Gas Processors Report

HART

Vol 25, Issue 6
February 07, 2007

In This Issue

Midstream Players Must Take Steps to Improve Customer Satisfaction

Proposed Universal-Hanover Merger Earns Mostly High Marks

Disappointing Natural Gas Results Bring Down Enbridge Quarterly Earnings

Propane Frac Spreads Climb, While Conway Ethane Margins Fall More than 50%Targa

Targa Hopes To Raise Up To $352.8 Million in IPO

Fort Union Plans to Double Gathering Pipeline Capacity

Spectra Energy, CenterPoint Energy Shelve Mid-continent Crossing Pipeline

Proposed Pacific Connector Gas Pipeline Announces Open Season

Propane Inventories Fall by Near Record 6.2 Million Bbls

Big Chill Heats Up Propane Prices

Inside Look at Processing Trends

Midstream Sector Earns Low Customer Satisfaction Marks in Latest EnergyPoint Survey

The natural gas midstream sector earns low customer satisfaction marks when compared with certain other segments of the oil and gas industry, EnergyPoint Research's latest Customer Satisfaction Survey shows.

"The survey's results certainly seem to suggest that, on average, providers of natural gas midstream services in the U.S. have plenty of room for improvement," says Doug Sheridan, founder and managing director of Houston-based EnergyPoint Research. "In fact, the average rating for all midstream providers rated in the survey settled very near the ratings level received by the Internal Revenue Service in independent surveys."

Using a rating scale of 1 to 10, the mean customer satisfaction rating of the midstream sector in Energy Point's 2006 customer satisfaction stands at 6.46. Compare that to a customer satisfaction rating of 6.40 for the Internal Revenue Service and a 7.10 for the U.S. Postal Service.

One other way to look at is that the midstream sector earns a D when it comes to customer satisfaction. Sheridan stresses it is critical for midstream players to actively step up their efforts to improve customer satisfaction. "If you have an overall customer satisfaction of 6.50 or below, you clearly have a problem," he stresses.

Midstream's 6.46 average rating in customer satisfaction in 2006 compares to 7.18 average earned by the drilling and well site contractors in the same year; 7.40 average earned by the drilling/well site equipment and materials sector in 2005; and 7.48 average earned by well site contractors in 2004.

EnergyPoint's 2006 average rating by each midstream sector breaks down as follows:

- NGL Services: 6.18
- Gas Purchasing: 6.16
- Gas Transportation & Storage: 6.15
- Gas Processing & Treating: 6.14

EnergyPoint's 2006 survey puts MarkWest Energy Partners at No. 1 in customer satisfaction. In last place at No. 16 is Oklahoma City-based Enogex. Following MarkWest at No. 2 is Copano Energy, at No. 3 is TEPPCO and No. 4 is Regency Gas Services and No. 5 is Crosstex Energy. Second to last, just above Enogex, at No. 15 is ONEOK Field Services, then No. 14 Duke Energy Field Services (now DCP Midstream) preceded by No. 13 Sid Richardson and No. 12 Energy Transfer.

"The midstream's overall customer satisfaction level as measured by EnergyPoint Research clearly lags that of the other oil and gas sectors we rate, namely upstream oilfield product and service companies. Ratings for gas processing and treating, gas transportation and storage, gas purchasing, and NGL-related services were particularly low."

Clearly, one prevailing question comes to mind: What are the reasons for midstream's low customer satisfaction ratings?

"In our opinion, this lower level of customer satisfaction reflects an unusual reluctance on the part of upstream companies to credit gatherers and processors with adding much in the way of value," Sheridan explains. "One potential reason for this is that many producers own and operate their own gathering and processing assets. This familiarity with the sector reduces the incremental value producers place on having these kinds of services provided by outside parties. It also helps explains why producers are more sensitive to the prices they pay for midstream services than for certain other services."

Another reason for the low customer service marks may well be the master limited partnership structure itself, Sheridan maintains. "Executives at MLPs focus a lot of their time on raising capital rather than finding ways to satisfy the customer," he explains. "In many Monday morning executive staff meetings, I suspect they're focusing more on financially engineering ways to grow. Yet, I do not get the sense that they don't spend a lot of energy on finding better ways to satisfy their customers."

Also lowering approval and frustrating customers is the significant amount of mergers and acquisition activity in the midstream sector over the last decade, and the resulting lack of continuity in ownership of midstream assets, Sheridan points out.

It is critical that midstream players make every effort to improve their relationships with customers. "You must prove to your customers that you are providing real value and service for the fees you charge," Sheridan says.

He points to the No. 1 and No. 2 ranked companies in the survey: MarkWest and Copano Energy. Both are relatively small players that have done a great job staying close to their customers. "Although both have made acquisitions recently, they have been able to do so without compromising the quality of their service," Sheridan says.

"Both have done well in the eyes of investors as well: price gains in their publicly traded partnership units since the survey strongly outpaced price performance by their peers," he adds. Sheridan says this clearly shows that improved customer satisfaction is a key way to achieve the ultimate goal of improved financial performance to unit holders.

MarkWest earned high marks for gas gathering and purchasing. "It's strong performance suggests the company has what it takes to please customers in a fickle marketplace," Sheridan notes.

As for No. 2 Copano, Sheridan points out that expansion of operations hasn't compromised quality and service. Sheridan says Copano faired well with respondents of larger companies. Its back office also earned high marks.

Last place finisher Enogex has begun working on improving its customer satisfaction, and the company clearly has a lot of work to do, Sheridan says. "The company's rating is one of the lowest we've seen since EnergyPoint began conducting surveys in the oil patch in 2003," he points out. "Low marks for service and professionalism appear to be just a part of the problem."

Second to last ONEOK Field Services doesn't fair much better, "This year's survey revealed few bright spots for ONEOK," Sheridan says. "The reliability and condition of its assets stood out as a sore spot with some, as did its lack of flexibility and responsiveness in dealing with customers."

And if the midstream sector fails to improve their level of customer satisfaction, they may lose many of their producer customers who may decide it's more cost effective to invest in the infrastructure and do their own processing rather than farm it out to the midstream sector, Sheridan cautions.

The very competitive nature of the midstream sector makes customer satisfaction all the more important. "Providers that are not prepared to meet the evolving needs of their customers can easily fall behind the competition or even disappear altogether," Sheridan warns in Energy Point's 2006 midstream survey.

A key message associated with the survey is that midstream providers that view and act upon customer satisfaction as a component of corporate strategy rather than a simple consequence of doing business gain real competitive advantages. This is especially relevant given the current trend among midstream companies to grow their businesses more organically than in the past.

"Managers looking to lead their organizations in optimizing customer satisfaction must know which service and provider attributes are most and least important to customers and how their own companies and competitors stack up across these attributes," the survey report states. "Managers who understand the implications of their strategies can more effectively set priorities and allocate resources to achieve their objectives."

Back to contents

Midstream Players Must Take Steps to Improve Customer Satisfaction

EnergyPoint Research is known as the J.D. Power & Associates of the oil and gas industry.

Founded by Doug Sheridan in 2003 and headquartered in Houston, EnergyPoint Research is an independent market research firm specializing in measuring and monitoring customer satisfaction in the oil and gas industry. "EnergyPoint's objective is to perform customer satisfaction research. EnergyPoint is not a consultant and does not perform consulting services. The company was structured in this manner from day one in an effort to avoid conflict-of-interest issues," explains Sheridan, who carries the title of president and managing director for EnergyPoint.

Sheridan is no stranger to the midstream sector. Prior to forming EnergyPoint Research, he was director of strategic planning at El Paso Energy's field services group.

Prior to this, he managed the commercial aspects of one of the company's larger gathering and processing assets.

Sheridan stresses that all surveys are independently developed, managed and funded by EnergyPoint. "EnergyPoint is not hired by any product or service provider to perform its survey or publish its reports," he adds.

Objectivity and independence are the keys, he stresses.

Sheridan is hopeful midstream players will take the 2006 survey to heart and improve their relatively low overall average rating of 6.46. "Virtually all providers of midstream services would do well to improve the level of service and professionalism they currently show customers," he says.

"In particular, providers that are both flexible and responsive to customer needs, while demonstrating a genuine accountability in resolving problems and disputes, stand to gain in the eyes of customers. And if they can keep their costs under control, and thus their prices down, all the better."

Sheridan's 2006 midstream survey was comprehensive in scope.

The survey reflects opinions collected through more than 790 evaluations completed from April 2005 through March 2006 by 188 respondents at 175 domestic producers, marketing companies and industrial customers.

To develop the survey, EnergyPoint interviewed executives, supply management and commercial personnel, operational personnel and other users of midstream service providers at a variety of E&P companies and midstream customers. Through these interviews, 21 specific areas believed to impact customer satisfaction across seven broader provider attributes were identified.

Respondents also evaluated providers across six midstream service categories and seven geographic regions.

The survey was conducted by traditional mail as well as online via a secure web-based platform.

The 2006 survey shows one clear finding: Customer service and professionalism along with pricing and contract terms are the most important attributes that influence customer satisfaction. They are followed by personnel, corporate capabilities and project development.

"Providers that meet or exceed customers' needs in these areas enjoy higher levels of customer loyalty and retention, which in turn leads to higher revenues, lower overall costs and improved investor returns. This recognized dynamic is the driving force behind a positive relationship between customer satisfaction and provider profitability and investor returns," states EnergyPoint.

For more information on EnergyPoint Research and the 2006 midstream survey, contact Doug Sheridan at (713) 529-9450 or e mail him at dsheridan@energypointresearch.com. You can access the company's website at www.energypointresearch.com.

Back to contents

Proposed Universal-Hanover Merger Earns Mostly High Marks

Universal Compression Holdings Inc. and Hanover Compressor Co.'s proposed merger announced Monday earned mostly favorable marks with analysts agreeing that the two are clearly worth more together than apart.

Wachovia analyst Brad Handler called the proposed merger a "nice move," citing cost savings potential and a larger more diverse international platform as plusses. Buckingham Research Group analyst Robert Christensen listed the prospect for $50 million in annual savings as a major plus for the consolidation.

Bank of America analyst James Wicklund believes that the two companies together will control about 70% of the U.S. compression rental market. Merrill Lynch analyst Gabe Moreen says the new entity would likely control 62% of the domestic natural gas compression services market.

"Should the announced merger go through, we would view the transaction as a significant positive for Universal Compression's master limited partnership, Universal Compression Partners," Moreen notes in a research report. "The merger should make our primary bullish angle on Universal Compression Partners (a drop-down of assets from its parent) all the more compelling. The combined entity would have a much greater pool of assets to drop down to the MLP over time."

The new company, which will have a new name to be announced later this year, will have market capitalization of $3.8 billion. Company officials hope to close the merger by the third quarter of this year. The companies described the plan as a "merger of equals."

As part of the agreement, Hanover stockholders will receive 0.325 shares of the new company for each share of Hanover they own while Universal stockholders will receive one share of the new company for each share of Universal they own. This is based on the closing market prices for shares of both companies on Feb. 2.

Hanover stockholders initially will own about 53% and Universal stockholders about 47% of the new company. The merger is expected to be tax-free to stockholders of both organizations.

Under the new structure, Stephen Snider, Universal's chairman, president and CEO, will serve as president and CEO and as a director. Gordon Hall, Hanover's chairman, will serve the same role for the new company. The new company's board will consist of 10 directors, five each designated by Universal and Hanover.

"The combination of Hanover and Universal brings together two highly respected companies in the natural gas compression and production and processing equipment fabrication industry. Both companies have an excellent team of employees known for their dedication to customer service," Snider said.

The merger will likely clear antitrust hurdles. Hanover and Universal are the top two players in the compression business, controlling two-thirds of the contract business between them, but the majority of compression is still producer owned. In a conference call explaining the merger Monday, company officials said 1/3 of compression is now outsourced while 2/3 is customer owned.

Back to contents

Disappointing Natural Gas Results Bring Down Enbridge Quarterly Earnings

Enbridge Energy Partners' fourth quarter performance was brought down due to weaker than expected results in the natural gas segment because of higher operating and administrative expenses, according to Merrill Lynch analyst Gabe Moreen.

Enbridge reported fourth quarter recurring earnings per limited partner units of 52¢ versus Merrill's adjusted estimate of 68¢ and consensus of 65¢.

Enbridge management cited higher integrity spending of $7 million as the driving factor behind the company's disappointing natural gas segment results. Cost increases associated with higher volumes, including higher repairs and maintenance and workforce related expenses, also contributed to disappointing quarterly results.

"Despite the seasonal timing of operating and administration expenses, we are still concerned with potential cost inflation at EEP's natural gas segment as the partnership completes spending on its $610 million East Texas Extension and Expansion project," Moreen noted in an earnings analysis.

In addition, lower crude prices relative to natural gas prices may negatively impact Enbridge's processing margins this year. "However, Enbridge has hedged a large portion of its keep-whole processing exposure (approximately 75% of expected 2007 keep-whole processing margins), which should somewhat mitigate potential margins declines," Moreen explained.

Merrill Lynch is reducing its 2007 earnings per unit estimate from $3.00 to $2.37 on the weaker than expected fourth quarter results, higher operating and administrative expenses and a projected weakening of processing margins. Merrill pegs 2008 earnings per unit at $2.40. "Our 2007/08 earning per unit estimate forecasts are negatively impacted by Enbridge's need to finance its large capex program ahead of realizing the full benefit of these projects," Moreen explained.

RBC Capital Markets analyst Mark Easterbrook notes that fourth quarter natural gas segment performance was down slightly due to lower per-unit margins, despite higher volumes and favorable processing margins. Segment EBITDA fell off significantly relative to the third quarter 2006 $40.6 million versus $59.9 million.

"We look for segment EBITDA to rebound in the first quarter 2007," Easterbrook stressed. "The volumes of East Texas, Anadarko and North Texas systems combined to eclipse the 2 million mmBTU market for the first time. Our estimate for the quarter was a bit more optimistic, expecting a rise in operating income as the concomitant outcome from an improvement in volumes and reduction in operating costs."

Back to contents

Fractionation Spread

Margins moved up for most of the liquids with propane frac spreads showing gains at both Mont Belvieu and Conway. Mont Belvieu ethane showed improvement as well, but. margins for Conway ethane fell more than 50% on higher gas prices.

Margins for normal butane and isobutane also slipped at both locations while natural gasoline gained ground in Texas and Kansas. The gross margin for the barrel gained 36¢ at Conway, reaching $25.35. In Mont Belvieu, the barrel improved 97¢ to $26.89. Tuesday spot gas prices, compared to a week ago, were up 7¢ on NGPL Midcontinent and 13¢ on the Houston Ship Channel.

Spot prices slid Tuesday at nearly every price point, falling for the first time in five trading session, on moderating weather and a less panicked buying session. Ample supplies still worked to keep a lid on prices. Inventories remain at their highest level ever for this time of year.

The National Weather Service continues to call for below normal readings for the eastern two-thirds of the nation for the next 14 days. Normal or above normal readings are forecasted for the West.

Meanwhile, Houston consultants EnVantage point out that their calculations show that spot ethane frac spreads are not sufficient to support ethane extractions in the month of February. Even though Mont Belvieu ethane prices should hold at least a

Current Frac Spread (Cents/Gal)

Date: February 6, 2007	Conway	Mont Belvieu
Ethane	49.89	57.47
Shrink	46.35	48.19
Margin	3.54	9.28
Propane	93.01	97.06
Shrink	63.94	66.47
Margin	29.07	30.59
Normal Butane	97.23	107.76
Shrink	69.60	72.35
Margin	27.63	35.41
Iso-Butane	133.00	114.07
Shrink	72.39	75.25
Margin	60.61	38.82
Pentane+	134.00	133.16
Shrink	78.32	81.42
Margin	55.68	51.74
NGL $/Bbl	37.00	38.16
Shrink	25.51	26.52
Margin	11.49	11.64
Gas ($/mmBtu)	6.98	7.26
Gross Margin in $/bbl	25.35	26.89
NGL Value in $/mmBtu		
Ethane	2.74	3.16
Propane	3.23	3.37
Normal Butane	1.09	1.21
Iso-Butane	0.80	0.68
Pentane+	1.71	1.70
Total Barrel Value in $/mmbtu	9.57	10.12
Margin	2.59	2.86

Price, Shrink of 42-gal NGL barrel based on following: Ethane, 36.5%; Propane, 31.8%; Normal Butane, 11.2%; Isobutane, 6.2%; Pentane+, 14.3%, Fuel, frac, transport costs not included. Conway gas based on NGPL Midcontinent zone, Mont Belvieu based on Houston Ship Channel. Shrink is defined as Btus that are removed from natural gas through the gathering and processing operation.

42% price relationship with crude, gas-to-crude ratios should remain in the 75% to 80% range, squeezing ethane margins in most processing regions below 6¢/gal. This certainly rings true in Conway this week where ethane frac spreads are 3.54¢/gal.

Back to contents

Midstream News

Targa Hopes To Raise Up To $352.8 Million in IPO

Targa Resources Partners hopes to raise up to $352.8 million in an initial public offering of 16.8 million common units.

In a filing with the Securities and Exchange Commission, Targa said it expects and IPO range of $19 to $21 per unit. Targa's units will trade on the NASDAQ Global Market under the symbol "NGLS." Timing for the IPO has not been announced.

The common units offered to the public will represent approximately 58.1% of the outstanding equity of Targa Resources Partners or approximately 61.4% if the underwriters exercise in full their over-allotment option. Targa Resources Inc. will indirectly own the remaining equity interests in Targa Resources Partners.

Citigroup, Goldman Sachs & Co., UBS Investment Bank and Merrill Lynch will act as joint book-running managers of the offering. A.G. Edwards, Credit Suisse, Lehman Brothers and Wachovia Securities will act as senior co-manager and Raymond James, RBC Capital Markets and Sanders Morris Harris will act as co-managers of the offering.

Back to contents

Fort Union Plans to Double Gathering Pipeline Capacity

Fort Union Gas Gathering is doubling its existing gathering pipeline capacity by adding 148 miles of new gathering lines and 649 million cfd of additional capacity.

The Fort Union gas gathering is located in the Powder River Basin and gathers coal bed methane gas from wells in northeast Wyoming, including the Big George coals. The expansion project will cost approximately $110 million and will occur in two phases: 240 million cfd by Oct. 1 and 409 million cfd by Jan. 1. The additional capacity has been fully subscribed for 10 years, beginning with the in-service date of the expansion.

When the expansion project is completed, the Fort Union gas gathering system will have a capacity of 1.3 billion cfd of capacity and expand 318 miles – three 24-inch pipes running side by side for 106 miles – making it the largest capacity gathering system in the Powder River Basin.

Back to contents

Spectra Energy, CenterPoint Energy Shelve Mid-continent Crossing Pipeline

Spectra Energy and CenterPoint Energy have shelved the Mid-continent Crossing (MCX) pipeline due to lack of customer interest.

The two companies were seeking customer commitments for the pipeline that would have brought natural gas from West Texas, Oklahoma, Arkansas and the Rockies to Midwest and Northeast markets, but not enough customers signed up to make the project feasible. Competition is stiff, particularly from the Rockies Express pipeline, the Fayetteville Expansion project and the Mid-continent Express pipeline.

Still, Spectra and CenterPoint say they remain committed to projects to move Mid-continent gas in the future.

"Market and economic analyses do not support the construction of the proposed pipeline at this time," the companies said in a joint statement. "We will continue to independently evaluate opportunities for building infrastructure to transport mid-continent natural gas supplies including projects in the vicinity of the proposed MCX pipeline. We continue to believe that there is a need for infrastructure that support producer efforts to bring these non-traditional natural gas supplies to the eastern markets and should the appropriate project present itself, we would be willing to look at it jointly."

Back to contents

Proposed Pacific Connector Gas Pipeline Announces Open Season

Pacific Connector Gas Pipeline, a limited partnership between Williams Pacific Gas Pipeline, PG&E Strategic Capital and Fort Chicago LNG II U.S., announced an open season for natural gas pipeline capacity on the proposed Pacific Connector Gas Pipeline.

The Pacific Connector is an interstate natural gas transmission system designed to transport natural gas from the proposed Jordan Cove LNG Import Terminal to be located in Coors Bay, ORE. To various delivery points in southern Oregon.

The proposed pipeline includes approximately 231 miles of 36-inch diameter pipeline between Coos Bay and Malin, ORE. And approximately 20,000 horsepower of compression to provide peak day deliveries of 1 billion cfd. Proposed interconnects with other transmission systems include Willliams' Northwest Pipeline near Myrtle Creek, ORE., Pacific Gas & Electric's backbone system, Tuscarra's Gas Transmission System and Gas Transmission Northwest's system, all located near Malin, ORE.

Pacific Connector already has received expressions of interest for the majority of the capacity on the proposed pipeline. During the open season, Pacific Connector will accept binding agreements from interested parties for firm transportation capacity on the proposed pipeline fomr the LNG Terminal in Coos Bay to any delivery points along the pipeline route to Mallin, Ore. The project is on course for an early second quarter 2007 certificate application date supporting a fourth quarter 2011 in-service date.

Back to contents

Propane Inventories Fall by Near Record 6.2 Million Bbls

Frigid temperatures over many parts of the Midwest and East Coast contributed to propane inventories plunging lower by a near-record 6.2 million bbls last week, according to the Energy Information Administration.

That's a sharp contrast to the more modest declines seen during the first half of the winter heating season. Last week's drawdown is the third largest weekly draw ever recorded by EIA, ranking behind a 6.7-million-bbl draw the week ending January 31, 2003 and a 6.5-million-bbl draw during the week ending January 15, 1999.

With some of the most severe weather occurring in the Midwest last week, the region reported the largest weekly decline in propane inventories amongst all regions, measuring 3.2 million bbls.

This was followed by the Gulf Coast region with a drop of 2.3 million bbls last week. The East Coast region posted a weekly decline in inventories of 500,000 bbls, while the combined Rocky Mountain/West Coast region moved lower by 200,000 bbls. Propylene non-fuel use inventories moved higher last week by 200,000 bbls and accounted for a 7.9% share of total propane/propylene inventories. The prior week's propylene non-fuel use share was 6.6%.

Back to contents

NGL Price Boxscore

Big Chill Heats Up Propane Prices

The big chill helped to heat up propane prices for the second week in a row with prices holding strong in the 90¢ range and even flirting with the dollar mark a time or two. With generally cold weather expected in propane-consuming regions for most of February, propane should hold to the mid-90¢ range as long as winter weather remains.

Demand for propane in the northeast and Midwest remains brisk due to the onslaught of brutally cold weather. Propane trading was quite active for the week which gave the bulls motive to charge. Still, storage levels are strong which will likely make the $1 barrier hard to break. Reasonably strong imports are also keeping a lid on prices. And if winter weather retreats, propane prices will likely fall below the 90¢ mark.

Improving petrochemical demand also gave a boost to Mont Belvieu ethane, but Conway ethane dropped for the week. Still, the barrels at both locations showed gains, climbing 87¢ at Mont Belvieu to $38.14 and inching up 38¢ at Conway to $37.00. Normal butane and isobutane lost ground at both locations on light demand and limited trading. Natural gasoline showed nice improvement in Texas and Kansas on mostly light trading.

The month of February is starting on a bullish note compared to January. In January, the barrel closed at $36.29 in Mont Belvieu, down significantly from the $39.28 mark set in December. The Conway barrel for January closed at $35.41, a sizable jump from the $38.01 mark reached in December.

Most analysts expect stronger ethane prices for February and March, compared to January, thanks to strengthening end user demand. Naphtha prices should also enjoy price gains going into March. Still, ethane will continue the pattern of following the lead of crude.

Houston consultants EnVantage note that their calculations show ethane at 57¢/gal is a more economical ethylene feedstock than naphtha and propane. "Ethane is worth 65¢//gal compared to propane at 96¢/gal. Against naphtha or natural gasoline prices, ethane is worth around 58¢/gal," Terry Ciliske and Peter Fasullo point out in their weekly energy report.

Mont Belvieu	**Eth**	**Pro**	**Norm**	**Iso**	**Pen+**	**NGL Bbl**
Jan. 31-Feb. 6, '07	57.47	97.06	107.76	114.07	133.16	**$38.14**
Jan. 24-30, '07	54.89	93.47	109.06	126.81	126.53	**$37.27**
Jan. 17-23, '07	53.67	88.06	105.78	117.32	124.75	**$35.89**
Jan. 10-16. '07	53.85	86.93	106.90	112.50	122.94	**$35.59**
January '07	54.58	89.41	107.36	115.66	125.65	**$36.29**
December '06	63.16	96.84	112.84	114.89	133.29	**$39.28**
4th Qtr '06	61.85	94.86	111.23	111.99	130.83	**$38.52**
3rd Qtr '06	74.42	109.82	128.36	129.37	152.40	**$45.06**
2nd Qtr '06	66.87	104.95	121.77	126.29	151.66	**$42.84**
1st Qtr '06	56.30	94.33	118.84	129.01	139.94	**$39.07**
Feb. 3 - 8, '06	56.81	94.69	123.16	130.53	138.13	**$39.34**
Conway, Group 140	**Eth**	**Pro**	**Norm**	**Iso**	**Pen+**	**NGL Bbl**
Jan. 31-Feb. 6, '07	49.89	93.01	97.23	133.00	134.00	**$37.00**
Jan. 24-30, 07	53.27	89.42	97.58	135.00	125.44	**$36.62**
Jan. 17-23, '07	48.76	85.72	97.25	114.00	121.25	**$34.57**
Jan. 10-16, '07	48.00	84.99	99.81	111.50	122.79	**$34.53**
January '07	50.26	86.90	99.12	116.13	125.54	**$35.41**
December '06	51.93	94.47	109.61	118.98	137.35	**$38.01**
4th Qtr '06	52.31	94.13	105.88	114.65	129.25	**$37.17**
3rd Qtr'06	72.02	108.27	122.23	133.81	149.64	**$44.84**
2nd Qtr '06	63.60	104.24	117.65	130.82	162.14	**$43.51**
1 Qtr '06	53.86	92.07	117.35	136.58	147.34	**$39.60**
Feb. 3-8, '06	52.69	92.74	122	117.5	144.72	**$38.51**

Data Provided By ChemConnect. Individual product prices in cents per gallon.NGL Barrel: dollars per 42 gallons.

Back to contents

Gas Processors Report

HART

Editor
John Hart

Group Publisher
David Givens

Marketing
Julianne Johnson

Production
Jennifer Burtchette

Executive Vice President, Hart Energy Publishing, LP
Frederick L. Potter

President and CEO, Hart Energy Publishing, LP
Richard A. Eichler

Subscription Services
1-800-874-2544
custserv@hartenergy.com