

September 28, 2018

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Phone: 402-905-4000 or 855-4NATGAS

Physical Spot Prices – September 27, 2018

| | Price | Change | Natural Gas Equivalent |
|---------------------------|---------------|----------|------------------------|
| Natural Gas – H. Hub | \$3.056/MMBtu | +\$0.080 | \$3.06 |
| Propane – Mont Belvieu | \$1.060/gal | +\$0.011 | \$11.58 |
| Crude Oil – WTI Cush | \$72.120/bbl | +\$1.280 | \$12.43 |
| No.2 Heating Oil – NYH | \$92.320/bbl | +\$3.990 | \$15.85 |
| No.6 Resid. – G. Coast | \$69.400/bbl | +\$2.900 | \$11.04 |
| Cent App Coal (prev. day) | \$73.550/ton | +\$2.300 | \$2.94 |

Change is from previous week

U.S. Gas Rotary Rig Count for:

Week ending 9-21-18

| | |
|-----------|-----|
| This Week | 186 |
| Last Week | 186 |
| Last Year | 190 |

Market Update is a weekly publication of Encore Energy Services, Inc. and is designed to provide industrial and commercial customers with the latest "Market News" in the natural gas industry. The information contained herein is intended as general business advice. This publication contains forward-looking material and is not intended for a specific business situation. If you would like copies of previous reports, please visit our website or contact your Sales Manager.

Futures Pricing

At the close of business Thursday, September 27, 2018 the future strip prices were as follows:

| | This Week 9/27/2018 | Last Week 9/20/2018 | Change | Last Month 08/27/2018 | Change | Last Year 9/27/2017 | Change |
|----------------------|------------------------|------------------------|----------|--------------------------|----------|------------------------|----------|
| NYMEX near month | \$3.056 | \$2.976 | +\$0.080 | \$2.876 | +\$0.180 | \$2.974 | +\$0.082 |
| NYMEX 12-month strip | \$2.833 | \$2.804 | +\$0.029 | \$2.801 | +\$0.032 | \$2.934 | -\$0.101 |
| NYMEX Winter strip | \$3.091 | \$3.023 | +\$0.068 | \$2.993 | +\$0.098 | \$3.158 | -\$0.067 |
| NYMEX Summer strip | \$2.648 | \$2.647 | +\$0.001 | \$2.663 | -\$0.015 | \$2.773 | -\$0.125 |

Near month range for the week = \$2.938 - \$3.111

Current near month is Nov '18

12-month strip is Nov '18 – Oct '19

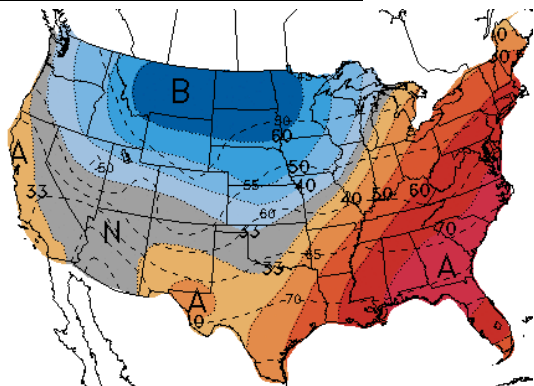
Summer strip is Apr '19 – Oct '19

Winter strip is Nov '18 – Mar '19

Near-Month Natural Gas Futures Prices (NYMEX) through Sep 27



Temperature Forecast Oct 05 through Oct 11, 2018



For more information on anything addressed in this report, please contact your Sales Manager.

Sources: NOAA, EIA, NYMEX and Baker Hughes

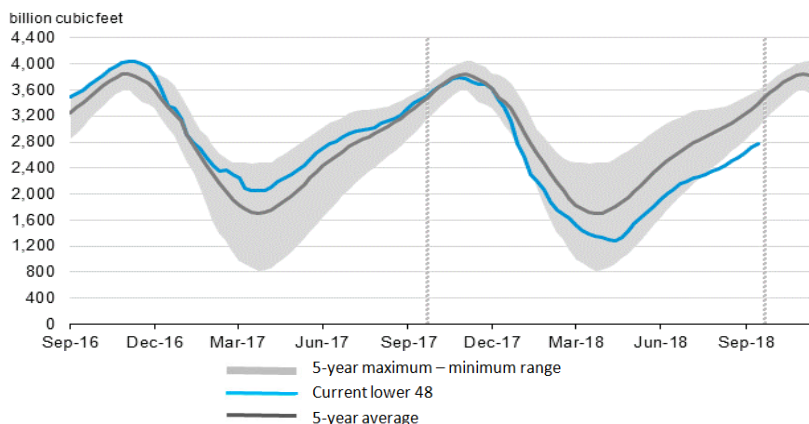
Storage Report

For the week ending Sep 21, 2018, natural gas storage reported by the Energy Information Administration (EIA) was (in Bcf):

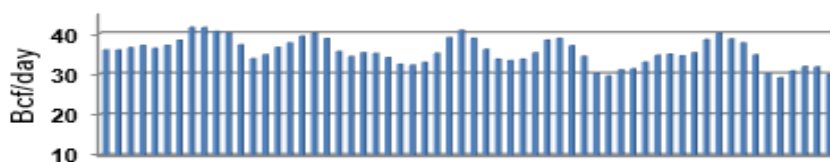
| This Week | Last Week | Last Year | 5 Yr. Ave. |
|-----------|-----------|-----------|------------|
| 2,768 | 2,722 | 3,458 | 3,389 |

Inventory vs. One Year ago: -20.0% Inventory vs. 5-Yr. Ave: -18.3%

Working Gas in Storage Compared to 5-Year Range



Daily Nat Gas Use For U.S. Power Production (last 60 days)



Last 52 week Average = 28.0 Bcf/day

Last 30 day Average = 34.2 Bcf/day

% of U.S. Demand = 34%

% of U.S. Demand = 47%