

Got Gas?

INVESTING TODAY IN TOMORROW'S ENERGY

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Got Gas? is our way of keeping you informed on the natural gas market.

Hayden Harper Direct Energy (HHDE) believes there is a significant opportunity to invest in a potential solution to future energy demand. HHDE provides opportunities to invest in the oil and gas industry through multiple drilling partnerships.

Natural Gas Attracts Investors as Nuclear Fears Rise

By Patti Domm
March 14, 2011
CNBC

Natural gas was at a two-week high Monday as Japan's nuclear power shut down put the spotlight on global natural gas supplies, as an alternate fuel for electric power generation.

As oil has risen, natural gas has been a laggard, due to plentiful supplies in the U.S. and elsewhere. Natural gas Monday was trading at \$3.906 per mmBtu, after rising to as high as \$4.053 in electronic trading ...

Daniel Yergin, IHS CERA Chairman, said focus has already begun to shift to an increased reliance on natural gas for electric power generation. He said the CEO of Exelon made that clear at a conference CERA held in Houston last week. "The economics have changed so much that natural gas really is going to play a much bigger role," he said.

"Last year, the focus was on how much shale gas we have. This year, it's now how it's going to change the economics of the whole electric power business ... **it will be the default fuel going forward**," he said. Yergin said the U.S. has 100 years of supply of natural gas at current rates of consumption. The U.S. has increased its use of natural gas from about 19 percent of electricity generation in 2005 to about **24 percent in 2010**.

Natural Gas Rises on Outlook for Surging Japanese LNG Demand

By Christine Buurma
March 14, 2011
Bloomberg

Natural gas futures gained for a second day in New York on speculation that liquefied natural gas cargoes will be diverted to Japan after earthquake damage to nuclear reactors there cut power production.

Gas advanced 0.6 percent as workers battled to prevent a nuclear meltdown at an atomic plant north of Tokyo. Demand for the fuel to produce electricity in Japan may increase by about 8.6 percent, analysts with Barclays Capital said in a note to clients today.

Japan is the biggest user of LNG, accounting for **35 percent of global trade in 2009**, BP Plc statistics show. The country has no domestic gas production and no import pipelines, so it relies on LNG for its needs.

Chevron Says U.S. Natural-Gas Prices Need to Rise, FT Reports

By Alan Purkiss
Mar 15, 2011
Bloomberg.com

George Kirkland, who heads oil and gas exploration and production at Chevron Corp., said U.S. natural-gas prices **need to rise substantially for the industry to be viable in the long term**, the Financial Times reported.

The increase in production of gas from shale rock and other sources has pushed prices down to about \$4 per million British thermal units, the newspaper said.

Kirkland, speaking as Chevron set out a plan for a 20 percent increase in oil and gas production by 2017, said prices **"in the sixes and sevens"** are needed in the long term to cover investment costs, according to the FT.



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