

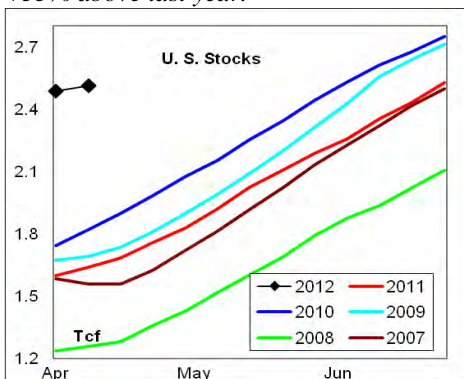
WEEKLY NATURAL GAS SUPPLY and PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

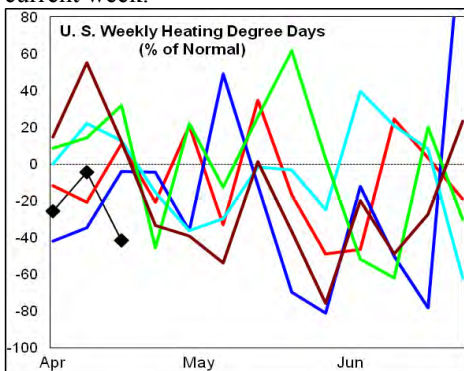
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Thursday, April 19, 2012



Summary¹ The stock build of +25 Bcf for the week was comparable to the 5-year mid range. *Stock levels ended the week +53% above last year.*



Heating degree days for the week ending 14Apr12 were -4% below normal and forecast to be -41% below normal for the current week.



In the East Region stocks increased +13 Bcf for the week, matching the historic mid range for the period. Stocks increased +5 Bcf in the West Region, a build that exceeded the mid range. The stock build of +7 Bcf in the Producing Region was at the low end of the historic range.

Heating degree days were -1% below normal in the East Region, -1% below normal in the West Region and -38% below normal in the Producing Region for the week ending 14Apr12.

Heating degree days were -4% below normal for the week ended 14Apr12, and forecast to be -41% below normal for the current week.

¹ Related Web Sites:

[Data Source is EIA Weekly Statistics](#)

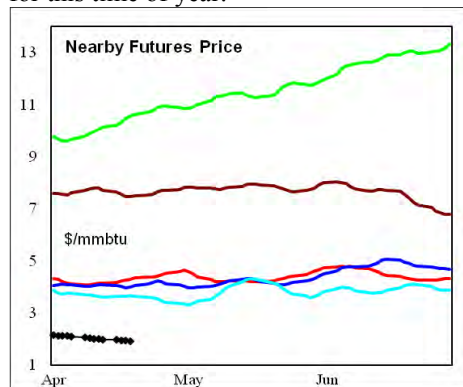
[National Weather Service 6-10 Day](#)

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

The 6-10 day NWS forecast for the week ending 28Apr12 is for much warmer than normal temperatures across the middle 2/3rds of the country.

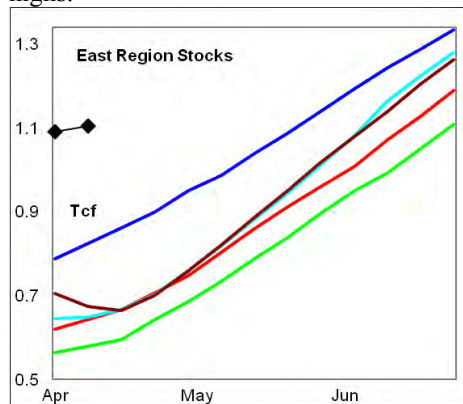
The 8-14 day NWS forecast for the week ending 02May12 is for below normal heating degree days across the eastern 2/3rds of the country.

Prices: Nearby gas futures prices decreased -\$0.7/mmbtu for the week ending 19Apr12. The current price is -\$1.65/mmbtu below the prior 5-year low for this time of year.



The 1st - 4th month forward price curve trended higher for the week ending 19Apr12, ending at a level near the mid range.

East Region stocks increased +13 Bcf for the week, a build near the 5-year mid range. The current stock level was +72% above last year, and above prior 5-year highs.

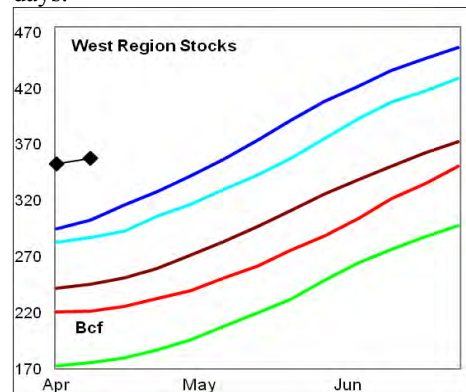


Heating degree days in the region were -1% below normal for the week ending 14Apr12, and forecast to be -44% below normal for the current week. Temperatures are forecast to be above normal for the next 10-days.

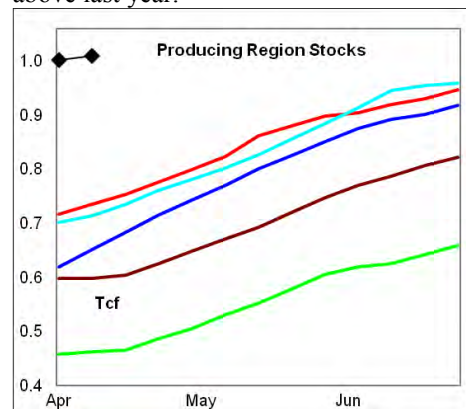
West Region stocks increased +5 Bcf on the week, a build exceeded the mid range. Stock levels ended the week +61% above last year and above the 5-year range. The latest 4-wk stock build was above the mid

range for the week.

Heating degree days were -1% below normal for the week ending 14Apr12, and forecast to be -30% below normal for the current week. Temperatures are forecast to be warmer than normal for the next 10-days.



Producing Region stocks experienced a build of +7 Bcf on the week, a build at the low end of the historic range. The monthly stock build matched the mid range for the period. Stock levels ended the week +35% above last year.



Heating degree days were -38% below normal for the week ending 14Apr12, and forecast to be -35% below normal for the current week. Above 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, with residual fuel demand -38% below last year.

Outlook: Stocks are +53% above a year ago. Lower rates of stock building reflect the shutting in of wells in many regions. Look for significant volumes to be shut-in during the 3rd quarter shoulder season when storage is filled. Moderate temperatures are forecast through early May for most of the country. Prices should continue to make new lows.



NATURAL GAS: Graph Link and Weekly Summary

Report prepared as of: April 19, 2012

For the week ending: 13-Apr-12

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

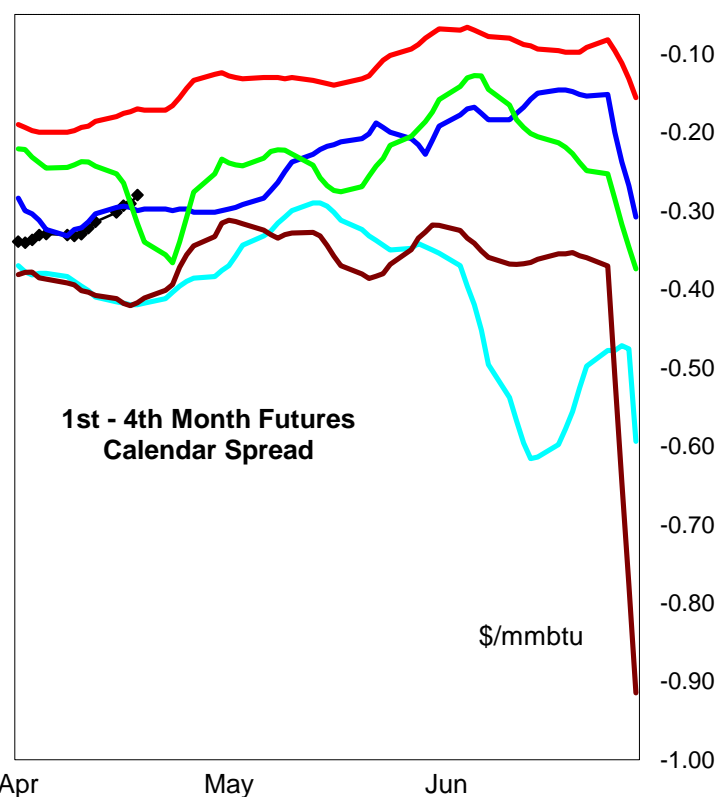
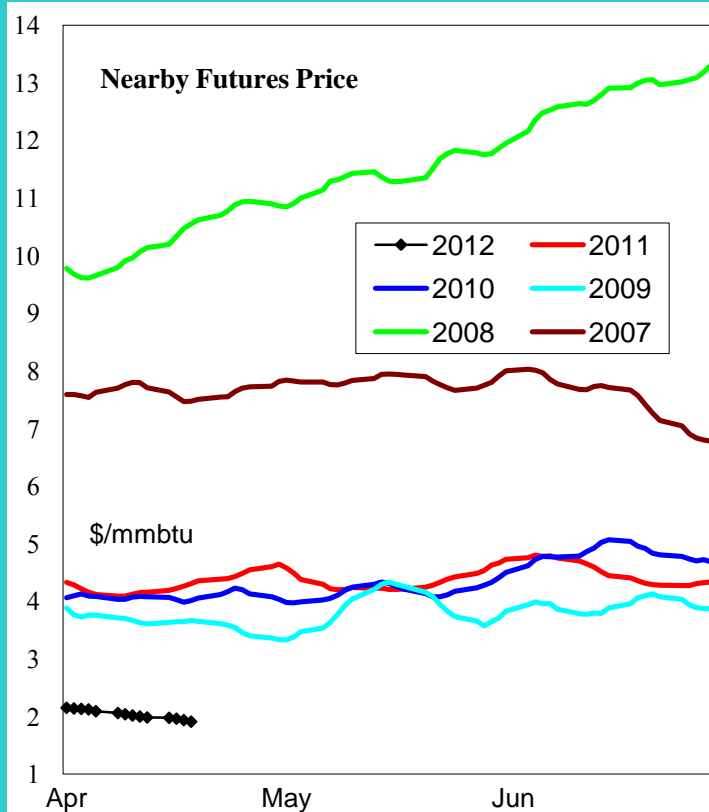
Week ending:	13-Apr-12			7-Apr-12		14-Apr-12		21-Apr-12	
Region	Weekly Stocks			Weekly Heating Degree Days					
	Bcf	Change vs prior:		Change vs prior week	% of normal	Change vs prior week	% of normal	Change vs prior week	% of normal
		Week Bcf	Year (%)						
U.S. Total	2,512	25	53.1	-1	-26%	11	-4%	-45	-41%
East	1,105	13	71.6	-5	-24%	14	-1%	-58	-44%
West	358	5	61.3	6	-9%	-1	-1%	-40	-30%
Producing	1,049	7	35.4	7	-63%	6	-38%	-5	-35%

Seasonal Trends in Stocks and Heating Degree Days

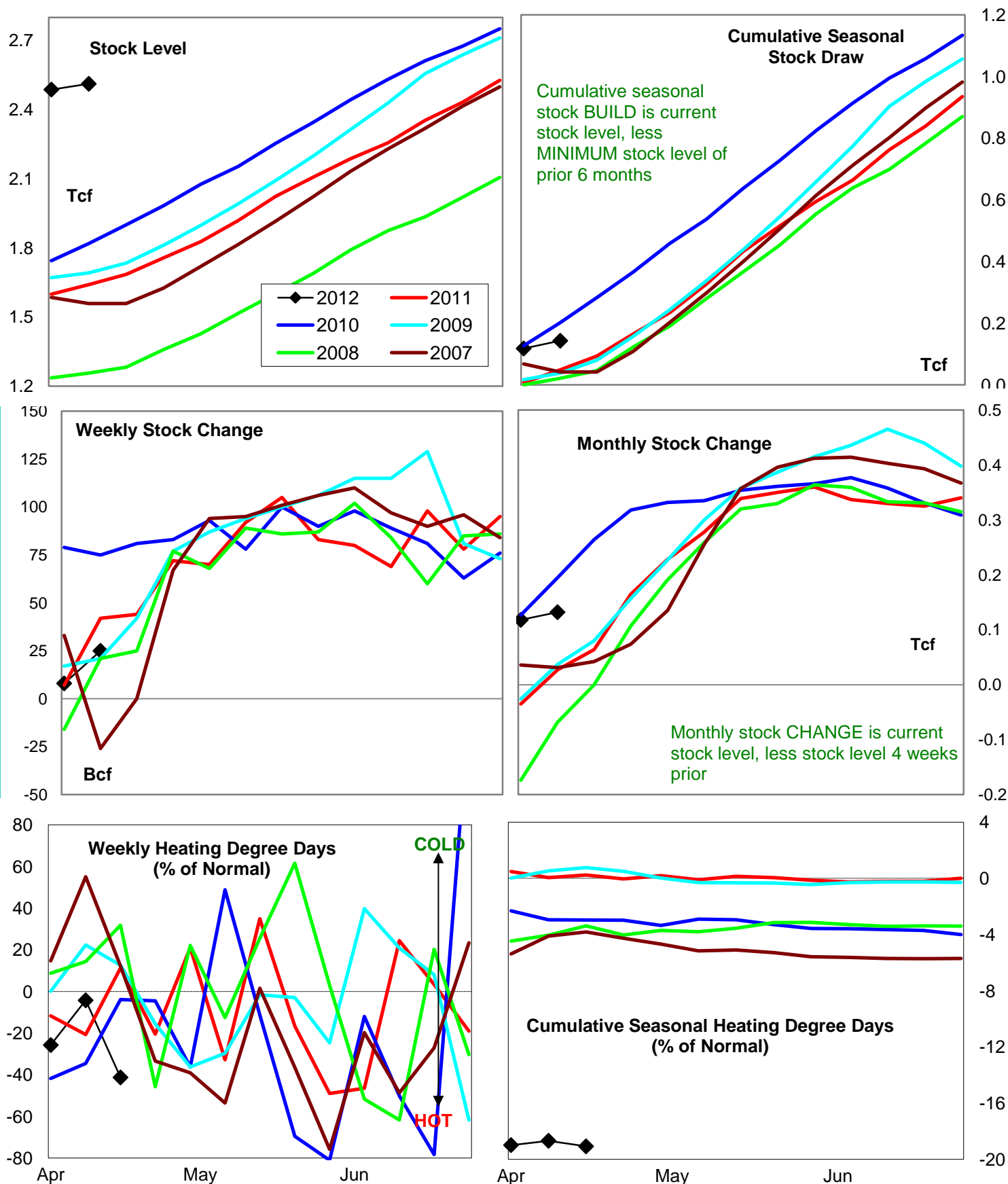
	Cumulative Stock Change			Cumulative Heating Degree Days					
	Bcf	Change vs prior year Bcf	%	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal	CHDD's vs normal	% of normal
U.S. Total	143	94	65.7	85	-19.0	95	-18.7	50	-19.1
East	56	33	58.9	99	-20.1	113	-19.7	55	-20.1
West	14	10	71.4	110	-10.9	108	-10.6	68	-11.0
Producing	84	-2	-2.4	19	-19.5	26	-19.8	21	-19.9

Futures Market Price Trends

Date:	19-Apr-12	Change vs prior week, month, year		
		13-Apr-12	23-Mar-12	20-Apr-11
1st month Futures	1.91	-0.07	-0.37	-2.67
% change	xxxxx	-3.6	-16.0	-58.3



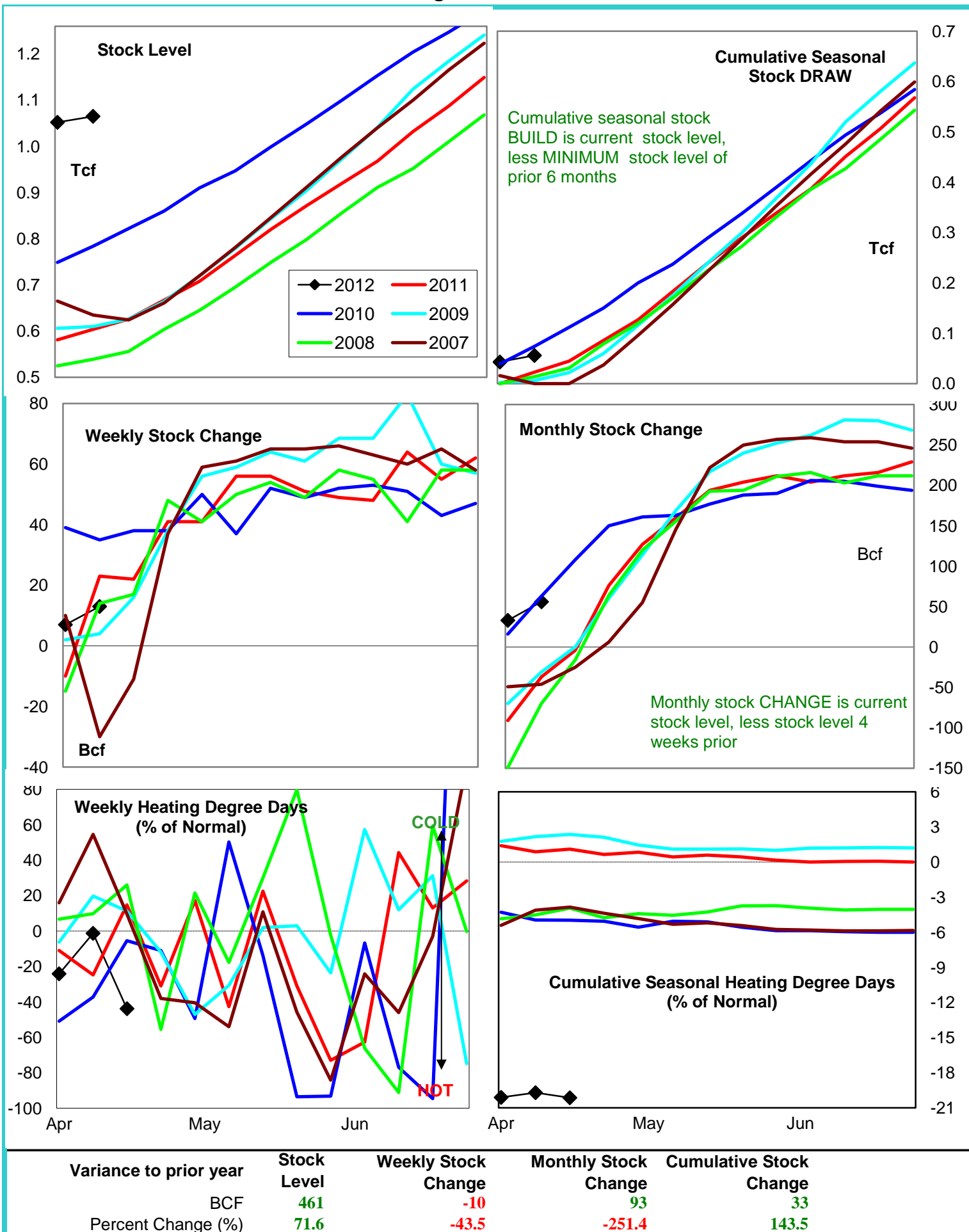
United States Natural Gas Stock and Weather Trends



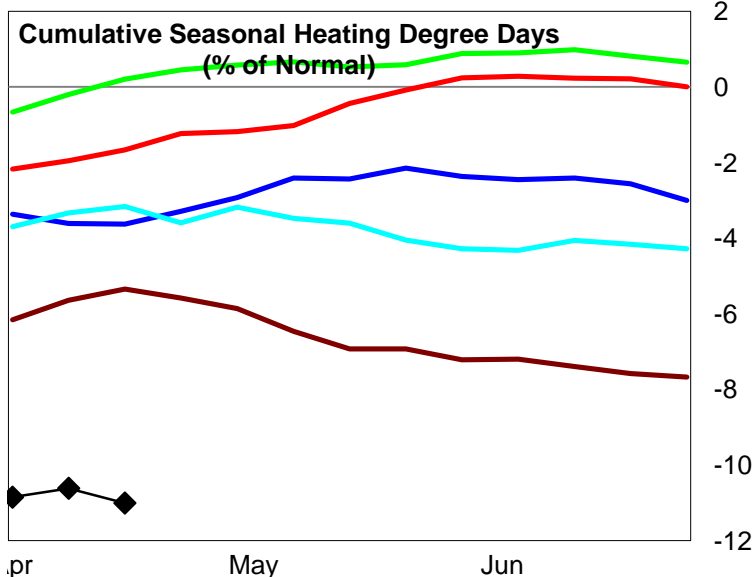
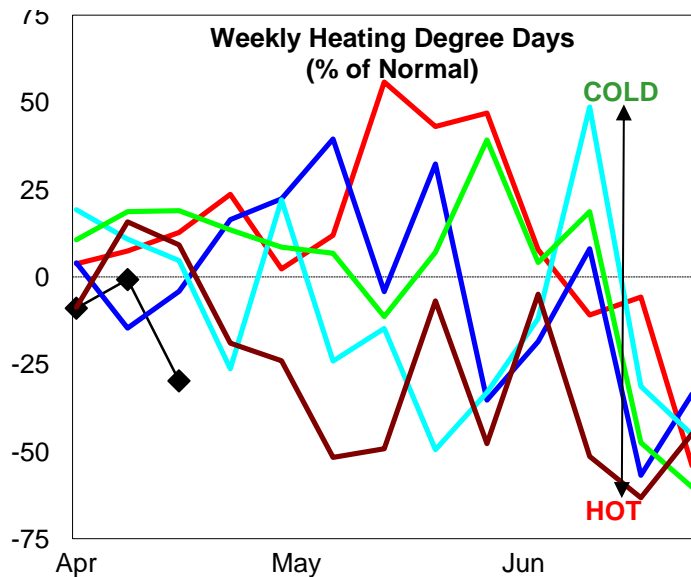
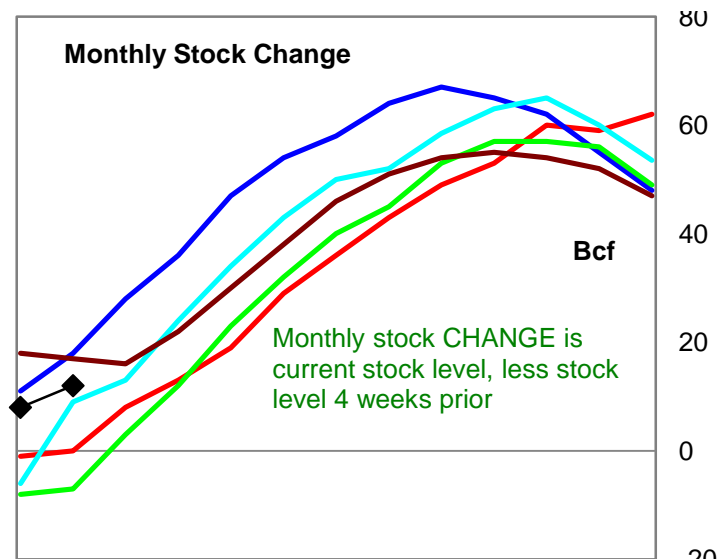
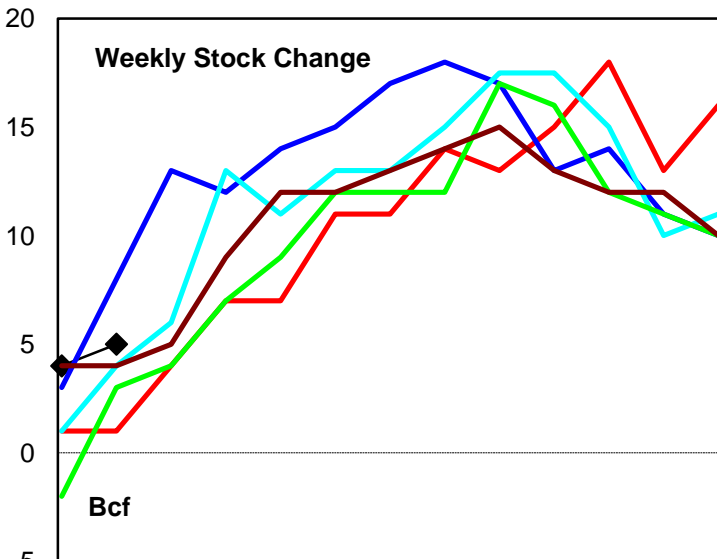
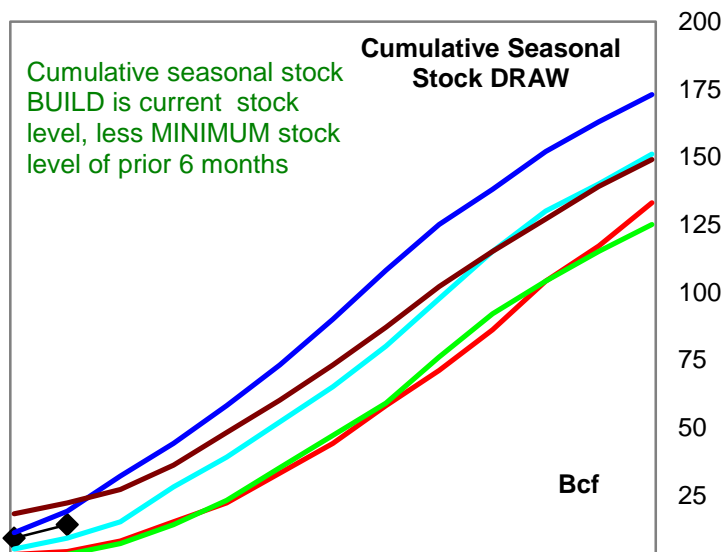
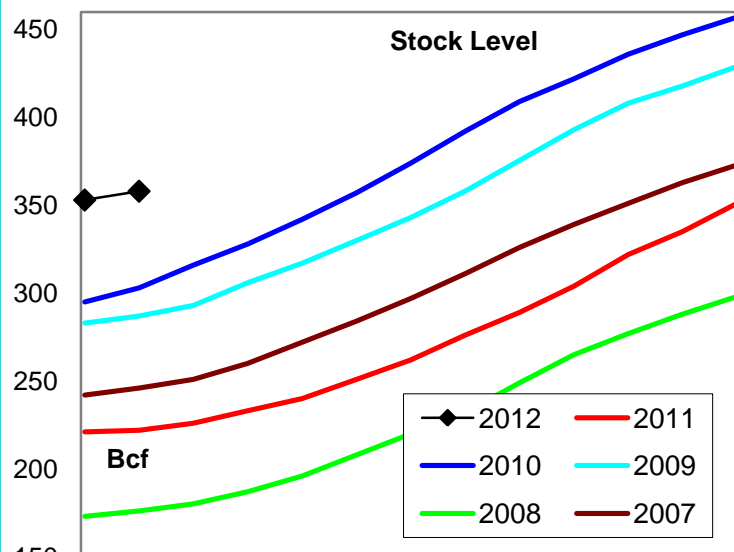
Variance to prior year

Stock
LevelWeekly Stock
ChangeMonthly Stock
ChangeCumulative Stock
ChangeBCF
Percent Change (%)871
53.1-17
-40.5105
388.994
191.8

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 (%)

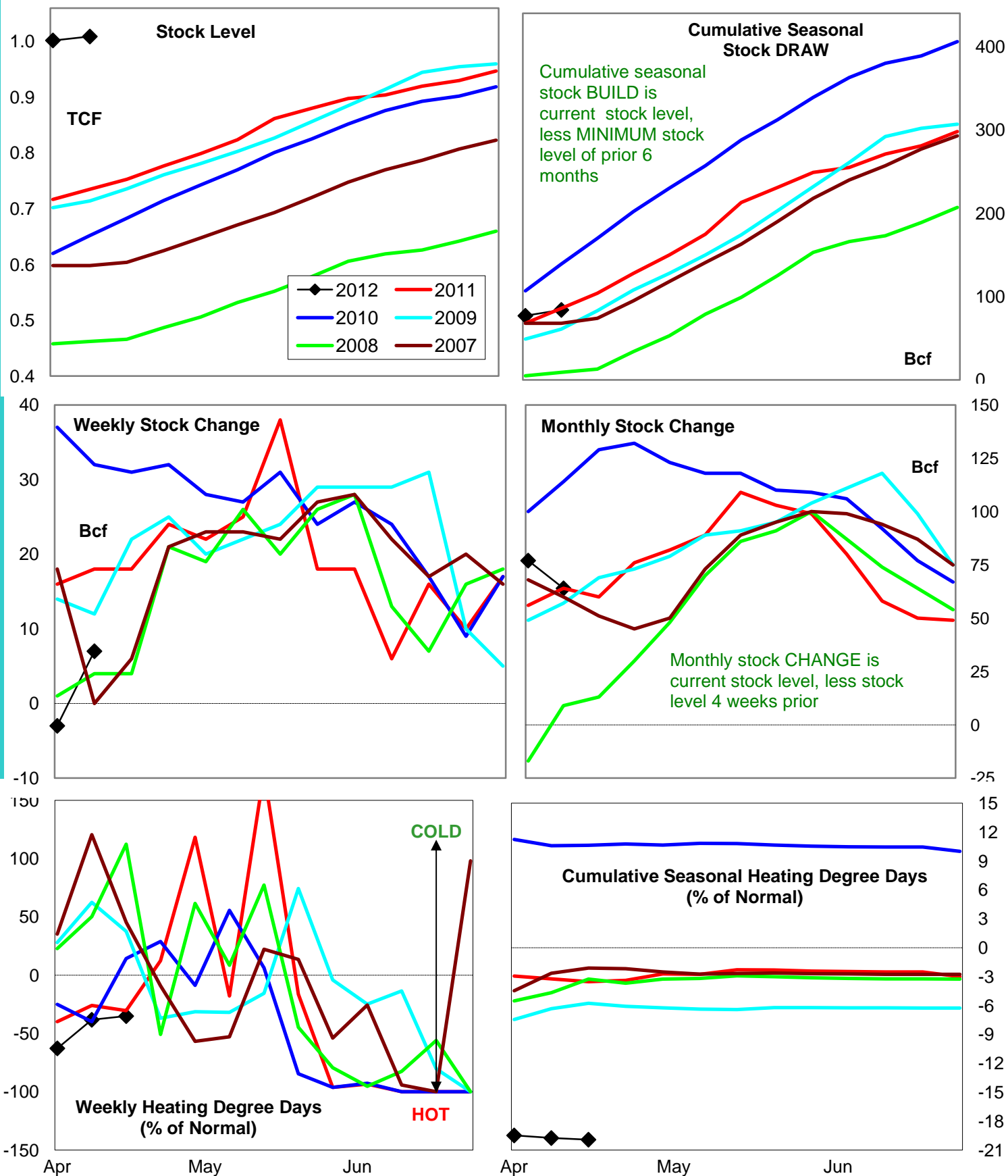
136
61.3

4
400.0

12
#DIV/0!

10
250.0

Natural Gas Producing Region Stock and Weather Trends



Variance to prior year

Stock Level

Weekly Stock Change

Monthly Stock Change

Cumulative Stock Change

BCF

274

-11

0

-2

Percent Change (%)

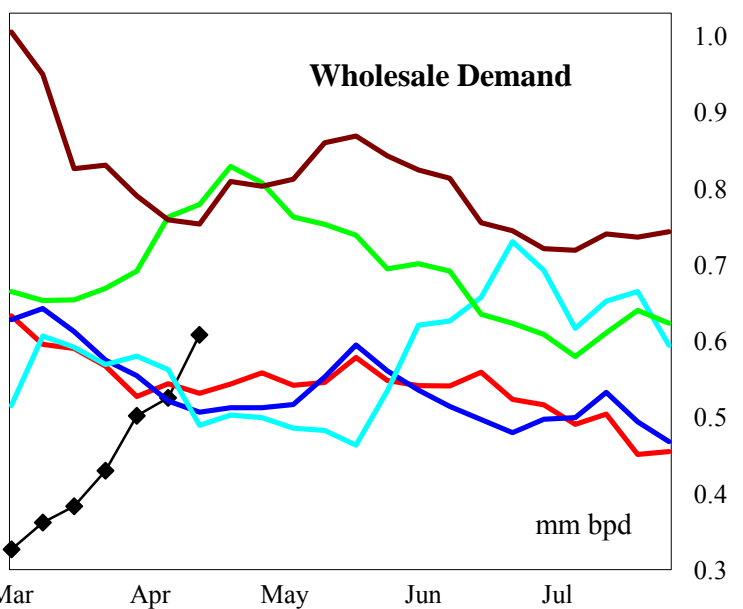
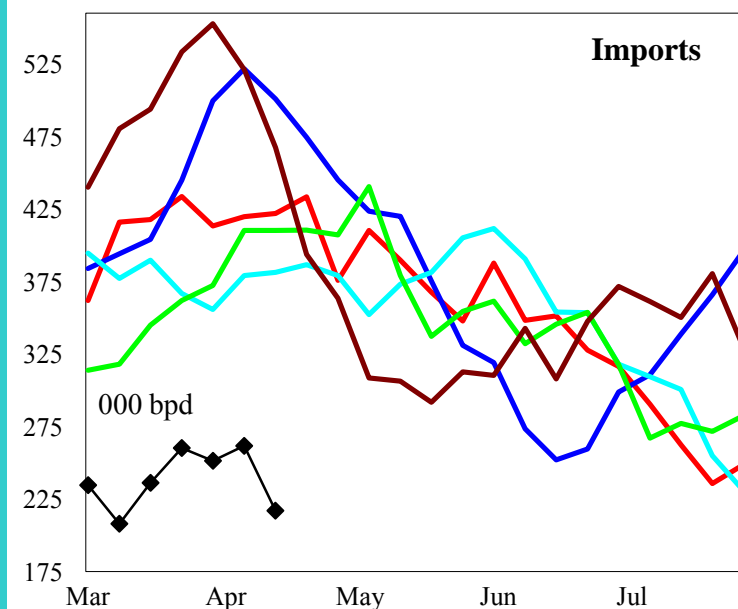
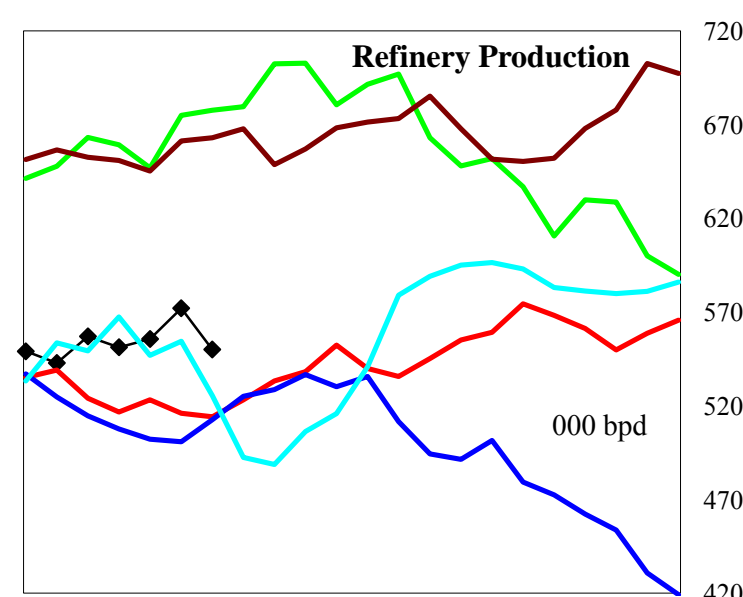
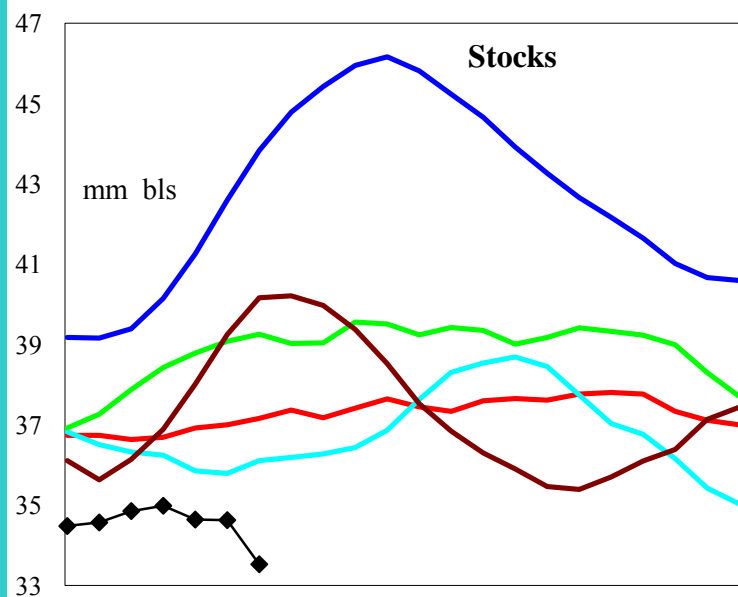
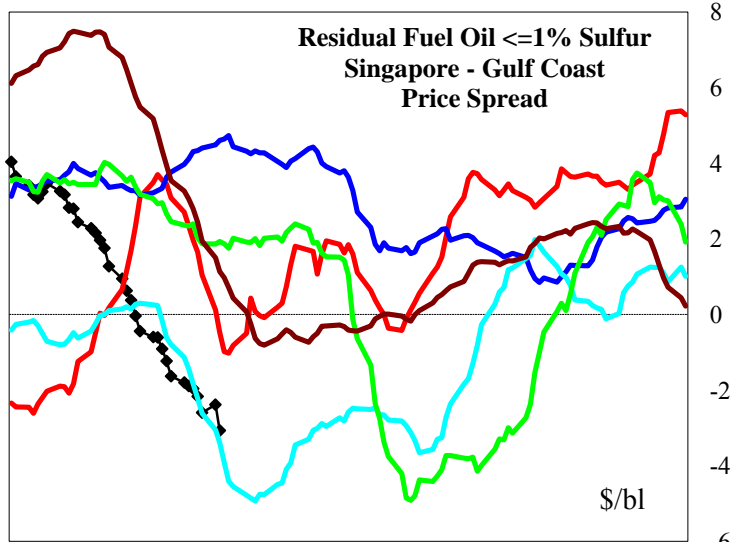
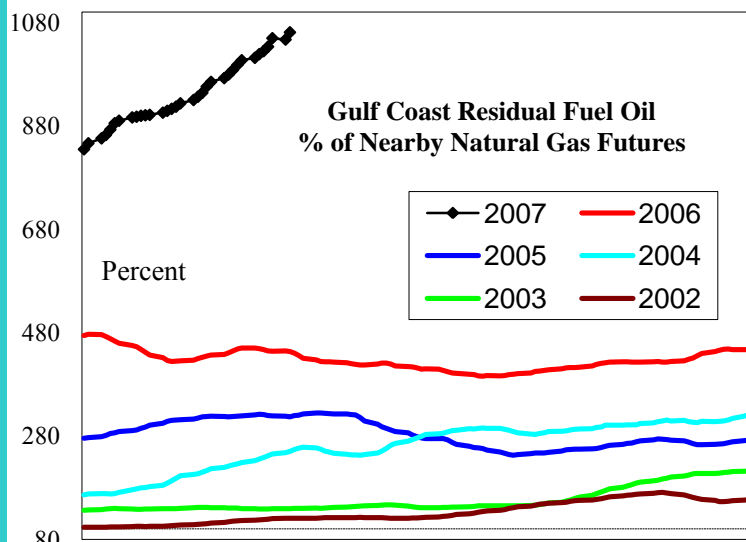
35.4

-61.1

0.0

-2.3

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



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

Stocks
-3,366
-9.1

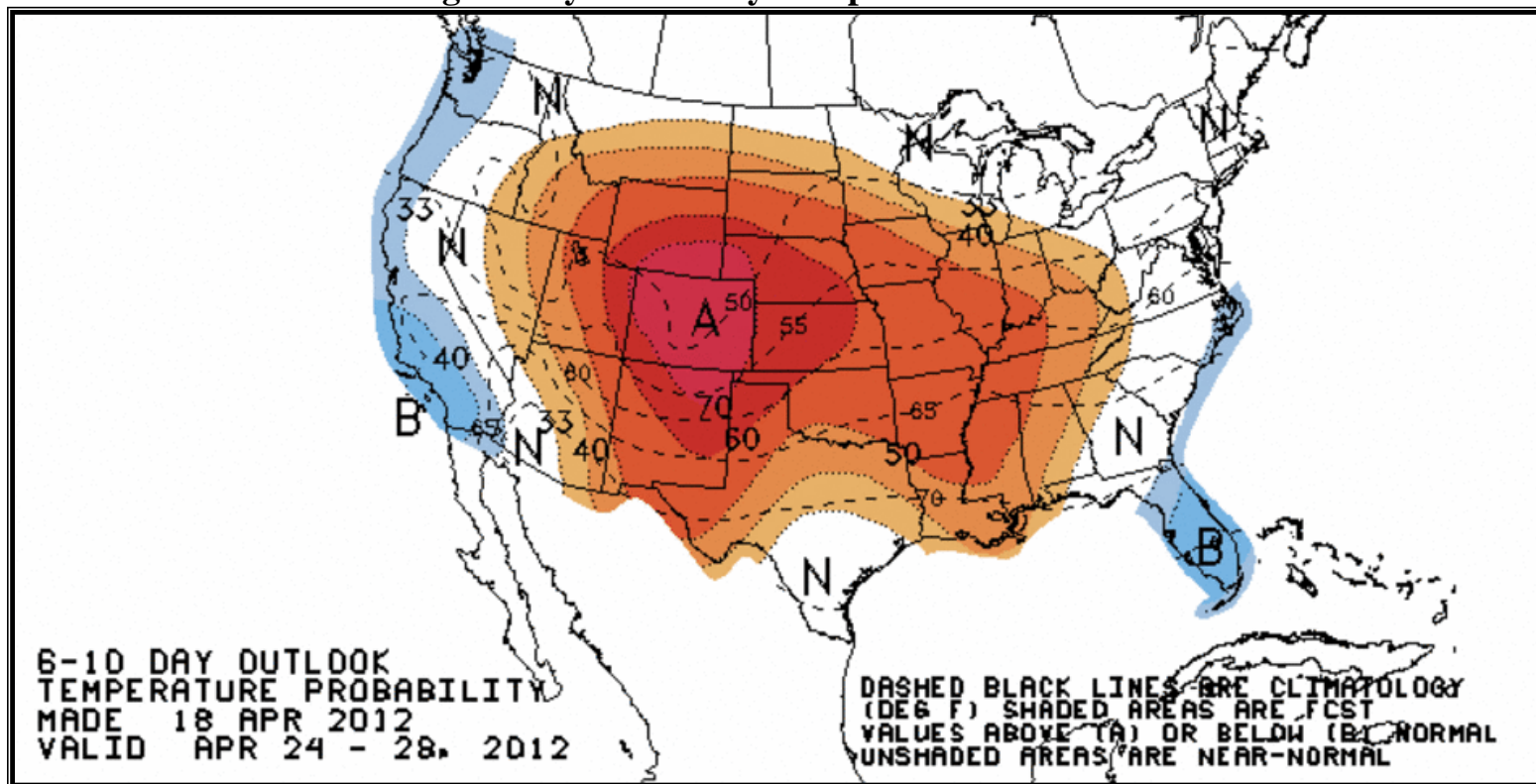
Prod
35
6.7

Imports
-160
-39.4

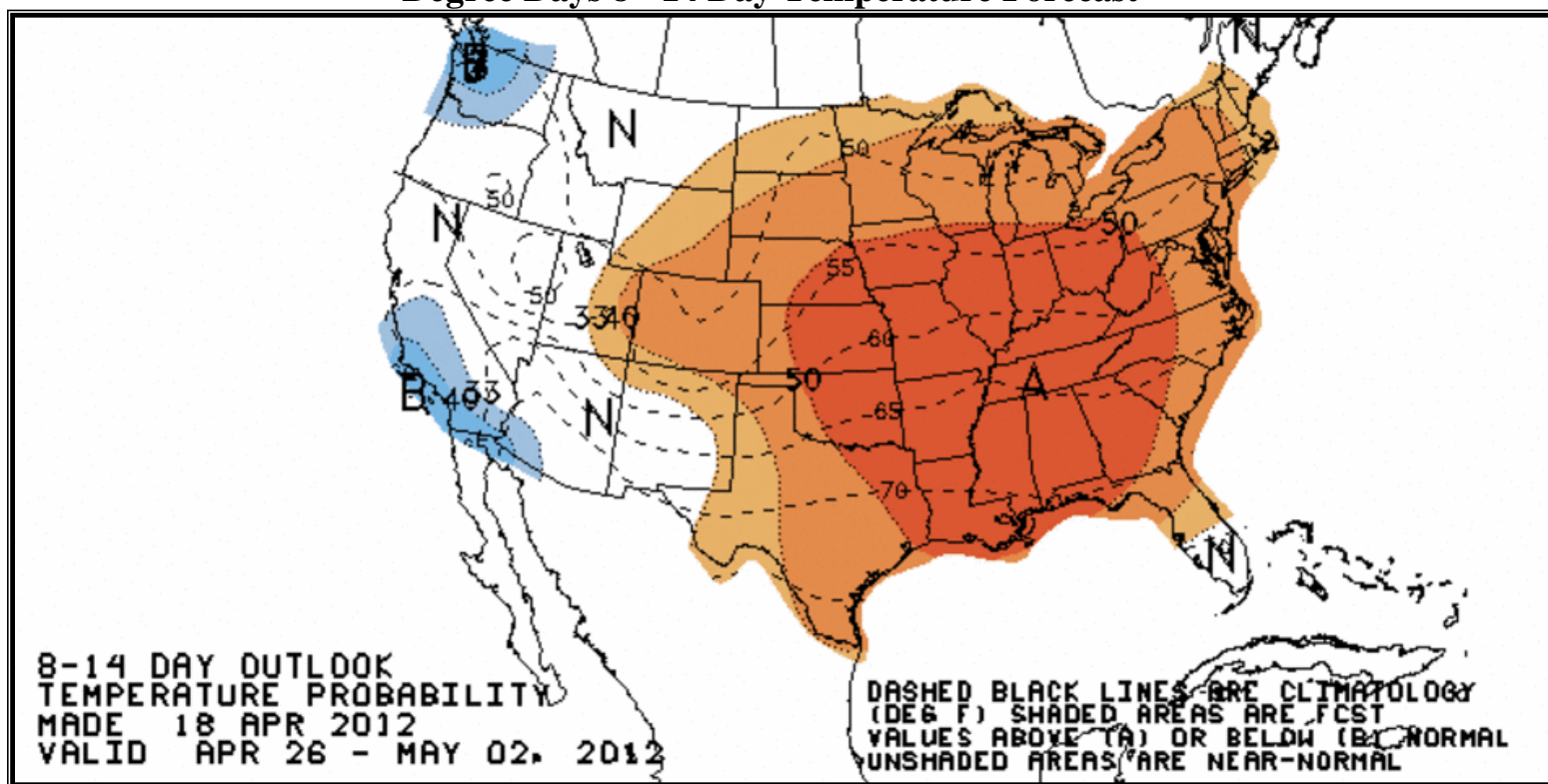
Demd=>

4wk avg	Mar	Feb	Jan
-37	-179	-258	-203
-7.2	-32.7	-41.1	-32.6

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

