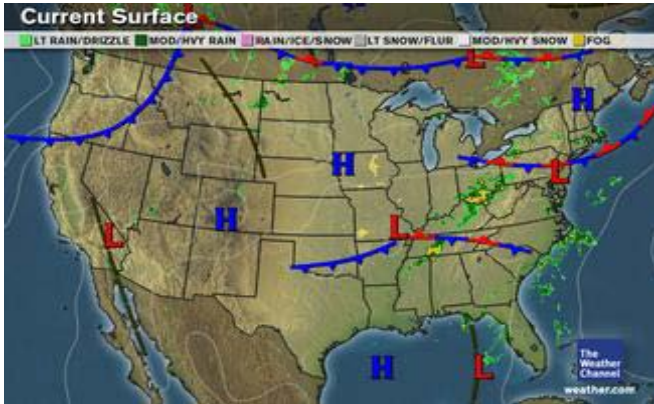




### Market Update & Outlook



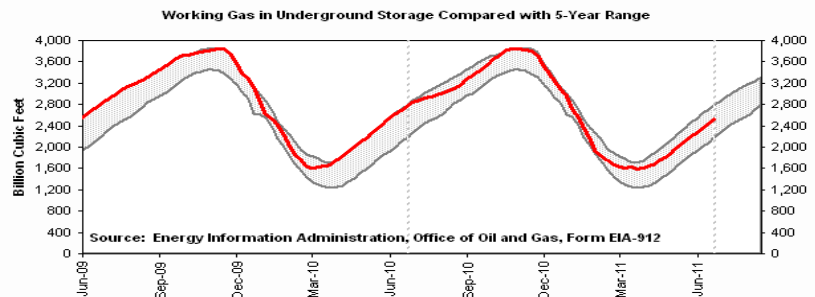
#### Weather:

- ❖ Showers and thunderstorms possible for much of the region Friday
- ❖ A few severe storms are possible in the Mid-Atlantic
- ❖ Some locally heavy rainfall is possible
- ❖ Actual highs will be in the 70s and 80s
- ❖ Most areas will have near average temperatures, except in Southern New England where cooler than average temperatures are expected



**Did You Know?** Ever since the discovery of the Crude oil and Natural gas these two commodities have taken the world by storm. Their dominance has been so much that today's worldwide economy depends totally on the production and the availability of these two precious commodities. They have dominated the international commodity market and have achieved the status of irreplaceable types of fossil fuels.

**Storage to compare with 5 year range:** Working gas in storage was 2,527 Bcf as of Friday, July 1, 2011, according to EIA estimates. This represents a net increase of 95 Bcf from the previous week. Stocks were 224 Bcf less than last year at this time and 48 Bcf below the 5-year average of 2,575 Bcf. In the East Region, stocks were 117 Bcf below the 5-year average following net injections of 62 Bcf.



#### Nymex Natural Gas 12 Month Forward Average



**Market Watch:** At the NYMEX, the price of the August 2011 contract decreased 9.8 cents (2.3 percent) over the week, from \$4.315 per MMBtu last Wednesday to \$4.217 per MMBtu yesterday. The contract fluctuated

throughout the week but saw a significant decrease at the end of the week, dropping 14.6 cents (3.3 percent) between Tuesday and Wednesday, likely as a result of a cold front moving south from Canada that has begun driving temperatures downward in portions of the Northeast and Midwest. Nearly all pricing points experienced a decline on Wednesday.

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

#### Natural Gas Nymex Trading 7/7/11

Month	High	Low	Last	Change
Aug '11	\$4.110	\$4.110	\$4.133	(\$0.084)
Sep '11	\$4.138	\$4.138	\$4.138	(\$0.084)
Oct '11	\$4.280	\$4.280	\$4.168	(\$0.092)
Nov '11	\$4.324	\$4.324	\$4.324	(\$0.087)
Dec '11	\$4.625	\$4.560	\$4.535	(\$0.082)
Jan '12	\$4.727	\$4.665	\$4.642	(\$0.079)
Feb '12	\$4.720	\$4.665	\$4.644	(\$0.077)
Mar '12	\$4.680	\$4.680	\$4.608	(\$0.072)

#### Crude Oil Nymex Trading 7/7/11

Month	High	Low	Last	Change
Aug '11	\$98.67	\$98.67	\$98.67	\$2.02
Sep '11	\$99.14	\$99.14	\$99.14	\$2.01
Oct '11	\$99.59	\$99.59	\$99.59	\$2.02
Nov '11	\$100.07	\$100.07	\$100.07	\$2.05
Dec '11	\$100.52	\$100.52	\$100.52	\$2.08
Jan '12	\$100.94	\$100.94	\$100.94	\$2.08
Feb '12	\$101.32	\$101.32	\$101.32	\$2.07
Mar '12	\$101.67	\$101.67	\$101.67	\$2.06

#### July Indices

July Nymex - \$4.357  
 Columbia Gas Transmission- \$4.480  
 Dominion Transmission- \$4.490  
 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	\$4.367	\$4.346	\$4.323	(\$0.085)
12 mo	\$4.508	\$4.489	\$4.456	(\$0.074)
Summer 11	\$4.176	\$4.176	\$4.146	(\$0.087)
Winter 11 - 12	\$4.615	\$4.579	\$4.551	(\$0.079)