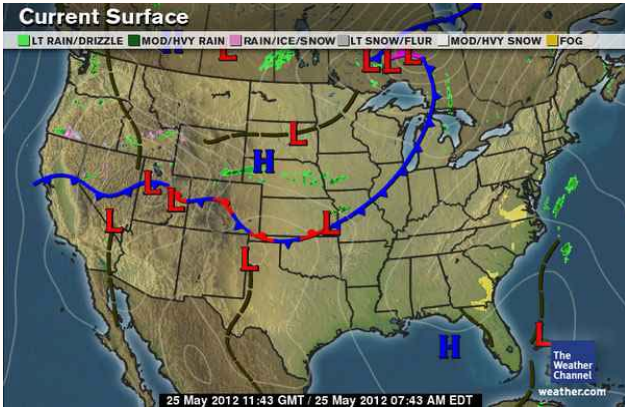




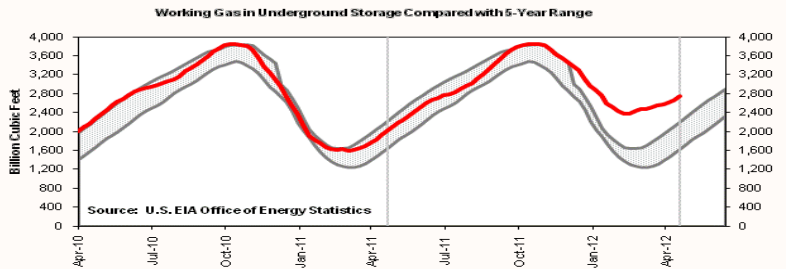
### Market Update & Outlook



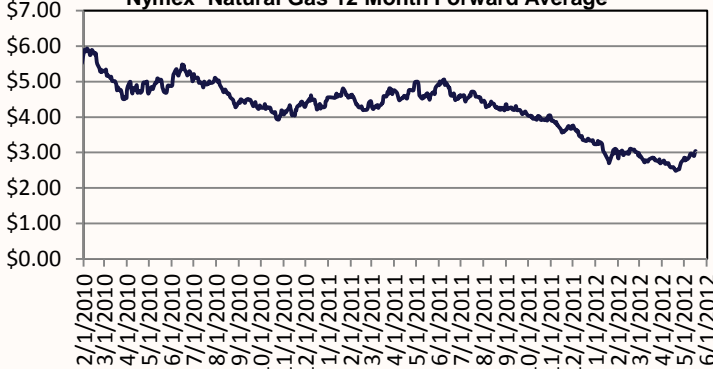
#### Weather:

- ❖ Thunderstorms possible for much of the region today and tonight
- ❖ Some severe storms are possible in the interior
- ❖ Warmer than average temperatures for most today, excluding coastal areas
- ❖ Highs will range from the 60s along the Maine Coast to around 90 in western West Virginia

**Storage to compare with 5 year range:** Working gas in storage was 2,744 Bcf as of Friday, May 18, 2012, according to EIA estimates. This represents a net increase of 77 Bcf from the previous week. Stocks were 750 Bcf higher than last year at this time and 753 Bcf above the 5-year average of 1,991 Bcf. In the East Region, stocks were 381 Bcf above the 5-year average following net injections of 45 Bcf.



#### Nymex Natural Gas 12 Month Forward Average



**Market Watch:** At the NYMEX, the June 2012 contract increased from \$2.618 per MMBtu last Wednesday to \$2.737 per MMBtu yesterday, an increase of 11.9 cents per MMBtu (4.5 percent) over the period. The June 2012 contract led the futures market upturn with a 4.5 percent rally on expectations that hotter weather (and greater consumption) was approaching and that weekly inventory builds seemed to be moderating compared to the five-year average. The 3-Month Strip (average of June-July-August contracts) followed suit with a 10.7 cent per MMBtu (4.0 percent) gain for the week.

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

#### Natural Gas Nymex Trading 5/24/12

Month	High	Low	Last	Change
Jun'12	\$2.647	\$2.647	\$2.647	(\$0.090)
Jul'12	\$2.780	\$2.755	\$2.709	(\$0.087)
Aug'12	\$2.820	\$2.795	\$2.754	(\$0.082)
Sep'12	\$2.830	\$2.830	\$2.790	(\$0.079)
Oct'12	\$2.895	\$2.895	\$2.856	(\$0.077)
Nov'12	\$3.085	\$3.085	\$3.058	(\$0.076)
Dec'12	\$3.326	\$3.326	\$3.326	(\$0.072)
Jan'13	\$3.468	\$3.468	\$3.468	(\$0.070)

#### Crude Oil Nymex Trading 5/24/12

Month	High	Low	Last	Change
Jul'12	\$90.63	\$90.60	\$90.66	\$0.76
Aug'12	\$90.94	\$90.94	\$90.94	\$0.74
Sep'12	\$91.22	\$91.22	\$91.22	\$0.72
Oct'12	\$91.46	\$91.46	\$91.46	\$0.69
Nov'12	\$91.66	\$91.66	\$91.66	\$0.65
Dec'12	\$91.85	\$91.85	\$91.85	\$0.60
Jan'13	\$92.02	\$92.02	\$92.02	\$0.58
Feb'13	\$92.09	\$92.09	\$92.09	\$0.57

#### May Indices

May Nymex - \$2.036  
Columbia Gas Transmission- \$2.070  
Dominion Transmission- \$2.070  
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	\$2.843	\$2.835	\$2.802	(\$0.082)
12 mo	\$3.135	\$3.131	\$3.115	(\$0.074)
Summer 12	\$2.794	\$2.784	\$2.751	(\$0.083)
Winter 12	\$3.361	\$3.361	\$3.355	(\$0.070)