Decade Low Natural Gas Prices Force Companies to Change Strategies

12.04.2012 | Marketwired

Five Star Equities Provides Stock Research on EOG Resources and Southwestern Energy

NEW YORK, NY -- (Marketwire) -- 04/12/12 -- Natural gas prices continue to free-fall, and for the first time in over a decade, prices dropped to $2 on Wednesday. "The gas market has been somewhat lucky in prior years, because we had several hot summers and several cold winters. But their luck ran out, and it ran out in a big way," said Amber McCullagh, senior analyst for research and consulting firm Wood Mackenzie. Five Star Equities examines the outlook for companies in the Oil & Gas Industry and provides equity research on EOG Resources, Inc. (NYSE: EOG) and Southwestern Energy Company (NYSE: SWN).

Access to the full company reports can be found at:

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According to numbers put out by the U.S. Energy Information Administration (EIA), U.S. storage facilities are holding 60 percent more gas than normal. This glut of natural gas has forced prices to drop by 59 percent from last summer's peak of $4.85. The EIA predicts natural gas storage will be at record highs of 4.04 trillion cubic feet by October, levels hit 2.5 trillion cubic feet in March.

Companies are being forced to move rigs out of natural gas fields to more profitable fields bearing crude oil and higher-value natural gas liquids. "There's really not that many ways out of it," said Alan Lammey, energy analyst for Weatherbell Analytics. "They either have to change their game plans and start going after more oil-based plays, or they have to file bankruptcy or sell their assets."

Five Star Equities releases regular market updates on the Oil & Gas Industry so investors can stay ahead of the crowd and make the best investment decisions to maximize their returns. Take a few minutes to register with us free at www.FiveStarEquities.com and get exclusive access to our numerous stock reports and industry newsletters.

EOG Resources, Inc. reported a fourth quarter 2011 net income of $120.7 million, or $0.45 per share. This compares to fourth quarter 2010 net income of $53.7 million, or $0.21 per share. For the full year 2011, EOG reported net income of $1,091.1 million, or $4.10 per share, as compared to $160.7 million, or $0.63 per share, for the full year 2010.

Southwestern Energy Company announced the pricing of $1 billion principal amount of 4.10% Senior Notes due 2022. The notes were issued at 99.877% of par to yield 4.115%. Southwestern Energy intends to use a portion of the net proceeds of the offering to repay the amount outstanding under its revolving credit facility and the remaining net proceeds will be used for general corporate purposes.

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