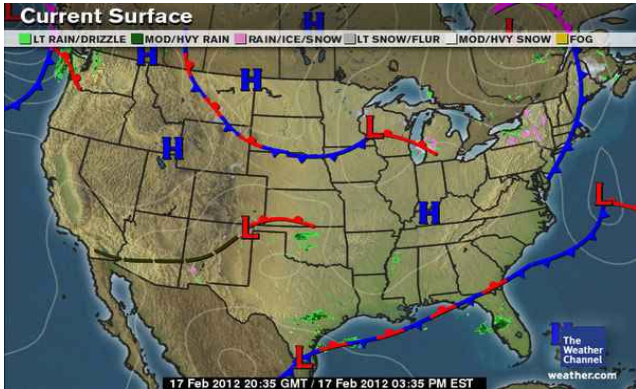




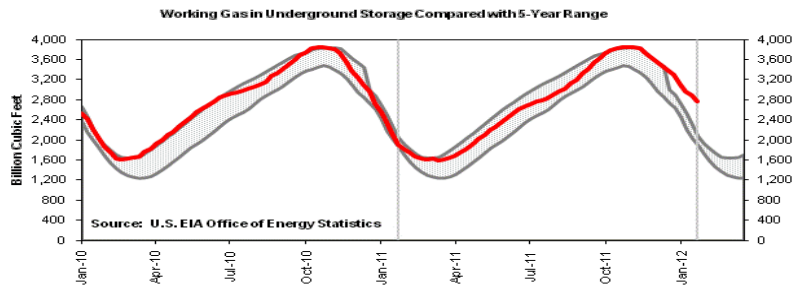
### Market Update & Outlook



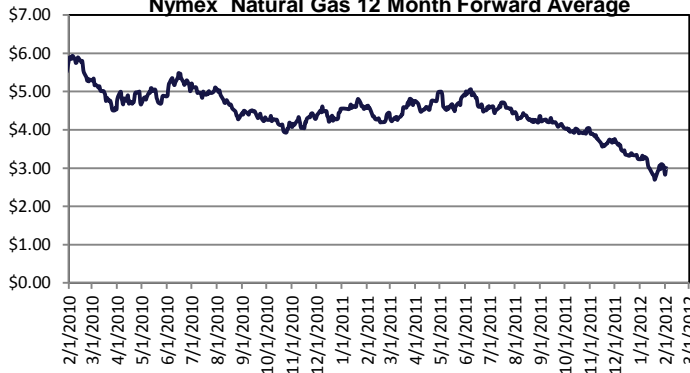
#### Weather:

- The current weak storm moves out of New England this afternoon taking the rain and snow with it.
- Snow could accumulate 1 to 2 inches before it tapers off in northern New Hampshire and northern Maine.
- Behind the storm it will be chilly enough to kick off a few lake-effect snow showers east of Lake Ontario.
- Snow should be light with most areas picking up an inch or less of snow through tonight.
- Another weak storm rockets through New York and New England Saturday producing light snow and rain showers.
- All eyes will be on the bigger storm that is expected to impact the Mid-Atlantic area Sunday.
- Currently it looks like the potential for significant snow extends across southern West Virginia and northern and central Virginia.

**Storage to compare with 5 year range:** Working gas in storage was 2,761 Bcf as of Friday, February 10, 2012, according to EIA estimates. This represents a net decline of 127 Bcf from the previous week. Stocks were 817 Bcf higher than last year at this time and 765 Bcf above the 5-year average of 1,996 Bcf. In the East Region, stocks were 302 Bcf above the 5-year average following net withdrawals of 83 Bcf.



#### Nymex Natural Gas 12 Month Forward Average



**Market Watch:** At the NYMEX, the March 2012 contract traded within a 10.7 cent range and declined slightly over the week, from \$2.448 per MMBtu last Wednesday to \$2.425 per MMBtu yesterday, a drop of 2.3 cents (0.9 percent). The contract peaked on Tuesday at \$2.532 per MMBtu (up 4.2 percent from the previous day), despite forecasts for milder temperatures and ample storage levels.

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

#### Natural Gas Nymex Trading 2/16/12

Month	High	Low	Last	Change
Mar '12	\$2.567	\$2.567	\$2.567	\$0.142
Apr '12	\$2.713	\$2.713	\$2.713	\$0.097
May '12	\$2.818	\$2.818	\$2.818	\$0.080
Jun '12	\$2.904	\$2.904	\$2.904	\$0.070
Jul '12	\$2.974	\$2.974	\$2.974	\$0.068
Aug '12	\$3.014	\$3.014	\$3.014	\$0.063
Sep '12	\$3.024	\$3.024	\$3.024	\$0.060
Oct '12	\$3.082	\$3.082	\$3.082	\$0.059

#### Crude Oil Nymex Trading 2/16/12

Month	High	Low	Last	Change
Mar '12	\$102.35	\$102.31	\$102.31	\$0.51
Apr '12	\$102.64	\$102.64	\$102.64	\$0.50
May '12	\$103.18	\$103.18	\$103.18	\$0.56
Jun '12	\$103.74	\$103.74	\$103.74	\$0.60
Jul '12	\$104.21	\$104.21	\$104.21	\$0.61
Aug '12	\$104.46	\$104.46	\$104.46	\$0.61
Sep '12	\$104.57	\$104.57	\$104.57	\$0.59
Oct '12	\$104.63	\$104.63	\$104.63	\$0.57

#### February Indices

February Nymex - \$2.678  
Columbia Gas Transmission- \$2.660  
Dominion Transmission- \$2.640  
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	\$2.832	\$2.832	\$2.832	\$0.087
12 mo	\$3.112	\$3.112	\$3.112	\$0.068
Summer 12	\$2.933	\$2.933	\$2.933	\$0.071
Winter 11 - 12	\$2.567	\$2.567	\$2.567	\$0.142