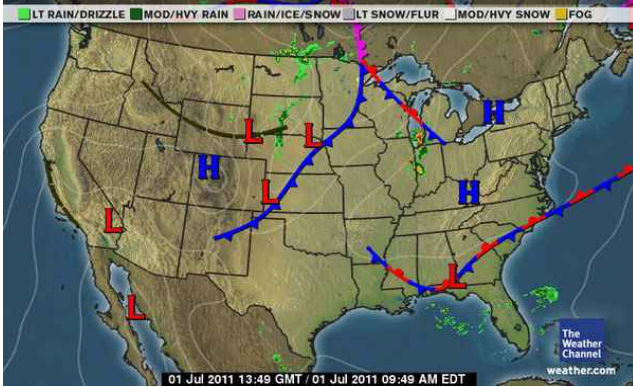




Market Update & Outlook

Current Surface



Weather:

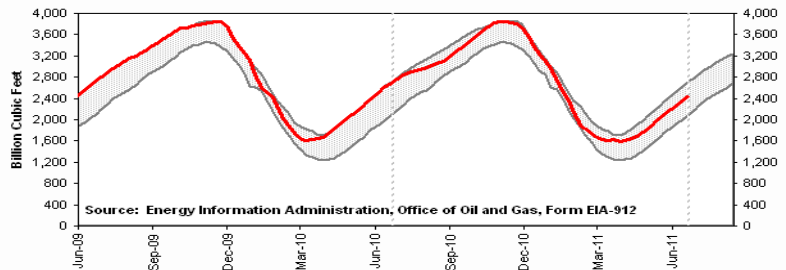
- ❖ A few light showers may fall in eastern New York/ New England
- ❖ Elsewhere it will be sunny to partly cloudy and dry
- ❖ Temperatures mostly close to average
- ❖ Highs in the 60s to lower 70s northern New York to Maine
- ❖ Highs in the upper 70s to upper 80s elsewhere



Did You Know? Natural gas from the Marcellus Shale produces a clean burning energy source possibly making the United States less dependent on foreign energy. The future economic impact this industry may have on the communities in the region could be profound. Support for safe and environmentally friendly extraction methods, are important for the economically growth in the area.

Storage to compare with 5 year range: Working gas in storage was 2,432 Bcf as of Friday, June 24, 2011, according to EIA estimates. This represents a net increase of 78 Bcf from the previous week. Stocks were 243 Bcf less than last year at this time and 63 Bcf below the 5-year average of 2,495 Bcf. In the East Region, stocks were 124 Bcf below the 5-year average following net injections of 55 Bcf.

Working Gas in Underground Storage Compared with 5-Year Range



Nymex Natural Gas 12 Month Forward Average



Market Watch: At the NYMEX, the price of the August 2011 contract decreased 3.5 cents (0.8 percent) over the week from \$4.350 per MMBtu last Wednesday to \$4.315 per MMBtu yesterday. However, the contract rose

10.4 cents over a 3 day period likely on several developing but scattered localized heat waves and speculation over formation of the season's first named tropical storm (Arlene) which served more as a reminder of things to come later rather than as a catalyst boosting prompt prices. However, these factors possibly contributed to a small increase in the price of the 3 Month Strip over the week.

Check out our new website at www.rileynaturalgas.com

Natural Gas Nymex Trading 6/30/11

Month	High	Low	Last	Change
Aug '11	\$4.400	\$4.370	\$4.374	\$0.059
Sep '11	\$4.395	\$4.395	\$4.393	\$0.059
Oct '11	\$4.432	\$4.432	\$4.432	\$0.059
Nov '11	\$4.553	\$4.553	\$4.553	\$0.060
Dec '11	\$4.739	\$4.739	\$4.739	\$0.063
Jan '12	\$4.844	\$4.844	\$4.844	\$0.067
Feb '12	\$4.839	\$4.839	\$4.839	\$0.067
Mar '12	\$4.790	\$4.790	\$4.790	\$0.071

Crude Oil Nymex Trading 6/30/11

Month	High	Low	Last	Change
Aug '11	\$95.70	\$95.70	\$95.42	\$0.65
Sep '11	\$95.96	\$95.96	\$95.96	\$0.64
Oct '11	\$96.50	\$96.50	\$96.50	\$0.66
Nov '11	\$97.04	\$97.04	\$97.04	\$0.68
Dec '11	\$97.53	\$97.53	\$97.53	\$0.72
Jan '12	\$97.96	\$97.96	\$97.96	\$0.77
Feb '12	\$98.38	\$98.38	\$98.38	\$0.81
Mar '12	\$98.78	\$98.78	\$98.78	\$0.86

July Indices

July Nymex - \$4.357

Columbia Gas Transmission- TBD

Dominion Transmission- TBD

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	\$4.561	\$4.556	\$4.556	\$0.061
12 mo	\$4.656	\$4.654	\$4.654	\$0.070
Summer 11	\$4.409	\$4.399	\$4.400	\$0.059
Winter 11 - 12	\$4.753	\$4.753	\$4.753	\$0.066