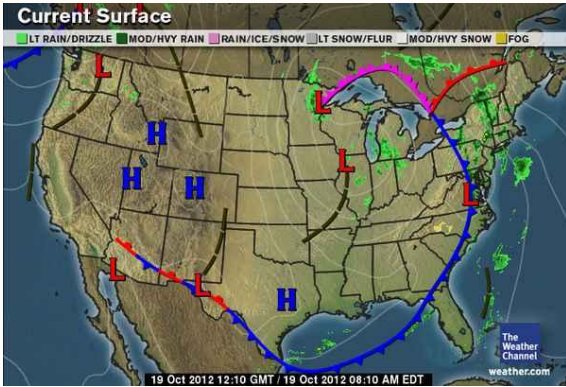




# Riley Natural Gas Company

## Energy Commodities Update For Close of Business October 18, 2012

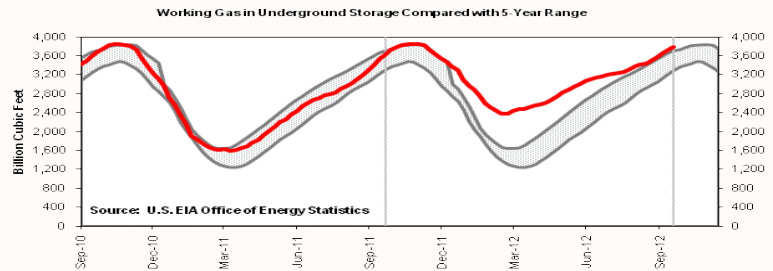
### Market Update & Outlook



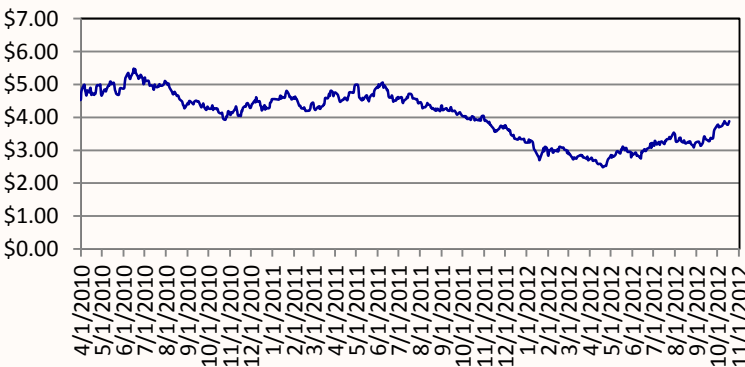
#### Weather:

- Showers will linger across the great Lakes region to northern sections of New York and New England this weekend
- The Middle Atlantic region will enjoy a dry and mild weekend
- A good weekend to observe fall colors over parts of Pennsylvania and the Middle Atlantic region

**Storage to compare with 5 year range:** Working gas in storage was 3,776 Bcf as of Friday, October 12, 2012, according to EIA estimates. This represents a net increase of 51 Bcf from the previous week. Stocks were 181 Bcf higher than last year at this time and 249 Bcf above the 5-year average of 3,527 Bcf. In the East Region, stocks were 51 Bcf above the 5-year average following net injections of 24 Bcf.



#### Nymex Natural Gas 12 Month Forward Average



**Market Watch:** At the NYMEX, the price of the near-month (November 2012) contract was essentially unchanged this report week. The contract fell slightly from \$3.475 per MMBtu last Wednesday to \$3.470 per MMBtu yesterday. Similar to the Henry Hub spot price, the futures contract rose about 13.6 cents from Wednesday to Friday. The price of the 12-month strip (the average of futures contracts from November 2012 – October 2013) increased to \$3.908 per MMBtu from \$3.890 per MMBtu last Wednesday

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#### Natural Gas Nymex Trading 10/18/12

Month	High	Low	Last	Change
Nov '12	\$3.587	\$3.587	\$3.587	\$0.117
Dec '12	\$3.904	\$3.904	\$3.904	\$0.084
Jan '13	\$4.028	\$4.028	\$4.028	\$0.072
Feb '13	\$4.036	\$4.036	\$4.036	\$0.065
Mar '13	\$3.993	\$3.993	\$3.993	\$0.063
Apr '13	\$3.941	\$3.941	\$3.941	\$0.053
May '13	\$3.960	\$3.960	\$3.960	\$0.052
Jun '13	\$3.993	\$3.993	\$3.993	\$0.050

#### Crude Oil Nymex Trading 10/18/12

Month	High	Low	Last	Change
Nov '12	\$92.10	\$92.10	\$92.10	(\$0.02)
Dec '12	\$92.53	\$92.53	\$92.53	(\$0.06)
Jan '13	\$93.02	\$93.02	\$93.02	(\$0.06)
Feb '13	\$93.48	\$93.48	\$93.48	(\$0.06)
Mar '13	\$93.90	\$93.90	\$93.90	(\$0.07)
Apr '13	\$94.21	\$94.21	\$94.21	(\$0.09)
May '13	\$94.44	\$94.44	\$94.44	(\$0.12)
Jun '13	\$94.59	\$94.59	\$94.59	(\$0.15)

#### October Indices

October Nymex - \$3.023  
Columbia Gas Transmission- \$3.010  
Dominion Transmission- \$2.960  
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	\$3.915	\$3.915	\$3.915	\$0.076
12 mo	\$3.971	\$3.971	\$3.971	\$0.063
Summer 13	\$4.015	\$4.015	\$4.015	\$0.051
Winter 12-13	\$3.910	\$3.910	\$3.910	\$0.080