



Market Update & Outlook

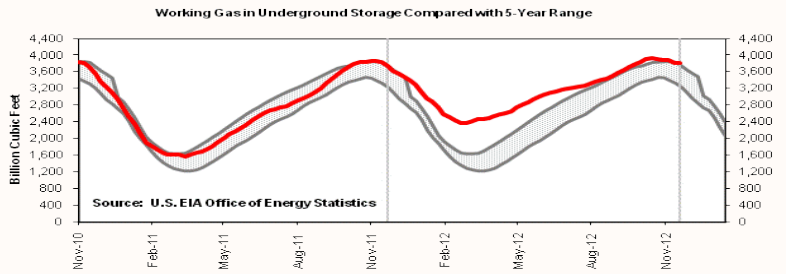
National Doppler Radar



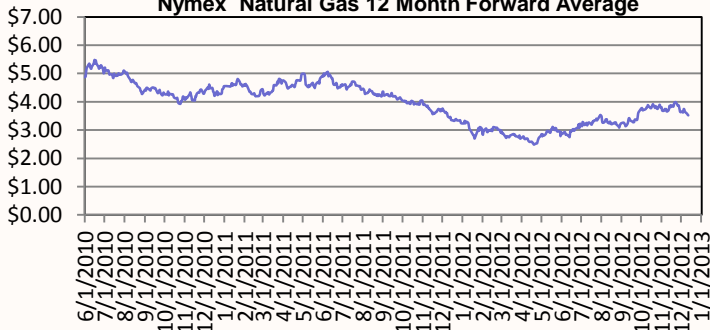
Weather:

- The storm system moves away midweek from the region with snow continuing to fly in Maine.
- Another 3 to 6 inches of snow could fall in eastern Maine before the snow ends Wednesday.
- A few snow showers are possible Wednesday in northern New York, Vermont and northern New Hampshire with no significant accumulations expected
- Dry conditions across the remainder of the region.
- Winter Storm Draco arrives with mostly rain later Thursday.
- High temperatures Wednesday range from the 30s along the Canadian border to the 50s and lower 60s in Virginia.

Storage to compare with 5 year range: Working gas in storage was 3,806 Bcf as of Friday, December 7, 2012, according to EIA estimates. This represents a net increase of 2 Bcf from the previous week. Stocks were 48 Bcf higher than last year at this time and 283 Bcf above the 5-year average of 3,523 Bcf. In the East Region, stocks were 42 Bcf above the 5-year average following net withdrawals of 12 Bcf.



Nymex Natural Gas 12 Month Forward Average



Market Watch: At the NYMEX, the January 2013 contract ended lower for the third consecutive report week, dropping by 31.8 cents, or 8.6 percent, from \$3.700 per MMBtu last Wednesday to \$3.382 per MMBtu yesterday. This was the largest decrease for the January 2013 contract recorded so far this winter. The price fell every day this week, and has decreased by a total of 52.1 cents per MMBtu since November 23. The 12-Month Strip (average of January 2013 to December 2013 contracts) closed yesterday at \$3.561 per MMBtu, down 26.2 cents per MMBtu (6.9 percent) – also its third straight week of declines and its largest drop yet this winter.

Check out our new website at www.rileynaturalgas.com

Natural Gas Nymex Trading 12/13/12

Month	High	Low	Last	Change
Jan '13	\$3.407	\$3.293	\$3.341	(\$0.041)
Feb '13	\$3.437	\$3.325	\$3.383	(\$0.029)
Mar '13	\$3.450	\$3.340	\$3.404	(\$0.022)
Apr '13	\$3.464	\$3.360	\$3.435	(\$0.009)
May '13	\$3.502	\$3.405	\$3.483	(\$0.003)
Jun '13	\$3.533	\$3.450	\$3.512	(\$0.012)
Jul '13	\$3.567	\$3.500	\$3.563	(\$0.003)
Aug '13	\$3.594	\$3.532	\$3.591	(\$0.002)

Crude Oil Nymex Trading 12/13/12

Month	High	Low	Last	Change
Jan '13	\$86.97	\$85.81	\$86.22	(\$0.55)
Feb '13	\$87.48	\$86.36	\$86.78	(\$0.53)
Mar '13	\$88.03	\$86.94	\$87.34	(\$0.55)
Apr '13	\$88.57	\$87.47	\$87.96	(\$0.48)
May '13	\$89.00	\$87.99	\$88.35	(\$0.61)
Jun '13	\$89.45	\$88.30	\$88.75	(\$0.57)
Jul '13	\$89.64	\$88.55	\$88.82	(\$0.73)
Aug '13	\$89.76	\$88.72	\$88.72	(\$0.96)

December Indices

December Nymex - \$3.696
Columbia Gas Transmission - \$3.760
Dominion Transmission - \$3.770
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	\$3.466	\$3.362	\$3.426	(\$0.019)
12 mo	\$3.572	\$3.486	\$3.551	(\$0.011)
Summer 13	\$3.557	\$3.477	\$3.545	(\$0.004)
Winter 13	\$3.431	\$3.319	\$3.376	(\$0.031)