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Cold weather continues to catapult daily swing pricing in the Mid-Continent with OGT (Oklahoma Gas Transmission) reaching market heights with Gas Daily reporting daily index for today's delivery @ \$8.46. With the anticipation of weather returning to more normal conditions next week the correct in the daily swing market is expected today for trading over the weekend. In early morning trading swing natural gas was trading in the low \$6.00 price points for all Midcontinent pipeline trading points. Today's trading for the weekend (January 9-11, 2010) is significantly lower than the daily costs for today's delivery (Friday January 8, 2010) where daily indexes were priced from a high of \$8.46 to a low of \$ 7.19.

With forward traders currently trading the February 2010 the contract has moved from the \$6.00 price point and is currently trading morning in the \$5.70 - \$5.60 pricing range.

As you will notice in the year over year comparison the difference has narrowed significantly from last year to this year.

The following table illustrates the comparison of the NYMEX pricing offering at contract settlement for 2008 and 2009.

<u>Month/Year</u>	<u>NYMEX</u> <u>January 7,</u> <u>2009</u>	<u>Month/Year</u>	<u>NYMEX</u> <u>January 7,</u> <u>2010</u>	<u>Difference</u>	<u>Percentage</u> <u>Change</u>
Feb-09	\$5.989	Feb-10	\$5.806	(\$0.18)	-3.06%
Mar-09	\$6.001	Mar-10	\$5.756	(\$0.25)	-4.08%
Apr-09	\$6.101	Apr-10	\$5.704	(\$0.40)	-6.51%
May-09	\$6.140	May-10	\$5.743	(\$0.40)	-6.47%
Jun-09	\$6.278	Jun-10	\$5.809	(\$0.47)	-7.47%
Jul-09	\$6.390	Jul-10	\$5.883	(\$0.51)	-7.93%
Aug-09	\$6.420	Aug-10	\$5.948	(\$0.47)	-7.35%
Sep-09	\$6.480	Sep-10	\$5.977	(\$0.50)	-7.76%
Oct-09	\$6.593	Oct-10	\$6.080	(\$0.51)	-7.78%
Nov-09	\$7.040	Nov-10	\$6.375	(\$0.67)	-9.45%
Dec-09	\$7.500	Dec-10	\$6.690	(\$0.81)	-10.80%
Jan-10	\$7.757	Jan-11	\$6.905	(\$0.85)	-10.98%

One Year (Feb 10 – Jan 11)	\$6.029/\$5.929	Three month (Feb 10 – Apr 10)	\$5.675/\$5.576
1 year strip 2011	\$6.414/\$6.314	Three month (May 10 – Jul10)	\$5.759/\$5.649
1 year strip 2012	\$6.531/\$6.481	Three month (Aug 10 – Oct 10)	\$6.012/\$5.892
1 year strip 2013	\$6.665/\$6.615	Three month (Nov 10 – Jan 11)	\$6.667/\$6.568

	<u>This week</u>	<u>Last Week</u>	<u>Two Week</u>
February 2010	\$5.711/\$5.641	\$5.884/\$5.744	
Winter 2009-2010 (Feb 10-Mar10)	\$5.691/\$5.606	\$5.827/\$5.727	
Summer 2010 (Apr 10-Oct10)	\$5.851/\$5.701	\$5.922/\$5.802	\$6.077/\$5.928

January 2010 NYMEX natural gas contract settlement: \$5.814

ONG PGA – January 2010 \$ 6.851

ONG Fixed Price Program November 2009 – October 2010 \$6.194

The February 2010 NYMEX natural gas contract will expire on January 27, 2010.

The Energy Information Administration (EIA) reported that for the week ending January 1, 2010 natural gas withdrawal of 153 Bcf. The build was in line with analyst's predictions moving the forward price of natural gas to lower pricing values in yesterday NYMEX trading for February 2010. Analyst are still predicting larger than normal storage inventories for the remainder of the winter and this week weather should result in very interesting reporting data especially when the milder weather for next week is factored into inventories.

2010 Whole Sale Natural Gas Pricing Update

	<u>OGT</u>	<u>PEPL</u>	<u>ANR</u>	<u>NGPL</u> <u>Mid-Con</u>	<u>NGPL</u> <u>TxOk</u>	<u>Southern</u> <u>Star</u>	<u>CenterPoint</u> <u>East</u>	<u>Feb-10</u> <u>NYMEX</u>
1-Jan	\$5.645	\$5.715	\$0.000	\$5.705	\$5.690	\$5.730	\$5.720	\$5.572
2-Jan	\$5.645	\$5.715	\$0.000	\$5.705	\$5.690	\$5.730	\$5.720	\$5.572
3-Jan	\$5.645	\$5.715	\$0.000	\$5.705	\$5.690	\$5.730	\$5.720	\$5.572
4-Jan	\$5.645	\$5.715	\$0.000	\$5.705	\$5.690	\$5.730	\$5.720	\$5.884
5-Jan	\$6.115	\$6.025	\$6.030	\$6.020	\$5.985	\$6.080	\$6.090	\$5.637
6-Jan	\$6.330	\$6.210	\$6.245	\$6.190	\$6.105	\$6.350	\$6.195	\$6.009
7-Jan	\$8.130	\$6.775	\$6.690	\$6.550	\$6.465	\$7.230	\$7.015	\$5.806
8-Jan	\$8.460	\$7.440	\$7.190	\$7.460	\$7.445	\$7.940	\$8.215	
average	\$6.452	\$6.164	\$6.539	\$6.130	\$6.095	\$6.315	\$6.299	\$5.007
Fom Index	\$5.790	\$5.730	\$5.660	\$5.770	\$5.690	\$5.790	\$5.670	

OKLAHOMA WEATHER OUTLOOK
For Clients and Friends of
OKLAHOMA ENERGY SERVICES

January 8, 2010

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NEXT 7 DAYS – 1/08-1/14/10:

Overview –

Finally...a brief respite from the bitter cold coming up Sunday...brief, though.

Upcoming for Oklahoma –

Friday (1/08) through Monday (1/11):

Continued bitterly cold weather is expected on Friday and Saturday...after early AM lows around ZERO both days, PM highs will only climb into the low teens on Friday, and mid to upper teens on Saturday...perhaps slightly warmer by a couple of degrees in southern Oklahoma. Continued cold and below normal on Sunday under sunny skies, but not as cold as the past few days. Sunday's early AM lows will range from just over ZERO in far northeastern Oklahoma to around 10 in southern Oklahoma. Sunday's PM highs will be the low to mid 30s in the northeast to near 40 in the far south. Monday will continue to be sunny and not as cold. Early AM lows will be in the teens and 20s, and PM highs will be in the low to mid 40s.

Tuesday (1/12) through Thursday (1/14):

Another cold front slides through on Tuesday, limiting PM highs to around 40. Skies will be variably cloudy, but this next front is not supposed to be a duplicate of the "blue northern" we've just experienced. Early AM lows will be low 20s by early Wednesday, and partly cloudy with chilly conditions in the afternoon with highs in the low 40s. Thursday will be partly to mostly cloudy with a slight chance for light rain. PM highs could warm back into the mid to upper 40s by late week, which is more normal for this time of year.

EXTENDED OUTLOOK:

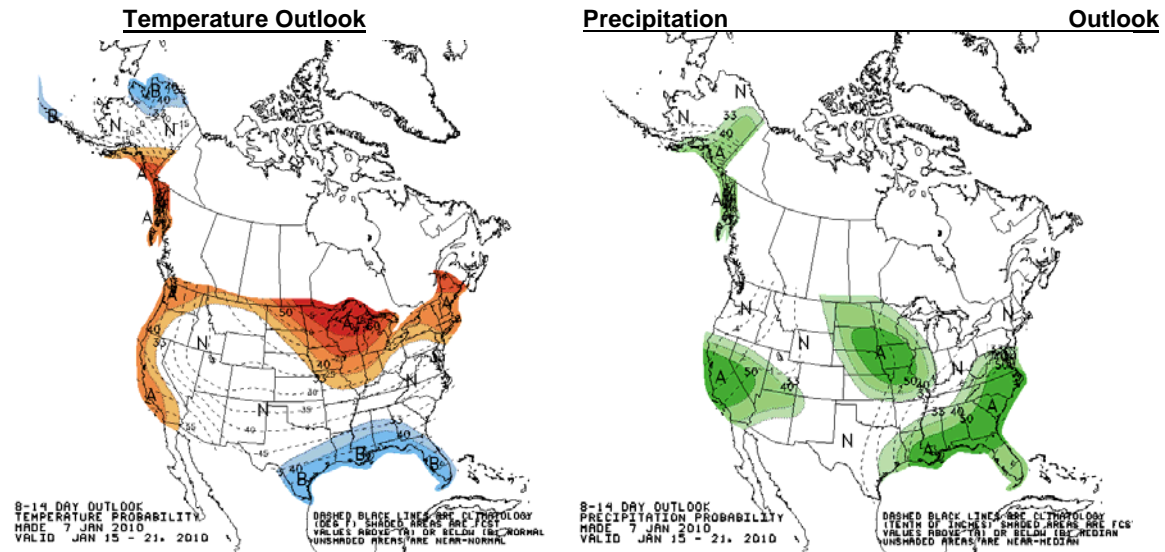
Latest revised 8-14 Day Extended Outlook – January 15-21, 2010:

Below-normal temperatures are still likely over the southern tier of states from Texas and eastward through the Deep South and along the Gulf Coast, into Florida. Above-normal temperatures are likely from the west coast across the far northern portion of the Rockies and over most of the northern plains, into the Midwest and upper Ohio Valley region as well as the Great Lakes, and into New England. Oklahoma will likely see even odds for normal conditions – this time of year (after our current weather) "normal" will feel relatively nice – lows in the middle 20s and highs in the middle 40s.

Precipitation could be above-normal over most of California and Nevada, and into the desert southwest. Other areas expecting above-normal precipitation are most of the Great Plains, north of Oklahoma, and from far east Texas eastward across the deep south, Gulf Coast region, Florida, and the southern East Coast.

*Original long-range outlook data developed by NOAA / Climate Prediction Center, and this discussion is developed from an interpretation of that data, as displayed below.

Outlook Valid: January 15-21, 2010



The outlook was developed on January 7, 2010. These graphics are courtesy the National Weather Service's Climate Prediction Center and NOAA's National Centers for Environmental Prediction. These forecast graphics are available for public dissemination at the following website:

<http://www.cpc.ncep.noaa.gov/products/forecasts/>

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