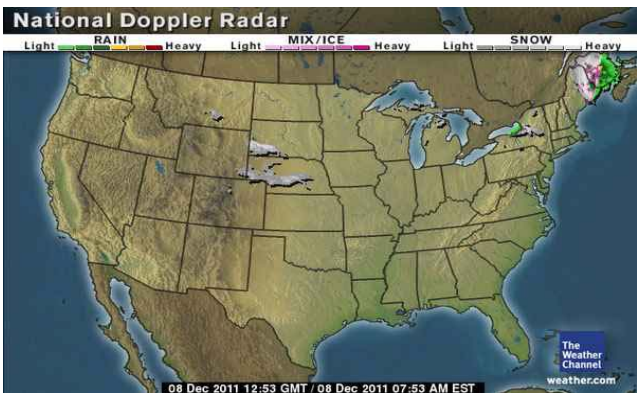




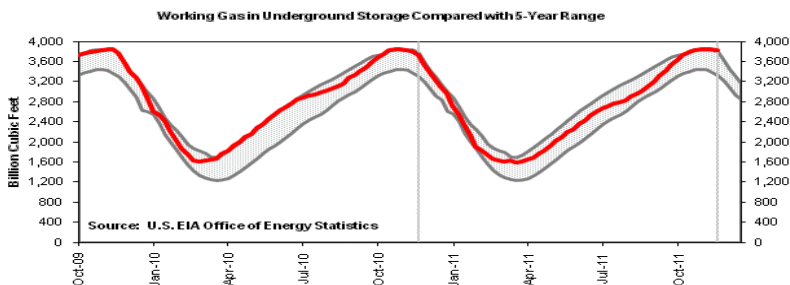
Market Update & Outlook



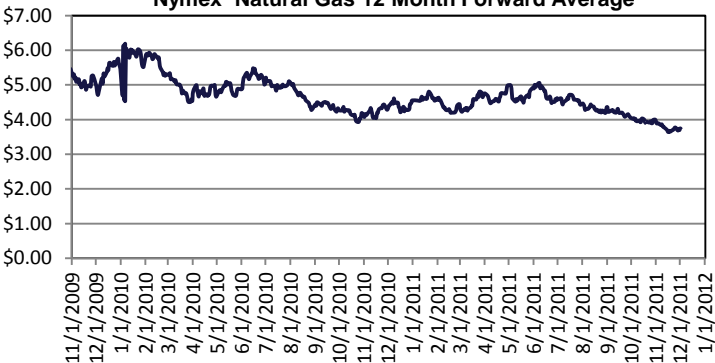
Weather:

- The storm system rapidly moves out to sea later this morning taking the rain and snow with it.
- Additional snowfall of 1 to 6 inches is possible mainly in New Hampshire and Maine.
- The heaviest snow is expected in northeast Maine.
- Most of the region dries out behind the storm.
- Some lake-effect snow showers develop from northwest Pennsylvania through western New York.
- Accumulations through tonight should generally be 2 inches or less.
- Highs today will be in the 30s over the interior and in the 40s along the coast.
- A band of light snow showers impacts western Pennsylvania through northern New York tomorrow.
- A heavier lake-effect event is expected late Friday night and Saturday.

Storage to compare with 5 year range: Working gas in storage was 3,831 Bcf as of Friday, December 2, 2011, according to EIA estimates. This represents a net decline of 20 Bcf from the previous week. Stocks were 102 Bcf higher than last year at this time and 307 Bcf above the 5-year average of 3,524 Bcf. In the East Region, stocks were 96 Bcf above the 5-year average following net withdrawals of 16 Bcf.



Nymex Natural Gas 12 Month Forward Average



Market Watch: At the New York Mercantile Exchange, the January 2012 futures contract fell from \$3.550 per MMBtu last Wednesday to \$3.421 per MMBtu yesterday. Futures prices are below their year-ago levels; as of December 7 last year, the January 2011 futures contract had ranged from \$4.180 per MMBtu to \$4.488 per MMBtu during its tenure as the near-month contract. This week, the 12-month strip (the average of the 12 contracts between January 2012 and December 2012) fell to \$3.651 per MMBtu yesterday, from \$3.754 per MMBtu last Wednesday.

Check out our new website at www.rileynaturalgas.com

Natural Gas Nymex Trading 12/8/11

Month	High	Low	Last	Change
Jan '12	\$3.457	\$3.457	\$3.457	\$0.036
Feb '12	\$3.486	\$3.486	\$3.486	\$0.028
Mar '12	\$3.493	\$3.493	\$3.493	\$0.023
Apr '12	\$3.536	\$3.536	\$3.536	\$0.018
May '12	\$3.576	\$3.576	\$3.576	\$0.016
Jun '12	\$3.617	\$3.617	\$3.617	\$0.015
Jul '12	\$3.666	\$3.666	\$3.666	\$0.011
Aug '12	\$3.691	\$3.691	\$3.691	\$0.008

Crude Oil Nymex Trading 12/8/11

Month	High	Low	Last	Change
Jan '12	\$98.34	\$98.34	\$98.34	(\$2.15)
Feb '12	\$98.54	\$98.54	\$98.54	(\$2.14)
Mar '12	\$98.74	\$98.74	\$98.74	(\$2.12)
Apr '12	\$98.93	\$98.93	\$98.93	(\$2.10)
May '12	\$99.05	\$99.05	\$99.05	(\$2.01)
Jun '12	\$99.01	\$99.01	\$99.01	(\$1.91)
Jul '12	\$98.86	\$98.86	\$98.86	(\$1.83)
Aug '12	\$98.67	\$98.67	\$98.67	(\$1.76)

December Indices

December Nymex - \$3.364
 Columbia Gas Transmission - \$3.410
 Dominion Transmission - \$3.530
 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	\$3.528	\$3.528	\$3.528	\$0.023
12 mo	\$3.665	\$3.665	\$3.665	\$0.014
Summer 12	\$3.645	\$3.645	\$3.645	\$0.012
Winter 11 - 12	\$3.479	\$3.479	\$3.479	\$0.029