



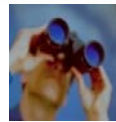
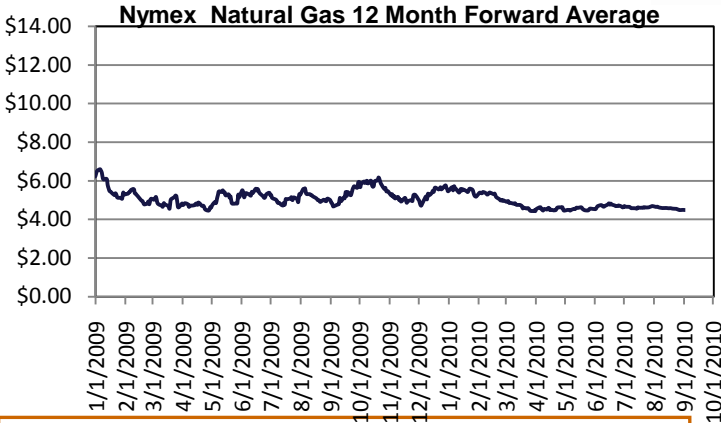
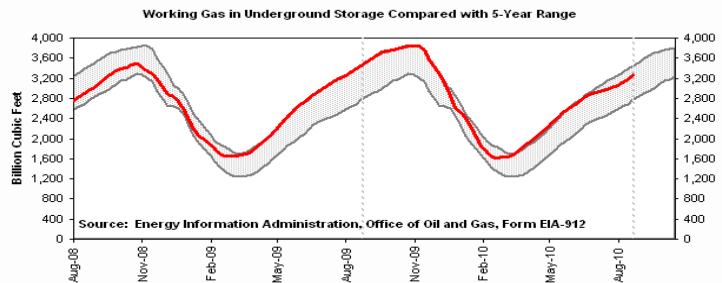
### Market Update & Outlook



**Weather:** Dry and mild weather is expected across the region. Temperatures should begin to climb by Wednesday ahead of the system that will bring storms later Monday and Monday night in the Plains and Upper Mississippi Valley. After a few showers in the Mid-Atlantic on Thursday, a new system will bring another round of storms to the region by next Friday and Saturday. Along the coast, swells generated by distant Hurricane Igor will create rough conditions in the coastal waters and produce dangerous rip currents for the next couple of days. Highs will mostly be in the 60s and 70s, with some 80s possible in western West Virginia and across the Delmarva Peninsula.

Check out our website at [www.rileynaturalgas.com](http://www.rileynaturalgas.com)

**Storage to compare with 5 year range:** Working gas in storage was 3,267 Bcf as of Friday, September 10, 2010, according to EIA estimates. This represents a net increase of 103 Bcf from the previous week. Stocks were 182 Bcf less than last year at this time and 192 Bcf above the 5-year average of 3,075 Bcf. In the East Region, stocks were 7 Bcf above the 5-year average following net injections of 54 Bcf.



**Market Watch:** At the NYMEX, the price of the October 2010 contract increased \$0.18 per MMBtu during the report week to \$3.995. After steadily increasing over the last 2 weeks, the October contract is now priced about 9.4 percent higher than the expiration price of \$3.651 per MMBtu for the September 2010 contract. The 12-month strip, which is the average price of natural gas futures contracts over the next year, ended trading yesterday at \$4.48 per MMBtu, which was \$0.07 per MMBtu higher than the price of the strip last week. The current price of the October 2010 contract is about \$0.27 per MMBtu higher than the final price of the October 2009 contract.

#### Natural Gas Nymex Trading 09/16/10

Month	High	Low	Last	Change
Oct'10	\$4.020	\$4.020	\$4.062	\$0.067
Nov'10	\$4.238	\$4.238	\$4.238	\$0.047
Dec'10	\$4.450	\$4.450	\$4.450	\$0.030
Jan'11	\$4.605	\$4.605	\$4.605	\$0.019
Feb'11	\$4.606	\$4.606	\$4.606	\$0.014
Mar'11	\$4.542	\$4.542	\$4.542	\$0.008
Apr'11	\$4.456	\$4.456	\$4.456	(\$0.005)
May'11	\$4.478	\$4.478	\$4.478	(\$0.009)

#### Crude Oil Nymex Trading 09/16/10

Month	High	Low	Last	Change
Oct'10	\$74.570	\$74.570	\$74.570	(\$1.450)
Nov'10	\$76.040	\$76.040	\$75.740	(\$1.380)
Dec'10	\$77.190	\$77.190	\$77.190	(\$1.210)
Jan'11	\$78.330	\$78.330	\$78.330	(\$1.100)
Feb'11	\$79.180	\$79.180	\$79.180	(\$1.030)
Mar'11	\$79.880	\$79.880	\$79.880	(\$1.000)
Apr'11	\$80.400	\$80.400	\$80.400	(\$0.980)
May'11	\$80.820	\$80.820	\$80.820	(\$0.970)

#### September Indices

September Nymex - \$3.6510  
 Columbia Gas Transmission- \$3.700  
 Dominion Transmission- \$3.700  
 \*Indices are the first of the month Index as published by Inside F.E.R.C.'s Gas Market Report.

#### Natural Gas Nymex Strip Prices

Strip	High	Low	Last	Change
6 mo	\$4.410	\$4.410	\$4.417	\$0.031
12 mo	\$4.485	\$4.485	\$4.489	\$0.007
Winter 10 -11	\$4.488	\$4.488	\$4.488	\$0.024
Summer 10	\$4.020	\$4.020	\$4.062	\$0.067