



6363 Main Street  
Williamsville, N.Y. 14221

Timothy J. Silverstein  
Investor Relations  
716-857-6987

David P. Bauer  
Treasurer  
716-857-7318

## **National Fuel Provides Third Quarter Update for Exploration & Production Operations**

(July 29, 2013) WILLIAMSVILLE, N.Y. – Seneca Resources Corporation (“Seneca”), the wholly owned exploration and production subsidiary of National Fuel Gas Company (NYSE: NFG) (“National Fuel” or the “Company”) reports that its production volumes for its fiscal third quarter ended June 30, 2013 totaled 34.1 billion cubic feet equivalent (“Bcfe”), a 54% increase over the prior year’s third quarter. This was also an 18% increase over the quarter ended March 31, 2013.

Seneca’s total production of 34.1 Bcfe, or 374 million cubic feet equivalent (“MMcfe”) per day, was driven by significant natural gas production growth from its new Marcellus Shale wells in Lycoming County, Pa. Natural gas production increased 67%, to a total of 29.8 Bcf, while crude oil production totaled 709,000 barrels, which was a decrease of 1.6% from the prior year. The decrease in crude oil production is a result of a continued constraint in a third-party pipeline used to transport associated natural gas production within the Sespe Field. This is expected to be resolved by the end of December 2013.

### Guidance Update

As a result of better than projected performance of its Marcellus Shale assets, the Company is increasing its fiscal 2013 production guidance to a range of 118 to 124 Bcfe. The previous guidance range was 110 to 118 Bcfe. The Company is also increasing its fiscal 2014 production guidance to a range of 134 to 146 Bcfe, which is an increase from the previous range of 132 to 142 Bcfe. Seneca expects production will remain relatively flat quarter to quarter until the second half of fiscal year 2014 when several new pads are turned into sales.

### Operations Update

As part of its Marcellus Shale delineation drilling program in fiscal 2013, Seneca previously tested one well in the Rich Valley prospect area in Cameron County, Pa., with a peak 7-day production rate of 7.8 MMcf per day, which at the time represented the highest rate of a Seneca Marcellus well within its legacy acreage. This well had a treatable lateral length of 6,372’ and was completed utilizing a reduced cluster spacing (“RCS”) design.

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During the third quarter of fiscal 2013, Seneca tested four additional wells in three geographically distinct locations. These wells achieved 24-hour peak production rates ranging from 4.8 to 8.9 MMcfe per day. They are currently shut-in awaiting the completion of production infrastructure. At this time, three additional delineation wells still await testing. Details on each of the wells in the fiscal 2013 Marcellus delineation drilling program can be found in the table below.

Two of the wells tested during the third quarter are located in the Clermont prospect area in Elk County, Pa. This is adjacent to the Rich Valley prospect area where the previously mentioned delineation well is located.

The two Clermont wells were drilled side-by-side in order to test the effectiveness of the RCS completion design. The well completed with RCS tested at a peak 24-hour production rate of 8.9 MMcfe per day and the well completed without RCS tested at a peak 24-hour production rate of 6.6 MMcf per day.

<b>Prospect Area</b>	<b>County (Pa.)</b>	<b>Stages</b>	<b>Treatable Lateral Length</b>	<b>Reduced Cluster Spacing</b>	<b>24-Hour Peak Production (MMcfe)</b>	<b>Normalized Production (MMcfe per 1,000')</b>	<b>Status</b>
Rich Valley	Cameron	42	6,372'	Yes	8.1	1.3	Producing
Clermont (9H)	Elk	37	5,500'	Yes	8.9	1.6	Tested
Clermont (10H)	Elk	23	5,565'	No	6.3	1.1	Tested
Ridgway	Elk	37	5,537'	Yes	7.1	1.3	Tested
Church Run	Elk	29	4,435'	Yes	4.8	1.1	Tested
Owl's Nest (54H)	Elk	41	6,137'	Yes			Completed
Owl's Nest (59H)	Elk	36	5,370'	Yes			Completed
Tionesta	Forest	35	5,100'	Yes			Drilled

Ronald J. Tanski, President and Chief Executive Officer of National Fuel, stated, "Third quarter production was outstanding, and exceeded our projections. Well results continue to improve, and our operational efficiencies allowed us to bring multi-well pads on more quickly than forecasted. This success has allowed us to increase our production guidance for fiscal 2013 and 2014. Additionally, initial delineation results in our Western Development Area were very positive. Along with the first well in our Rich Valley prospect area, these four newly tested wells further our confidence in a successful long-term Marcellus development program across our vast legacy acreage position in Pennsylvania."

Additional information on the Company's operations and financial results will be discussed on the 3<sup>rd</sup> Quarter Fiscal 2013 teleconference which is scheduled for Friday, August 9, 2013 at 11:00 AM ET.

National Fuel is an integrated energy company with \$6.3 billion in assets comprised of the following four operating segments: Exploration and Production, Pipeline and Storage, Utility, and Energy Marketing. Additional information about National Fuel is available at [www.nationalfuelgas.com](http://www.nationalfuelgas.com).

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<b>Analyst Contact:</b>	<b>Timothy J. Silverstein</b>	<b>716-857-6987</b>
<b>Media Contact:</b>	<b>Karen L. Merkel</b>	<b>716-857-7654</b>