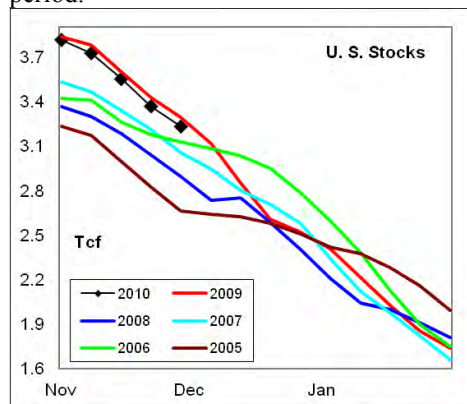
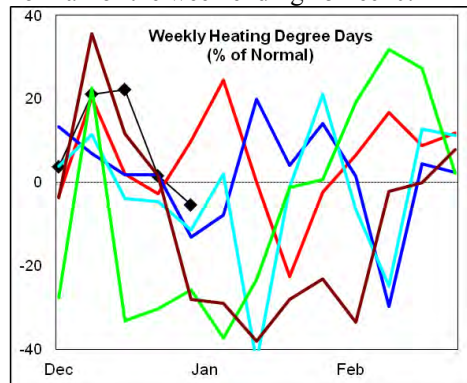


Summary¹ Stocks decreased -136 Bcf last week, a draw that matched the historic mid range for the week. Stock levels were -1.9% below the high set in 2009 for the period.



Heating degree days were +2% above normal for the week ending 25Dec10.



In the East Region stocks decreased -103 Bcf for the period, a draw that matched the 5-year record for the week. Stocks decreased -12 Bcf in the West Region, a draw less than the mid range. for the period. The stock draw of -21 Bcf in the Producing Region was below the mid range for the week.

Heating degree days were +7% above normal in the East Region, -11% below normal in the West Region and -15% below normal in the Producing Region for the week ending 25Dec10.

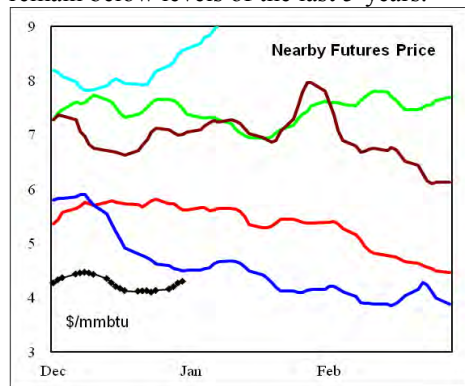
Heating degree days were +2% above normal for the week ended 25Dec10, and

forecast to be -5% below normal for the week ending 01Jan11.

The 6-10 day NWS forecast for the week ending January 8th is for colder than normal temperatures in the west and east regions of the country, with midwest and northern states near normal.

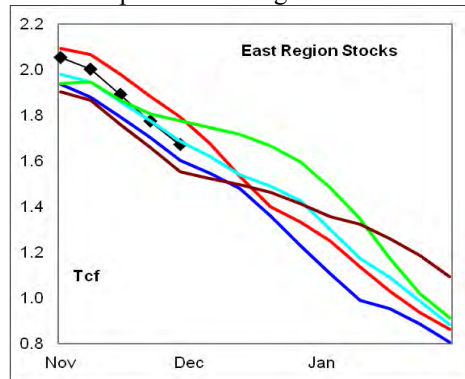
The 8-14 day NWS forecast for the week ending January 12th is for colder than normal temperatures across the east, northern plains and northwest states.

Prices: Nearby gas futures prices increased +\$0.22/mmbtu for the week ending 30Dec10. Prompt month futures prices remain below levels of the last 5-years.



The 1st - 4th month forward price curve trended higher last week ending 30Dec10. The spread is nearly flat, and above four of the last 5-years.

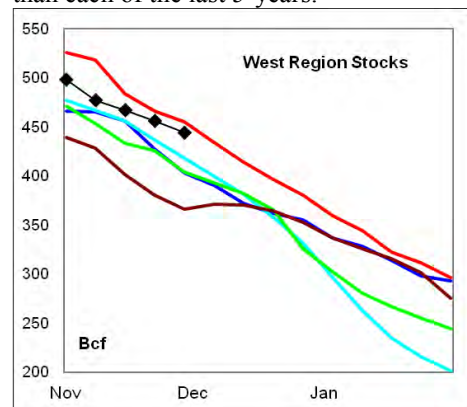
East Region stocks decreased -103 Bcf last week, the 3rd consecutive weekly record draw. The latest 4-wk stock draw was a record high for the last 5-years at this time of year. Stock levels were -6.8% below the prior record high.



Heating degree days in the region were +7% above normal last week and are forecast to be -5% below normal for the week ending 01Jan11. Above normal heating degree days are forecast for the next 10-days.

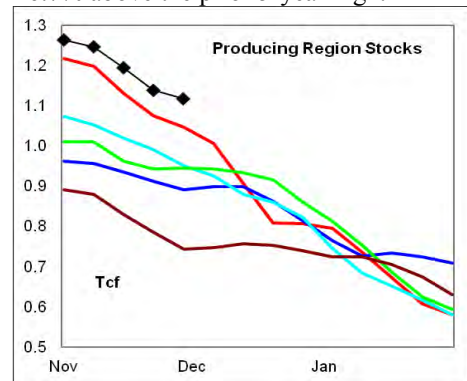
West Region stocks decreased -12 Bcf on the week, a draw that was less than the

historic mid range for the week. Stock levels were -2.4% below the prior record high. The latest 4-wk stock draw was less than each of the last 5-years.



Heating degree days were -11% below normal last week, and forecast to be -1% below normal for the week ending 01Jan11. Colder than normal temperatures are forecast for the next 10-days.

Producing Region stocks decreased -21 Bcf on the week, a draw which was less than the historic mid range for the week. The latest 4-wk stock draw was greater than the mid range. Stock levels were +6.7% above the prior 5-year high.



Heating degree days were -15% below normal last week, and are forecast to be -13% below normal for the week ending 01Jan11. 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: Heating degree days will be -5% below normal for the current week, followed by slightly above normal temperatures for the first 10-days in January. High stock levels and record high production capacity has depressed gas prices in the 4th quarter. Further price weakness is a risk on near normal heating degree days.

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 30, 2010

For the week ending: 24-Dec-10

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

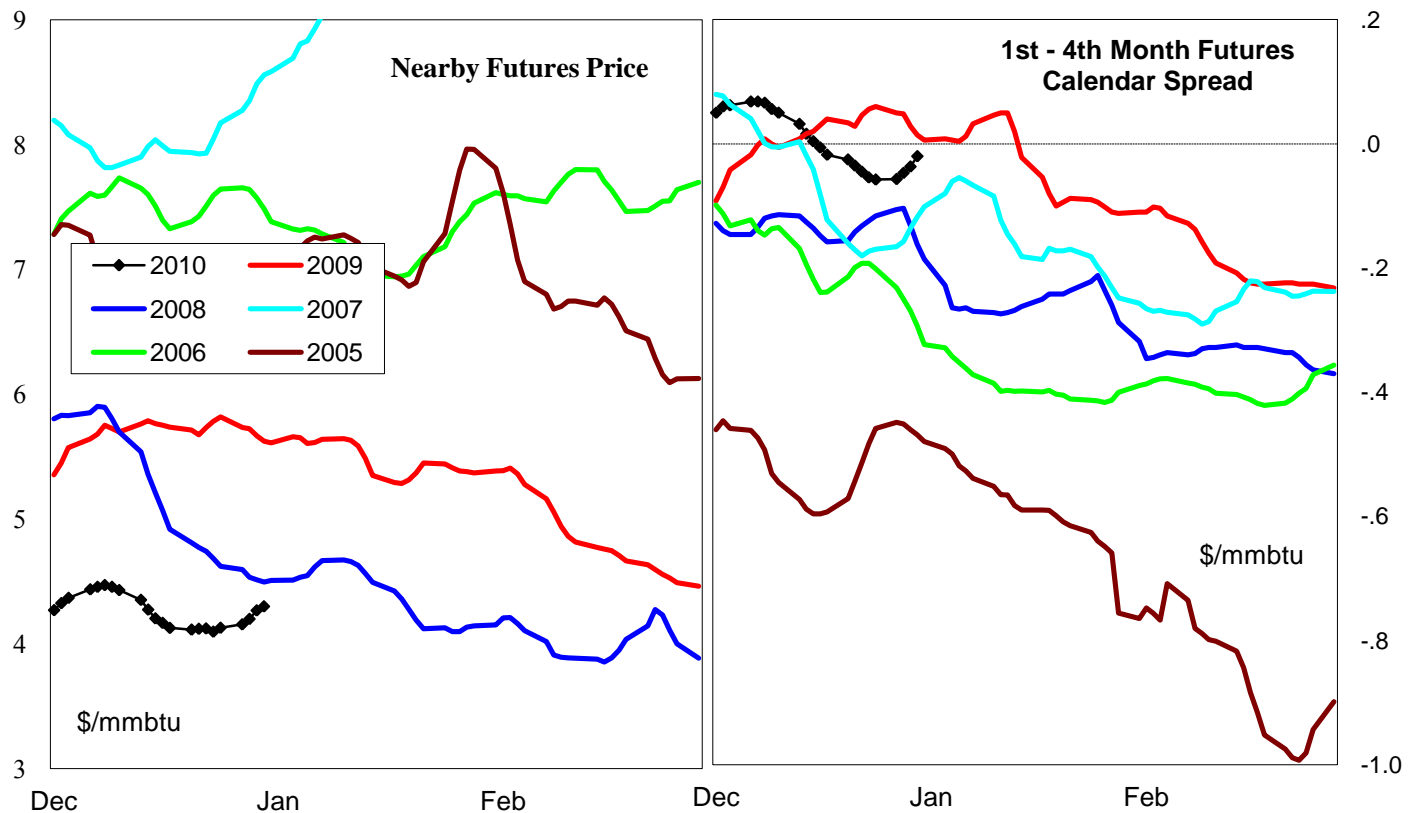
Week ending:	24-Dec-10			18-Dec-10		25-Dec-10		1-Jan-11	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	3,232	-136	-1.9	19	22%	-31	2%	-7	-5%
East	1,671	-103	-6.8	24	29%	-35	7%	-18	-5%
West	444	-12	-2.4	21	-5%	-6	-11%	26	-1%
Producing	1,117	-21	6.7	4	11%	-30	-15%	10	-13%

Seasonal Trends in Stocks and Heating Degree Days

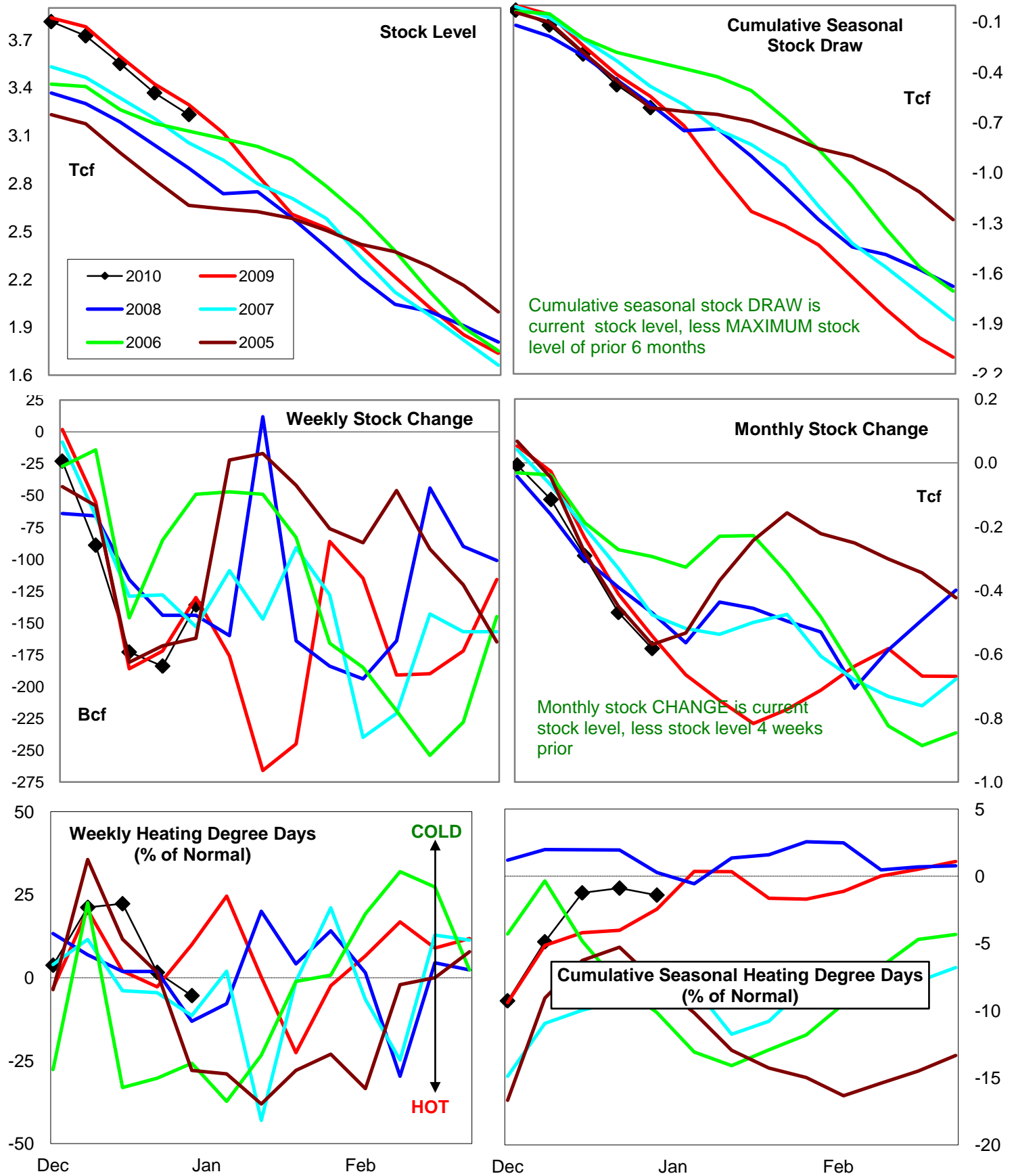
	Cumulative Stock Draw			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	-611	-68	11.1	255	-1.2	224	-0.9	217	-1.4
East	-416	-108	26.0	293	0.5	258	1.2	240	0.5
West	-76	-5	6.6	193	-8.6	187	-8.9	212	-8.1
Producing	-146	25	-17.1	160	-4.5	130	-6.0	140	-6.9

Futures Market Price Trends

Date:	28-Feb-11	Change vs prior week, month, year		
		22-Feb-11	1-Feb-11	3-Mar-10
1st month Futures	4.30	0.22	-0.05	-1.43
% change	xxxxx	5.3	-1.1	-25.0



United States Natural Gas Stock and Weather Trends



Variance to prior year

Stock
Level

Weekly Stock
Change

Monthly Stock
Change

Cumulative Stock
Change

BCF

-62

-6

-39

-68

Percent Change (%)

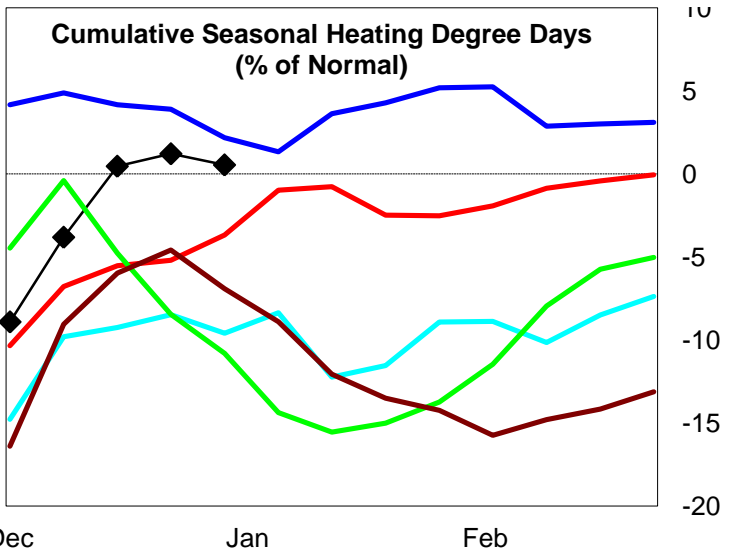
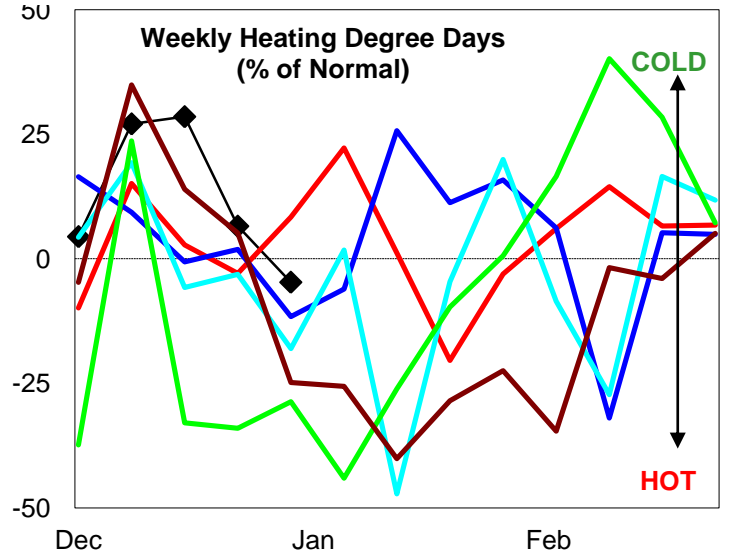
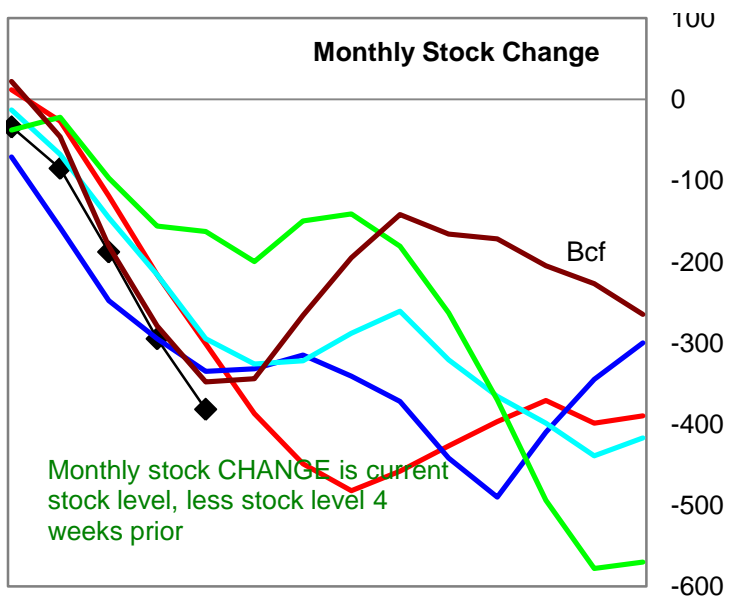
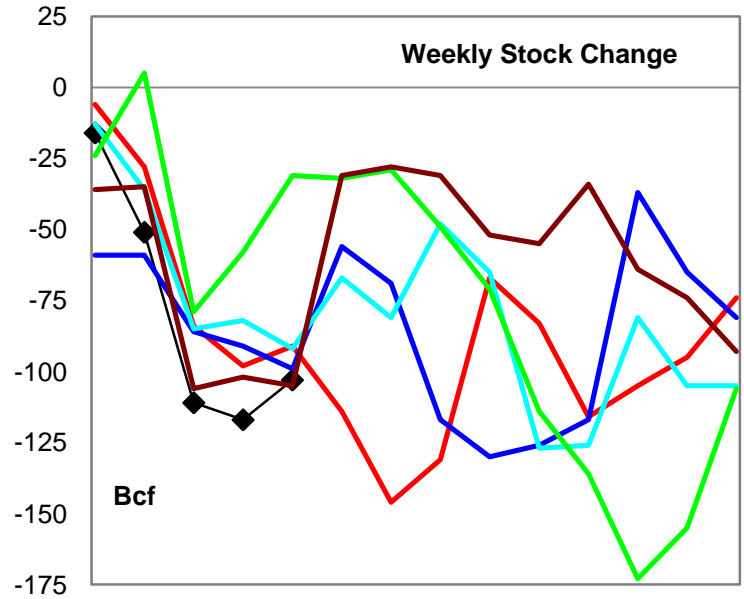
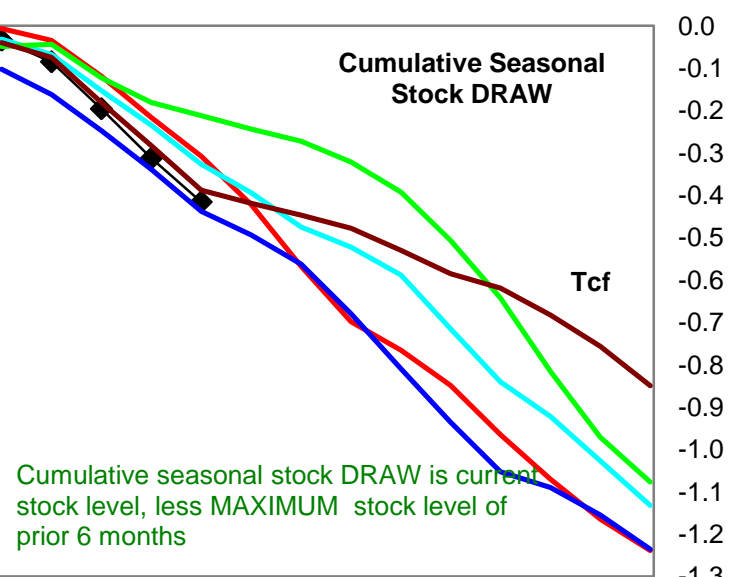
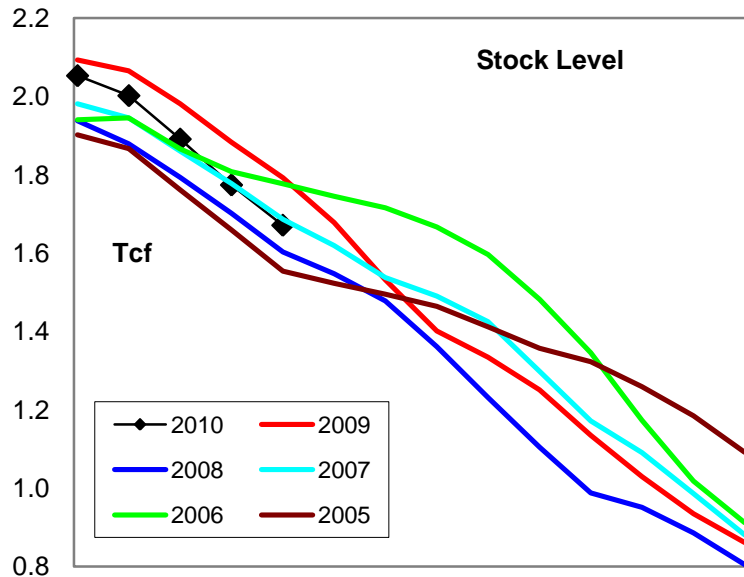
-1.9

4.6

7.2

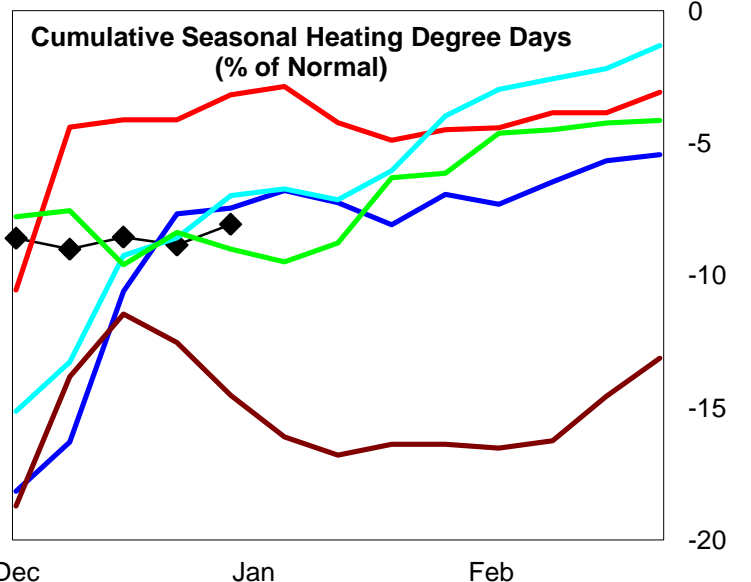
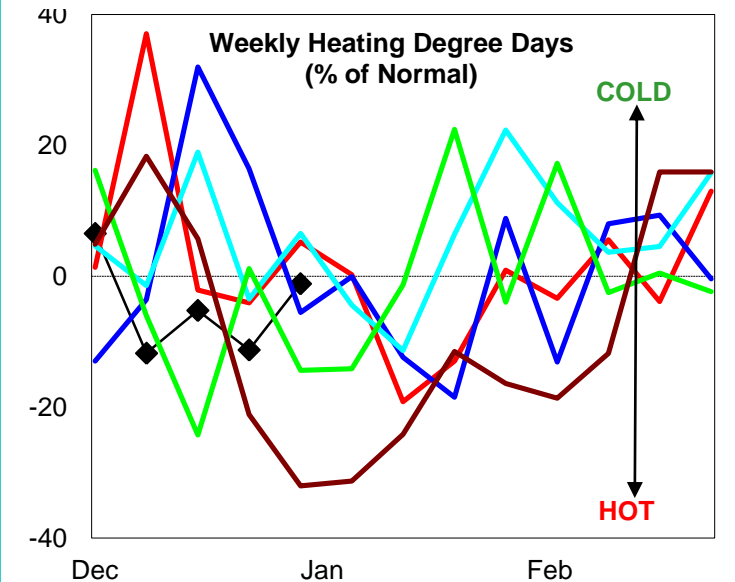
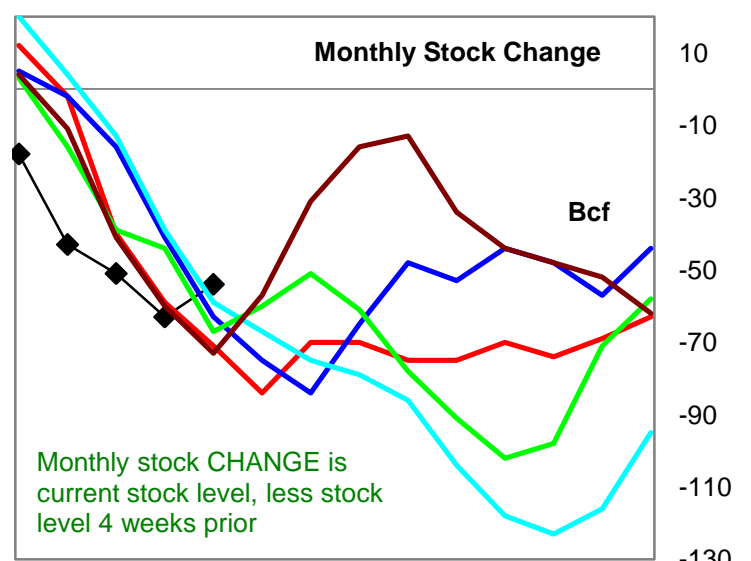
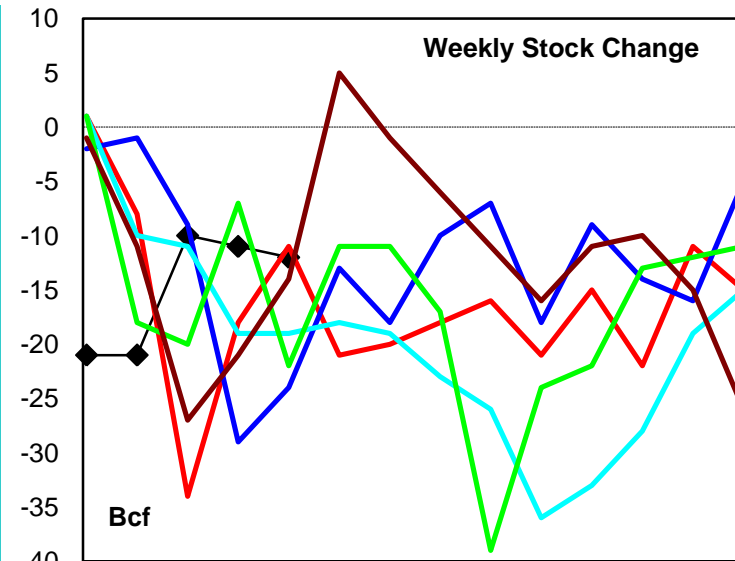
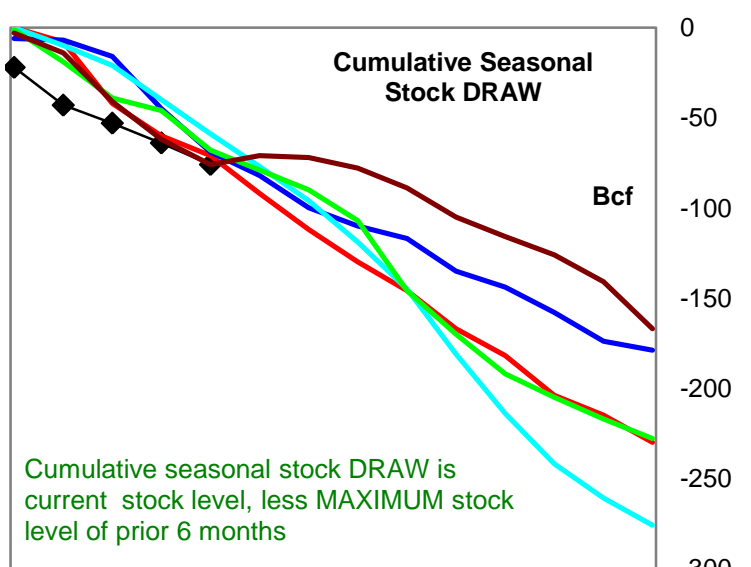
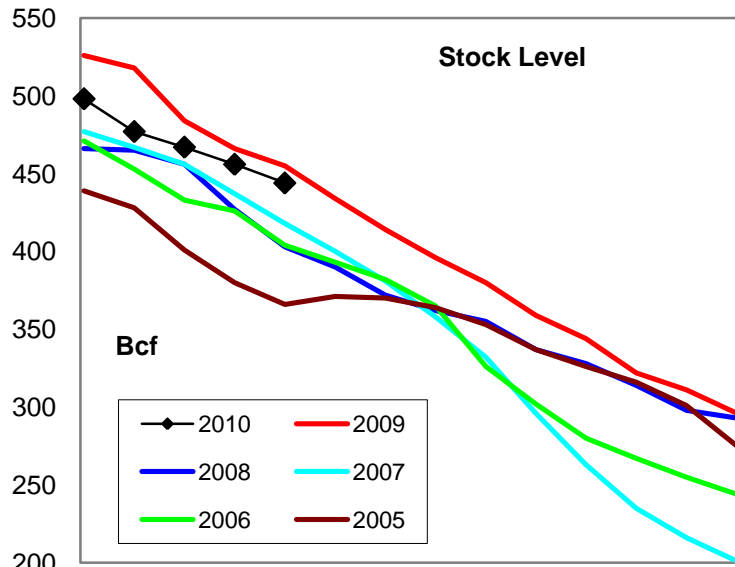
12.5

Natural Gas East Region Stock and Weather Trends



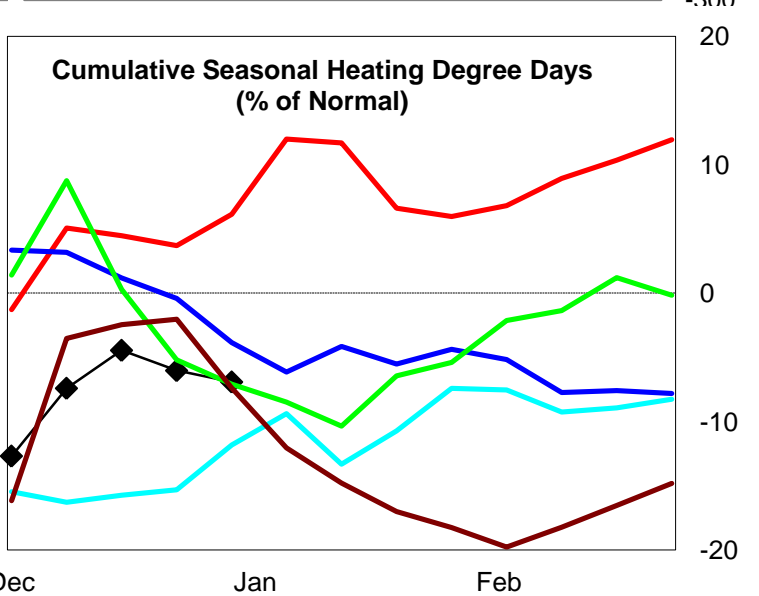
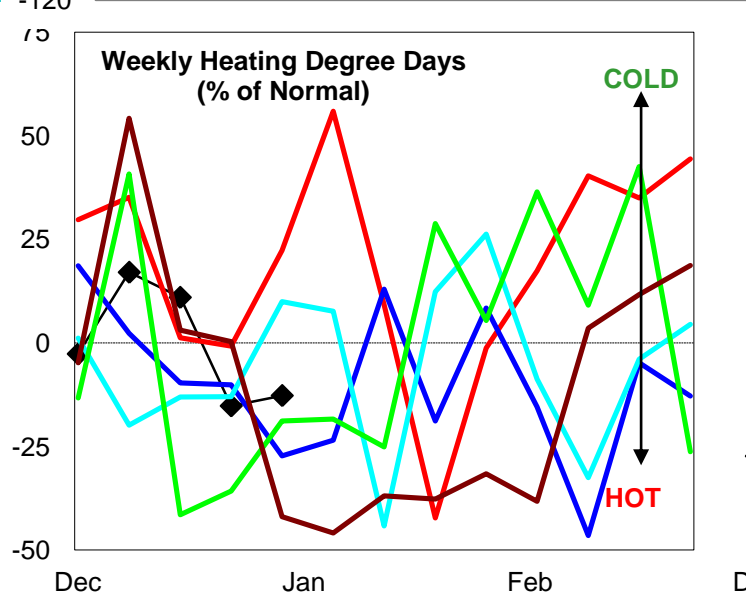
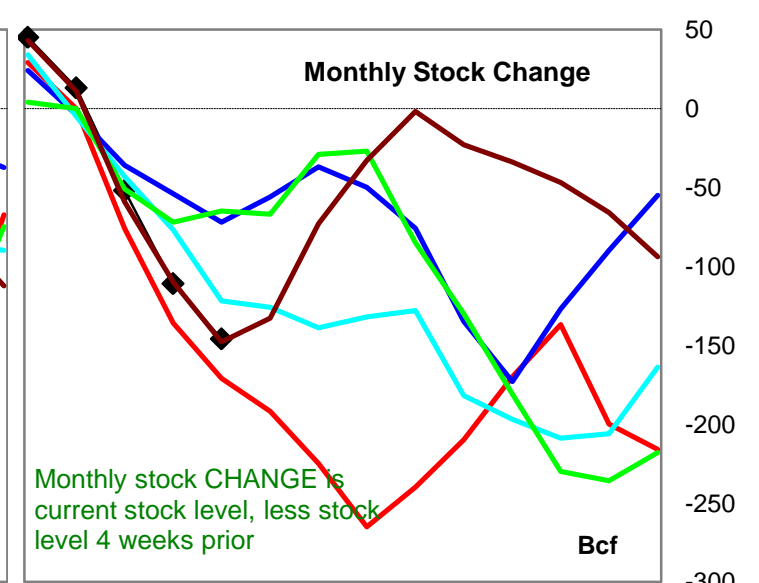
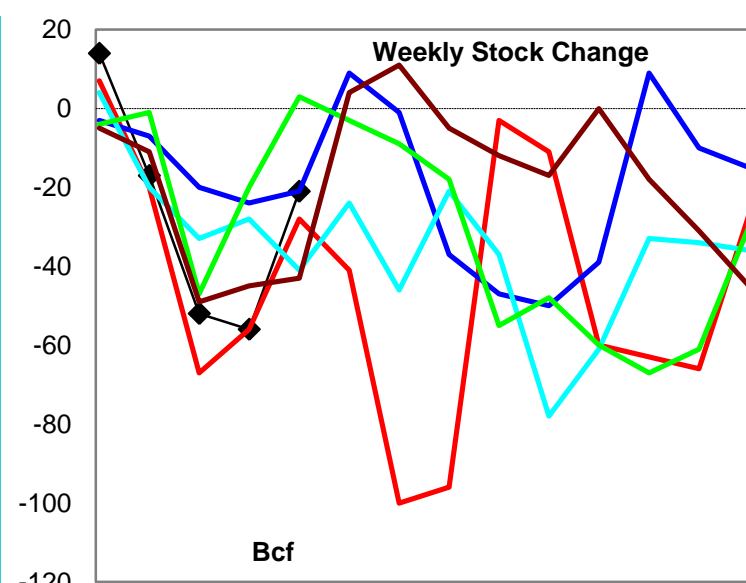
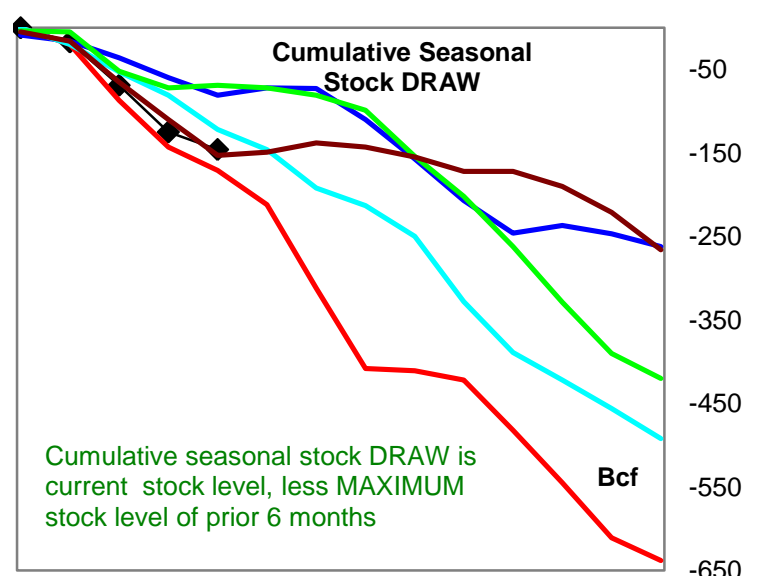
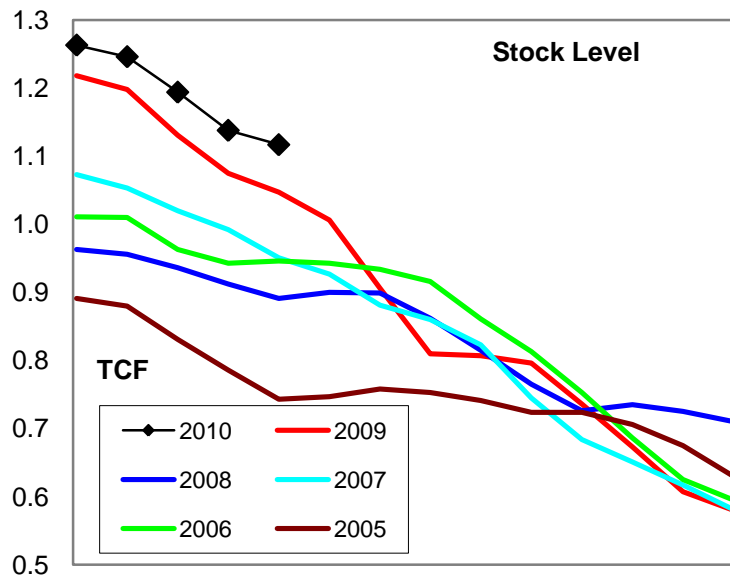
Variance to prior year	Stock Level	Weekly Stock Change	Monthly Stock Change	Cumulative Stock Change
BCF	-121	-12	-81	-108
Percent Change (%)	-6.8	13.2	26.9	35.1

Natural Gas West Region Stock and Weather Trends



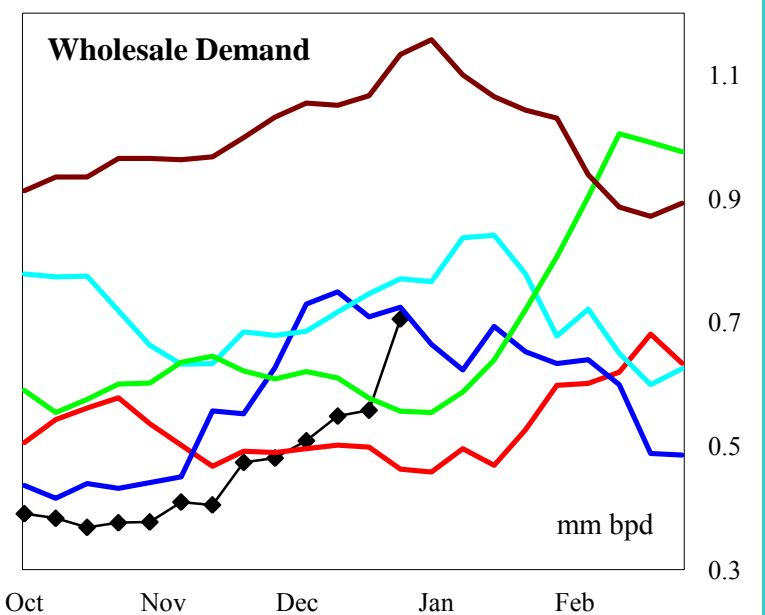
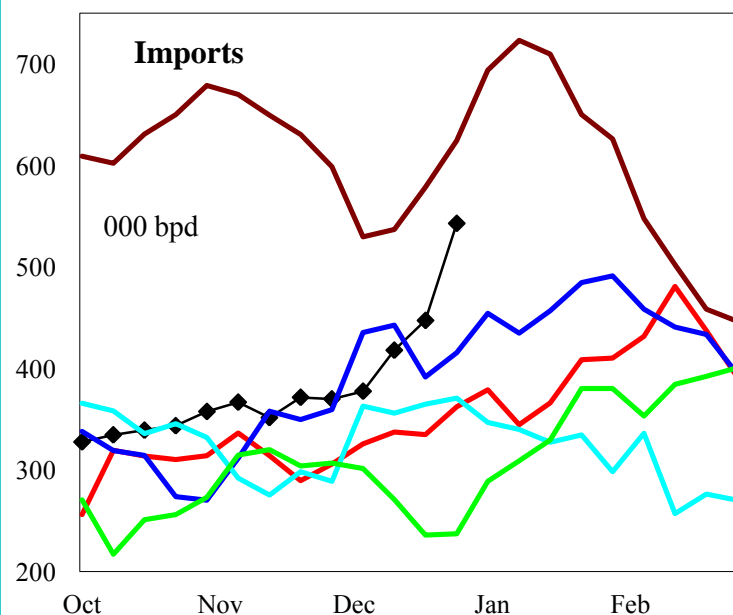
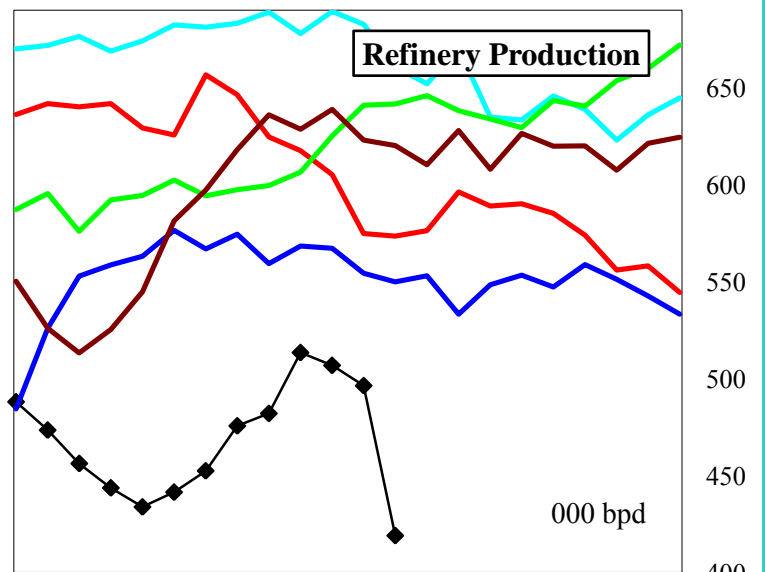
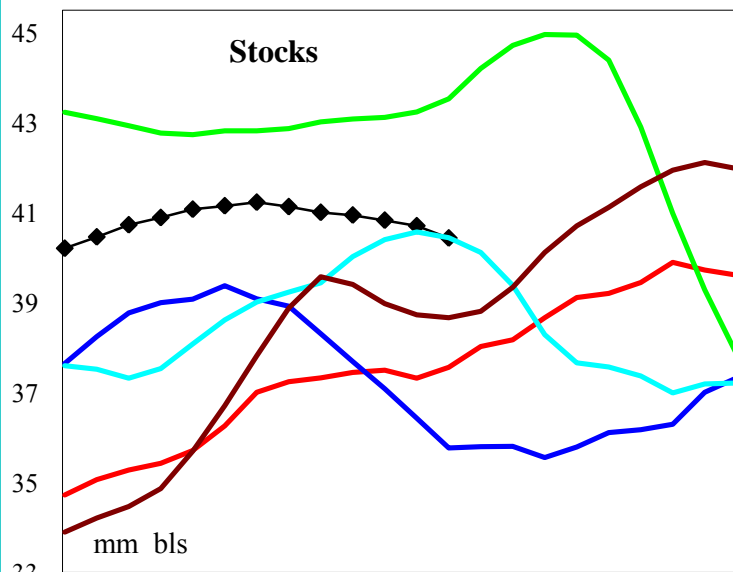
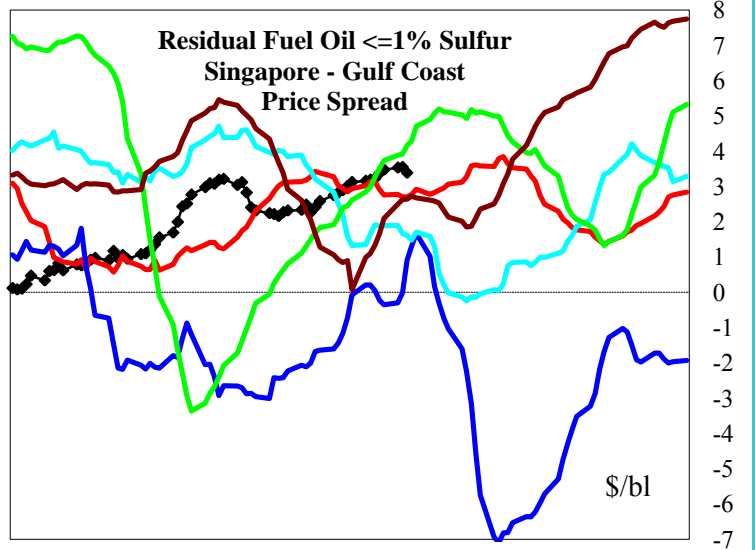
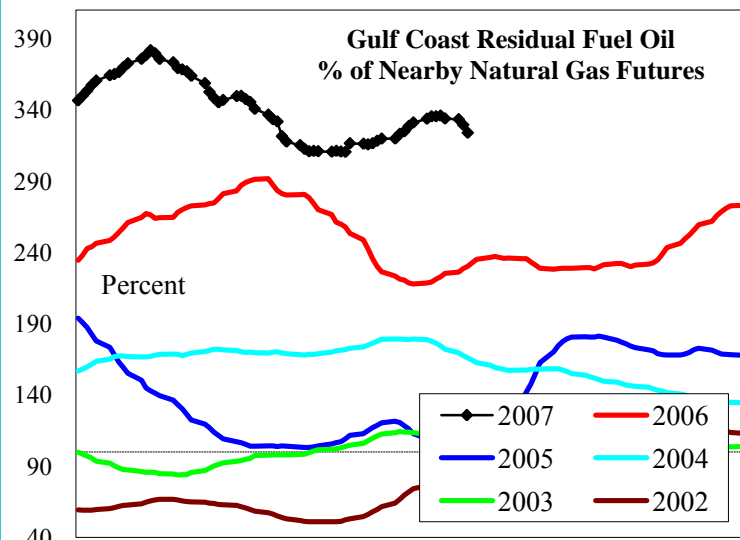
Variance to prior year	Stock Level	Weekly Stock Change	Monthly Stock Change	Cumulative Stock Change
BCF	-11	-1	17	-5
Percent Change (%)	-2.4	9.1	-23.9	7.0

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year	Stock Level	Weekly Stock Change	Monthly Stock Change	Cumulative Stock Change
BCF	70	7	25	25
Percent Change (%)	6.7	-25.0	-14.6	-14.6

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

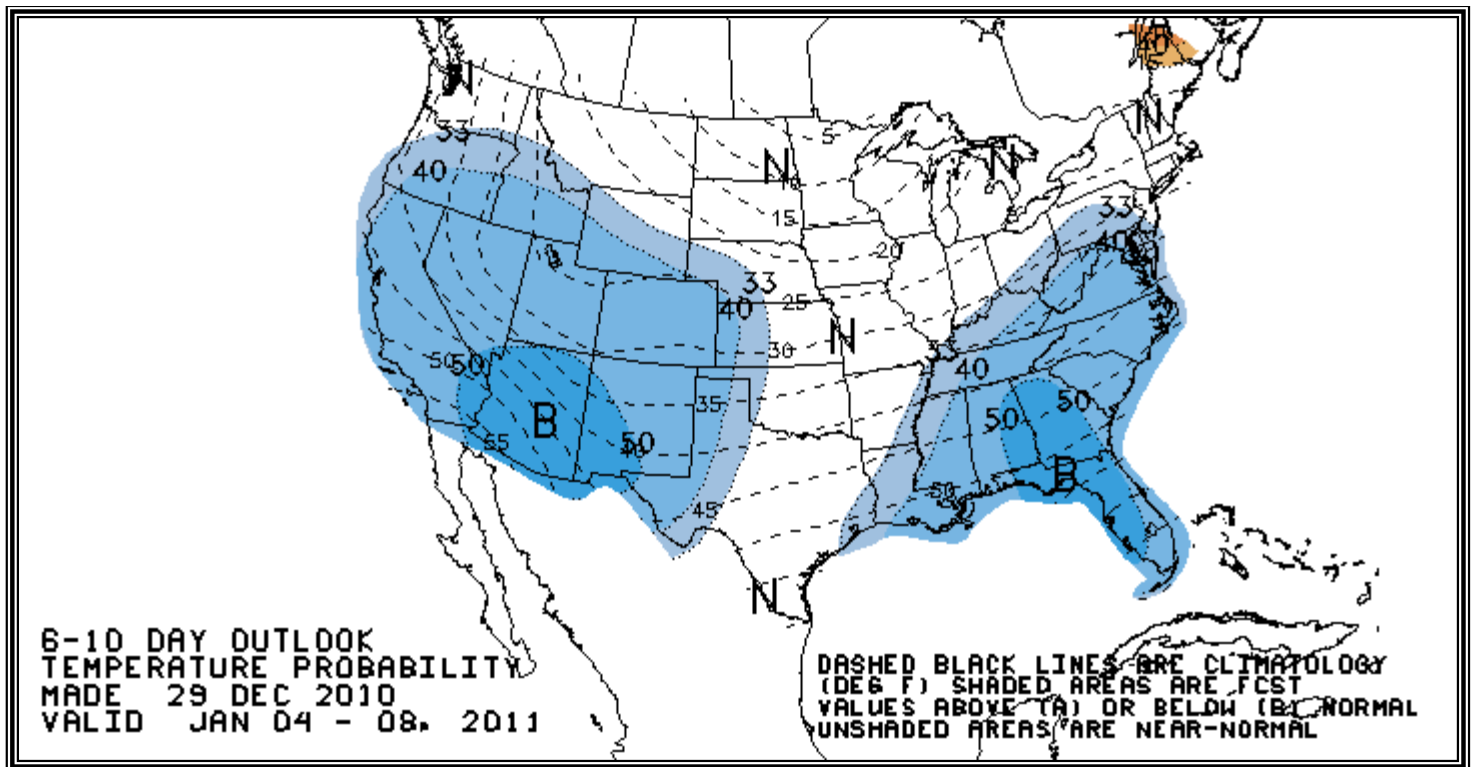


4 wk avg variance to prior year
000 bpd (000 bbls stks)
% change

Stocks	Prod	Imports	Demd=>	4wk avg	Nov	Oct	Sep
2,753	-74	117		88	35	-110	230
7.4	-12.8	35.8		17.7	7.9	-22.2	67.6

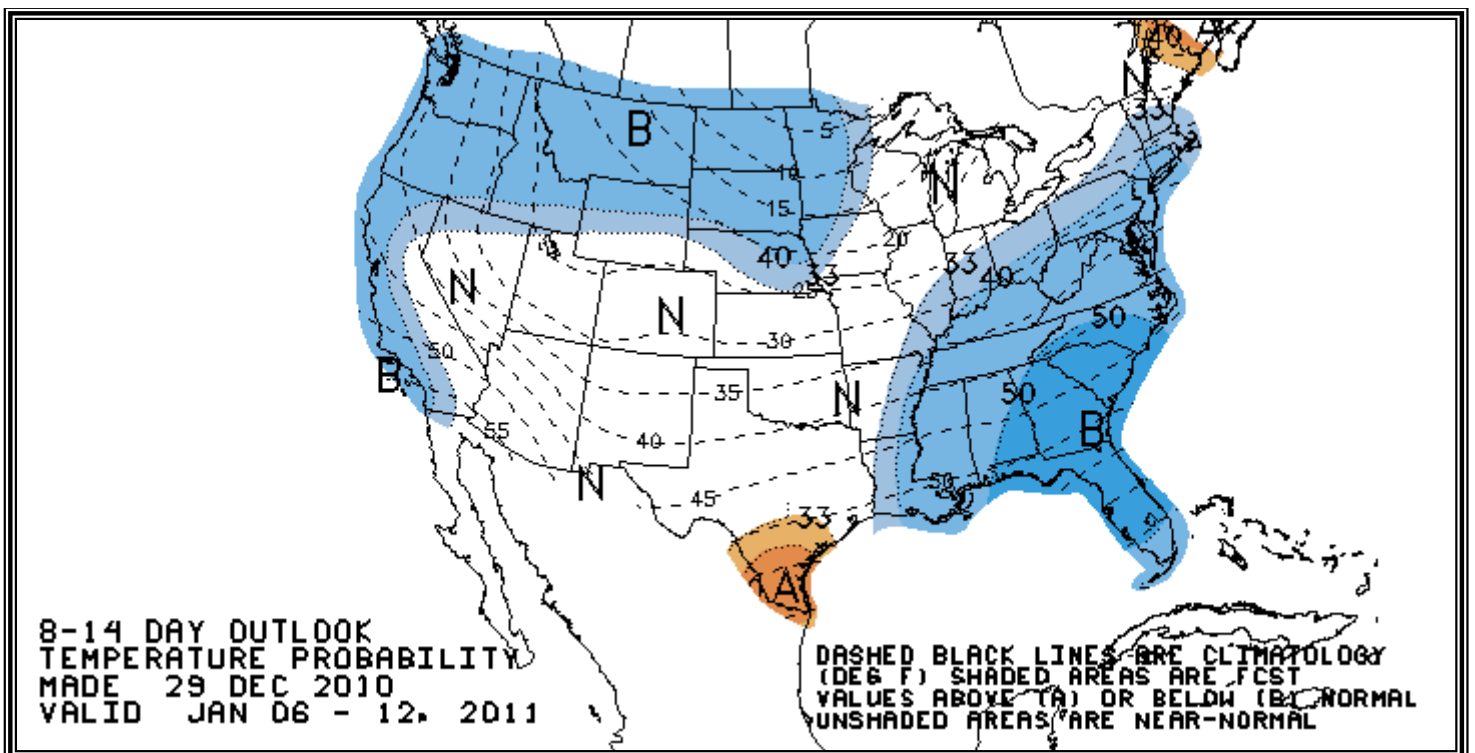
National Weather Service Climate Prediction Center

Degree Days 6 - 10 Day Temperature Forecast



National Weather Service Climate Prediction Center

Degree Days 8 - 14 Day Temperature Forecast



American Gas Association Regions

