

Highlights

Prices, Tuesday Close

- Crude Oil Spot (WTI): **\$91.38/bbl** wk chg: +\$0.27 yr chg: +\$12.03
- Gasoline Retail (AAA): **\$3.11/gal** wk chg: +\$0.02 yr chg: +\$0.37

EIA Scheduled Releases

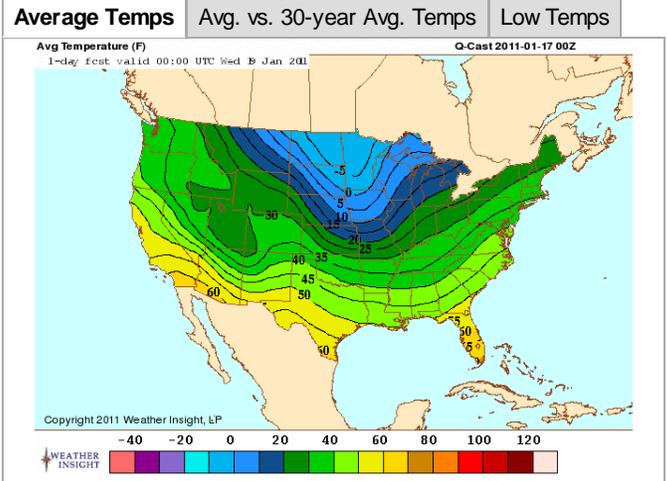
- United Arab Emirates Country Analysis Brief
- World Oil Transit Chokepoints Country Analysis Brief

Comments:

Crude oil and condensate production is increasing considerably as operators sharpen their focus on liquids-bearing portions of U.S. shale plays. Read more...

Today's Expected Temperatures

(click map to enlarge)



Daily Energy Prices

Petroleum Prices, Tuesday Close

Product	Area	Price	% Chg*	
Wholesale Spot				
Crude Oil (\$/barrel)	WTI	91.38	-0.2	
	Brent	97.83	0.0	
	Louisiana Light	98.23	-0.7	
Gasoline (RBOB) (\$/gallon)	NY Harbor	2.47	-1.2	
	Gulf Coast	2.43	+0.2	
	Los Angeles	2.41	+0.5	
Heating Oil (\$/gallon)	NY Harbor	2.64	+0.2	
	Gulf Coast	2.60	-0.3	
3:2:1 Crack Spread (\$/barrel)	Gulf Coast	13.08	+1.4	
	Ultra-Low Sulfur Diesel (\$/gallon)	NY Harbor	2.69	+0.5
		Gulf Coast	2.65	-0.4
Propane (\$/gallon)	Los Angeles	2.63	-0.6	
	Mont Belvieu, TX	1.36	+0.1	
Retail (AAA)	Conway, KS	1.31	-0.4	
	Gasoline (\$/gallon)	U.S. Average	3.11	+0.4
Diesel (\$/gallon)	U.S. Average	3.40	+0.8	

Energy Futures (Delivery Month), Tuesday Close

Product	Price	% Chg*	Vol	Open Int
Crude Oil (\$/Barrel) - NYMEX Feb	91.38	-0.2	212	89
Gasoline-RBOB (\$/Gallon) - NYMEX Feb	2.48	-0.6	41	61
Heating Oil (\$/Gallon) - NYMEX Feb	2.65	0.0	46	72
Natural Gas (\$/Million Btu) - NYMEX Feb	4.43	-1.2	143	91
Ethanol (\$/Gallon) - CBOT Feb	2.35	+0.3	<1	1

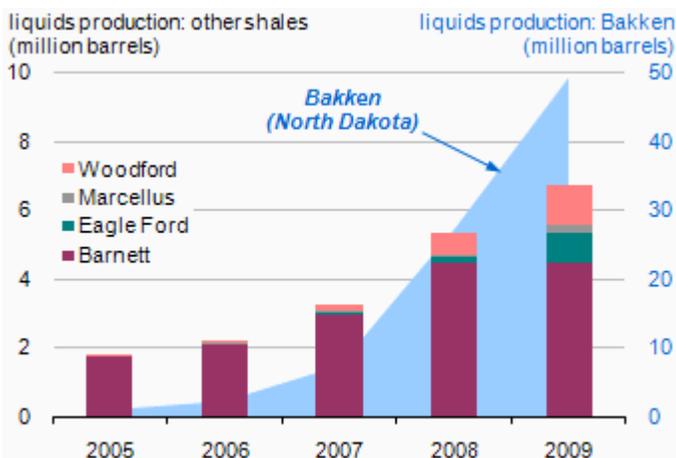
Note: Vol & Open Interest, '000 Prompt Month Contracts.

Spot NG & Electric Power, Today's Price as of Tuesday's Close

Region	Natural Gas (\$/Million Btu)		Electricity (\$/MWh)		Implied Heat Rate (Btu/kWh)	Spark Spread (\$/MWh)
	Price	% Chg*	Price	% Chg*		
New England	6.28	-11.7	58.01	-10.8	9237	14.05
New York	6.89	-14.0	69.57	-6.0	10104	21.37
Mid-Atlantic	5.65	-20.3	47.00	NA	8321	7.46
Louisiana	4.52	+2.0	NA	NA	NA	NA
Houston	4.40	+1.2	NA	NA	NA	NA
Chicago	4.75	+3.3	40.00	-5.0	8427	6.77
Southwest	4.25	+2.3	33.00	-4.3	7764	3.25
Southern CA	4.38	+2.1	36.00	-2.7	8224	5.36
Northern CA	4.48	+1.5	35.00	-2.8	7805	3.61
Northwest	4.29	+2.9	27.38	-2.2	6386	0.0

* % Changes based on close from previous business day. Sources: Thomson Reuters, IntercontinentalExchange, Inc., AAA Mid-Atlantic, Inc.

Crude oil and condensate production rises at Bakken and other U.S. shale plays



Source: HPDI, LLC

Read more...

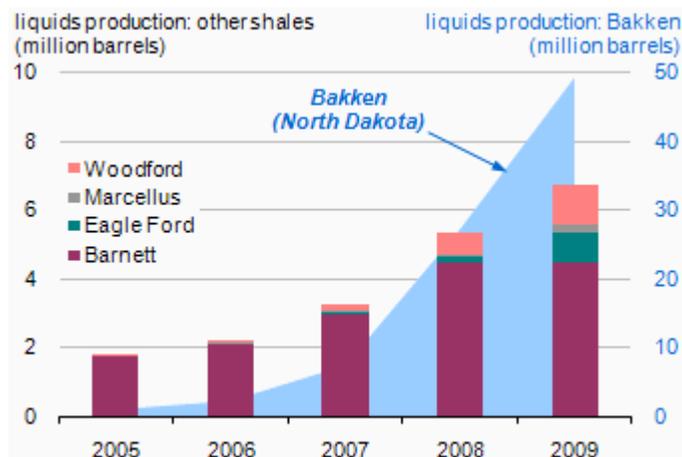
Global Wholesale Energy Prices and Key Related Measures

Commodity	Price	Week % Chg	Measure	Value	Week % Chg	
						Natural Gas (\$/million Btu)
N. America	4.52	+2.3	Emission (\$/ton)			
Europe	8.90	+3.4	SO ₂ (Title IV)	4.00	0.0	
Gasoline (\$/gallon)						
N. America	2.47	-0.3	NO _x (SIP Call)	150.00	0.0	
Europe	2.45	+0.5	CO ₂ (EU ETS)	22.82	+3.5	
Singapore	2.57	+2.5	Currency			
Heating Oil (\$/gallon)						
N. America	2.64	+1.3	\$/Eur	1.34	+3.1	
Europe	2.58	+1.3	\$/GBP	1.60	+2.2	
Singapore	2.62	+3.2	Yen/\$	82.61	-0.7	
Other						
				LIBOR	0.26	-0.2
				S&P 500	1295.02	+1.6

Note: From Tuesday's close. Source: Thomson Reuters

Featured Comments

Crude oil and condensate production rises at Bakken and other U.S. shale plays



Source: HPDI, LLC

Crude oil and condensate production is rising significantly at several shale plays in the United States as operators increasingly target the liquids-bearing portions of these formations.

In North Dakota, for example, total liquids production has risen nearly 150% since 2005 due primarily to escalating development of the Bakken shale (which extends into Montana). Using similar horizontal drilling and hydraulic fracturing technologies applied to the Nation's shale gas plays, operators increased Bakken production from about one million barrels in 2005 to nearly 50 million barrels in 2009. Excluding Bakken volumes, the State's oil production increased by only about 5% over the same period.

Shale plays known primarily for natural gas production—or where horizontal drilling initially targeted natural gas—are also seeing accelerating liquids-focused drilling. At the Barnett in Texas, overall liquids production more than doubled (and production from horizontal wells swelled roughly six-fold) from 2005 to 2009. Liquids production from the Woodford in Oklahoma surpassed one million barrels in 2009, up 83% from 2008 and nearly eight times 2007 volumes. At the Eagle Ford formation in Texas, liquids production in 2009 grew more than five-fold over the previous year, and is on pace to exceed five million barrels in 2010. Liquids production from Appalachia's Marcellus shale nearly quadrupled in 2009 and is expected to show another considerable increase in 2010.

As was observed in an earlier Daily Energy Report, the number of oil rigs drilling horizontal wells rose significantly through the first half of 2010. Further increases are likely as operators sharpen their focus on liquids in these and other shale plays.

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