

## Riley Natural Gas Company Energy Commodities Update For Close of Business December 15, 2011

## Market Update & Outlook



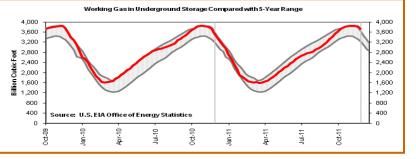
## Weather:

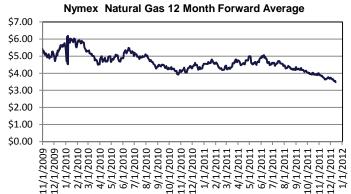
-A few rain and snow showers move through western New York and northern New England today.

Riley Natural Gas Company

- -Any snow accumulation should be an inch or less and mainly in the mountains.
- -Winds of 10 to 25 mph are forecast across New York and New England through this afternoon.
- -Lighter winds are expected tonight.
- -Rain and showers cross southern sections of West Virginia and Virginia throughout the day.
- Highs reach the 30s to lower 40s from West Virginia to northern Maine.
- Highs climb into the middle 40s and 50s from Virginia to southern Maine.

Storage to compare with 5 year range: Working gas in storage was 3,729 Bcf as of Friday, December 9, 2011, according to EIA estimates. This represents a net decline of 102 Bcf from the previous week. Stocks were 154 Bcf higher than last year at this time and 347 Bcf above the 5-year average of 3,382 Bcf. In the East Region, stocks were 133 Bcf above the 5-year average following net withdrawals of 50 Bcf.





| Natural Gas Nymex Trading 12/15/11   |  |  |   |  |  |  |
|--|--|--|---|--|--|--|
| High   | Low  | Last   | Change  |  |  |  |
| \$3.160  | \$3.127  | \$3.127  | (\$0.009)   |  |  |  |
| \$3.177  | \$3.177  | \$3.177  | (\$0.010)   |  |  |  |
| \$3.245  | \$3.208  | \$3.208  | (\$0.015)   |  |  |  |
| \$3.266  | \$3.266  | \$3.266  | (\$0.013)   |  |  |  |
| \$3.345  | \$3.311  | \$3.311  | (\$0.014)   |  |  |  |
| \$3.390  | \$3.356  | \$3.356  | (\$0.014)   |  |  |  |
| \$3.440  | \$3.409  | \$3.409  | (\$0.014)   |  |  |  |
| \$3.465  | \$3.436  | \$3.436  | (\$0.013)   |  |  |  |
| 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<br>Inside F.E.R.C.'s Gas Market Report. |  |  |   |  |  |  |
|  | High<br>\$3.160<br>\$3.177<br>\$3.245<br>\$3.266<br>\$3.345<br>\$3.390<br>\$3.440<br>\$3.465<br>* Indices<br>ymex - \$3.364<br>as Transmission<br>\$3<br>he first of the m | High Low   \$3.160 \$3.127   \$3.177 \$3.177   \$3.245 \$3.208   \$3.266 \$3.266   \$3.345 \$3.311   \$3.390 \$3.356   \$3.440 \$3.409   \$3.465 \$3.436   * Indices \$\frac{ymex}{2} + \$3.364   as Transmission- \$3.530 \$3.530   he first of the month Index as provide the second | High Low Last   \$3.160 \$3.127 \$3.127   \$3.177 \$3.177 \$3.177   \$3.245 \$3.208 \$3.208   \$3.266 \$3.266 \$3.266   \$3.345 \$3.311 \$3.311   \$3.390 \$3.356 \$3.409   \$3.440 \$3.409 \$3.409   \$3.465 \$3.436 \$3.436 |  |  |  |



Market Watch: At the NYMEX, the January 2012 contract fell every day except Tuesday, from \$3.421 per MMBtu last Wednesday to \$3.136 per MMBtu yesterday, a drop of 28.5 cents (8.3 percent). Over the same period, the February 2012 natural gas futures contract dropped

slightly less, by 27.1 cents per MMBtu, and now stands only 5.1 cents above the January contract, possibly reflecting the effects of high natural gas storage levels and continued strong production.

## Check out our new website at www.rileynaturalgas.com

| Crude Oil Nymex Trading 12/15/11 |         |         |         |           |  |  |
|----------------------------------|---------|---------|---------|-----------|--|--|
| Month                            | High    | Low     | Last    | Change    |  |  |
| Jan '12                          | \$93.87 | \$93.87 | \$93.87 | (\$1.08)  |  |  |
| Feb '12                          | \$94.07 | \$94.07 | \$94.07 | (\$1.07)  |  |  |
| Mar '12                          | \$94.31 | \$94.31 | \$94.31 | (\$1.06)  |  |  |
| Apr '12                          | \$94.55 | \$94.55 | \$94.55 | (\$1.04)  |  |  |
| May '12                          | \$94.71 | \$94.71 | \$94.71 | (\$1.01)  |  |  |
| Jun '12                          | \$94.72 | \$94.72 | \$94.72 | (\$0.96)  |  |  |
| Jul '12                          | \$94.61 | \$94.61 | \$94.61 | (\$0.91)  |  |  |
| Aug '12                          | \$94.42 | \$94.42 | \$94.42 | (\$0.88)  |  |  |
| Natural Gas Nymex Strip Prices   |         |         |         |           |  |  |
| Strip                            | High    | Low     | Last    | Change    |  |  |
| 6 mo                             | \$3.264 | \$3.241 | \$3.241 | (\$0.013) |  |  |
| 12 mo                            | \$3.418 | \$3.391 | \$3.391 | (\$0.014) |  |  |
| Summer 12                        | \$3.412 | \$3.385 | \$3.385 | (\$0.013) |  |  |
| Winter 11 - 12                   | \$3.194 | \$3.171 | \$3.171 | (\$0.011) |  |  |

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