National Fuel Gas Company

Financial News

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NATIONAL FUEL REPORTS SECOND QUARTER EARNINGS

Williamsville, New York: National Fuel Gas Company ("National Fuel" or the "Company") (NYSE:NFG) today announced consolidated earnings for the quarter ended March 31, 2006 of $78.6 million or $0.91 per share, an increase of $7.9 million or $0.08 per share from the second quarter of the previous fiscal year (note: all references to earnings per share are to diluted earnings per share and all amounts are stated in U.S. dollars). All earnings from the second quarter of 2006 were from continuing operations and there were no non-recurring items.

	Three Months Ended March 31,		Six Months Ended March 31,	
	2006	2005	2006	2005
(in thousands except per share amounts)				
Reported GAAP earnings	$ 78,594	$ 70,683	$ 136,013	$ 121,120
Less: Discontinued operations of United Energy[1]		(6,702)		(12,310)
Income from continuing operations	78,594	63,981	136,013	108,810
Less: Non-recurring base gas sale[2]		(2,636)		(2,636)
Recurring earnings	$ 78,594	$ 61,345	$ 136,013	$ 106,174
Reported GAAP earnings per share	$ 0.91	$ 0.83	$ 1.58	$ 1.43
Less: Discontinued operations of United Energy[1]		(0.08)		(0.15)
Income from continuing operations	0.91	0.75	1.58	1.28
Less: Non-recurring base gas sale[2]		(0.03)		(0.03)
Recurring earnings per share	$ 0.91	$ 0.72	$ 1.58	$ 1.25

[1] National Fuel presents the earnings of United Energy, a.s. ("United Energy"), its former operations in the Czech Republic, as "Income from Discontinued Operations."

[2] See discussion of non-recurring items on page 7 of this release.

As a result of the July, 2005 sale of United Energy, the Company's former operations in the Czech Republic, the Company has presented its earnings in terms of earnings from continuing operations and earnings from discontinued operations. Earnings from discontinued operations for the quarter ended March 31, 2005 were $6.7 million or $0.08 per share. For fiscal 2005, recurring earnings from discontinued operations totaled $10.2 million.

Earnings from continuing operations for the quarter ended March 31, 2006 increased $14.6 million or $0.16 per share from the prior year's second quarter earnings from continuing operations of $64.0 million or $0.75 per share. Earnings from continuing operations before non-recurring items for the quarter ended March 31, 2005 exclude a $2.6 million gain (after tax) from the sale of base gas from National Fuel Gas Supply Corporation's ("Supply Corporation") jointly-owned Ellisburg Storage Field. Excluding that item, earnings from continuing operations for the current quarter increased $17.25 million or $0.19 per share from the prior year's second quarter earnings from continuing operations of $61.35 million or $0.72 per share. See further discussion of non-recurring items on page 7 of this document.

Philip C. Ackerman, Chairman and Chief Executive Officer of National Fuel Gas Company stated: "We are pleased with this quarter. Solid performance across all segments has put us on track to achieve record earnings this fiscal year.* Recurring earnings for the quarter and six-months ended March 31, 2006 increased over the same periods in the prior fiscal year, mainly due to higher oil and gas prices realized in the Exploration and Production segment. While commodity prices were higher versus the prior year, natural gas prices declined significantly from the prices that were used to develop the Company's earnings guidance of $0.93 to $1.03 per share for the quarter. Those lower prices tended to dampen our earnings in the Exploration and Production segment in line with the pricing sensitivity table provided last quarter. The warmer than normal weather and customer conservation also caused earnings in the Utility segment for the quarter to be below forecast.

DISCUSSION OF SECOND QUARTER EARNINGS

CONTINUING OPERATIONS BEFORE NON-RECURRING ITEMS

Please note that the following discussion of earnings from continuing operations excludes certain non-recurring profit and loss items in an effort to provide a clearer picture of actual operating results for the period. A summary of those non-recurring items follows the Discussion of Second Quarter Earnings and Discussion of Six Month Earnings and Earnings Guidance. A reconciliation of reported earnings to the earnings discussed below is provided on page 9 of this report.

Utility Segment

The Utility segment operations are carried out by National Fuel Gas Distribution Corporation ("Distribution"), which sells or transports natural gas to approximately 731,000 customers located in western New York and northwestern Pennsylvania. The Utility segment's earnings of $28.7 million for the quarter ended March 31, 2006, were $0.2 million lower than the earnings in the prior year's second quarter.

In Distribution's New York Division, earnings of $23.72 million for the quarter increased $1.28 million from $22.44 million in the second quarter of 2005. The impact of the New York rate settlement implemented in August 2005 more than offset lower average usage per customer and higher bad debt, pension, and interest expenses.

In Distribution's Pennsylvania Division, earnings for the quarter of $4.93 million were down $1.51 million from the $6.44 million reported in the prior year's second quarter. This decrease is mainly the result of weather that was 13.9 percent warmer than normal and 17.2 percent warmer than the prior year. Lower average usage per customer and higher bad debt expense combined with the warmer weather to more than offset the benefit of the $12.0 million annual base rate increase implemented in April 2005.

Pipeline and Storage Segment

The Pipeline and Storage segment operations are carried out by Supply Corporation and Empire State Pipeline ("Empire"). These companies provide natural gas transportation and storage services to affiliated and non-affiliated companies through an integrated system of pipelines and underground natural gas storage fields in western New York and western Pennsylvania.

The Pipeline and Storage segment's earnings of $16.9 million for the quarter ended March 31, 2006, were up $1.1 million when compared with the same period in the prior fiscal year. The impact of higher efficiency gas revenues and lower project development costs associated with the Empire Connector project were the primary contributors to the increase. These items more than offset an increase in pension expense for the quarter.

Exploration and Production Segment

The Exploration and Production segment operations are carried out by Seneca Resources Corporation ("Seneca"). Seneca explores for, develops and purchases natural gas and oil reserves in California, in the Appalachian region, in the Gulf Coast region of Texas, Louisiana and Alabama, and in the western provinces of Canada.

The Exploration and Production segment's earnings for the second quarter of fiscal 2006 of $25.8 million were up $14.6 million from the prior year's quarter. The increase was mainly due to the positive impact of higher crude oil and natural gas commodity prices, which was partially offset by anticipated slightly lower production volumes and higher depletion and lease operating expenses. In addition Seneca recognized a $5.1 million benefit to earnings that resulted from an adjustment to a deferred income tax balance. Under generally accepted accounting principles, a company may recognize the benefit of certain expected future income tax deductions as a deferred tax asset only if it anticipates sufficient future taxable income to utilize those deductions. As a result of the rise in commodity prices and higher than anticipated production from certain properties, Seneca increased its forecast of future taxable income in the Canadian division and, as a result, recorded a deferred tax asset for certain costs related to capital expenditures that it now expects to deduct on future income tax returns.

Higher commodity prices (after hedging) more than offset the impact of a 7 percent decline in production. Production of 12.1 billion cubic feet equivalent ("Bcfe") was in line with Seneca's expected production estimate for the quarter of 11 to 13 Bcfe. For the quarter ended March 31, 2006, the weighted average natural gas price (after hedging) was $7.39/thousand cubic feet ("Mcf"), an increase of $1.42/Mcf from the prior year's quarter, and the weighted average oil price (after hedging) was $40.30/barrel ("Bbl"), an increase of $14.20/Bbl from the prior year's quarter. Seneca remains on track to meet its production estimate of 46 to 51 Bcfe for the fiscal year.*

Seneca’s higher production revenues were partially offset by higher lease operating expenses of approximately $2.1 million, which, on a per unit basis, increased $0.25/thousand cubic feet equivalent (“Mcfe”) to $1.21/Mcfe. The increase in lease operating expense was mainly the result of higher steaming costs associated with heavy crude oil production in Seneca’s California Midway-Sunset and North Lost Hills fields and a general increase in the cost of field services. The higher steaming costs were due to an increase in the price for gas purchased and used in the steaming operations that averaged $7.72/Mcfe this quarter versus $5.62/Mcfe in the prior year’s quarter, and an increase in the steaming activity at the North Lost Hills field. Seneca’s scrubber facility in the Midway-Sunset field began full operations in April 2006 and is now burning waste gas rather than gas purchased in the field to generate the steam for its thermal recovery project. The current waste gas burn rate is 1,800 Mcfe/day. Savings from the scrubber operation have been incorporated into future earnings guidance.*

Seneca drilled 48 wells with a 100 percent success rate during the second quarter. Drilling activity in the third quarter is expected to increase in both Seneca’s East and Canadian divisions as field conditions for drilling improve.*

Offshore, Seneca commenced production on its West Cameron 213 #B-1 well. This well initiated production on April 21, 2006 and is expected to produce 4 Mmcf/day.* Seneca’s working interest in this well is 100%.

On March 31, 2006, Seneca completed a $5.2 million acquisition in California of 640 acres. The property includes 2.5 Bcfe of gross reserves and three producing wells adjacent to its South Lost Hills field. The three wells are producing a total of 105 barrels of oil equivalent per day. Seneca plans to drill three additional wells on this property starting this month.* The acquired production is already connected to Seneca’s existing facilities.

Energy Marketing

National Fuel Resources, Inc. (“NFR”) comprises the Company’s Energy Marketing segment. NFR markets natural gas to industrial, commercial, public authority and residential customers in western and central New York and northwestern Pennsylvania, offering competitively priced energy and energy management services to its customers.

The Energy Marketing segment’s net income for the quarter of $3.9 million increased $1.3 million from $2.6 million in the second quarter last year. This increase resulted from a number of factors, most notably a 14% increase in sales volumes and the marketing flexibility that NFR had from its stored gas. NFR's contracts for significant storage and transportation volumes have provided operational flexibility resulting in increased sales throughput and earnings.

Timber Segment

The Timber segment operations are carried out by Highland Forest Resources, Inc. (“Highland”), and Seneca’s Northeast Division. This segment markets timber from its New York and Pennsylvania land holdings, owns two sawmill/dry kiln operations in northwestern Pennsylvania, and processes timber consisting primarily of high quality hardwoods.

The Timber segment's second quarter earnings of $2.2 million were $0.7 million lower than the prior year's second quarter. Sales of the highest margin cherry veneer logs were down approximately 231,000 board feet or 22 percent from the prior year's second quarter. Unseasonably warm weather in January and March hampered harvesting efforts during the quarter. Despite the lower harvested volumes, log and lumber sales volumes increased due to the liquidation of higher log volumes in inventory at the beginning of the quarter versus the prior year's quarter, and Highland processed higher volumes of purchased lumber through its expanded kiln capacity. The increase in log sales consisted primarily of low margin saw logs.

Corporate and All Other

Other direct wholly-owned subsidiaries of the Company include Horizon Energy Development, Inc., a corporation formerly engaged in the development of international power projects, Horizon LFG, Inc., a corporation engaged through subsidiaries in the purchase, sale and transportation of landfill gas, and Horizon Power, Inc., a corporation that develops or operates mid-range independent power production facilities and landfill gas electric generation facilities.

Earnings in this category of $1.1 million improved from a loss of $0.1 million mainly due to an increase in interest income resulting from the investment of the proceeds from the sale of United Energy and lower expenses for project development costs in the former international segment.

DISCUSSION OF SIX MONTH EARNINGS

Consolidated earnings for the six months ended March 31, 2006 were $136.0 million or $1.58 per share, an increase of $14.9 million from the prior year's earnings of $121.1 million. Earnings for the six months ended March 31, 2005 include earnings from discontinued operations from United Energy, the Company's former operations in the Czech Republic, of $12.3 million or $0.15 per share. There was no income from discontinued operations for the six months ended March 31, 2006.

Earnings from continuing operations for the six months ended March 31, 2006, were $136.0 million or $1.58 per share, an increase of $27.2 million from the prior year's six months earnings from continuing operations of $108.8 million or $1.28 per share. Excluding non-recurring items for the six months ended March 31, 2005, (there were no non-recurring items for the six months ended March 31, 2006), earnings from continuing operations for the six months ended March 31, 2006 increased $29.8 million to $136.0 million or $1.58 per share, from the prior year's earnings before non-recurring items of $106.2 million or $1.25 per share.

CONTINUING OPERATIONS BEFORE NON-RECURRING ITEMS

Please note that the following discussion of earnings from continuing operations also excludes certain non-recurring profit and loss items.

In the Utility segment, the principal contributor to the $3.5 million increase in segment earnings was a $2.6 million (after tax) out-of-period adjustment to correct Distribution's calculation of the symmetrical sharing component included in the New York gas adjustment rate. The remaining difference was due to the positive impact of the rate settlements in New York and

Pennsylvania which more than offset the impact in Pennsylvania of warmer weather, lower average usage per customer and higher bad debt expense in New York and Pennsylvania and higher interest expense in New York.

In the Pipeline and Storage segment, earnings were up $4.6 million due to higher transportation and efficiency gas revenues, as well as lower project development costs associated with the Empire Connector project, which more than offset higher pension expense.

Earnings in the Exploration and Production segment increased $18.1 million mainly due to higher weighted average natural gas and oil prices after hedging, partially offset by lower production volumes and higher operating expenses.

The Energy Marketing segment's earnings were up $1.5 million primarily due to an increase in sales volumes.

In the Timber segment, earnings increased $0.1 million. The impact of overall higher sales volumes was mostly offset by lower volumes of the highest margin cherry veneer logs.

Earnings in the Corporate and All Other category increased $2.1 million from a loss of $1.0 million mainly due to an increase in interest income resulting from the investment of the proceeds from the sale of United Energy and lower expenses for project development costs in the former international segment.

EARNINGS GUIDANCE

The Company is refining its earnings guidance for the remainder of its 2006 fiscal year. Consolidated earnings for fiscal 2006 are expected to be in the range of $2.27 to $2.47 per share.* Earnings per share guidance on a consolidated and major segment basis is provided in the table at page 22 of this document.

The earnings range for the Exploration & Production segment has been revised downward due to the decrease in commodity prices from the September 13, 2005 NYMEX forward strip prices on which the original forecast was based. The earnings range for the Pipeline & Storage segment was increased due to increased transportation throughput and higher rates for transportation and storage services. The combined earnings range for the Company's other segments was increased as a result of the Energy Marketing segment's better than expected performance through the first six months of the year combined with higher than expected net interest income in the Corporate and All Other category.

This revised earnings per share guidance has excluded the projected impact of the repurchase by the Company of its common shares. As announced in December, 2005, the Company's Board of Directors authorized the repurchase of up to eight million shares in the open market or through private transactions. Through March 31, 2006, the Company had repurchased 825,250 shares. These repurchases had the effect of increasing earnings per share during the current quarter by approximately $0.003 per share. Based on certain purchase limitations dictated by share trading volumes, the Company estimates that the total eight million share repurchase could be completed by January, 2007.* At that repurchase rate, and at the resultant reduced number of shares outstanding, earnings per share for the entire 2006 fiscal year might be increased by approximately $0.03 per share as a result of the share repurchase.*

The revised guidance has also excluded any impact from changing commodity prices. The current guidance for the remaining six months of the Company's 2006 fiscal year is based on NYMEX commodity prices as of April 24, 2006. Earnings per share guidance will be affected by changes in prices from those used to develop the guidance. Those prices, and the earnings sensitivity to changes in those prices are shown on page 22 of this release.

In addition, the sensitivity table does not include any impact from possible ceiling test impairments that could result if: 1) quarter-end commodity pricing were to decrease below the prices that were in effect on March 31, 2006, and 2) there were no substantial addition to reserves from exploratory activities in Canada. Under the full-cost accounting method that Seneca utilizes for its oil and gas operations, the capitalized costs of Canadian oil and gas properties less accumulated depletion and related deferred taxes were nearly equal to the ceiling for Canadian oil and gas properties. Any decrease in pricing from March 31, 2006 could cause Seneca to incur a non-cash impairment charge which would have an immediate impact on earnings.* In the United States, Seneca has a full-cost cushion of approximately $427 million.

Consolidated earnings for the third quarter of fiscal 2006 are projected to be in the range of $0.44 to $0.50 per share.*

DISCUSSION OF NON-RECURRING ITEMS (all amounts are after tax)

The comparative consolidated earnings for the three months and six months ended March 31, 2005 exclude a $2.6 million gain from the sale of base gas from Supply Corporation's jointly-owned Ellisburg Storage Field. There were no non-recurring items for the three months or six months ended March 31, 2006.

Including non-recurring items, compared with the same three months in the prior fiscal year, the Pipeline and Storage segment's earnings were down $1.6 million to $16.9 million. Including non-recurring items, compared with the same six months in the prior fiscal year, the Pipeline and Storage segment's earnings were up $2.0 million to $32.7 million.

EARNINGS TELECONFERENCE

The Company will host a conference call on Friday, May 5, 2006 at 10 a.m. (Eastern Time) to discuss this announcement. There are two ways to access this call. For those with Internet access, you may go to National Fuel's Web site at **http://www.nationalfuelgas.com** and click on the "For Investors" link at the top of the homepage. For those without Internet access, you may access the live call by dialing (toll-free) 1-800-591-6930, and use the passcode "45950940". For those unable to listen to the live conference call, a replay will be available approximately one hour after the conclusion of the call at the same Web site link and by phone at (toll free) 888-286-8010 using passcode "80957234." Both the webcast and telephonic replay will be available until the close of business on Friday, May 12, 2006.

National Fuel is an integrated energy company with $3.9 billion in assets comprised of the following five operating segments: Utility, Pipeline and Storage, Exploration and Production, Energy Marketing, and Timber. Additional information about National Fuel is available on its Internet Web site: **http://www.nationalfuelgas.com** or through its investor information service at 1-800-334-2188.

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Certain statements contained herein, including those which are designated with an asterisk ("*") and those which use words such as "anticipates," "estimates," "expects," "intends," "plans," "predicts," "projects," and similar expressions, are "forward-looking statements" as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve risks and uncertainties, which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. The Company's expectations, beliefs and projections contained herein are expressed in good faith and are believed to have a reasonable basis, but there can be no assurance that such expectations, beliefs or projections will result or be achieved or accomplished. In addition to other factors, the following are important factors that could cause actual results to differ materially from those discussed in the forward-looking statements: changes in laws and regulations to which the Company is subject, including changes in tax, environmental, safety and employment laws and regulations, and changes in laws and regulations relating to repeal of the Public Utility Holding Company Act of 1935; changes in economic conditions, including economic disruptions caused by terrorist activities, acts of war or major accidents; changes in demographic patterns and weather conditions, including the occurrence of severe weather, such as hurricanes; changes in the availability and/or price of natural gas or oil and the effect of such changes on the accounting treatment or valuation of derivative financial instruments or the Company's natural gas and oil reserves; impairments under the Securities and Exchange Commission's full cost ceiling test for natural gas and oil reserves; changes in the availability and/or price of derivative financial instruments; changes in the price differentials between various types of oil; failure of the price differential between heavy sour crude oil and light sweet crude oil to return to its historical norm; inability to obtain new customers or retain existing ones; significant changes in competitive factors affecting the Company; governmental/regulatory actions, initiatives and proceedings, including those involving acquisitions, financings, rate cases (which address, among other things, allowed rates of return, rate design and retained gas), affiliate relationships, industry structure, franchise renewal, and environmental/safety requirements; unanticipated impacts of restructuring initiatives in the natural gas and electric industries; significant changes from expectations in actual capital expenditures and operating expenses and unanticipated project delays or changes in project costs or plans, including changes in the plans of the sponsors of the proposed Millennium Pipeline with respect to that project; the nature and projected profitability of pending and potential projects and other investments; occurrences affecting the Company's ability to obtain funds from operations, debt or equity to finance needed capital expenditures and other investments, including any downgrades in the Company's credit ratings; uncertainty of oil and gas reserve estimates; ability to successfully identify and finance acquisitions or other investments and ability to operate and integrate existing and any subsequently acquired business or properties; ability to successfully identify, drill for and produce economically viable natural gas and oil reserves; significant changes from expectations in the Company's actual production levels for natural gas or oil; regarding foreign operations, changes in trade and monetary policies, inflation and exchange rates, taxes, operating conditions, laws and regulations related to foreign operations, and political and governmental changes; significant changes in tax rates or policies or in rates of inflation or interest; significant changes in the Company's relationship with its employees or contractors and the potential adverse effects if labor disputes, grievances or shortages were to occur; changes in accounting principles or the application of such principles to the Company; the cost and effects of legal and administrative claims against the Company; changes in actuarial assumptions and the return on assets with respect to the Company's retirement plan and post-retirement benefit plans; increasing health care costs and the resulting effect on health insurance premiums and on the obligation to provide post-retirement benefits; or increasing costs of insurance, changes in coverage and the ability to obtain insurance. The Company disclaims any obligation to update any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES
RECONCILIATION TO REPORTED EARNINGS

(Thousands of Dollars)	Three Months Ended March 31, 2006 (unaudited)	Three Months Ended March 31, 2005 (unaudited)	Six Months Ended March 31, 2006 (unaudited)	Six Months Ended March 31, 2005 (unaudited)
Utility				
Reported earnings	$ 28,654	$ 28,882	$ 50,407	$ 46,954
Pipeline and Storage				
Reported earnings	16,892	18,457	32,742	30,734
Base gas sale	-	(2,636)	-	(2,636)
Earnings before non-recurring items	16,892	15,821	32,742	28,098
Exploration and Production				
Reported earnings	25,845	11,230	43,280	25,153
Energy Marketing				
Reported earnings	3,877	2,612	4,864	3,361
Timber				
Reported earnings	2,242	2,893	3,706	3,646
Corporate and All Other				
Reported earnings	1,084	(93)	1,014	(1,038)
Consolidated Earnings from Continuing Operations				
Reported earnings from continuing operations	78,594	63,981	136,013	108,810
Total non-recurring items from above	-	(2,636)	-	(2,636)
Earnings from continuing operations before non-recurring items	$ 78,594	$ 61,345	$ 136,013	$ 106,174
Discontinued Operations				
Reported earnings from discontinued operations	-	6,702	-	12,310
Consolidated				
Reported earnings	$ 78,594	$ 70,683	$ 136,013	$ 121,120

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES
RECONCILIATION TO REPORTED EARNINGS

(Diluted Earnings Per Share)	Three Months Ended March 31, 2006 (unaudited)	Three Months Ended March 31, 2005 (unaudited)	Six Months Ended March 31, 2006 (unaudited)	Six Months Ended March 31, 2005 (unaudited)
Utility				
Reported earnings	$ 0.33	$ 0.34	$ 0.58	$ 0.55
Pipeline and Storage				
Reported earnings	0.20	0.22	0.38	0.36
Base gas sale	-	(0.03)	-	(0.03)
Earnings before non-recurring items	0.20	0.19	0.38	0.33
Exploration and Production				
Reported earnings	0.30	0.13	0.50	0.30
Energy Marketing				
Reported earnings	0.04	0.03	0.06	0.04
Timber				
Reported earnings	0.03	0.03	0.04	0.04
Corporate and All Other (Including Rounding)				
Reported earnings	0.01	-	0.02	(0.01)
Consolidated Earnings from Continuing Operations				
Reported earnings from continuing operations	0.91	0.75	1.58	1.28
Total non-recurring items from above	-	(0.03)	-	(0.03)
Earnings from continuing operations before non-recurring items	$ 0.91	$ 0.72	$ 1.58	$ 1.25
Discontinued Operations				
Reported earnings from discontinued operations	-	0.08	-	0.15
Consolidated				
Reported earnings	$ 0.91	$ 0.83	$ 1.58	$ 1.43

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES

(Thousands of Dollars, except per share amounts)

	Three Months Ended March 31, (Unaudited)		Six Months Ended March 31, (Unaudited)	
SUMMARY OF OPERATIONS	2006	2005	2006	2005
Operating Revenues	$ 890,981	$ 735,842	$ 1,601,737	$ 1,236,126
Operating Expenses:				
Purchased Gas	566,540	440,254	1,003,317	696,410
Operation and Maintenance	121,076	110,392	224,704	203,015
Property, Franchise and Other Taxes	20,120	19,897	37,302	36,953
Depreciation, Depletion and Amortization	44,278	44,632	87,324	87,340
	752,014	615,175	1,352,647	1,023,718
Operating Income	138,967	120,667	249,090	212,408
Other Income (Expense):				
Income from Unconsolidated Subsidiaries	720	455	1,985	1,239
Interest Income	965	1,018	2,098	1,290
Other Income	248	4,827	989	5,378
Interest Expense on Long-Term Debt	(18,149)	(18,319)	(36,367)	(36,694)
Other Interest Expense	(1,465)	(1,936)	(3,240)	(4,354)
Income from Continuing Operations Before Income Taxes	121,286	106,712	214,555	179,267
Income Tax Expense	42,692	42,731	78,542	70,457
Income from Continuing Operations	78,594	63,981	136,013	108,810
Income from Discontinued Operations, Net of Tax	-	6,702	-	12,310
Net Income Available for Common Stock	$ 78,594	$ 70,683	$ 136,013	$ 121,120
Earnings Per Common Share:				
Basic:				
Income from Continuing Operations	$ 0.93	$ 0.77	$ 1.61	$ 1.31
Income from Discontinued Operations	-	0.08	-	0.15
Net Income Available for Common Stock	$ 0.93	$ 0.85	$ 1.61	$ 1.46
Diluted:				
Income from Continuing Operations	$ 0.91	$ 0.75	$ 1.58	$ 1.28
Income from Discontinued Operations	-	0.08	-	0.15
Net Income Available for Common Stock	$ 0.91	$ 0.83	$ 1.58	$ 1.43
Weighted Average Common Shares:				
Used in Basic Calculation	84,346,733	83,313,191	84,385,140	83,231,435
Used in Diluted Calculation	86,253,597	84,770,068	86,256,515	84,711,134

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(Thousands of Dollars)	March 31, 2006	September 30, 2005
ASSETS		
Property, Plant and Equipment	$4,535,882	$4,423,255
Less - Accumulated Depreciation, Depletion and Amortization	1,639,493	1,583,955
Net Property, Plant and Equipment	2,896,389	2,839,300
Current Assets:		
Cash and Temporary Cash Investments	98,099	57,607
Hedging Collateral Accounts	16,890	77,784
Receivables - Net	358,026	155,064
Unbilled Utility Revenue	67,074	20,465
Gas Stored Underground	31,883	64,529
Materials and Supplies - at average cost	32,425	33,267
Unrecovered Purchased Gas Costs	-	14,817
Prepayments and Other Current Assets	41,096	65,469
Deferred Income Taxes	49,546	83,774
Fair Value of Derivative Financial Instruments	5,895	-
Total Current Assets	700,934	572,776
Other Assets:		
Recoverable Future Taxes	84,834	85,000
Unamortized Debt Expense	16,516	17,567
Other Regulatory Assets	56,713	47,028
Deferred Charges	8,086	4,474
Other Investments	85,349	80,394
Investments in Unconsolidated Subsidiaries	11,491	12,658
Goodwill	5,476	5,476
Intangible Assets	40,971	42,302
Other	6,808	15,677
Total Other Assets	316,244	310,576
Total Assets	$3,913,567	$3,722,652
CAPITALIZATION AND LIABILITIES		
Capitalization:		
Comprehensive Shareholders' Equity		
Common Stock, $1 Par Value Authorized - 200,000,000 Shares; Issued and Outstanding - 83,919,742 Shares and 84,356,748 Shares, Respectively	$83,920	$84,357
Paid in Capital	540,388	529,834
Earnings Reinvested in the Business	877,599	813,020
Total Common Shareholder Equity Before Items of Other Comprehensive Loss	1,501,907	1,427,211
Accumulated Other Comprehensive Loss	(119,248)	(197,628)
Total Comprehensive Shareholders' Equity	1,382,659	1,229,583
Long-Term Debt, Net of Current Portion	1,114,371	1,119,012
Total Capitalization	2,497,030	2,348,595
Current and Accrued Liabilities:		
Notes Payable to Banks and Commercial Paper	-	-
Current Portion of Long-Term Debt	9,505	9,393
Accounts Payable	145,438	155,485
Amounts Payable to Customers	12,650	1,158
Dividends Payable	24,327	24,445
Other Accruals and Current Liabilities	193,249	60,404
Fair Value of Derivative Financial Instruments	87,962	209,072
Total Current and Accrued Liabilities	473,131	459,957
Deferred Credits:		
Deferred Income Taxes	503,147	489,720
Taxes Refundable to Customers	11,070	11,009
Unamortized Investment Tax Credit	6,445	6,796
Cost of Removal Regulatory Liability	93,092	90,396
Other Regulatory Liabilities	58,886	66,339
Pension and Other Post-Retirement Liabilities	155,582	143,687
Asset Retirement Obligation	42,216	41,411
Other Deferred Credits	72,968	64,742
Total Deferred Credits	943,406	914,100
Commitments and Contingencies	-	-
Total Capitalization and Liabilities	3,913,567	3,722,652

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(Thousands of Dollars)	Six Months Ended March 31, 2006	2005
Operating Activities:		
Net Income Available for Common Stock	$136,013	$121,120
Adjustments to Reconcile Net Income to Net Cash		
Provided by Operating Activities:		
Depreciation, Depletion and Amortization	87,324	96,285
Deferred Income Taxes	(1,435)	(3,982)
Income from Unconsolidated Subsidiaries, Net of Cash Distributions	1,166	282
Minority Interest in Foreign Subsidiaries	-	3,342
Excess Tax Benefits Associated with Stock-Based Compensation Awards	(6,515)	-
Other	(5,297)	(7,124)
Change in:		
Hedging Collateral Deposits	60,894	(10,962)
Receivables and Unbilled Utility Revenue	(249,466)	(228,969)
Gas Stored Underground and Materials and Supplies	33,486	43,628
Unrecovered Purchased Gas Costs	14,817	7,532
Prepayments and Other Current Assets	24,372	(745)
Accounts Payable	(9,951)	47,541
Amounts Payable to Customers	11,492	25,342
Other Accruals and Current Liabilities	139,020	153,928
Other Assets	(11,837)	(13,191)
Other Liabilities	19,107	11,989
Net Cash Provided by Operating Activities	$243,190	$246,016
Investing Activities:		
Capital Expenditures	($134,961)	($114,624)
Net Proceeds from Sale of Oil and Gas Producing Properties	4	85
Other	(1,396)	2,450
Net Cash Used in Investing Activities	($136,353)	($112,089)
Financing Activities:		
Change in Notes Payable to Banks and Commercial Paper	$0	($43,600)
Excess Tax Benefits Associated with Stock-Based Compensation Awards	6,515	-
Shares Repurchased under Repurchase Plan	(26,577)	-
Reduction of Long-Term Debt	(4,529)	(7,314)
Dividends Paid on Common Stock	(48,933)	(46,483)
Proceeds From Issuance of Common Stock	7,164	6,301
Net Cash Used In Financing Activities	($66,360)	($91,096)
Effect of Exchange Rates on Cash	15	3,135
Net Increase in Cash and Temporary Cash Investments	40,492	45,966
Cash and Temporary Cash Investments at Beginning of Period	57,607	57,541
Cash and Temporary Cash Investments at March 31	$98,099	$103,507

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES

SEGMENT OPERATING RESULTS AND STATISTICS
(UNAUDITED)

(Thousands of Dollars, except per share amounts)	Three Months Ended March 31,			Six Months Ended March 31,		
UTILITY SEGMENT	2006	2005	Variance	2006	2005	Variance
Revenues from External Customers	$ 536,235	$ 485,647	$ 50,588	$ 967,714	$ 802,476	$ 165,238
Intersegment Revenues	5,681	5,693	(12)	9,803	9,998	(195)
Total Operating Revenues	541,916	491,340	50,576	977,517	812,474	165,043
Operating Expenses:						
Purchased Gas	394,803	349,656	45,147	715,360	567,611	147,749
Operation and Maintenance	65,496	63,358	2,138	117,209	109,171	8,038
Property, Franchise and Other Taxes	14,259	14,043	216	25,773	25,554	219
Depreciation, Depletion and Amortization	10,027	10,017	10	20,004	19,997	7
	484,585	437,074	47,511	878,346	722,333	156,013
Operating Income	57,331	54,266	3,065	99,171	90,141	9,030
Other Income (Expense):						
Interest Income	179	218	(39)	380	212	168
Other Income	192	160	32	404	283	121
Other Interest Expense	(6,880)	(5,234)	(1,646)	(13,603)	(10,843)	(2,760)
Income Before Income Taxes	50,822	49,410	1,412	86,352	79,793	6,559
Income Tax Expense	22,168	20,528	1,640	35,945	32,839	3,106
Net Income	$ 28,654	$ 28,882	$ (228)	$ 50,407	$ 46,954	$ 3,453
Net Income Per Share (Diluted)	$ 0.33	$ 0.34	$ (0.01)	$ 0.58	$ 0.55	$ 0.03

	Three Months Ended March 31,			Six Months Ended March 31,		
PIPELINE AND STORAGE SEGMENT	2006	2005	Variance	2006	2005	Variance
Revenues from External Customers	$ 39,346	$ 36,029	$ 3,317	$ 74,085	$ 68,474	$ 5,611
Intersegment Revenues	19,711	21,517	(1,806)	41,006	42,116	(1,110)
Total Operating Revenues	59,057	57,546	1,511	115,091	110,590	4,501
Operating Expenses:						
Purchased Gas	78	(26)	104	62	655	(593)
Operation and Maintenance	16,949	14,616	2,333	32,265	31,600	665
Property, Franchise and Other Taxes	4,010	3,924	86	7,966	7,649	317
Depreciation, Depletion and Amortization	9,176	10,262	(1,086)	18,359	19,356	(997)
	30,213	28,776	1,437	58,652	59,260	(608)
Operating Income	28,844	28,770	74	56,439	51,330	5,109
Other Income (Expense):						
Interest Income	144	12	132	196	25	171
Other Income	60	4,095	(4,035)	268	4,199	(3,931)
Interest Expense on Long-Term Debt	(274)	(426)	152	(592)	(909)	317
Other Interest Expense	(1,093)	(1,308)	215	(2,389)	(2,666)	277
Income Before Income Taxes	27,681	31,143	(3,462)	53,922	51,979	1,943
Income Tax Expense	10,789	12,686	(1,897)	21,180	21,245	(65)
Net Income	$ 16,892	$ 18,457	$ (1,565)	$ 32,742	$ 30,734	$ 2,008
Net Income Per Share (Diluted)	$ 0.20	$ 0.22	$ (0.02)	$ 0.38	$ 0.36	$ 0.02

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES

SEGMENT OPERATING RESULTS AND STATISTICS
(UNAUDITED)

(Thousands of Dollars, except per share amounts)	Three Months Ended March 31,			Six Months Ended March 31,		
EXPLORATION AND PRODUCTION SEGMENT	2006	2005	Variance	2006	2005	Variance
Operating Revenues	$ 88,719	$ 70,319	$ 18,400	$ 170,806	$ 142,157	$ 28,649
Operating Expenses:						
Purchased Gas	4	(116)	120	98	(344)	442
Operation and Maintenance:						
General and Administrative Expense	6,381	5,426	955	12,682	10,603	2,079
Lease Operating Expense	13,155	11,069	2,086	26,694	21,526	5,168
All Other Operation and Maintenance Expense	2,021	1,548	473	3,992	3,275	717
Property, Franchise and Other Taxes (Lease Operating Expense)	1,528	1,475	53	2,736	2,732	4
Depreciation, Depletion and Amortization	23,118	22,300	818	44,658	44,128	530
	46,207	41,702	4,505	90,860	81,920	8,940
Operating Income	42,512	28,617	13,895	79,946	60,237	19,709
Other Income (Expense):						
Interest Income	1,940	1,036	904	3,781	1,893	1,888
Other Interest Expense	(12,521)	(12,104)	(417)	(24,950)	(24,132)	(818)
Income Before Income Taxes	31,931	17,549	14,382	58,777	37,998	20,779
Income Tax Expense	6,086	6,319	(233)	15,497	12,845	2,652
Net Income	$ 25,845	$ 11,230	$ 14,615	$ 43,280	$ 25,153	$ 18,127
Net Income Per Share (Diluted)	$ 0.30	$ 0.13	$ 0.17	$ 0.50	$ 0.30	$ 0.20

	Three Months Ended March 31,			Six Months Ended March 31,		
ENERGY MARKETING SEGMENT	2006	2005	Variance	2006	2005	Variance
Operating Revenues	$ 206,061	$ 124,565	$ 81,496	$ 351,620	$ 188,059	$ 163,561
Operating Expenses:						
Purchased Gas	198,562	119,241	79,321	341,391	180,829	160,562
Operation and Maintenance	1,259	1,120	139	2,489	1,889	600
Property, Franchise and Other Taxes	(249)	25	(274)	(240)	71	(311)
Depreciation, Depletion and Amortization	16	22	(6)	37	43	(6)
	199,588	120,408	79,180	343,677	182,832	160,845
Operating Income	6,473	4,157	2,316	7,943	5,227	2,716
Other Income (Expense):						
Interest Income	43	150	(107)	169	284	(115)
Other Income	121	67	54	219	119	100
Other Interest Expense	(129)	(3)	(126)	(191)	(5)	(186)
Income Before Income Taxes	6,508	4,371	2,137	8,140	5,625	2,515
Income Tax Expense	2,631	1,759	872	3,276	2,264	1,012
Net Income	$ 3,877	$ 2,612	$ 1,265	$ 4,864	$ 3,361	$ 1,503
Net Income Per Share (Diluted)	$ 0.04	$ 0.03	$ 0.01	$ 0.06	$ 0.04	$ 0.02

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES

SEGMENT OPERATING RESULTS AND STATISTICS
(UNAUDITED)

(Thousands of Dollars, except per share amounts)	Three Months Ended March 31, 2006	2005	Variance	Six Months Ended March 31, 2006	2005	Variance
TIMBER SEGMENT						
Revenues from External Customers	$ 19,157	$ 18,971	$ 186	$ 36,066	$ 31,966	$ 4,100
Intersegment Revenues	(23)	1	(24)	-	1	(1)
Total Operating Revenues	19,134	18,972	162	36,066	31,967	4,099
Operating Expenses:						
Operation and Maintenance	12,746	11,709	1,037	24,430	21,267	3,163
Property, Franchise and Other Taxes	478	366	112	859	695	164
Depreciation, Depletion and Amortization	1,627	1,720	(93)	3,638	3,197	441
	14,851	13,795	1,056	28,927	25,159	3,768
Operating Income	4,283	5,177	(894)	7,139	6,808	331
Other Income (Expense):						
Interest Income	164	100	64	301	192	109
Other Income	35	1	34	52	18	34
Other Interest Expense	(758)	(683)	(75)	(1,521)	(1,268)	(253)
Income Before Income Taxes	3,724	4,595	(871)	5,971	5,750	221
Income Tax Expense	1,482	1,702	(220)	2,265	2,104	161
Net Income	$ 2,242	$ 2,893	$ (651)	$ 3,706	$ 3,646	$ 60
Net Income Per Share (Diluted)	$ 0.03	$ 0.03	$ -	$ 0.04	$ 0.04	$ -

	Three Months Ended March 31, 2006	2005	Variance	Six Months Ended March 31, 2006	2005	Variance
ALL OTHER						
Revenues from External Customers	$ 1,075	$ 311	$ 764	$ 1,058	$ 2,994	$ (1,936)
Intersegment Revenues	2,057	3,263	(1,206)	6,584	4,342	2,242
Total Operating Revenues	3,132	3,574	(442)	7,642	7,336	306
Operating Expenses:						
Purchased Gas	1,866	1,698	168	4,972	3,768	1,204
Operation and Maintenance	922	902	20	1,795	1,792	3
Property, Franchise and Other Taxes	23	27	(4)	42	47	(5)
Depreciation, Depletion and Amortization	197	193	4	397	386	11
	3,008	2,820	188	7,206	5,993	1,213
Operating Income	124	754	(630)	436	1,343	(907)
Other Income (Expense):						
Income from Unconsolidated Subsidiaries	720	455	265	1,985	1,239	746
Interest Income	7	4	3	13	9	4
Other Income	14	281	(267)	16	282	(266)
Other Interest Expense	(616)	(391)	(225)	(1,206)	(743)	(463)
Income Before Income Taxes	249	1,103	(854)	1,244	2,130	(886)
Income Tax Expense	203	451	(248)	628	878	(250)
Net Income	$ 46	$ 652	$ (606)	$ 616	$ 1,252	$ (636)
Net Income Per Share (Diluted)	$ -	$ 0.01	$ (0.01)	$ 0.01	$ 0.02	$ (0.01)

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES

SEGMENT OPERATING RESULTS AND STATISTICS
(UNAUDITED)

(Thousands of Dollars, except per share amounts)	Three Months Ended March 31,			Six Months Ended March 31,		
CORPORATE	2006	2005	Variance	2006	2005	Variance
Revenues from External Customers	$ 388	$ -	$ 388	$ 388	$ -	$ 388
Intersegment Revenues	782	692	90	1,475	1,321	154
Total Operating Revenues	1,170	692	478	1,863	1,321	542
Operating Expenses:						
Operation and Maintenance	1,582	1,611	(29)	3,450	3,561	(111)
Property, Franchise and Other Taxes	71	37	34	166	205	(39)
Depreciation, Depletion and Amortization	117	118	(1)	231	233	(2)
	1,770	1,766	4	3,847	3,999	(152)
Operating Loss	(600)	(1,074)	474	(1,984)	(2,678)	694
Other Income (Expense):						
Interest Income	23,009	20,219	2,790	45,662	39,771	5,891
Other Income	(174)	223	(397)	30	477	(447)
Interest Expense on Long-Term Debt	(17,875)	(17,893)	18	(35,775)	(35,785)	10
Other Interest Expense	(3,989)	(2,934)	(1,055)	(7,784)	(5,793)	(1,991)
Income (Loss) Before Income Taxes	371	(1,459)	1,830	149	(4,008)	4,157
Income Tax Expense	(667)	(714)	47	(249)	(1,718)	1,469
Net Income (Loss)	$ 1,038	$ (745)	$ 1,783	$ 398	$ (2,290)	$ 2,688
Net Income (Loss) Per Share (Diluted)	$ 0.01	$ (0.01)	$ 0.02	$ 0.01	$ (0.03)	$ 0.04

	Three Months Ended March 31,			Six Months Ended March 31,		
INTERSEGMENT ELIMINATIONS	2006	2005	Variance	2006	2005	Variance
Intersegment Revenues	$ (28,208)	$ (31,166)	$ 2,958	$ (58,868)	$ (57,778)	$ (1,090)
Operating Expenses:						
Purchased Gas	(28,773)	(30,199)	1,426	(58,566)	(56,109)	(2,457)
Operation and Maintenance	565	(967)	1,532	(302)	(1,669)	1,367
	(28,208)	(31,166)	2,958	(58,868)	(57,778)	(1,090)
Operating Income	-	-	-	-	-	-
Other Income (Expense):						
Interest Income	(24,521)	(20,721)	(3,800)	(48,404)	(41,096)	(7,308)
Other Interest Expense	24,521	20,721	3,800	48,404	41,096	7,308
Net Income	$ -	$ -	$ -	$ -	$ -	$ -
Net Income Per Share (Diluted)	$ -	$ -	$ -	$ -	$ -	$ -

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES

SEGMENT INFORMATION (Continued)

(Thousands of Dollars)

	Three Months Ended March 31, (Unaudited)			Six Months Ended March 31, (Unaudited)		
	2006	2005	Increase (Decrease)	2006	2005	Increase (Decrease)
Capital Expenditures:						
Utility	$ 13,006	$ 10,939	$ 2,067	$ 25,360	$ 22,274	$ 3,086
Pipeline and Storage	4,165	3,318	847	10,328	8,205	2,123
Exploration and Production	45,401	40,866	4,535	96,324	61,874	34,450
Energy Marketing	1	23	(22)	6	34	(28)
Timber	257	17,844	(17,587)	752	18,696	(17,944)
Total Reportable Segments	62,830	72,990	(10,160)	132,770	111,083	21,687
All Other	56	96	(40)	56	103	(47)
Corporate	1,707	67	1,640	2,135	86	2,049
Total Expenditures from Continuing Operations	$ 64,593	$ 73,153	$ (8,560)	$ 134,961	$ 111,272	$ 23,689

DEGREE DAYS

				Percent Colder (Warmer) Than:	
Three Months Ended March 31	Normal	2006	2005	Normal	Last Year
Buffalo, NY	3,327	2,875	3,468	(13.6)	(17.1)
Erie, PA	3,142	2,705	3,266	(13.9)	(17.2)
Six Months Ended March 31					
Buffalo, NY	5,587	5,085	5,640	(9.0)	(9.8)
Erie, PA	5,223	4,753	5,263	(9.0)	(9.7)

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES

EXPLORATION AND PRODUCTION INFORMATION

	Three Months Ended March 31, 2006	Three Months Ended March 31, 2005	Increase (Decrease)	Six Months Ended March 31, 2006	Six Months Ended March 31, 2005	Increase (Decrease)
Gas Production/Prices:						
Production (MMcf)						
Gulf Coast	2,752	2,844	(92)	4,419	6,069	(1,650)
West Coast	933	986	(53)	1,951	2,025	(74)
Appalachia	1,246	1,137	109	2,499	2,343	156
Canada	1,761	2,160	(399)	3,672	3,825	(153)
	6,692	7,127	(435)	12,541	14,262	(1,721)
Average Prices (Per Mcf)						
Gulf Coast	$ 8.47	$ 6.75	$ 1.72	$ 9.33	$ 6.61	$ 2.72
West Coast	8.02	6.20	1.82	9.62	6.38	3.24
Appalachia	10.03	6.76	3.27	11.83	7.26	4.57
Canada	7.21	5.52	1.69	9.06	5.49	3.57
Weighted Average	8.37	6.30	2.07	9.79	6.38	3.41
Weighted Average after Hedging	7.39	5.97	1.42	7.88	5.98	1.90
Oil Production/Prices:						
Production (Thousands of Barrels)						
Gulf Coast	181	261	(80)	288	550	(262)
West Coast	639	634	5	1,324	1,287	37
Appalachia	12	9	3	22	12	10
Canada	68	78	(10)	155	154	1
	900	982	(82)	1,789	2,003	(214)
Average Prices (Per Barrel)						
Gulf Coast	$ 58.69	$ 46.42	$ 12.27	$ 58.39	$ 46.77	$ 11.62
West Coast	53.65	37.67	15.98	52.46	37.40	15.06
Appalachia	60.28	42.28	18.00	60.84	42.85	17.99
Canada	48.63	41.08	7.55	45.57	39.78	5.79
Weighted Average	54.37	40.31	14.06	52.92	40.19	12.73
Weighted Average after Hedging	40.30	26.10	14.20	36.70	26.22	10.48
Total Production (Mmcfe)	12,092	13,019	(927)	23,275	26,280	(3,005)
Selected Operating Performance Statistics:						
General & Administrative Expense per Mcfe[1]	$ 0.53	$ 0.42	$ 0.11	$ 0.54	$ 0.40	$ 0.14
Lease Operating Expense per Mcfe[1]	$ 1.21	$ 0.96	$ 0.25	$ 1.26	$ 0.92	$ 0.34
Depreciation, Depletion & Amortization per Mcfe[1]	$ 1.91	$ 1.71	$ 0.20	$ 1.92	$ 1.68	$ 0.24

(1) Refer to page 16 for the General and Administrative Expense, Lease Operating Expense and Depreciation, Depletion, and Amortization Expense for the Exploration and Production segment.

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES

EXPLORATION AND PRODUCTION INFORMATION

Hedging Summary for Fiscal 2006

SWAPS	Volume	Average Hedge Price
Oil	0.9 MMBBL	$35.33 / BBL
Gas	4.7 BCF	$6.20 / MCF

		Weighted Average	
No-cost Collars	**Volume**	**Floor Price**	**Ceiling Price**
Gas	2.8 BCF	$8.37 / MCF	$15.00 / MCF

Hedging Summary for Fiscal 2007

SWAPS	Volume	Average Hedge Price
Oil	0.9 MMBBL	$37.03 / BBL
Gas	0.7 BCF	$5.84 / MCF

		Weighted Average	
No-cost Collars	**Volume**	**Floor Price**	**Ceiling Price**
Gas	3.5 BCF	$8.12 / MCF	$19.73 / MCF

Drilling Program Six Months Ended March 31, 2006:
Gross Wells Drilled

	Gulf	West	East	Canada	Total
Exploratory					
Successful	0	0	1	12	13
Unsuccessful	0	0	0	2	2
Developmental					
Successful	0	59	52	2	113
Unsuccessful	0	1	0	0	1
Total					
Successful	0	59	53	14	126
Unsuccessful	0	1	0	2	3
Success Ratio	N/A	98%	100%	88%	98%

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES

Utility Throughput - (millions of cubic feet - MMcf)

	Three Months Ended March 31, 2006	Three Months Ended March 31, 2005	Increase (Decrease)	Six Months Ended March 31, 2006	Six Months Ended March 31, 2005	Increase (Decrease)
Retail Sales:						
Residential Sales	26,807	32,559	(5,752)	46,331	52,428	(6,097)
Commercial Sales	5,038	6,072	(1,034)	8,481	9,526	(1,045)
Industrial Sales	459	425	34	786	601	185
	32,304	39,056	(6,752)	55,598	62,555	(6,957)
Transportation	22,119	22,465	(346)	36,461	36,568	(107)
	54,423	61,521	(7,098)	92,059	99,123	(7,064)

Pipeline & Storage Throughput- (MMcf)

	Three Months Ended March 31, 2006	Three Months Ended March 31, 2005	Increase (Decrease)	Six Months Ended March 31, 2006	Six Months Ended March 31, 2005	Increase (Decrease)
Firm Transportation - Affiliated	43,637	52,703	(9,066)	76,862	84,905	(8,043)
Firm Transportation - Non-Affiliated	71,191	77,148	(5,957)	140,788	128,688	12,100
Interruptible Transportation	1,831	1,180	651	5,554	2,842	2,712
	116,659	131,031	(14,372)	223,204	216,435	6,769

Energy Marketing Volumes

	Three Months Ended March 31, 2006	Three Months Ended March 31, 2005	Increase (Decrease)	Six Months Ended March 31, 2006	Six Months Ended March 31, 2005	Increase (Decrease)
Natural Gas (MMcf)	17,332	15,184	2,148	27,306	23,191	4,115

Timber Board Feet (Thousands)

	Three Months Ended March 31, 2006	Three Months Ended March 31, 2005	Increase (Decrease)	Six Months Ended March 31, 2006	Six Months Ended March 31, 2005	Increase (Decrease)
Log Sales	3,282	2,570	712	5,774	4,315	1,459
Green Lumber Sales	2,982	2,538	444	4,956	4,702	254
Kiln Dry Lumber Sales	4,512	3,897	615	8,998	7,263	1,735
	10,776	9,005	1,771	19,728	16,280	3,448

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES
FISCAL 2006 SEGMENT EARNINGS GUIDANCE AND SENSITIVITIES

Fiscal 2006 (Diluted earnings per share guidance by segment*)			**Earnings per share sensitivity to changes from NYMEX prices used in guidance* ^**			
			$1 change per MMBtu gas		$1 change per Bbl oil	
Segment	Previous Guidance Range	Revised Guidance Range	Increase	Decrease	Increase	Decrease
Utility	$0.52 - $0.59	$0.54 - $0.60	-	-	-	-
Pipeline & Storage	$0.60 - $0.63	$0.61 - $0.65	+ $0.01	- $0.01	-	-
Exploration & Production	$1.10 - $1.20	$1.00 - $1.10	+$0.06	- $0.06	+ $0.01	- $0.01
All Other	$0.08 - $0.08	$0.12 - $0.12	-	-	-	-
Consolidated	$2.30 - $2.50	$2.27 - $2.47	+ $0.07	- $0.07	+ $0.01	- $0.01

NYMEX prices used in guidance

	Natural Gas ($ per MMBtu)	Oil ($ per Bbl)
Apr-06	$7.233	$70.00
May-06	$7.558	$73.00
Jun-06	$7.786	$73.33
Jul-06	$8.031	$74.56
Aug-06	$8.246	$75.26
Sep-06	$8.448	$75.66
April 06/Sept-06 Average	$7.884	$73.64

* Please refer to forward looking statement footnote at page 8 of this document.

^ This sensitivity table is current as of May 4, 2006, but will become obsolete with the passage of time, changes in Seneca's production forecast, changes in customer use per account, as additional hedging contracts are entered into, and the settling of NYMEX hedge contracts at their maturity.

NATIONAL FUEL GAS COMPANY
AND SUBSIDIARIES

Quarter Ended March 31 (unaudited)	2006	2005
Operating Revenues	$ 890,981,000	$ 735,842,000
Income from Continuing Operations	$ 78,594,000	$ 63,981,000
Income from Discontinued Operations, Net of Tax	-	6,702,000
Net Income Available for Common Stock	$ 78,594,000	$ 70,683,000
Earnings Per Common Share:		
Basic:		
Income from Continuing Operations	$ 0.93	$ 0.77
Income from Discontinued Operations	-	0.08
Net Income Available for Common Stock	$ 0.93	$ 0.85
Diluted:		
Income from Continuing Operations	$ 0.91	$ 0.75
Income from Discontinued Operations	-	0.08
Net Income Available for Common Stock	$ 0.91	$ 0.83
Weighted Average Common Shares:		
Used in Basic Calculation	84,346,733	83,313,191
Used in Diluted Calculation	86,253,597	84,770,068

Six Months Ended March 31 (unaudited)		
Operating Revenues	$ 1,601,737,000	$ 1,236,126,000
Income from Continuing Operations	$ 136,013,000	$ 108,810,000
Income from Discontinued Operations, Net of Tax	-	12,310,000
Net Income Available for Common Stock	$ 136,013,000	$ 121,120,000
Earnings Per Common Share:		
Basic:		
Income from Continuing Operations	$ 1.61	$ 1.31
Income from Discontinued Operations	-	0.15
Net Income Available for Common Stock	$ 1.61	$ 1.46
Diluted:		
Income from Continuing Operations	$ 1.58	$ 1.28
Income from Discontinued Operations	-	0.15
Net Income Available for Common Stock	$ 1.58	$ 1.43
Weighted Average Common Shares:		
Used in Basic Calculation	84,385,140	83,231,435
Used in Diluted Calculation	86,256,515	84,711,134

Twelve Months Ended March 31 (unaudited)		
Operating Revenues	$ 2,289,160,000	$ 1,900,504,000
Income from Continuing Operations	180,717,000	155,463,000
Income from Discontinued Operations, Net of Tax	23,663,000	5,974,000
Net Income Available for Common Stock	$ 204,380,000	$ 161,437,000
Earnings Per Common Share:		
Basic:		
Income from Continuing Operations	$ 2.15	$ 1.88
Income from Discontinued Operations	0.28	0.07
Net Income Available for Common Stock	$ 2.43	$ 1.95
Diluted:		
Income from Continuing Operations	$ 2.11	$ 1.85
Income from Discontinued Operations	0.27	0.07
Net Income Available for Common Stock	$ 2.38	$ 1.92
Weighted Average Common Shares:		
Used in Basic Calculation	84,116,896	82,818,252
Used in Diluted Calculation	85,810,270	84,143,995