



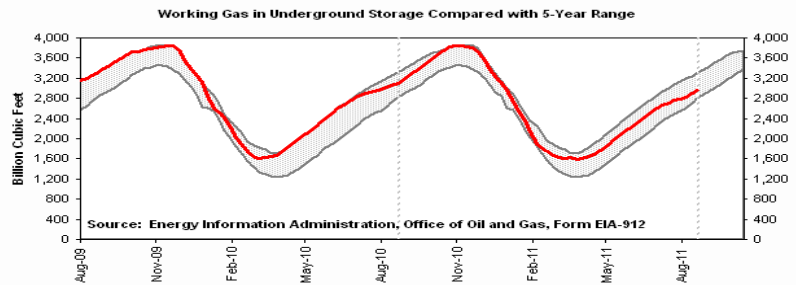
### Market Update & Outlook



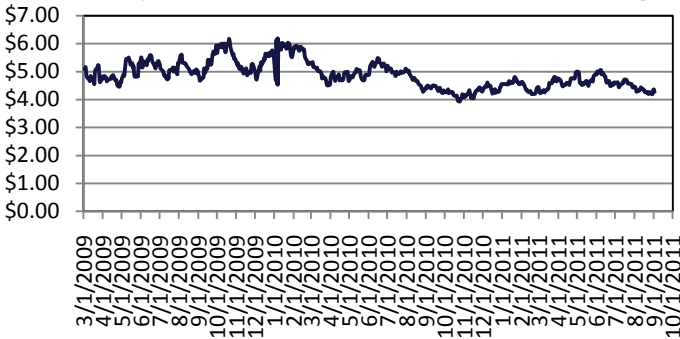
#### Weather:

- \* A few storms possible in the Mid-Atlantic and Central Appalachians today
- \* Storms from approaching front expected tonight in New York and Northern New England
- \* Hotter than average temperatures expected for much of the interior
- \* Highs will range from around 70 near the New England Coast to the upper 90s in western West Virginia

**Storage to compare with 5 year range:** Working gas in storage was 2,961 Bcf as of Friday, August 26, 2011, according to EIA estimates. This represents a net increase of 55 Bcf from the previous week. Stocks were 137 Bcf less than last year at this time and 60 Bcf below the 5-year average of 3,021 Bcf. In the East Region, stocks were 107 Bcf below the 5-year average following net injections of 54 Bcf.



#### Nymex Natural Gas 12 Month Forward Average



**Market Watch:** The October 2011 contract moved into the near-month spot, and rose from \$3.889 per MMBtu last Wednesday to \$4.054 per MMBtu yesterday. The September contract closed at \$3.857 per MMBtu on August 29, having lost 38.7 cents, or about 9 percent, during its tenure as the near-month contract. When the October contract settled yesterday at \$4.054 per MMBtu, this was the first time in over two weeks that the near-month contract closed above \$4 per MMBtu. The 12-month strip (the average of the 12 contracts between October 2011 and September 2012) rose from \$4.421 on August 24 to \$4.431 yesterday.

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

#### Natural Gas Nymex Trading 09/01/11

Month	High	Low	Last	Change
Oct '11	\$4.050	\$4.050	\$4.050	(\$0.004)
Nov '11	\$4.170	\$4.170	\$4.166	(\$0.007)
Dec '11	\$4.381	\$4.381	\$4.381	(\$0.005)
Jan '12	\$4.497	\$4.497	\$4.497	(\$0.001)
Feb '12	\$4.502	\$4.502	\$4.502	\$0.000
Mar '12	\$4.468	\$4.468	\$4.468	\$0.003
Apr '12	\$4.440	\$4.440	\$4.440	\$0.007
May '12	\$4.469	\$4.469	\$4.469	\$0.007

#### Crude Oil Nymex Trading 09/01/11

Month	High	Low	Last	Change
Oct '11	\$88.93	\$88.93	\$88.93	\$0.12
Nov '11	\$89.24	\$89.24	\$89.24	\$0.08
Dec '11	\$89.62	\$89.62	\$89.62	\$0.05
Jan '12	\$89.94	\$89.94	\$89.94	\$0.06
Feb '12	\$90.22	\$90.22	\$90.22	\$0.09
Mar '12	\$90.48	\$90.48	\$90.48	\$0.13
Apr '12	\$90.71	\$90.71	\$90.71	\$0.14
May '12	\$90.92	\$90.92	\$90.92	\$0.14

#### September Indices

September Nymex - \$3.857  
 Columbia Gas Transmission- \$ 3.900  
 Dominion Transmission- \$3.900  
 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	\$4.345	\$4.345	\$4.344	(\$0.002)
12 mo	\$4.429	\$4.429	\$4.434	\$0.003
Summer 11	\$4.050	\$4.050	\$4.050	(\$0.004)
Winter 11 - 12	\$4.404	\$4.404	\$4.403	(\$0.002)