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Your Clear Energy Source TM

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Newsletter November 13, 2009

With the mild weather forecast for November has created a significant pricing correction to the daily trading. How quickly things can change October 2009 was 8 degrees colder than normal and November weather should it continue may set a record as one of the warmest on record. Last week we reported that prompt month trading (December 2009) NYMEX natural gas contract was attempting to fall into the \$4.40's and the prediction for a price move to \$4.40's occurred this week trading in the \$4.30 price range. The question for many, where will the December 2009 contract settle? With this weekend daily trades on (ICE) Inter Continental Exchange recording weighted average prices of: OGT \$2.3073, CenterPoint Flex \$2.2592, NGPL TxOk \$2.3715 & Southern Star \$2.2888 the mild weather has moved daily trading to historic pricing levels for a November delivery month. It is not uncommon for typical heat use customer to be using approximately 50 % of the tradition November natural gas usages at this time. The formula for lower pricing = continued demand destruction as a result of our current economic crisis, mild weather, and flat to increased natural gas production. The formula is in place to move the market to lower pricing or at least continue to trade at the current pricing levels. Warning should weather return to more normal conditions the market is looking for a pricing catalyst and the correction to the current pricing levels could be erased very quickly. The time remains to secure some measure of price assurance should the market attempt to move to higher pricing levels. This can be accomplished by simply securing forward fixed pricing for a smaller percentage of your anticipated forward natural gas requirements. Call or email us should you have any questions.

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

<u>Month/Year</u>	<u>NYMEX November 12, 2008</u>	<u>Month/Year</u>	<u>NYMEX November 12, 2009</u>	<u>Difference</u>	<u>Percentage Change</u>
Nov-08	\$6.739	Nov-09	\$4.370	(\$2.37)	-35.15%
Dec-08	\$6.875	Dec-09	\$4.761	(\$2.11)	-30.75%
Jan-09	\$6.943	Jan-10	\$4.841	(\$2.10)	-30.28%
Feb-09	\$6.900	Feb-10	\$4.870	(\$2.03)	-29.42%
Mar-09	\$6.828	Mar-10	\$4.887	(\$1.94)	-28.43%
Apr-09	\$6.875	Apr-10	\$4.946	(\$1.93)	-28.06%
May-09	\$6.940	May-10	\$5.044	(\$1.90)	-27.32%
Jun-09	\$7.100	Jun-10	\$5.154	(\$1.95)	-27.41%
Jul-09	\$7.170	Jul-10	\$5.239	(\$1.93)	-26.93%
Aug-09	\$7.200	Aug-10	\$5.304	(\$1.90)	-26.33%
Sep-09	\$7.340	Sep-10	\$5.439	(\$1.90)	-25.90%
Oct-09	\$7.640	Oct-10	\$5.857	(\$1.78)	-23.34%

One Year (Dec 09 –Nov10)	\$5.061/\$4.961	Three month (Dec 09 – Feb 10)	\$4.674/\$4.624
1 year strip 2010	\$5.271/\$5.067	Three month (Mar 10 – May 10)	\$4.908/\$4.808
1 year strip 2011	\$6.203/\$6103	Three month (Jun 10 – Aug 10)	\$5.214/\$5.064
1 year strip 2012	\$6.519/\$6.469	Three month (Sep 10 – Nov 10)	\$5.512/\$5.412

	<u>This week</u>	<u>Last Week</u>	<u>Two Week</u>
December 2009	\$4.386/\$4.336	\$4.659/\$4.609	\$4.991/\$4.941
Winter 2009-2010 (Dec 09-Mar10)	\$4.276/\$4.676	\$4.952/\$4.902	\$5.275/\$5.225
Summer 2010 (Apr 10-Oct10)	\$5.141/\$5.067	\$5.354/\$5.205	\$5.601/\$5.451

November 2009 NYMEX natural gas contract settlement: \$4.289

ONG PGA – November 2009 \$7.210

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

The December 2009 NYMEX natural gas contract will expire on November 24, 2009.

The Energy Information Administration (EIA) reported that for the week ending November 6, 2009 was due for release @ 9:30 AM, CST.

2009 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>Nov-09</u> <u>NYMEX</u>
1-Nov	\$4.160	\$4.030	\$4.060	\$4.070	\$4.045	\$3.975	\$4.090	\$5.045
2-Nov	\$4.160	\$4.030	\$4.060	\$4.070	\$4.045	\$3.975	\$4.090	\$4.824
3-Nov	\$4.240	\$4.200	\$4.190	\$4.180	\$4.280	\$4.135	\$4.260	\$4.922
4-Nov	\$4.245	\$4.140	\$4.130	\$4.150	\$4.280	\$4.160	\$4.265	\$4.725
5-Nov	\$4.325	\$4.280	\$4.315	\$4.310	\$4.415	\$4.200	\$4.405	\$4.782
6-Nov	\$4.010	\$4.025	\$4.045	\$4.050	\$4.190	\$3.975	\$4.190	\$4.595
7-Nov	\$3.545	\$3.480	\$3.530	\$3.480	\$3.835	\$3.510	\$3.590	\$4.595
8-Nov	\$3.545	\$3.480	\$3.530	\$3.480	\$3.835	\$3.510	\$3.590	\$4.595
9-Nov	\$3.545	\$3.480	\$3.530	\$3.480	\$3.835	\$3.510	\$3.590	\$4.670
10-Nov	\$3.395	\$3.275	\$3.370	\$3.365	\$3.585	\$3.250	\$3.435	\$4.467
11-Nov	\$3.300	\$3.335	\$3.385	\$3.380	\$3.535	\$3.280	\$3.480	\$4.503
12-Nov	\$3.325	\$3.305	\$3.355	\$3.345	\$3.435	\$3.310	\$3.385	\$4.370
13-Nov	\$3.040	\$3.140	\$3.035	\$3.110	\$3.125	\$3.000	\$3.135	
average	\$3.757	\$3.708	\$3.733	\$3.728	\$3.880	\$3.676	\$3.808	
FOM Index	\$4.390	\$4.320	\$4.320	\$4.350	\$4.280	\$4.360	\$4.220	

OKLAHOMA WEATHER OUTLOOK
For Clients and Friends of
OKLAHOMA ENERGY SERVICES

November 13, 2009

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NEXT 7 DAYS – 11/13/09-11/19/09:

Overview –

More mild weather is expected through Saturday, but with rain back in the forecast, especially Sunday or Monday. Check out the extended outlook for news of the potential first major cold snap of the winter in early December.

Tropics Watch –

Surprisingly cat-like “Ida” ended her second life over the southeastern US early this past week, after appearing to be dissipating over Central America this same time last week. Otherwise, the tropics are quiet as we wind down the final two weeks of the 2009 Hurricane Season.

Upcoming for Oklahoma –

Friday (11/013) through Monday (11/16):

Expect sunny to partly cloudy skies and mild conditions on Friday and Saturday. Friday’s PM highs will be around 70, and more of the same is expected on Saturday. Early AM lows on Saturday will be in the 50s. Winds from the south will become gustier both Friday and Saturday. There will be an increasing chance for showers and thunderstorms Saturday night. Rain or thundershowers will be more likely on Sunday with cloudy skies and cool PM highs in the low 60s. Monday may seem much more November-like with cloudy skies, increasing gusty north winds, lingering cold rain, and temperatures holding steady in the 40s as a strong cold front passed during the day.

Tuesday (11/17) through Thursday (11/19):

Clouds begin breaking on Tuesday, and we expect to see sunny skies on Wednesday and Thursday. There will be a chance for frost or a light freeze over most of the area early Tuesday, with a more realistic chance early Wednesday, as early AM low temperatures flirt with 32. PM highs will be fairly cool in the low 50s on Tuesday and Wednesday. Thursday’s sunshine should help us rebound into the low to mid 60s.

EXTENDED OUTLOOK:

Latest revised 8-14 Day Extended Outlook – November 20 – November 26, 2009:

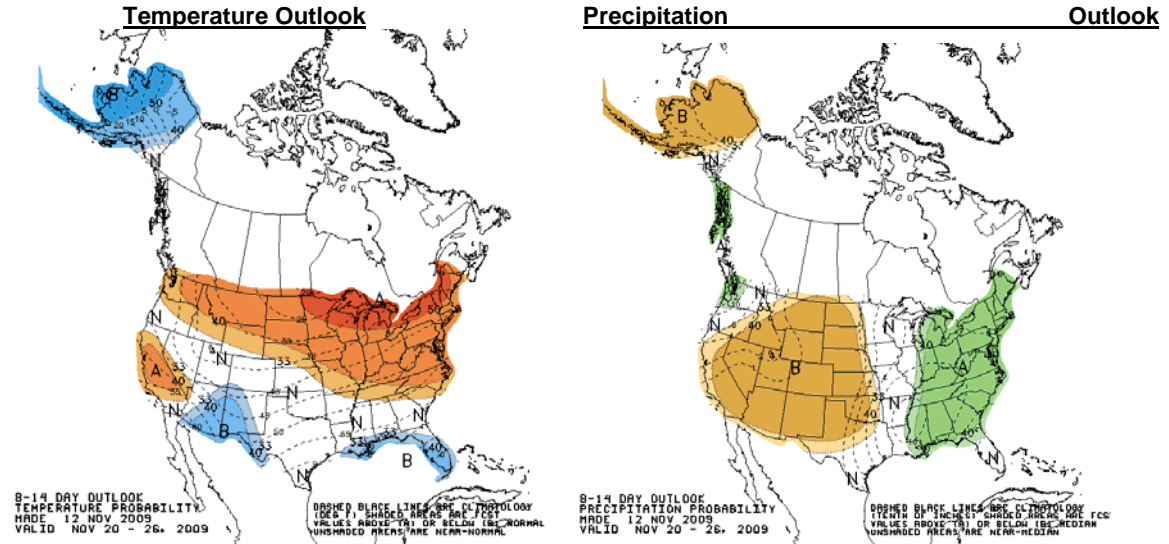
Approaching Thanksgiving on 11/26, temperatures over the northern third to half of the country will stand a good chance of being above-normal. Cooler than normal conditions are more likely in the desert southwest, and along the Gulf Coast and in Florida. However, [look north to Alaska](#) – most of the 49th state is trending toward much higher chances for [below-normal temperatures](#). That tells us that much colder air will likely be massing well to the darkening north, and will eventually plunge southward into the central and eastern US, probably sometime in the first ten days of December.

Ahead of this onslaught of seasonal but colder air, expect rainfall to be above-normal over the eastern third of the country, generally east of the Mississippi River. A large area over much of the plains and western states shows below-normal rainfall expected there. This includes Oklahoma. Remember, the months of December, January, and February is usually the driest three months of the year in Oklahoma. Any

significant cold air moving south in early December will also likely be very dry...so, any chances for a little rain ahead of that expected long-haul cold snap would be welcome!

*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: November 20 – November 26, 2009



The outlook was developed on November 12, 2009. 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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