

Oklahoma Energy Services, Inc.

Your Clear Energy Source TM

7134 South Yale, Suite 210
Tulsa, Oklahoma 74136
Phone: 918-254-9630
Facsimile: 918-254-9662
Toll Free: 1-866-260-3972

George L. Taubel 918-249-5080
Janeann Taubel 918-249-5081
Jana Grafing 918-249-5083
Jill Spencer 918-249-5082
Bill Wylie 405-830-3734

www.okesi.com

Newsletter November 20, 2009

The December 2009 NYMEX forward natural gas contract will settle next week and is struggling to break through \$4.20 price point. While we still have a few days of trading before contract execution with support at or above the \$4.00 pricing point continues to dominated trading for the December 2009 NYMEX natural gas contract. With Mid-Continent buyers struggling to comprehend the extremely tight physical basis market as compared to last year the evaporation of physical basis will make it extremely difficult for the delivered natural gas for the December 2009 pricing to break through the \$4.00 price point for first of the month contract values. Last December 2008 the average Mid-Continent first of the month index as published by Inside FERC averaged \$5.43 and with analyst predications currently anticipating values in the \$4.30 - \$4.50 price range the lower cost given the effects of our economy will be a welcome relief.

The current forward values for natural gas are driven primary by weather and with most analysts reporting that traders are watching weather to determine forward buying habits. There is no doubt that any change to weather will propel the market either to higher pricing or lower pricing. While it is too early to predict a January/February 2010 price collapse it is not uncommon for the forward natural gas markets to achieve significant yearly lows during the January/February trading periods.

With weather the major catalyst to effect forward pricing values accelerates the need for consumers to have some of your forward winter natural gas requirements secured at pricing that will enable the avoidance of any rapid move up in natural gas pricing.

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 19, 2008</u>	<u>Month/Year</u>	<u>NYMEX November 19, 2009</u>	<u>Difference</u>	<u>Percentage Change</u>
Nov-08	\$6.524	Nov-09	\$4.342	(\$2.18)	-33.45%
Dec-08	\$6.600	Dec-09	\$4.715	(\$1.89)	-28.56%
Jan-09	\$6.662	Jan-10	\$4.808	(\$1.85)	-27.83%
Feb-09	\$6.628	Feb-10	\$4.852	(\$1.78)	-26.80%
Mar-09	\$6.655	Mar-10	\$4.893	(\$1.76)	-26.48%
Apr-09	\$6.707	Apr-10	\$4.960	(\$1.75)	-26.05%
May-09	\$6.830	May-10	\$5.062	(\$1.77)	-25.89%
Jun-09	\$6.961	Jun-10	\$5.174	(\$1.79)	-25.67%
Jul-09	\$7.053	Jul-10	\$5.250	(\$1.80)	-25.56%
Aug-09	\$7.095	Aug-10	\$5.308	(\$1.79)	-25.19%
Sep-09	\$7.180	Sep-10	\$5.443	(\$1.74)	-24.19%
Oct-09	\$7.520	Oct-10	\$5.880	(\$1.64)	-21.81%

One Year (Dec 09 –Nov10)	\$4.995/\$4.895	Three month (Dec 09 – Feb 10)	\$4.571/\$4.521
1 year strip 2010	\$5.154/\$5.004	Three month (Mar 10 – May 10)	\$4.833/\$4.733
1 year strip 2011	\$6.210/\$6.110	Three month (Jun 10 – Aug 10)	\$5.176/\$5.027
1 year strip 2012	\$6.477/\$6.427	Three month (Sep 10 – Nov 10)	\$5.484/\$5.384

	<u>This week</u>	<u>Last Week</u>	<u>Two Week</u>
December 2009	\$4.298/\$4.248	\$4.386/\$4.336	\$4.659/\$4.609
Winter 2009-2010 (Dec 09-Mar10)	\$4.621/\$4.571	\$4.276/\$4.676	\$4.952/\$4.902
Summer 2010 (Apr 10-Oct10)	\$5.087/\$4.937	\$5.141/\$5.067	\$5.354/\$5.205

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 13, 2009 natural gas injection of 20 Bcf. The build was above analysts predictions as the mild weather and lower gas pricing provided the catalyst for the larger than anticipated storage injection. For the same week last year total natural gas storage inventories were reported @ 3.486 Tcf for 2009 natural gas inventories now are reported @ 3.833 Tcf.

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	\$4.392
14-Nov	\$2.300	\$2.310	\$2.325	\$2.265	\$2.355	\$2.320	\$2.250	\$4.392
15-Nov	\$2.300	\$2.310	\$2.325	\$2.265	\$2.355	\$2.320	\$2.250	\$4.392
16-Nov	\$2.300	\$2.310	\$2.325	\$2.265	\$2.355	\$2.320	\$2.250	\$4.615
17-Nov	\$2.720	\$2.690	\$2.695	\$2.740	\$2.720	\$2.680	\$2.660	\$4.530
18-Nov	\$3.580	\$3.615	\$3.620	\$3.595	\$3.495	\$3.620	\$3.500	\$4.254
19-Nov	\$3.755	\$3.760	\$3.745	\$3.775	\$3.725	\$3.735	\$3.735	\$4.342

20-Nov	\$3.385	\$3.425	\$3.400	\$3.420	\$3.465	\$3.445	\$3.400
average	\$3.459	\$3.431	\$3.449	\$3.440	\$3.546	\$3.412	\$3.478
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 20, 2009

Jeff Lazalier
Professional Meteorologist
Premier Advisors Group
918/280-7306
jefflazalier@cox.net

NEXT 7 DAYS – 11/20/09-11/26/09:

Overview –

Temperatures will hold somewhat above-normal over the weekend, with rain chances primarily limited to Friday.

Tropics Watch –

All quiet through the Gulf, Caribbean, and tropical Atlantic at this time. The '09 season ends “officially” on 11/30. But, in retrospect, it never really began.

Upcoming for Oklahoma –

Friday (11/20) through Monday (11/23):

Showers and a few thunderstorms are possible on Friday. Otherwise, expect gusty and cool conditions with cloudy to partly cloudy skies. PM highs will be limited to the upper 50s in areas with ongoing rain, but could be warmer by a few degrees in areas getting little or no rain. Saturday will see rain chances end, with decreasing clouds PM and highs climbing into the mid 60s west and low 60s east. Sunday should be sunny to partly cloudy and pleasant with PM highs in the low to mid 60s. Showers could return on Monday with variably cloudy skies and PM highs in the mid 60s.

Tuesday (11/24) through Thursday (11/26):

Conditions should be dry and a little cooler through the early to mid-week period with partly cloudy skies. Expect overnight lows to return to the 30s. PM highs will be in the mid to upper 50s to low 60s in most area through Thursday (Thanksgiving).

EXTENDED OUTLOOK:

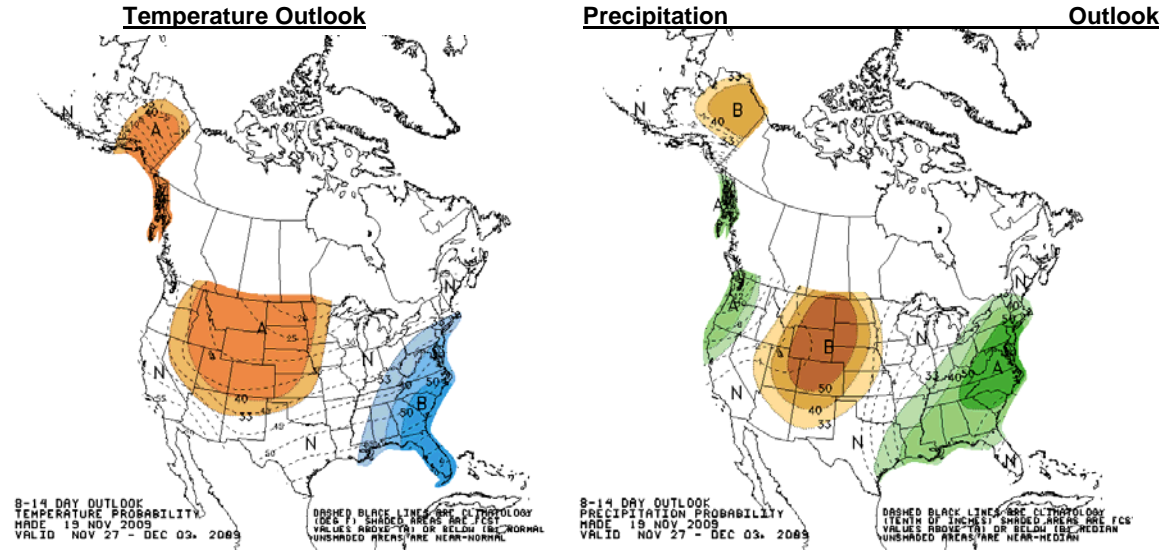
Latest revised 8-14 Day Extended Outlook – November 27 – December 3, 2009:

Below normal temperatures and above-normal rainfall is likely over the southeastern quarter of the country as November folds into December. The potential for cooler and wet weather this time of year in that part of the country is usually quite a bit lower. The area with the highest odds for both warmer-than-normal and drier-than-normal conditions will hold over the northern and central Rockies and the northern and central plains states.

Most of Oklahoma, other than the panhandle, will have even odds for near normal conditions through this period.

*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 27 – December 3, 2009



The outlook was developed on November 19, 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/>

User acknowledges, understands and accepts that Oklahoma Energy Services, Inc. makes no warranty whatsoever to user as to the contents of this newsletter, express or implied, and that the contents is provided for informational purposes on an "as is" basis at the user's sole risk

Oklahoma Energy Services, Inc. expressly disclaims any implied warranties of merchantability or fitness for a particular purpose. Neither Oklahoma Energy Services, Inc. nor its managers, officers, affiliates, employees or agents make any warranty with respect to, and no such party shall any liability to user for the accuracy, timeliness, completeness or reliability of the contents of this newsletter. User acknowledges and agrees that the contents of this newsletter are not and shall not serve as the primary basis for any decisions made by user and that Oklahoma Energy Services, Inc. is not an advisor to user nor does it owe any fiduciary duty user. Any distribution of this newsletter without the express written consent of Oklahoma Energy Services, Inc. is required; approvals for distribution should be directed to Oklahoma Energy Services, Inc. 7134 South Yale, Suite 210 Tulsa, Oklahoma 74133 attention: Newsletter Distribution. Copyright 2009 by Oklahoma Energy Services, Inc.