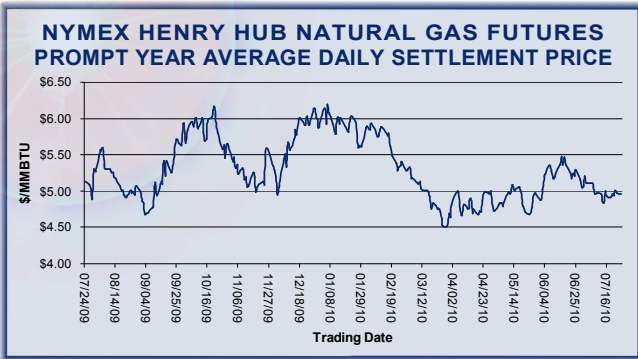
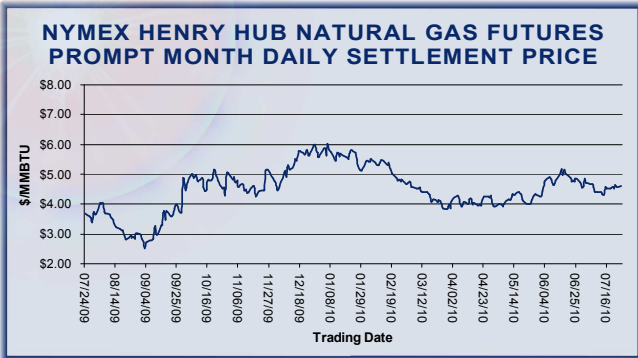
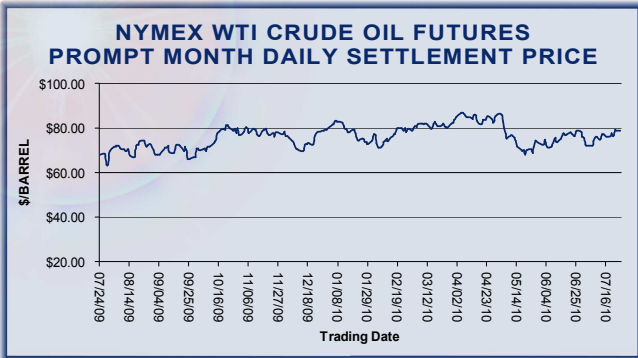
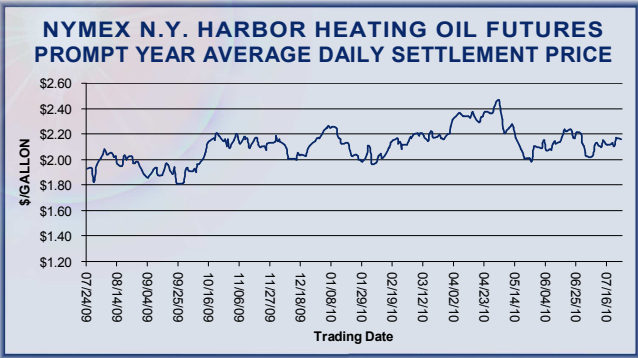


NATURAL GAS CHARTS



PETROLEUM CHARTS



MARKET COMMENTARY

On Monday, August Natural Gas opened up a penny after trading around \$4.55 for most of the weekend. August slipped downward to the day's low of \$4.511 in the first half hour before firming up and trading higher. From that point, we saw light but steady buying for most of the session and August was able to rally \$0.12 off of its lows to a high of \$4.634 just after lunchtime. The rest of the session saw August trade between \$4.59 and \$4.63 and close right in the middle. The summer doldrums continue as all the energy markets were sluggish. With the August contract expiring tomorrow, we expect to see activity pick up a bit. This morning in Globex trade, Natural Gas is up around \$0.02, Crude Oil is up around \$0.35 and Heating Oil and Gasoline are up around a penny.

The tropics are quiet this morning with no tropical cyclone development expected before the end of the month. The low totals to date have caused some storm forecasters – even normally bullish WSI – to revise their estimates for the season downward. Persistent wind shear across the Gulf and western Caribbean and plumes of Saharan dust over the eastern Atlantic have inhibited most storm development so far this season.

Forward basis markets remained very quiet on Monday with little volume changing hands and essentially no movement in prices. The latest casualty of the comatose market is the Maine Calais LNG project. The Goldman Sachs subsidiary announced yesterday that it would be withdrawing its FERC applications and abandoning the project if a new backer cannot be found by mid-August.

Northeast city gate cash spreads decreased by around a nickel on Monday while absolute prices were down \$0.04 to \$0.08. Temperatures continue to moderate somewhat across the Northeast, reducing power generation demand.

Note: a glossary of commonly used industry terms can be found on our web site at: <http://www.spragueenergy.com/pages/content.aspx?p=Natural%20Gas%20Marketwatch%20Glossary>

MARKET STATISTICS

12 MONTH STRIP SETTLEMENT PRICES - July 26, 2010						
Basis Mo.	NG Settle	NG Change	HO Settle	HO Change	CL Settle	CL Change
Aug-10	\$4.612	+ \$0.032	204.26¢	- 0.79¢	\$78.98	+ \$0.00
Sep-10	\$4.583	+ \$0.020	207.11¢	- 0.75¢	\$79.37	+ \$0.03
Oct-10	\$4.620	+ \$0.020	209.86¢	- 0.72¢	\$79.86	+ \$0.03
Nov-10	\$4.853	+ \$0.013	212.57¢	- 0.70¢	\$80.35	+ \$0.04
Dec-10	\$5.114	- \$0.013	215.20¢	- 0.67¢	\$80.81	+ \$0.07
Jan-11	\$5.277	- \$0.015	217.84¢	- 0.69¢	\$81.23	+ \$0.12
Feb-11	\$5.252	- \$0.016	219.71¢	- 0.69¢	\$81.61	+ \$0.14
Mar-11	\$5.157	- \$0.016	220.54¢	- 0.70¢	\$81.98	+ \$0.15
Apr-11	\$4.979	- \$0.017	220.46¢	- 0.64¢	\$82.34	+ \$0.15
May-11	\$4.995	- \$0.017	220.54¢	- 0.53¢	\$82.69	+ \$0.15
Jun-11	\$5.035	- \$0.017	220.92¢	- 0.41¢	\$83.02	+ \$0.14
Jul-11	\$5.086	- \$0.017	222.34¢	- 0.34¢	\$83.22	+ \$0.13
Aug-Oct	\$4.605	+ \$0.024	207.08¢	- 0.75¢	\$79.40	+ \$0.02
Nov-Mar	\$5.131	- \$0.009	217.17¢	- 0.69¢	\$81.20	+ \$0.10

EIA NATURAL GAS STORAGE STATISTICS - WEEK ENDING Jul 16, 2010						
Storage Region	This Week		Last Year		5 Year Average	
	Inventory	Change	Inventory	% Diff.	Inventory	% Diff.
East Market	1,425 BCF	+ 41 BCF	1,459 BCF	- 2.3%	1,387 BCF	+ 2.7%
West Market	474 BCF	+ 4 BCF	442 BCF	+ 7.2%	381 BCF	+ 24.4%
Producing	992 BCF	+ 6 BCF	1,041 BCF	- 4.7%	860 BCF	+ 15.3%
TOTAL	2,891 BCF	+ 51 BCF	2,943 BCF	- 1.8%	2,629 BCF	+ 10.0%

CFTC COMMITMENTS OF TRADERS REPORT									
FUTURES & OPTIONS COMBINED - NYMEX and ICE OTC - ALL POSITIONS IN BCF									
Report Date	Commercial		Swaps Dealers / Funds			Non-Reporting / Other			Total Open Interest
	Long	Short	Long	Short	Spread	Long	Short	Spread	
7/20/10	13%	10%	10%	13%	41%	2%	3%	9%	100%
7/13/10	4,905	3,860	3,927	5,002	7,973	756	1,162	1,679	19,458
7/6/10	4,881	3,885	4,036	5,040	7,857	793	1,539	1,572	19,516
7/6/10	4,674	3,878	4,089	4,889	7,870	755	1,253	1,478	19,117
6/29/10	4,613	3,886	4,152	4,961	7,670	737	1,048	1,502	18,871

COOLING DEGREE DAYS - 7 DAYS ENDING July 26, 2010			
Market	Actual CDD	Normal CDD	Variance
BOSTON	75	67	+ 13%
NEWARK	129	91	+ 41%
PITTSBURGH	86	56	+ 54%
SYRACUSE	58	48	+ 21%