



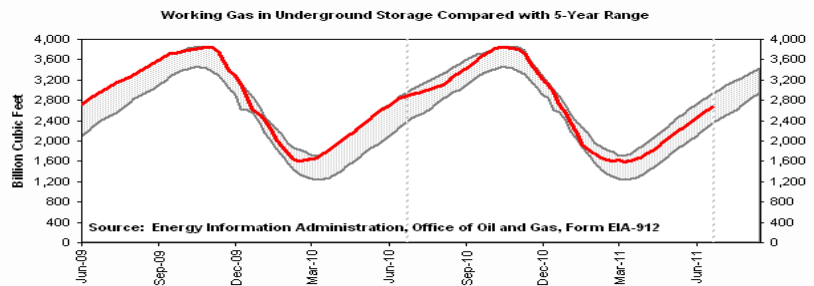
Market Update & Outlook



Weather:

- ❖ Heat continues to grip the region with some locations threatening record highs
- ❖ Numerous areas will have poor air quality as well
- ❖ Code red air quality (unhealthy for all) forecast in Washington and Baltimore
- ❖ Some showers/storms are possible in northern Maine and parts of the Mid-Atlantic
- ❖ Highs will mostly be in the 90s & 100s, with some 80s in northern New York and Northern New England

Storage to compare with 5 year range: Working gas in storage was 2,671 Bcf as of Friday, July 15, 2011, according to EIA estimates. This represents a net increase of 60 Bcf from the previous week. Stocks were 213 Bcf less than last year at this time and 59 Bcf below the 5-year average of 2,730 Bcf. In the East Region, stocks were 117 Bcf below the 5-year average following net injections of 50 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

Natural Gas Nymex Trading 7/21/11

Month	High	Low	Last	Change
Aug '11	\$4.395	\$4.395	\$4.395	(\$0.105)
Sep '11	\$4.362	\$4.362	\$4.362	(\$0.107)
Oct '11	\$4.460	\$4.460	\$4.377	(\$0.106)
Nov '11	\$4.483	\$4.483	\$4.483	(\$0.102)
Dec '11	\$4.663	\$4.663	\$4.663	(\$0.096)
Jan '12	\$4.835	\$4.835	\$4.766	(\$0.090)
Feb '12	\$4.885	\$4.885	\$4.765	(\$0.089)
Mar '12	\$4.725	\$4.725	\$4.725	(\$0.083)

Crude Oil Nymex Trading 7/21/11

Month	High	Low	Last	Change
Sep '11	\$99.13	\$99.13	\$99.13	\$0.73
Oct '11	\$99.46	\$99.46	\$99.46	\$0.68
Nov '11	\$99.85	\$99.85	\$99.85	\$0.63
Dec '11	\$100.25	\$100.25	\$100.25	\$0.59
Jan '12	\$100.63	\$100.63	\$100.63	\$0.54
Feb '12	\$101.00	\$101.00	\$101.00	\$0.49
Mar '12	\$101.34	\$101.34	\$101.34	\$0.45
Apr '12	\$101.67	\$101.67	\$101.67	\$0.41

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	\$4.533	\$4.533	\$4.508	(\$0.101)
12 mo	\$4.638	\$4.638	\$4.607	(\$0.088)
Summer 11	\$4.406	\$4.406	\$4.378	(\$0.106)
Winter 11 - 12	\$4.718	\$4.718	\$4.680	(\$0.092)