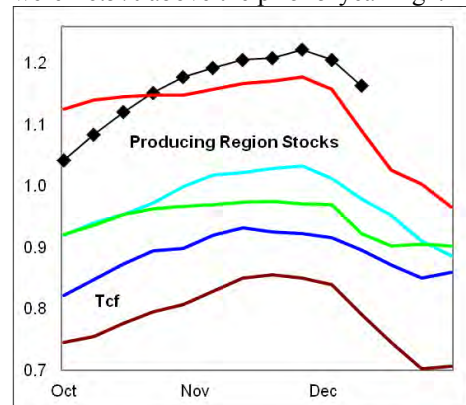
West Region stocks decreased -11 Bcf on the week, a draw that matched the lowest

of the last 5-years for this period. Stock levels were -3.7% below the prior record high. The latest 4-wk stock draw was a record draw for the period.



Heating degree days are forecast to be -8% below normal for the week ending 18Dec10. Much warmer than normal temperatures are forecast for the next 10-days.

Producing Region stocks decreased -42 Bcf on the week, a draw which was less than the 5-year mid range for the period. The latest 4-wk stock draw was at the low end of the historic range. Stock levels were +6.5% above the prior 5-year high.



Heating degree days are forecast to be +10% above normal for the week ending 18Dec10. Colder than normal temperatures are forecast for the next 10 days.

Residual Fuel Oil Switching: The price spread between fuel oil and natural gas remains highly favorable for gas.

Outlook: The current cold snap in the southeastern states is forecast to moderate over the next 10-days, while the western 2/3rds of the country experiences a significant warming trend. These weather trends, combined with high stock levels should constrain gas prices through year-end.

¹ **Related Web Sites:**

Data Source is EIA Weekly Statistics

National Weather Service 6-10 Day

National Weather Service 10-14 Day



NATURAL GAS: Graph Link and Weekly Summary

Report prepared as of: December 16, 2010

For the week ending: 10-Dec-10

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

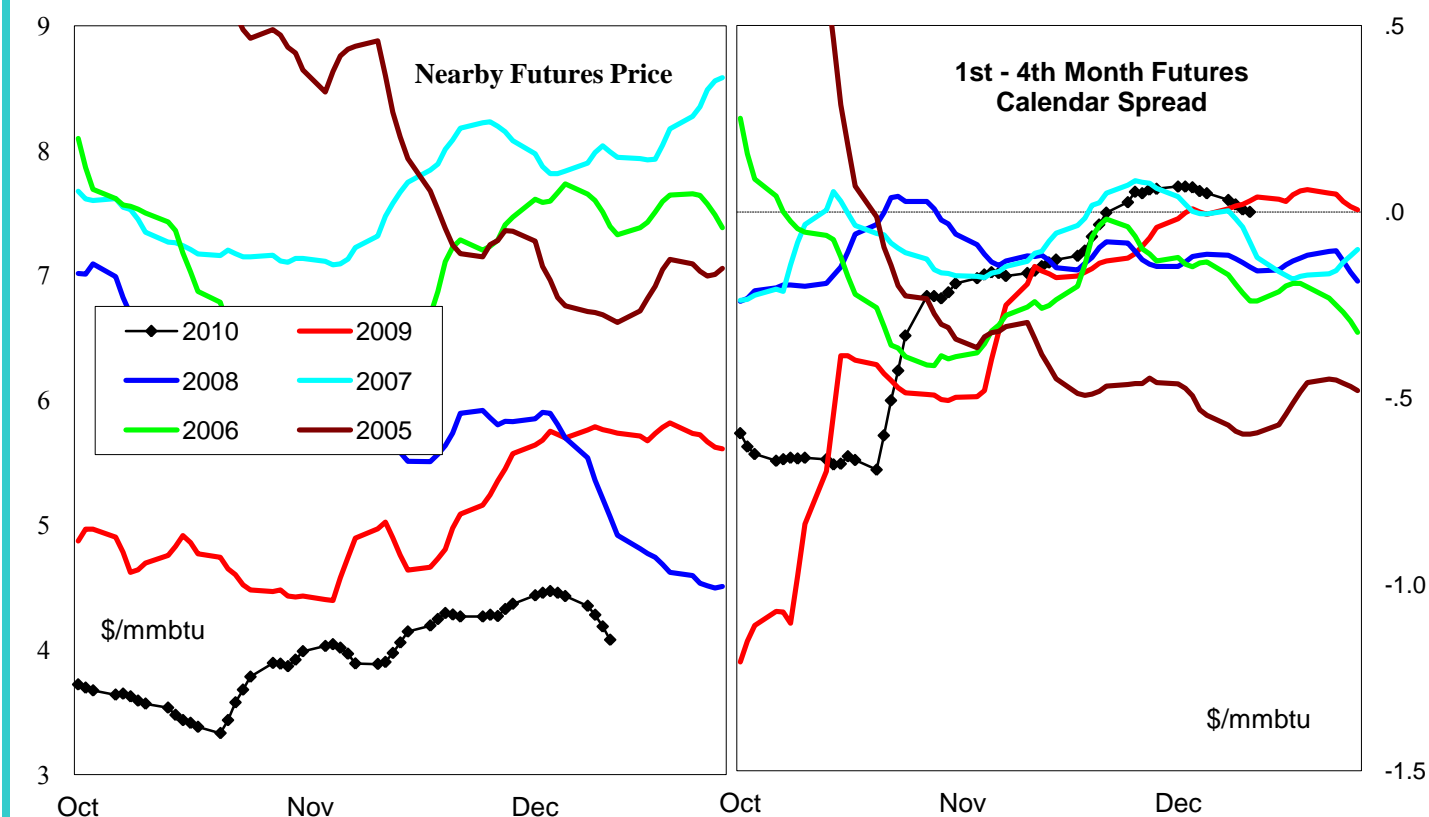
Week ending:	10-Dec-10			4-Dec-10		11-Dec-10		18-Dec-10	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,561	-164	-1.0	36	4%	50	21%	5	16%
East	1,891	-111	-4.5	45	4%	66	27%	4	20%
West	466	-11	-3.7	-26	7%	-24	-12%	15	-8%
Producing	1,204	-42	6.5	40	-3%	38	17%	2	10%

Seasonal Trends in Stocks and Heating Degree Days

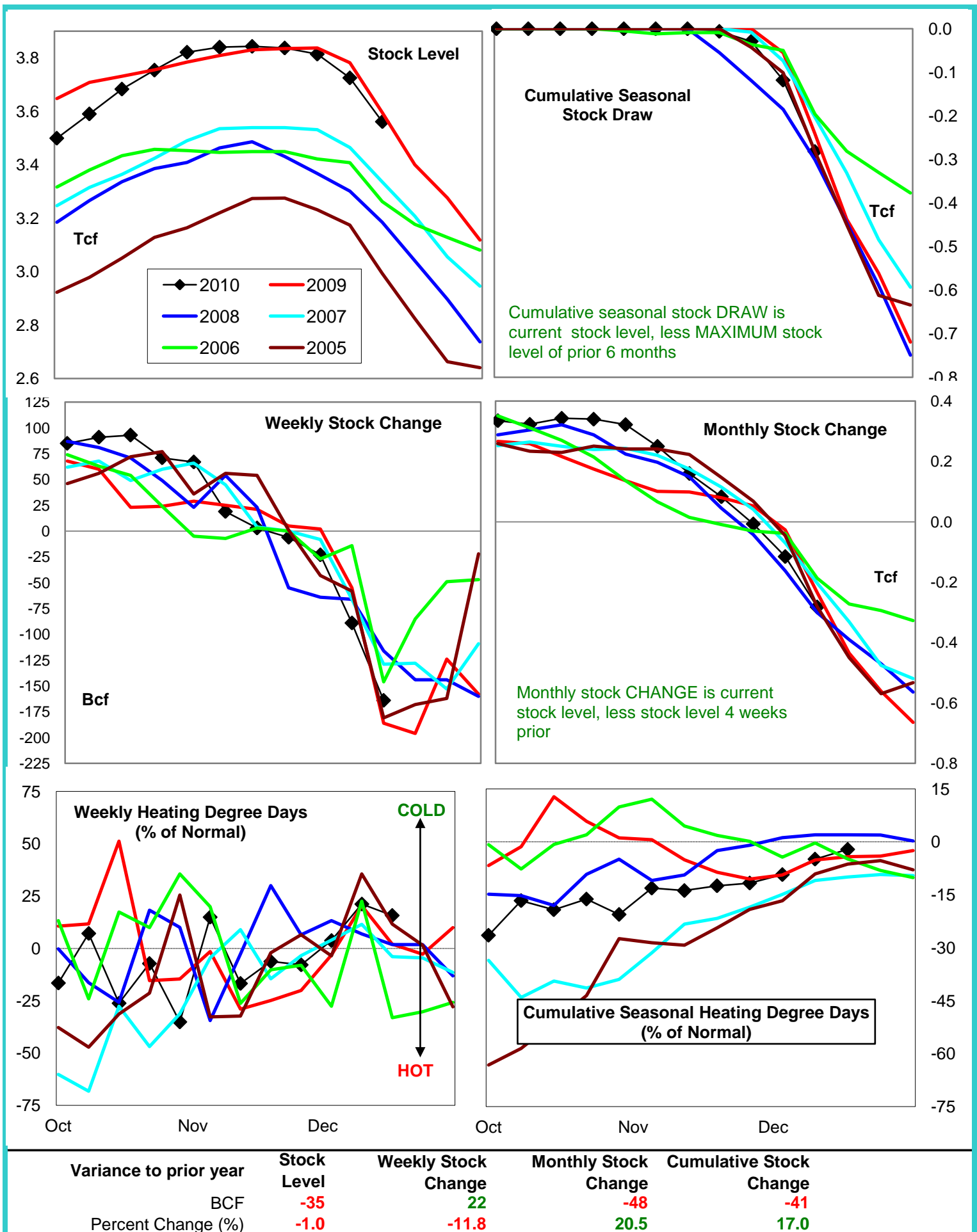
	Cumulative Stock Draw			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	-282	-41	14.5	186	-9.3	236	-4.9	241	-2.1
East	-196	-77	39.3	204	-8.9	269	-3.8	273	-0.6
West	-54	-12	22.2	196	-8.6	172	-9.0	186	-8.9
Producing	-59	28	-47.5	119	-12.7	156	-7.4	159	-4.6

Futures Market Price Trends

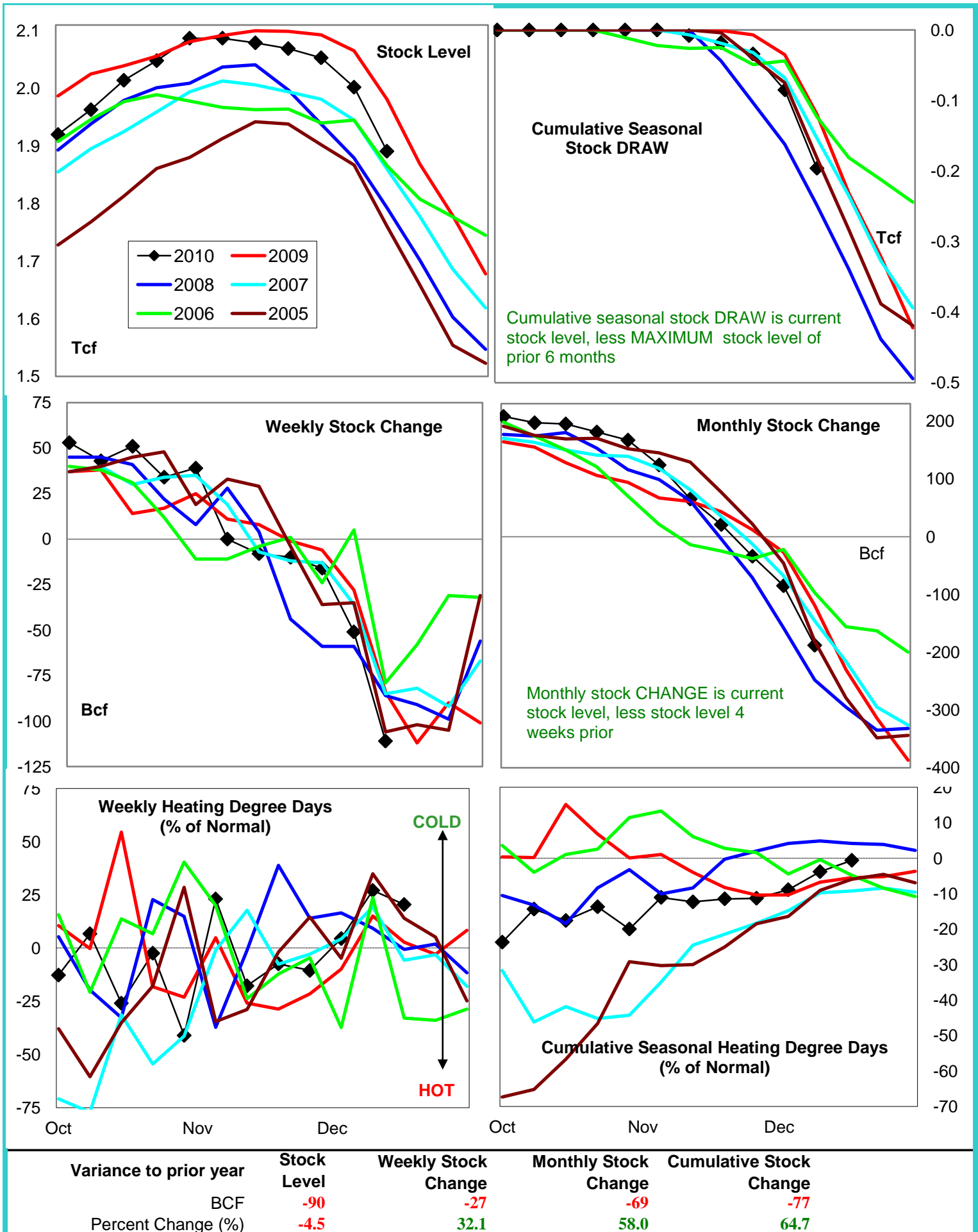
Date:	31-Dec-10	Change vs prior week, month, year		
		27-Dec-10	6-Dec-10	31-Dec-09
1st month Futures	4.08	-0.34	-0.08	-1.63
% change	xxxxx	-7.7	-1.9	-28.5



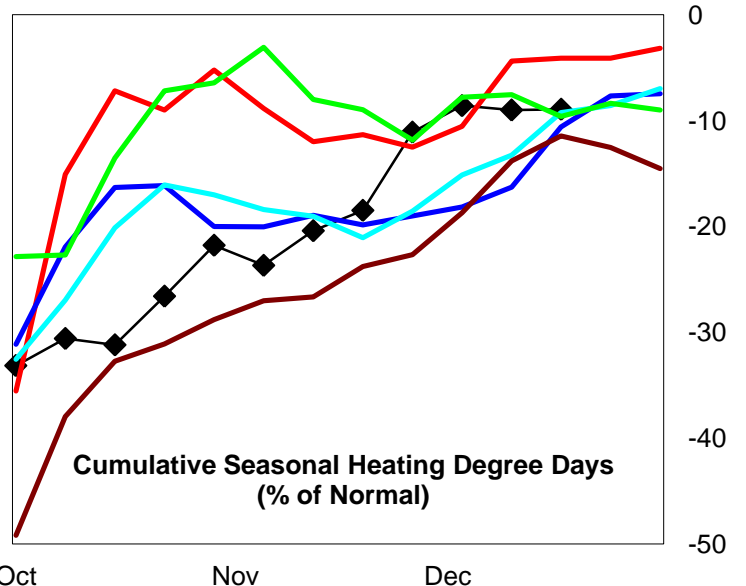
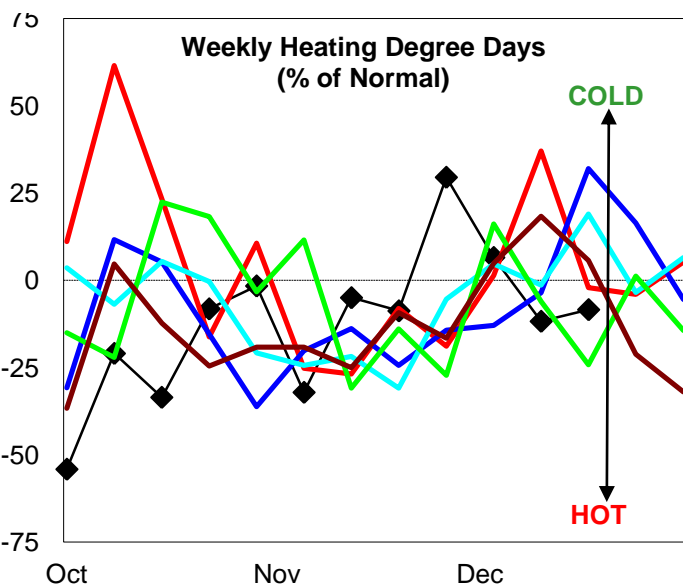
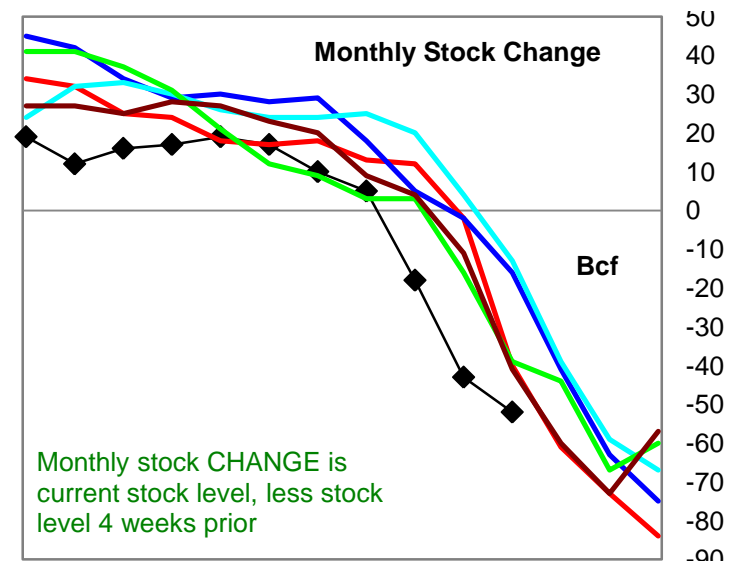
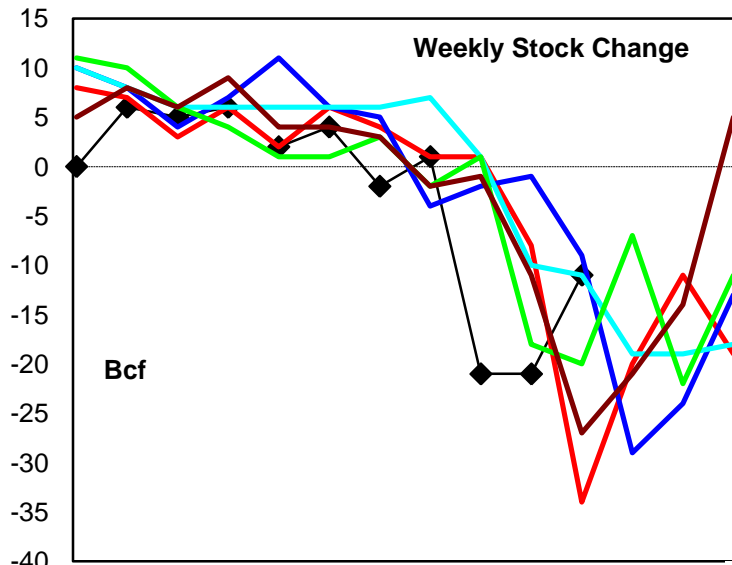
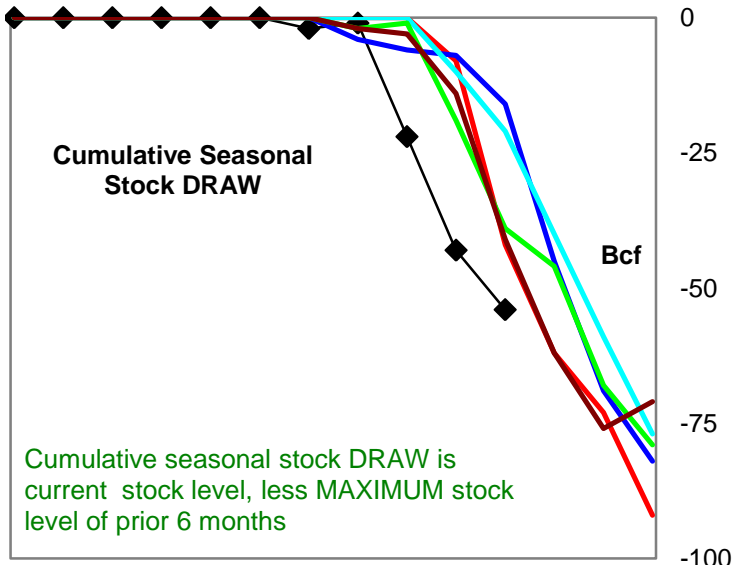
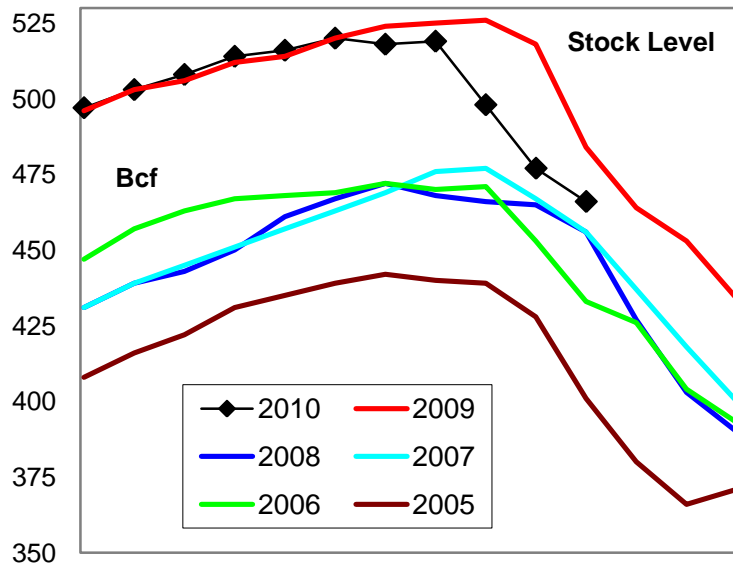
United States Natural Gas Stock and Weather Trends



Natural Gas East Region Stock and Weather Trends



Natural Gas West Region Stock and Weather Trends



Variance to prior year

Stock Level

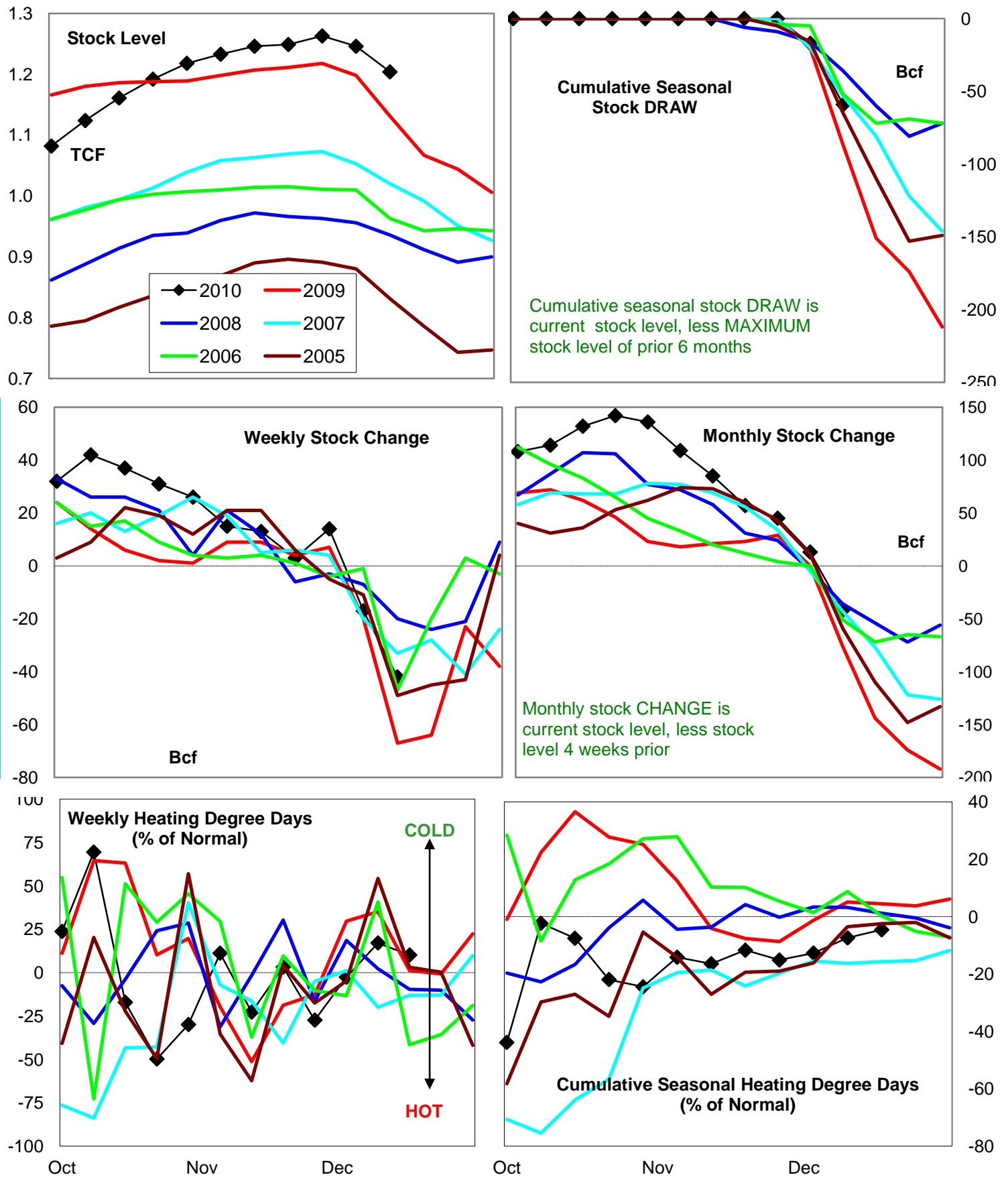
Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF
Percent Change (%)-18
-3.723
-67.6-12
30.0-12
28.6

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)

73

25

34

28

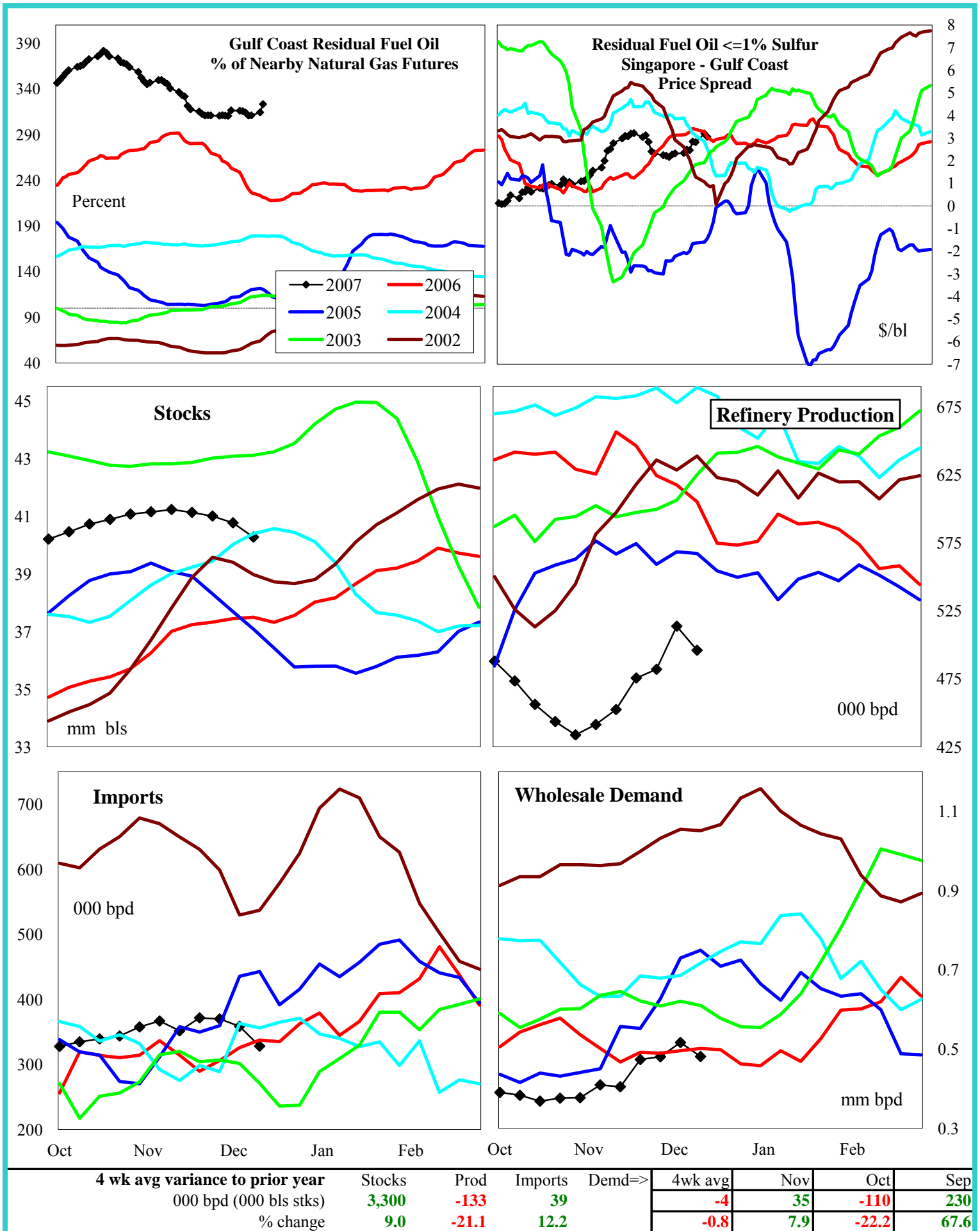
6.5

-37.3

-44.7

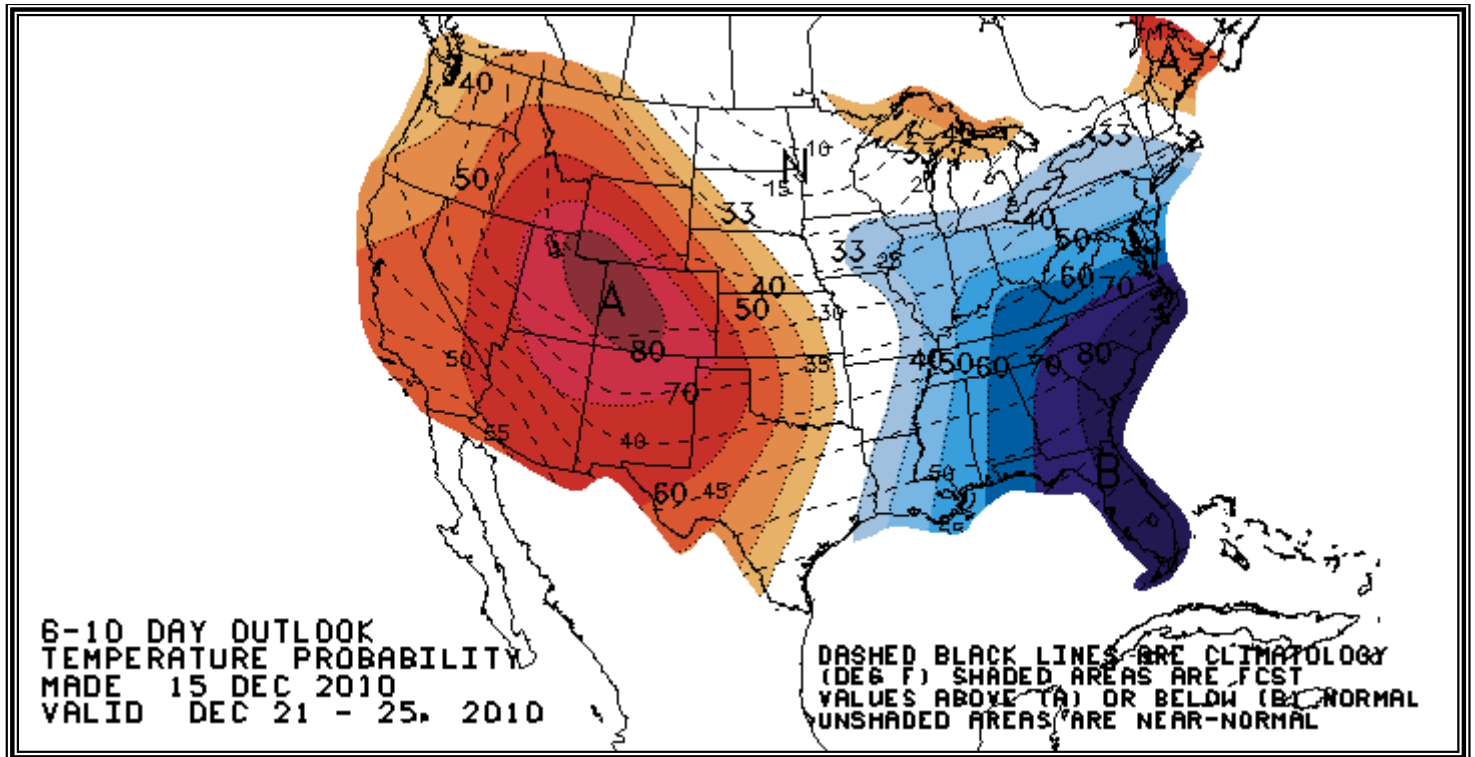
-32.2

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



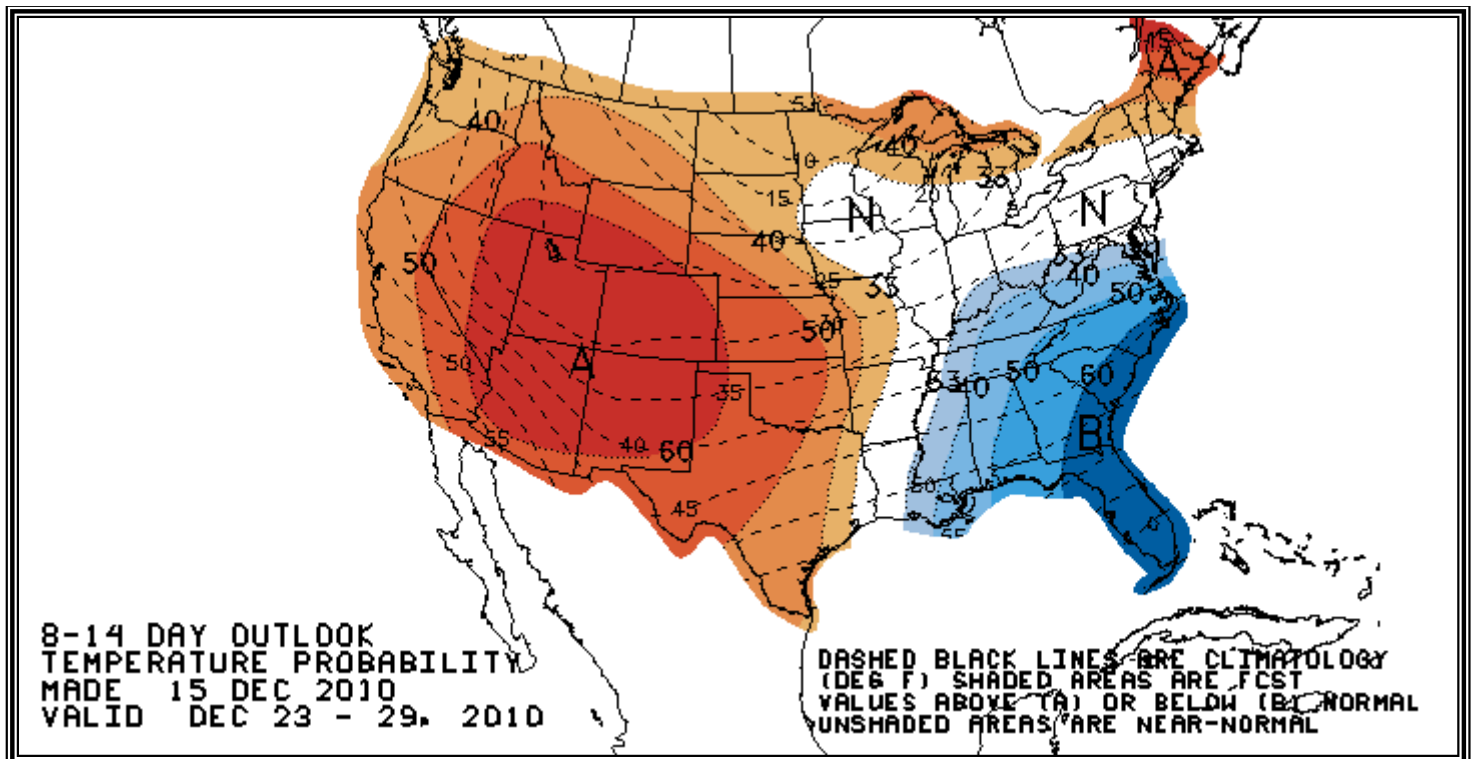
National Weather Service Climate Prediction Center

Degree Days 6 - 10 Day Temperature Forecast



National Weather Service Climate Prediction Center

Degree Days 8 - 14 Day Temperature Forecast



American Gas Association Regions

