

June 23, 2017

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Physical Spot Prices – June 22, 2017

| | Price | Change | Natural Gas Equivalent |
|--------------------------|---------------|----------|------------------------|
| Natural Gas – H. Hub | \$2.894/MMBtu | -\$0.162 | \$2.89 |
| Propane – Mont Belvieu | \$0.580/gal | -\$0.010 | \$6.34 |
| Crude Oil – WTI Cush | \$42.540/bl | -\$1.920 | \$7.33 |
| No.2 Heating Oil – NYH | \$52.150/bl | -\$1.800 | \$8.95 |
| No.6 Resid. – G. Coast | \$40.190/bl | -\$0.670 | \$6.39 |
| Cent App Coal (prev day) | \$54.700/ton | +\$0.200 | \$2.19 |

Change is from previous week

U.S. Gas Rotary Rig Count for:

Week ending 06-16-17

| | |
|-----------|-----|
| This Week | 186 |
| Last Week | 185 |
| Last Year | 86 |

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 in this publication 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 any previous reports, please contact your Sales Manager.

Futures Pricing

At the close of business Thursday, June 22, 2017 the future strip prices were as follows:

| | This Week | Last Week | Change | Last Month | Change | Last Year | Change |
|----------------------|-----------|------------|----------|------------|----------|-----------|----------|
| | 6/22/2017 | 06/15/2017 | | 05/22/2017 | | 6/22/2016 | |
| NYMEX near month | \$2.894 | \$3.056 | -\$0.162 | \$3.330 | -\$0.436 | \$2.677 | +\$0.217 |
| NYMEX 12-month strip | \$3.001 | \$3.114 | -\$0.113 | \$3.384 | -\$0.383 | \$2.980 | +\$0.021 |
| NYMEX Winter strip | \$3.174 | \$3.287 | -\$0.113 | \$3.606 | -\$0.432 | \$3.193 | -\$0.019 |
| NYMEX Summer strip | \$2.845 | \$2.902 | -\$0.057 | \$2.941 | -\$0.096 | \$2.996 | -\$0.151 |

Near month range for the week = \$2.855 - \$3.0802

Current near month is Jul '17

12-month strip is Jul '17 – Jun '18

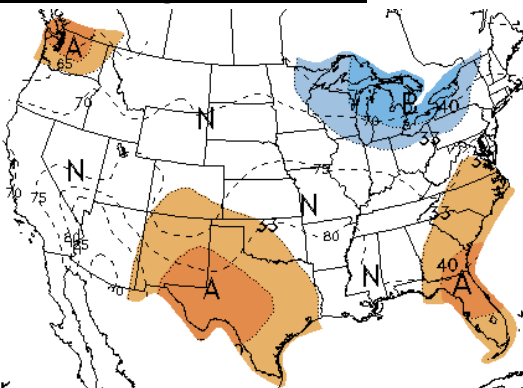
Summer strip is Apr '18 – Oct '19

Winter strip is Nov '17 – Mar '18

Near-Month Natural Gas Futures Prices (NYMEX) through Jun 22



Temperature Forecast Jun 30 through Jul 06, 2017



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

Sources: NOAA, EIA, NYMEX and Baker Hughes

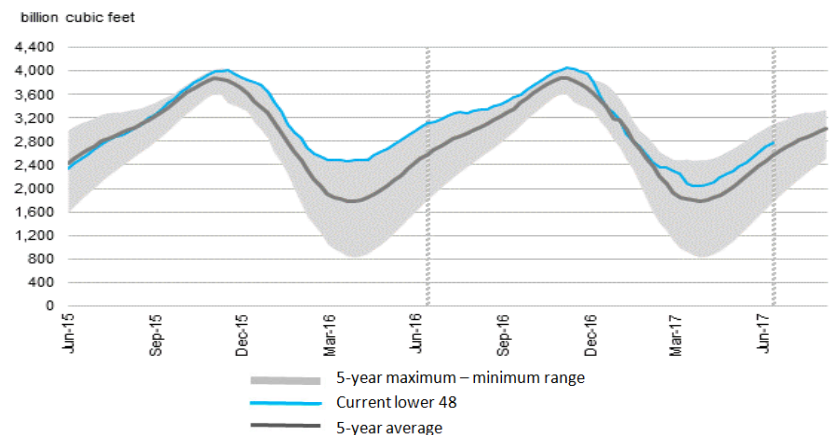
Storage Report

For the week ending June 16, 2017, natural gas storage reported by the Energy Information Administration (EIA) was (in Bcf):

| This Week | Last Week | Last Year | 5 Yr. Ave. |
|-----------|-----------|-----------|------------|
| 2,770 | 2,709 | 3,094 | 2,563 |

Inventory vs. One Year ago: -10.5% Inventory vs. 5-Yr. Ave: +8.1%

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 = 25.9 Bcf/day Last 30 day Average = 27.6 Bcf/day