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# NATIONAL FUEL GAS COMPANY

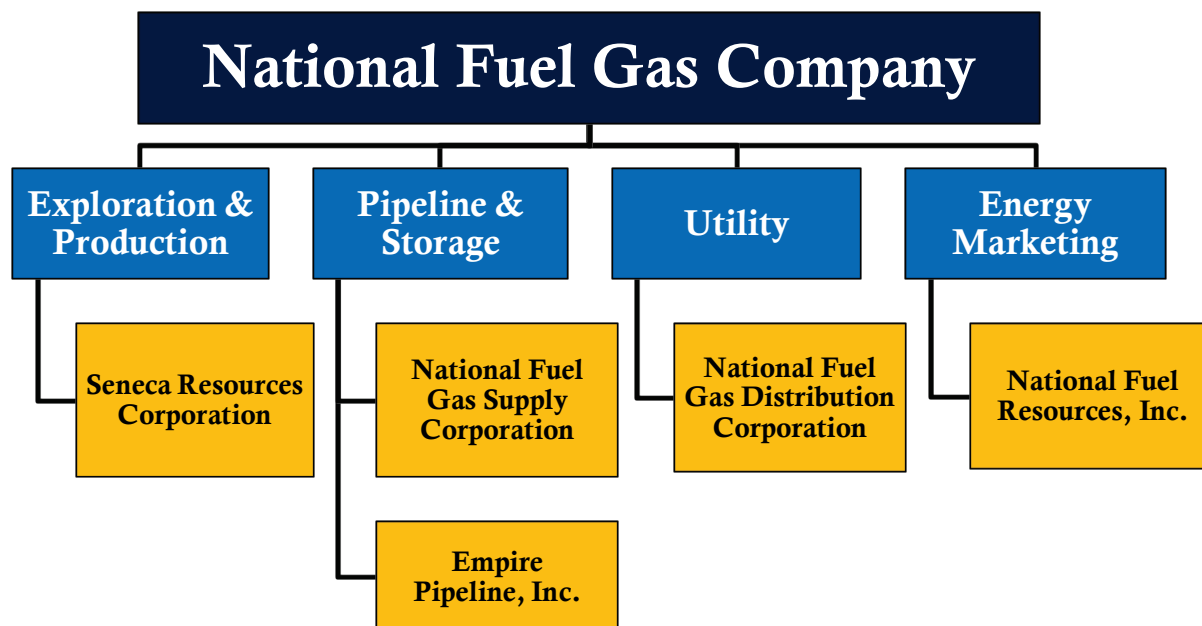
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Financial & Statistical Report 2011

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## National Fuel - At A Glance

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National Fuel continues to generate impressive shareholder returns from its balanced and integrated business model. Our value proposition has been significantly enhanced by an ambitious Appalachian drilling program, especially in the Marcellus Shale, and complementary expansion opportunities for the Pipeline & Storage segment. In 2011, we continued to capitalize on our many opportunities, driving growth and creating value for our shareholders, and we look forward to continuing a solid record of performance that has distinguished National Fuel for more than 100 years.

### Exploration & Production

Seneca Resources Corporation explores for, develops and produces oil and natural gas in California and Appalachia. Seneca's primary focus is now the Marcellus Shale in Pennsylvania where the company controls the natural gas rights associated with 745,000 net prospective acres and estimates a net risked resource potential between 8 and 15 trillion cubic feet equivalent of natural gas.

### Utility

National Fuel Gas Distribution Corporation sells or transports natural gas to customers through a local distribution system located in western New York and northwestern Pennsylvania.

### Pipeline & Storage

National Fuel Gas Supply Corporation and Empire Pipeline, Inc. provide natural gas transportation and storage services to affiliated and nonaffiliated companies through an integrated system of 2,795 miles of pipeline and 31 underground natural gas storage fields (including four storage fields co-owned with nonaffiliated companies). This system is located within an area bounded by the Canadian border at the Niagara River, southwestern Pennsylvania and central New York just north of Syracuse.

### Energy Marketing

National Fuel Resources, Inc. sells competitively priced natural gas to a diverse group of industrial, wholesale, commercial, public authority and residential customers located primarily in western and central New York and northwestern Pennsylvania.

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*This report is neither a representation nor prospectus with regard to the Company's securities and is not furnished in connection with any proposed sales or offer to sell or buy any stock or securities. Data contained herein with respect to any particular year should be considered in conjunction with the notes and comments appearing in the Company's Annual Report on Form 10-K for that year.*

## Consolidated Statements of Income and Earnings Reinvested in the Business

(Thousands of Dollars, Except Per Common Share Amounts)	2011	2010 <sup>(1)</sup>	2009 <sup>(1)</sup>	2008 <sup>(1)</sup>	2007 <sup>(1)(2)</sup>
<b>INCOME</b>					
<b>Operating Revenues</b>	<b>\$ 1,778,842</b>	<b>\$ 1,760,503</b>	<b>\$ 2,051,543</b>	<b>\$ 2,396,837</b>	<b>\$ 2,034,400</b>
<b>Operating Expenses</b>					
Purchased Gas	628,732	658,432	997,216	1,238,405	1,019,349
Operation and Maintenance	400,519	394,569	401,200	429,394	395,704
Property, Franchise and Other Taxes	81,902	75,852	72,102	75,525	70,589
Depreciation, Depletion and Amortization	226,527	191,199	170,620	169,846	157,142
Impairment of Oil and Gas Producing Properties	-	-	182,811	-	-
	<b>1,337,680</b>	<b>1,320,052</b>	<b>1,823,949</b>	<b>1,913,170</b>	<b>1,642,784</b>
<b>Operating Income</b>	<b>441,162</b>	<b>440,451</b>	<b>227,594</b>	<b>483,667</b>	<b>391,616</b>
<b>Other Income (Expense):</b>					
Income from Unconsolidated Subsidiaries	(759)	2,488	3,366	6,303	4,979
Gain on Sale of Unconsolidated Subsidiaries	50,879	-	-	-	-
Impairment of Investment in Partnership	-	-	(1,804)	-	-
Other Income	6,706	3,638	8,200	7,164	6,995
Interest Income	2,916	3,729	5,776	10,815	1,550
Interest Expense on Long-Term Debt	(73,567)	(87,190)	(79,419)	(70,099)	(68,446)
Other Interest Expense	(4,554)	(6,756)	(7,370)	(3,271)	(4,155)
<b>Income from Continuing Operations Before Income Taxes</b>	<b>422,783</b>	<b>356,360</b>	<b>156,343</b>	<b>434,579</b>	<b>332,539</b>
Income Tax Expense	164,381	137,227	52,859	167,672	131,291
<b>Income from Continuing Operations</b>	<b>258,402</b>	<b>219,133</b>	<b>103,484</b>	<b>266,907</b>	<b>201,248</b>
<b>Discontinued Operations:</b>					
Income (Loss) from Operations, Net of Tax	-	470	(2,776)	1,821	15,906
Gain on Disposal, Net of Tax	-	6,310	-	-	120,301
<b>Income (Loss) from Discontinued Operations, Net of Tax</b>	<b>-</b>	<b>6,780</b>	<b>(2,776)</b>	<b>1,821</b>	<b>136,207</b>
<b>Net Income Available for Common Stock</b>	<b>258,402</b>	<b>225,913</b>	<b>100,708</b>	<b>268,728</b>	<b>337,455</b>
<b>EARNINGS REINVESTED IN THE BUSINESS</b>					
Balance at Beginning of Year	1,063,262	948,293	953,799	983,776	786,013
	<b>1,321,664</b>	<b>1,174,206</b>	<b>1,054,507</b>	<b>1,252,504</b>	<b>1,123,468</b>
Share Repurchases	-	-	-	(194,776)	(38,196)
Cumulative Effect of Adoption of Authoritative Guidance for Income Taxes	-	-	-	(406)	-
Adoption of Authoritative Guidance for Defined Benefit Pension and Other Post-Retirement Plans	(115,642)	-	(804)	-	-
Dividends on Common Stock	-	(110,944)	(105,410)	(103,523)	(101,496)
<b>Balance at End of Year</b>	<b>\$ 1,206,022</b>	<b>\$ 1,063,262</b>	<b>\$ 948,293</b>	<b>\$ 953,799</b>	<b>\$ 983,776</b>
<b>EARNINGS PER COMMON SHARE:</b>					
Basic:					
Income from Continuing Operations	\$ 3.13	\$ 2.70	\$ 1.29	\$ 3.25	\$ 2.42
Income (Loss) from Discontinued Operations	-	0.08	(0.03)	0.02	1.64
<b>Net Income Available for Common Stock</b>	<b>\$ 3.13</b>	<b>\$ 2.78</b>	<b>\$ 1.26</b>	<b>\$ 3.27</b>	<b>\$ 4.06</b>
Diluted:					
Income from Continuing Operations	\$ 3.09	\$ 2.65	\$ 1.28	\$ 3.16	\$ 2.36
Income (Loss) from Discontinued Operations	-	0.08	(0.03)	0.02	1.60
<b>Net Income Available for Common Stock</b>	<b>\$ 3.09</b>	<b>\$ 2.73</b>	<b>\$ 1.25</b>	<b>\$ 3.18</b>	<b>\$ 3.96</b>
<b>Weighted Average Common Shares Outstanding:</b>					
Used in Basic Calculation	82,514,015	81,380,434	79,649,965	82,304,335	83,141,640
Used in Diluted Calculation	83,670,802	82,660,598	80,628,685	84,474,839	85,301,361

(1) Note: During 2010 the Company completed the sale of its landfill gas properties. These operations are presented in the Company financial statements, and herein, as discontinued operations. Prior year amounts have been reclassified to reflect this change in presentation.

(2) Note: During 2007 the Company completed the sale of SECI, Seneca's wholly-owned subsidiary that operated in Canada. SECI's operations are presented in the Company financial statements, and herein, as discontinued operations.

## Consolidated Balance Sheets

At September 30 (Thousands of Dollars)	2011	2010	2009	2008	2007
<b>Property, Plant and Equipment</b>	<b>\$ 5,646,918</b>	\$ 5,637,498	\$ 5,184,844	\$ 4,873,969	\$ 4,461,586
Less - Accum. Depreciation, Depletion and Amort.	<b>1,646,394</b>	2,187,269	2,051,482	1,719,869	1,583,181
	<b>4,000,524</b>	\$ 3,450,229	\$ 3,133,362	\$ 3,154,100	\$ 2,878,405
<b>Current Assets</b>					
Cash and Temporary Cash Investments	<b>80,428</b>	397,171	410,053	68,239	124,806
Cash Held in Escrow	-	-	-	-	61,964
Hedging Collateral Deposits	19,701	11,134	848	1	4,066
Receivables - Net of Allowance for Uncollectible Accts.	<b>131,885</b>	132,136	144,466	185,397	172,380
Unbilled Utility Revenue	<b>17,284</b>	20,920	18,884	24,364	20,682
Gas Stored Underground	<b>54,325</b>	48,584	55,862	87,294	66,195
Materials and Supplies - at average cost	<b>27,932</b>	24,987	24,520	31,317	35,669
Unrecovered Purchased Gas Costs	-	-	-	37,708	14,769
Other Current Assets	<b>38,334</b>	115,969	68,474	65,158	45,057
Deferred Income Taxes	<b>15,423</b>	24,476	53,863	-	8,550
	<b>385,312</b>	775,377	776,970	499,478	554,138
<b>Other Assets</b>					
Recoverable Future Taxes	<b>144,377</b>	149,712	138,435	82,506	83,954
Unamortized Debt Expense	<b>10,571</b>	12,550	14,815	13,978	12,070
Other Regulatory Assets	<b>574,644</b>	542,801	530,913	189,587	137,577
Deferred Charges	<b>5,552</b>	9,646	2,737	4,417	5,545
Other Investments	<b>79,365</b>	77,839	78,503	80,640	85,902
Investments in Unconsolidated Subsidiaries	<b>1,306</b>	14,828	14,940	16,279	18,256
Goodwill	<b>5,476</b>	5,476	5,476	5,476	5,476
Intangible Assets	-	-	21,536	26,174	28,836
Prepaid Pension and Other Post-Retirement Benefit Costs	-	-	-	21,034	61,006
Fair Value of Derivative Financial Instruments	<b>76,085</b>	65,184	44,817	28,786	9,188
Deferred Income Taxes	-	-	-	-	-
Other	<b>1,530</b>	1,983	6,625	7,732	8,059
	<b>898,906</b>	880,019	858,797	476,609	455,869
<b>Total Assets</b>	<b>\$ 5,284,742</b>	\$ 5,105,625	\$ 4,769,129	\$ 4,130,187	\$ 3,888,412

## Consolidated Balance Sheets (Continued)

At September 30 (Thousands of Dollars)	2011	2010	2009	2008	2007
<b>Capitalization:</b>					
<b>Comprehensive Shareholders' Equity</b>					
Common Stock, \$1 Par Value	\$ 82,813	\$ 82,075	\$ 80,500	\$ 79,121	\$ 83,461
Paid In Capital	650,749	645,619	602,839	567,716	569,085
Earnings Reinvested in the Business	1,206,022	1,063,262	948,293	953,799	983,776
Total Common Shareholders' Equity Before Items of Other Comprehensive Income (Loss)	1,939,584	1,790,956	1,631,632	1,600,636	1,636,322
Accumulated Other Comprehensive Income (Loss)	(47,699)	(44,985)	(42,396)	2,963	(6,203)
<b>Total Comprehensive Shareholders' Equity</b>	<b>1,891,885</b>	<b>1,745,971</b>	<b>1,589,236</b>	<b>1,603,599</b>	<b>1,630,119</b>
<b>Long-Term Debt, Net of Current Portion</b>	<b>899,000</b>	<b>1,049,000</b>	<b>1,249,000</b>	<b>999,000</b>	<b>799,000</b>
<b>Total Capitalization</b>	<b>2,790,885</b>	<b>2,794,971</b>	<b>2,838,236</b>	<b>2,602,599</b>	<b>2,429,119</b>
<b>Current and Accrued Liabilities</b>					
Notes Payable to Banks and Commercial Paper	40,000	-	-	-	-
Current Portion of Long-Term Debt	150,000	200,000	-	100,000	200,024
Accounts Payable	126,709	89,677	90,723	142,520	109,757
Amounts Payable to Customers	15,519	38,109	105,778	2,753	10,409
Dividends Payable	29,399	28,316	26,967	25,714	25,873
Interest Payable on Long-Term Debt	25,512	30,512	32,031	22,114	18,158
Customer Advances	19,643	27,638	24,555	33,017	22,863
Customer Security Deposits	17,321	18,320	17,430	14,047	-
Other Accruals and Current Liabilities	94,787	71,592	18,875	31,173	36,062
Deferred Income Taxes	-	-	-	1,871	-
Fair Value of Derivative Financial Instruments	9,728	20,160	2,148	1,362	16,200
	<b>528,618</b>	<b>524,324</b>	<b>318,507</b>	<b>374,571</b>	<b>439,346</b>
<b>Deferred Credits</b>					
Deferred Income Taxes	955,384	800,758	663,876	634,372	575,356
Taxes Refundable to Customers	65,543	69,585	67,046	18,449	14,026
Unamortized Investment Tax Credit	2,586	3,288	3,989	4,691	5,392
Cost of Removal Regulatory Liability	135,940	124,032	105,546	103,100	91,226
Other Regulatory Liabilities	94,684	89,334	120,229	91,933	76,659
Pension and Other Post-Retirement Liabilities	481,520	446,082	415,888	78,909	70,555
Asset Retirement Obligations	75,731	101,618	91,373	93,247	75,939
Other Deferred Credits	153,851	151,633	144,439	128,316	110,794
	<b>1,965,239</b>	<b>1,786,330</b>	<b>1,612,386</b>	<b>1,153,017</b>	<b>1,019,947</b>
<b>Commitments and Contingencies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capitalization and Liabilities</b>	<b>\$ 5,284,742</b>	<b>\$ 5,105,625</b>	<b>\$ 4,769,129</b>	<b>\$ 4,130,187</b>	<b>\$ 3,888,412</b>

## Consolidated Statements of Cash Flows

Year Ended September 30 (Thousands of Dollars)	2011	2010	2009	2008	2007
<b>Operating Activities</b>					
Net Income Available for Common Stock	\$ 258,402	\$ 225,913	\$ 100,708	\$ 268,728	\$ 337,455
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:					
Gain on Sale of Unconsolidated Subsidiaries	(50,879)	-	-	-	-
Gain on Sale of Discontinued Operations	-	(10,334)	-	-	(159,873)
Impairment of Oil and Gas Producing Properties	-	-	182,811	-	-
Depreciation, Depletion and Amortization	226,527	191,809	173,410	170,623	170,803
Deferred Income Taxes	164,251	134,679	(2,521)	72,496	52,847
(Income) Loss from Unconsol. Subs., Net of Cash Distributions	5,037	112	(466)	1,977	(3,366)
Impairment of Investment in Partnership	-	-	1,804	-	-
Excess Tax Benefits Assoc. with Stock-Based Comp. Awards	1,224	(13,207)	(5,927)	(16,275)	(13,689)
Other	10,614	9,108	19,829	4,858	16,399
Change In:					
Hedging Collateral Deposits	(8,567)	(10,286)	(847)	4,065	15,610
Receivables and Unbilled Utility Revenue	3,887	10,262	47,658	(16,815)	5,669
Gas Stored Underground and Materials and Supplies	(9,934)	6,546	43,598	(22,116)	(5,714)
Unrecovered Purchased Gas Costs	-	-	37,708	(22,939)	(1,799)
Prepayments and Other Current Assets	76,411	(34,288)	2,921	(36,376)	18,800
Accounts Payable	37,032	8,047	(61,149)	32,763	(26,002)
Amounts Payable to Customers	(22,590)	(67,669)	103,025	(7,656)	(13,526)
Customer Advances	(7,995)	3,083	(8,462)	10,154	(6,554)
Customer Security Deposits	(999)	890	3,383	609	1,907
Other Accruals and Current Liabilities	1,658	(3,649)	13,676	(4,250)	7,043
Other Assets	17,006	7,237	(35,140)	(11,887)	4,109
Other Liabilities	(23,799)	1,442	(4,201)	54,817	(5,922)
<b>Net Cash Provided by Operating Activities</b>	<b>677,286</b>	<b>459,695</b>	<b>611,818</b>	<b>482,776</b>	<b>394,197</b>
<b>Investing Activities</b>					
Capital Expenditures	(837,612)	(455,764)	(313,633)	(397,734)	(276,728)
Investment in Subsidiary, Net of Cash Acquired	-	-	(34,933)	-	-
Investment in Partnerships	-	-	-	-	(3,300)
Net Proceeds from Sale of Unconsolidated Subsidiaries	59,365	-	-	-	-
Net Proceeds from Sale of Timber Mill and Related Assets	-	15,770	-	-	-
Net Proceeds from Sale of Landfill Gas Pipeline Assets	-	38,000	-	-	-
Net Proceeds from Sale of Foreign Subsidiaries	-	-	-	-	232,092
Cash Held in Escrow	-	-	-	58,397	(58,248)
Net Proceeds from Sale of Oil and Gas Producing Properties	63,501	-	3,643	5,969	5,137
Other	(2,908)	(251)	(2,806)	4,376	(725)
<b>Net Cash Used in Investing Activities</b>	<b>(717,654)</b>	<b>(402,245)</b>	<b>(347,729)</b>	<b>(328,992)</b>	<b>(101,772)</b>
<b>Financing Activities</b>					
Changes in Notes Payable to Banks and Commercial Paper	40,000	-	-	-	-
Excess Tax Benefits Assoc. with Stock-Based Comp. Awards	(1,224)	13,207	5,927	16,275	13,689
Shares Repurchased under Repurchase Plan	-	-	-	(237,006)	(48,070)
Net Proceeds from Issuance of Long-Term Debt	-	-	247,780	296,655	-
Reduction of Long-Term Debt	(200,000)	-	(100,000)	(200,024)	(119,576)
Net Proceeds from Issuance of Common Stock	(592)	26,057	28,176	17,432	17,498
Dividends Paid on Common Stock	(114,559)	(109,596)	(104,158)	(103,683)	(100,632)
<b>Net Cash Provided By (Used in) Financing Activities</b>	<b>(276,375)</b>	<b>(70,332)</b>	<b>77,725</b>	<b>(210,351)</b>	<b>(237,091)</b>
<b>Effect of Exchange Rates on Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(139)</b>
<b>Net Inc. (Dec.) in Cash and Temporary Cash Investments</b>	<b>(316,743)</b>	<b>(12,882)</b>	<b>341,814</b>	<b>(56,567)</b>	<b>55,195</b>
<b>Cash and Temporary Cash Investments at Beginning of Year</b>	<b>397,171</b>	<b>410,053</b>	<b>68,239</b>	<b>124,806</b>	<b>69,611</b>
<b>Cash and Temporary Cash Investments at End of Year</b>	<b>\$80,428</b>	<b>\$ 397,171</b>	<b>\$ 410,053</b>	<b>\$ 68,239</b>	<b>\$ 124,806</b>
<b>Supplemental Disclosure of Cash Flow Information</b>					
<b>Cash Paid For:</b>					
Interest	\$ 81,966	\$ 93,333	\$ 75,640	\$ 69,841	\$ 75,987
Income Taxes	\$ (63,105)	\$ 30,975	\$ 40,638	\$ 103,154	\$ 97,961

## Consolidated Statements of Comprehensive Income

Year Ended September 30 (Thousands of Dollars)	2011	2010	2009	2008	2007
<b>Net Income Available for Common Stock</b>	<b>\$ 258,402</b>	<b>\$ 225,913</b>	<b>\$ 100,708</b>	<b>\$ 268,728</b>	<b>\$ 337,455</b>
<b>Other Comprehensive Income (Loss), Before Tax:</b>					
Decrease in the Funded Status of the Pension and Other Post-Retirement Benefit Plans	(24,172)	(30,155)	(71,771)	(13,584)	-
Reclassification Adjustment for Amortization of Prior Year Funded Status of the Pension and Other Post-Retirement Benefit Plans	8,536	5,000	1,008	1,924	-
Foreign Currency Translation Adjustment	51	53	(33)	12	7,874
Reclassification Adjustment for Realized Foreign Currency Translation Gain in Net Income	-	-	-	-	(42,658)
Unrealized Gain (Loss) on Securities Available for Sale Arising During the Period	(1,199)	(2,195)	(6,118)	(4,856)	4,747
Unrealized Gain (Loss) on Derivative Financial Instruments Arising During the Period	30,238	65,366	119,210	(31,490)	8,495
Reclassification Adjustment for Realized (Gains) Losses on Derivative Financial Instruments in Net Income	(15,485)	(41,320)	(114,380)	64,645	5,106
<b>Other Comprehensive Income (Loss), Before Tax</b>	<b>(2,031)</b>	<b>(3,251)</b>	<b>(72,084)</b>	<b>16,651</b>	<b>(16,436)</b>
Income Tax Benefit Related to the Decrease in the Funded Status of the Pension and Other Post-Retirement Benefit Plans	(8,735)	(11,379)	(27,082)	(5,127)	-
Reclassification Adjustment for Income Tax Benefit Related to the Amortization of the Prior Year Funded Status of the Pension and Other Post-Retirement Benefit Plans	3,221	1,887	380	726	-
Income Tax Expense (Benefit) Related to Unrealized Gain (Loss) on Securities Available for Sale Arising During the Period	(453)	(831)	(2,311)	(1,434)	1,724
Income Tax Expense (Benefit) Related to Unrealized Gain (Loss) on Derivative Financial Instruments Arising During the Period	12,836	26,628	48,293	(13,228)	3,153
Reclassification Adjustment for Income Tax (Expense) Benefit on Realized (Gains) Losses on Derivative Financial Instruments in Net Income	(6,186)	(16,967)	(46,005)	26,548	2,824
Income Taxes -- Net	683	(662)	(26,725)	7,485	7,701
<b>Other Comprehensive Income (Loss)</b>	<b>(2,714)</b>	<b>(2,589)</b>	<b>(45,359)</b>	<b>9,166</b>	<b>(24,137)</b>
<b>Comprehensive Income</b>	<b>\$ 255,688</b>	<b>\$ 223,324</b>	<b>\$ 55,349</b>	<b>\$ 277,894</b>	<b>\$ 313,318</b>



## Schedule of Business Segment Information

Year Ended September 30 (Thousands of Dollars)	2011	2010	2009	2008	2007
<b>Operating Revenues</b>					
Exploration & Production	\$ 519,035	\$ 438,028	\$ 382,758	\$ 466,760	\$ 324,037
Pipeline & Storage	215,108	218,883	219,273	216,556	211,966
Utility	852,495	819,790	1,113,024	1,210,269	1,120,724
Energy Marketing	284,966	344,802	398,321	551,232	413,612
Total Reportable Segments	1,871,604	1,821,503	2,113,376	2,444,817	2,070,339
All Other	14,418	35,743	35,100	49,750	59,122
Corporate & Intersegment Eliminations	(107,180)	(96,743)	(96,933)	(97,730)	(95,061)
<b>Total Consolidated</b>	<b>\$ 1,778,842</b>	<b>\$ 1,760,503</b>	<b>\$ 2,051,543</b>	<b>\$ 2,396,837</b>	<b>\$ 2,034,400</b>
<b>Depreciation, Depletion &amp; Amortization</b>					
Exploration & Production	\$ 146,806	\$ 106,182	\$ 90,816	\$ 92,221	\$ 78,174
Pipeline & Storage	37,266	35,930	35,115	32,871	32,985
Utility	40,808	40,370	39,675	39,113	40,541
Energy Marketing	47	42	42	42	33
Total Reportable Segments	224,927	182,524	165,648	164,247	151,733
All Other	840	7,907	4,276	4,910	4,717
Corporate & Intersegment Eliminations	760	768	696	689	692
<b>Total Consolidated</b>	<b>\$ 226,527</b>	<b>\$ 191,199</b>	<b>\$ 170,620</b>	<b>\$ 169,846</b>	<b>\$ 157,142</b>
<b>Operating Income (Loss)</b>					
Exploration & Production <sup>(1)</sup>	\$ 230,651	\$ 221,279	\$ 6,084	\$ 270,004	\$ 169,130
Pipeline & Storage	74,208	84,928	95,742	96,300	100,644
Utility	127,732	126,959	124,768	122,461	111,819
Energy Marketing	13,131	13,531	11,547	8,657	12,186
Total Reportable Segments	445,722	446,697	238,141	497,422	393,779
All Other	8,979	3,514	(2,872)	509	7,620
Corporate	(13,539)	(9,760)	(7,675)	(14,264)	(9,783)
<b>Total Consolidated</b>	<b>\$ 441,162</b>	<b>\$ 440,451</b>	<b>\$ 227,594</b>	<b>\$ 483,667</b>	<b>\$ 391,616</b>
<b>Income (Loss) from Unconsolidated Subsidiaries</b>					
(In Corporate and All Other Segments)	\$ (759)	\$ 2,488	\$ 3,366	\$ 6,303	\$ 4,979
<b>Interest Income</b>					
Exploration & Production	\$ (27)	\$ 980	\$ 2,430	\$ 10,921	\$ 9,905
Pipeline & Storage	324	199	995	843	357
Utility	2,049	2,144	2,486	1,836	(2,345)
Energy Marketing	104	44	79	323	682
Total Reportable Segments	2,450	3,367	5,990	13,923	8,599
All Other	247	137	583	1,232	1,265
Corporate & Intersegment Eliminations	219	225	(797)	(4,340)	(8,314)
<b>Total Consolidated</b>	<b>\$ 2,916</b>	<b>\$ 3,729</b>	<b>\$ 5,776</b>	<b>\$ 10,815</b>	<b>\$ 1,550</b>
<b>Interest Expense</b>					
Exploration & Production	\$ 17,402	\$ 30,853	\$ 33,368	\$ 41,645	\$ 51,743
Pipeline & Storage	25,737	26,328	21,580	13,783	9,623
Utility	34,440	35,831	32,417	27,683	28,190
Energy Marketing	20	27	215	175	263
Total Reportable Segments	77,599	93,039	87,580	83,286	89,819
All Other	2,173	2,152	2,344	3,183	4,078
Corporate & Intersegment Eliminations	(1,651)	(1,245)	(3,135)	(13,099)	(21,296)
<b>Total Consolidated</b>	<b>\$ 78,121</b>	<b>\$ 93,946</b>	<b>\$ 86,789</b>	<b>\$ 73,370</b>	<b>\$ 72,601</b>

(1) Includes impairment of oil and gas producing properties of (\$182.8) million pretax in 2009.

## Schedule of Business Segment Information (Continued)

Year Ended September 30 (Thousands of Dollars)	2011	2010	2009	2008	2007
<b>Income Tax Expense (Benefit)</b>					
Exploration & Production	\$ 89,034	\$ 78,875	\$ (14,616)	\$ 92,686	\$ 52,421
Pipeline & Storage	19,854	22,634	30,579	34,008	35,740
Utility	33,325	31,858	37,097	36,303	31,642
Energy Marketing	4,489	4,806	4,470	3,180	5,654
Total Reportable Segments	146,702	138,173	57,530	166,177	125,457
All Other	18,961	464	(3,482)	1,936	3,943
Corporate	(1,282)	(1,410)	(1,189)	(441)	1,891
<b>Total Consolidated</b>	<b>\$ 164,381</b>	<b>\$ 137,227</b>	<b>\$ 52,859</b>	<b>\$ 167,672</b>	<b>\$ 131,291</b>
<b>Segment Profit (Loss): Income (Loss) from Continuing Operations</b>					
Exploration & Production <sup>(1)</sup>	\$ 124,189	\$ 112,531	\$ (10,238)	\$ 146,612	\$ 74,889
Pipeline & Storage	31,515	36,703	47,358	54,148	56,386
Utility	63,228	62,473	58,664	61,472	50,886
Energy Marketing	8,801	8,816	7,166	5,889	7,663
Total Reportable Segments	227,733	220,523	102,950	268,121	189,824
All Other <sup>(2)</sup>	38,502	3,396	705	3,958	5,865
Corporate	(7,833)	(4,786)	(171)	(5,172)	5,559
<b>Total Consolidated</b>	<b>\$ 258,402</b>	<b>\$ 219,133</b>	<b>\$ 103,484</b>	<b>\$ 266,907</b>	<b>\$ 201,248</b>
<b>Capital Expenditures</b>					
Exploration & Production <sup>(3)(4)</sup>	\$ 648,815	\$ 398,174	\$ 188,290	\$ 192,187	\$ 175,816
Pipeline & Storage <sup>(5)</sup>	129,206	37,894	52,504	165,520	43,226
Utility	58,398	57,973	56,178	57,457	54,185
Energy Marketing	460	407	25	39	76
Total Reportable Segments	836,879	494,448	296,997	415,203	273,303
All Other <sup>(6)(7)</sup>	17,022	6,844	9,723	1,485	3,744
Corporate & Intersegment Eliminations	285	210	(47)	(2,186)	(319)
<b>Total Consolidated</b>	<b>\$ 854,186</b>	<b>\$ 501,502</b>	<b>\$ 306,673</b>	<b>\$ 414,502</b>	<b>\$ 276,728</b>
<b>Segment Assets (At September 30)</b>					
Exploration & Production	\$ 1,885,014	\$ 1,539,705	\$ 1,265,678	\$ 1,416,120	\$ 1,326,073
Pipeline & Storage	1,131,681	1,094,914	1,046,372	948,984	810,957
Utility	2,046,017	2,071,530	2,132,610	1,643,665	1,565,593
Energy Marketing	71,138	69,561	52,469	89,527	59,802
Total Reportable Segments	5,133,850	4,775,710	4,497,129	4,098,296	3,762,425
All Other <sup>(8)</sup>	166,730	198,706	210,809	217,874	231,755
Corporate & Intersegment Eliminations	(15,838)	131,209	61,191	(185,983)	(105,768)
<b>Total Consolidated</b>	<b>\$ 5,284,742</b>	<b>\$ 5,105,625</b>	<b>\$ 4,769,129</b>	<b>\$ 4,130,187</b>	<b>\$ 3,888,412</b>

(1) Includes impairment of oil and gas producing properties of (\$108.2) million after tax in 2009.

(2) Includes gain on sale of unconsolidated subsidiaries of \$31.4 million net of tax, in 2011.

(3) Includes accrued capital expenditures of \$63.5 million in 2011, \$55.5 million in 2010 and \$9.1 million in 2009. In addition, the 2009 amount excludes the acquisition of Ivanhoe Energy's United States oil and gas operation for \$34.9 million (net of cash acquired in 2009).

(4) Includes capital expenditures from discontinued operations: \$29.1 million in 2007.

(5) Includes accrued capital expenditures of \$7.3 million in 2011. In addition, includes accrued capital expenditures of \$16.8 million related to the Empire Connector project in 2008.

(6) Includes accrued capital expenditures of \$1.4 million in 2011. In addition, includes accrued capital expenditures related to the construction of the Midstream Covington Gathering System of \$0.7 million in 2009.

(7) Includes capital expenditures from discontinued operations: \$0.1 million in 2010, \$0.2 million in 2009, \$0.1 million in 2008, and \$0.1 million in 2007.

(8) Includes landfill gas assets of \$31.0 million in 2009, \$39.5 million in 2008, and \$41.1 million in 2007. The Company sold its landfill gas assets during fiscal 2010.

## Common Stock Data

Year Ended September 30	2011 <sup>(1)</sup>	2010 <sup>(2)</sup>	2009 <sup>(3)</sup>	2008	2007 <sup>(4)</sup>
<b>Market Price Statistics</b>					
High	\$ 75.98	\$ 54.42	\$ 48.30	\$ 63.71	\$ 47.87
Low	\$ 48.67	\$ 42.83	\$ 26.67	\$ 38.04	\$ 35.02
Close	\$ 48.68	\$ 51.81	\$ 45.81	\$ 42.18	\$ 46.81
<b>Common Stock Details</b>					
Number of Registered Shareholders at Year End	14,355	15,549	16,098	16,544	16,989
Shares Outstanding at Year End	82,812,677	82,075,470	80,499,915	79,120,544	83,461,308
Average Daily Volume Traded (Trailing 12 Months)	534,526	411,256	551,327	654,620	593,424
Return on Average Common Equity <sup>(5)</sup>	14.2%	13.5%	6.3%	16.6%	22.0%
Book Value per Common Share at Year End	\$22.85	\$21.27	\$19.74	\$20.27	\$19.53
Market/Book Value at Year End	213.0%	243.6%	232.1%	208.1%	239.7%
Price/Diluted Earnings Ratio	15.8	19.0	36.6	13.3	11.8
<b>Dividend Details</b>					
Declared per Share	\$ 1.40	\$ 1.36	\$ 1.32	\$ 1.27	\$ 1.22
Paid per Share	\$ 1.39	\$ 1.35	\$ 1.31	\$ 1.26	\$ 1.21
Rate at Year End	\$ 1.42	\$ 1.38	\$ 1.34	\$ 1.30	\$ 1.24
Payout Ratio on Dividends Paid	45.0%	49.4%	104.8%	39.6%	30.6%
Yield at Year End	2.9%	2.7%	2.9%	3.1%	2.6%
Dividends to Book Value at Year End	6.2%	6.5%	6.8%	6.4%	6.3%
Diluted Earnings per Share	\$ 3.09	\$ 2.73	\$ 1.25	\$ 3.18	\$ 3.96

(1) Includes gain on sale of unconsolidated subsidiaries of \$31.4 million net of tax, where applicable.

(2) Includes a \$6.3 million gain, net of tax, related to the sale of the landfill gas pipeline assets, where applicable.

(3) Includes impairment of oil and gas producing properties of (\$108.2) million net of tax in 2009, where applicable.

(4) Includes a \$120.3 million gain, net of tax, related to the sale of SECI, where applicable.

(5) Calculated using average Total Comprehensive Shareholders' Equity.

## Research Coverage\*

The following firms were providing equity investment research coverage of National Fuel Gas Company as of January 2012:

**Argus Research Corp.**  
**Barclays Capital**  
**BMO Capital Markets**  
**Capstone Investments**  
**Citigroup Research**  
**Gabelli & Company, Inc.**  
**Howard Weil, Inc.**  
**Morgan Stanley Research**  
**Morningstar, Inc.**  
**Pritchard Capital Partners, LLC**  
**Raymond James**  
**U.S. Capital Advisors LLC**  
**UBS Securities, LLC**

\*Note: National Fuel Gas Company is followed by analysts at the firms listed above. Please note that any opinions, estimates or forecasts regarding National Fuel Gas Company's performance made by these analysts are theirs alone and do not represent opinions, forecasts or predictions of National Fuel Gas Company or its management. National Fuel Gas Company does not by its reference above or distribution of this financial and statistical report imply its endorsement of or concurrence with such information, conclusions or recommendations.

## Selected Financial Ratios & Capitalization Overview

Year Ended September 30	2011 <sup>(1)</sup>	2010 <sup>(2)</sup>	2009 <sup>(3)</sup>	2008	2007 <sup>(4)</sup>
<b>Selected Financial Ratios</b>					
Embedded Cost of Long-Term Debt <sup>(5)</sup>	6.9%	7.0%	7.0%	6.5%	6.4%
Capitalization Ratios:					
Comprehensive Shareholders' Equity to Total Capitalization	67.8%	62.5%	56.0%	61.6%	67.1%
Long-Term Debt to Total Capitalization	32.2%	37.5%	44.0%	38.4%	32.9%
Comprehensive Shareholders' Equity to Total Capitalization Plus Short-Term Debt	63.4%	58.3%	56.0%	59.3%	62.0%
Long-Term Debt to Total Capitalization Plus Short-Term Debt	30.2%	35.0%	44.0%	37.0%	30.4%
Short-Term Debt to Total Capitalization Plus Short-Term Debt	6.4%	6.7%	0.0%	3.7%	7.6%
Effective Federal Income Tax Rate (Includes Taxes from Discontinued Operations)	38.9%	38.6%	33.7%	38.5%	34.0%
Accumulated Depreciation At Year End (As a % of Average Depreciable Assets) <sup>(6)</sup>	31.5%	42.6%	43.3%	39.2%	36.2%
Depreciation Charge At Year End (As a % of Average Depreciable Assets) <sup>(6)</sup>	4.4%	3.8%	3.7%	3.9%	3.9%

### Capitalization as Defined by the Company

<b>Capitalization:</b>					
Comprehensive Shareholders' Equity	\$ 1,891,885	\$ 1,745,971	\$ 1,589,236	\$ 1,603,599	\$ 1,630,119
Long-Term Debt, Net of Current Portion	899,000	1,049,000	1,249,000	999,000	799,000
<b>Total Capitalization</b>	<b>\$ 2,790,885</b>	<b>\$ 2,794,971</b>	<b>\$ 2,838,236</b>	<b>\$ 2,602,599</b>	<b>\$ 2,429,119</b>
<b>Short-Term Debt:</b>					
Notes Payable to Banks and Commercial Paper	\$ 40,000	\$ -	\$ -	\$ -	\$ -
Current Portion of Long-Term Debt	150,000	200,000	-	100,000	200,024
<b>Total Short-Term Debt</b>	<b>\$ 190,000</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 200,024</b>
<b>Total Capitalization Plus Short-Term Debt</b>	<b>\$ 2,980,885</b>	<b>\$ 2,994,971</b>	<b>\$ 2,838,236</b>	<b>\$ 2,702,599</b>	<b>\$ 2,629,143</b>

(1) Includes gain on sale of unconsolidated subsidiaries of \$31.4 million net of tax, where applicable.

(2) Includes a \$6.3 million gain, net of tax, related to the sale of the landfill gas pipeline assets, where applicable.

(3) Includes impairment of oil and gas producing properties of (\$108.2) million net of tax in 2009, where applicable.

(4) Includes a \$120.3 million gain, net of tax, related to the sale of SECI, where applicable.

(5) The Embedded Cost of Long-Term Debt is the weighted average interest rate on all long-term debt outstanding at the year ended September 30.

(6) Average depreciable assets are calculated by taking a simple arithmetic average of the depreciable assets from fiscal 2010 and fiscal 2011, as disclosed in Note A of the Company's 10-K for the fiscal year ended September 30, 2011.

## Credit Ratings

At September 30, 2010	Standard & Poors	Moody's	Fitch, Inc.
Long-Term Debt	BBB	Baa1	BBB+
Commercial Paper	A-2	P-2	F2

## Exploration & Production Segment - Oil & Gas Production

Year Ended September 30	2011	2010	2009	2008	2007
<b>Gas Production (MMcf)</b>					
<b>Region:</b>					
Gulf Coast	4,041	10,304	9,886	11,033	10,356
West Coast	3,447	3,819	4,063	4,039	3,929
Appalachia	42,979	16,222	8,335	7,269	5,555
Total Production from Continuing Operations	50,467	30,345	22,284	22,341	19,840
Canada/Discontinued Operations	-	-	-	-	6,426
<b>Total Gas Production</b>	<b>50,467</b>	<b>30,345</b>	<b>22,284</b>	<b>22,341</b>	<b>26,266</b>
<b>Oil Production (MBbl)</b>					
<b>Region:</b>					
Gulf Coast	187	502	640	505	717
West Coast	2,628	2,669	2,674	2,460	2,403
Appalachia	45	49	59	105	124
Total Production from Continuing Operations	2,860	3,220	3,373	3,070	3,244
Canada/Discontinued Operations	-	-	-	-	206
<b>Total Oil Production</b>	<b>2,860</b>	<b>3,220</b>	<b>3,373</b>	<b>3,070</b>	<b>3,450</b>
<b>Total Production (MMcfe)</b>					
<b>Region:</b>					
Gulf Coast	5,163	13,316	13,726	14,063	14,658
West Coast	19,215	19,833	20,107	18,799	18,347
Appalachia	43,249	16,516	8,689	7,899	6,299
Total Production from Continuing Operations	67,627	49,665	42,522	40,761	39,304
Canada/Discontinued Operations	-	-	-	-	7,662
<b>Total Oil &amp; Gas Production</b>	<b>67,627</b>	<b>49,665</b>	<b>42,522</b>	<b>40,761</b>	<b>46,966</b>

## Exploration & Production Segment - Oil & Gas Prices

Year Ended September 30	2011	2010	2009	2008	2007
<b>Gas Prices (Average Price per Mcf)</b>					
<b>Region:</b>					
Gulf Coast	\$5.02	\$5.22	\$4.54	\$10.03	\$6.58
West Coast	\$4.56	\$4.81	\$3.91	\$8.71	\$6.54
Appalachia	\$4.37	\$4.93	\$5.52	\$9.73	\$7.48
Weighted Average for Continuing Operations	\$4.43	\$5.01	\$4.79	\$9.70	\$6.82
Weighted Average after Hedging for Continuing Operations <sup>(1)</sup>	\$5.39	\$6.04	\$6.94	\$9.05	\$7.25
Canada - Discontinued Operations	-	-	-	-	\$6.09
<b>Oil Prices (Average Price per Barrel)</b>					
<b>Region:</b>					
Gulf Coast	\$88.57	\$76.57	\$54.58	\$107.27	\$63.04
West Coast	\$96.45	\$71.72	\$50.90	\$98.17	\$56.86
Appalachia	\$86.58	\$75.81	\$56.15	\$97.40	\$62.26
Weighted Average for Continuing Operations	\$95.78	\$72.54	\$51.69	\$99.64	\$58.43
Weighted Average after Hedging for Continuing Operations <sup>(1)</sup>	\$81.13	\$75.25	\$64.94	\$81.75	\$51.68
Canada - Discontinued Operations	-	-	-	-	\$50.06

(1) Refer to further discussion of hedging activities under the "Market Risk Sensitive Instruments" section in Item 7 of National Fuel Gas Company's Form 10-K, and under Note G (Financial Instruments) in Item 8 of such Form 10-K.

## Exploration & Production Segment - Net Undeveloped Acreage

At September 30	2011	2010	2009	2008	2007
<b>Region:</b>					
Gulf Coast	-	75,427	102,831	102,831	89,921
West Coast	886	934	10,177	-	-
Appalachian	409,376	412,464	437,408	438,040	447,802
Total Undeveloped Acreage - Continued Operations	410,262	488,825	550,416	540,871	537,723
Canada - Discontinued Operations	-	-	-	-	-
Total Net Undeveloped Acreage	410,262	488,825	550,416	540,871	537,723

## Exploration & Production Segment - Oil & Gas Reserves

Year Ended September 30	2011	2010	2009	2008	2007
<b>Total Reserves (MMcfe)</b>					
Beginning of Year	699,847	528,476	503,087	490,905	580,683
Extensions and Discoveries <sup>(1)</sup>	254,002	199,453	66,507	45,043	37,298
Revisions of Previous Estimates <sup>(2)</sup>	36,081	21,583	(6,895)	(108)	(31,139)
Production	(67,627)	(49,665)	(42,522)	(40,761)	(46,966)
Sales of Minerals in Place	(32,101)	-	(4,783)	(9,762)	(48,971)
Purchases of Minerals in Place	44,790	-	13,082	17,770	-
End of Year	934,992	699,847	528,476	503,087	490,905
Reserve Replacement Ratio <sup>(3)</sup>	4.48	4.45	1.60	1.30	(0.91)
<b>Proved Developed Reserves:</b>					
Gulf Coast Region	-	25,689	25,215	26,120	33,746
West Coast Region	287,801	284,296	293,869	291,797	285,071
Appalachian Region	352,102	212,395	122,289	117,966	99,572
Canada (Discontinued Operations)	-	-	-	-	-
Total Company	639,903	522,380	441,373	435,883	418,389
<b>Proved Undeveloped Reserves:</b>					
Gulf Coast Region	-	8,762	9,664	6,669	-
West Coast Region	38,911	48,230	48,034	47,727	61,968
Appalachian Region	256,178	120,475	29,405	12,808	10,548
Total Company	295,089	177,467	87,103	67,204	72,516

(1) Extensions and discoveries during 2011 and 2010 include 249 Bcf and 182 Bcf, respectively, of Marcellus Shale gas in the Appalachian Region.

(2) During 2009, the Company made a downward revision of its proved developed and undeveloped reserves amounting to 9,589 MMcf. This was primarily attributable to a 19,484 MMcf reduction in the Appalachian region offset by a 9,407 MMcf increase in the Gulf Coast region.

(3) Reserve Replacement Ratio equals the sum of Extensions and Discoveries, Revisions of Previous Estimates, Purchases of Minerals in Place, and Sales of Minerals in Place, divided by Production.

## Exploration & Production Segment - Oil & Gas Reserves

Year Ended September 30	2011	2010	2009	2008	2007
<b>Gas Reserves (MMcf)</b>					
Beginning of Year	428,413	248,954	225,899	205,389	232,575
Extensions and Discoveries <sup>(1)</sup>	249,400	193,129	59,229	40,081	34,586
Revisions of Previous Estimates <sup>(2)</sup>	26,385	16,675	(9,589)	(738)	4,639
Production	(50,467)	(30,345)	(22,284)	(22,341)	(26,266)
Sales of Minerals in Place	(23,599)	-	(4,693)	(1,758)	(40,145)
Purchases of Minerals in Place	44,790	-	392	5,266	-
<b>End of Year</b>	<b>674,922</b>	<b>428,413</b>	<b>248,954</b>	<b>225,899</b>	<b>205,389</b>
Reserve Replacement Ratio <sup>(3)</sup>	5.88	6.91	2.03	1.92	(0.04)
Proved Developed Reserves:					
Gulf Coast Region	-	19,293	18,051	18,242	25,136
West Coast Region	63,965	66,178	67,603	68,453	66,017
Appalachian Region	350,458	210,817	120,579	115,824	96,674
Canada (Discontinued Operations)	-	-	-	-	-
<b>Total Company</b>	<b>414,423</b>	<b>296,288</b>	<b>206,233</b>	<b>202,519</b>	<b>187,827</b>
Proved Undeveloped Reserves:					
Gulf Coast Region	-	6,134	8,116	6,399	-
West Coast Region	4,351	5,546	5,356	4,407	7,158
Appalachian Region	256,148	120,445	29,249	12,574	10,404
Canada (Discontinued Operations)	-	-	-	-	-
<b>Total Company</b>	<b>260,499</b>	<b>132,125</b>	<b>42,721</b>	<b>23,380</b>	<b>17,562</b>
<b>Oil Reserves (MBbl)</b>					
Beginning of Year	45,239	46,587	46,198	47,586	58,018
Extensions and Discoveries	767	1,054	1,213	827	452
Revisions of Previous Estimates	1,616	818	449	105	(5,963)
Production	(2,860)	(3,220)	(3,373)	(3,070)	(3,450)
Sales of Minerals in Place	(1,417)	-	(15)	(1,334)	(1,471)
Purchases of Minerals in Place	-	-	2,115	2,084	-
<b>End of Year</b>	<b>43,345</b>	<b>45,239</b>	<b>46,587</b>	<b>46,198</b>	<b>47,586</b>
Reserve Replacement Ratio <sup>(2)</sup>	0.34	0.58	1.12	0.55	(2.02)
Proved Developed Reserves:					
Gulf Coast Region	-	1,066	1,194	1,313	1,435
West Coast Region	37,306	36,353	37,711	37,224	36,509
Appalachian Region	274	263	285	357	483
Canada (Discontinued Operations)	-	-	-	-	-
<b>Total Company</b>	<b>37,580</b>	<b>37,682</b>	<b>39,190</b>	<b>38,894</b>	<b>38,427</b>
Proved Undeveloped Reserves:					
Gulf Coast Region	-	438	258	45	-
West Coast Region	5,760	7,114	7,113	7,220	9,135
Appalachian Region	5	5	26	39	24
Canada (Discontinued Operations)	-	-	-	-	-
<b>Total Company</b>	<b>5,765</b>	<b>7,557</b>	<b>7,397</b>	<b>7,304</b>	<b>9,159</b>

(1) Extensions and discoveries during 2011 and 2010 include 249 Bcf and 182 Bcf, respectively, of Marcellus Shale gas in the Appalachian Region.

(2) During 2009, the Company made a downward revision of its proved developed and undeveloped reserves amounting to 9,589 MMcf. This was primarily attributable to a 19,484 MMcf reduction in the Appalachian region offset by a 9,407 MMcf increase in the Gulf Coast region.

(3) Reserve Replacement Ratio equals the sum of Extensions and Discoveries, Revisions of Previous Estimates, Purchases of Minerals in Place, and Sales of Minerals in Place, divided by Production.

## Exploration & Production Segment - Well Data

Year Ended September 30	2011	2010	2009	2008	2007
<b>Net Well Completions</b>					
<b>Gulf Coast</b>					
Productive	0.40	0.29	0.29	1.14	2.31
Dry	-	-	0.30	0.37	2.09
Success Ratio	1.00	1.00	0.49	0.75	0.53
<b>West Coast</b>					
Productive	43.56	41.72	27.00	63.00	59.49
Dry	-	-	-	1.00	2.00
Success Ratio	1.00	1.00	1.00	0.98	0.97
<b>Appalachia</b>					
Productive	61.76	164.55	252.00	194.00	192.10
Dry	-	5.00	3.00	1.00	2.00
Success Ratio	1.00	0.97	0.99	0.99	0.99
<b>Canada/Discontinued Operations</b>					
Productive	-	-	-	-	8.18
Dry	-	-	-	-	-
Success Ratio	-	-	-	-	1.00
<b>Total Well Completions</b>					
Productive	105.72	206.56	279.29	258.14	262.08
Dry	-	5.00	3.30	2.37	6.09
Success Ratio	1.00	0.98	0.99	0.99	0.98
<b>Producing Wells (at September 30)</b>					
<b>Gulf Coast</b>					
Gross	-	59	62	67	70
Net	-	23	26	28	35
<b>West Coast</b>					
Gross	1,631	1,542	1,510	1,437	1,313
Net	1,596	1,508	1,484	1,426	1,305
<b>Appalachia</b>					
Gross	3,400	2,980	2,854	2,647	2,354
Net	2,909	2,870	2,771	2,575	2,280
<b>Total Producing Wells</b>					
Gross	5,031	4,581	4,426	4,151	3,737
Net	4,505	4,401	4,281	4,029	3,620



## Exploration & Production Segment - Revenues & Costs

Year Ended September 30	2011	2010	2009	2008	2007
<b>Operating Revenues</b> (Thousands of Dollars)					
Gas (after Hedging) from Continuing Operations	\$ 272,057	\$ 183,327	\$ 154,582	\$ 202,153	\$ 143,785
Oil (after Hedging) from Continuing Operations	232,052	242,303	219,046	250,965	167,627
Gas Processing Plant from Continuing Operations	28,711	29,369	24,686	49,090	37,528
Other from Continuing Operations	513	820	432	(944)	1,147
Intrasegment Elimination from Continuing Ops. <sup>(1)</sup>	(14,298)	(17,791)	(15,988)	(34,504)	(26,050)
Operating Revenue from Continuing Operations	\$ 519,035	\$ 438,028	\$ 382,758	\$ 466,760	\$ 324,037
Operating Revenue from Canada-Discontinued Ops.	\$ -	\$ -	\$ -	\$ -	\$ 50,495
<b>Exploration &amp; Production Costs for Continuing Operations</b> (Dollars per Mcf Equivalent)					
Lease Operating Expense (Production/Lifting Costs)	\$1.08	\$1.24	\$1.27	\$1.36	\$0.94
Depreciation, Depletion & Amortization	\$2.17	\$2.14	\$2.14	\$2.26	\$1.66
General and Administrative <sup>(2)</sup>	\$0.73	\$0.64	\$0.69	\$0.60	\$0.42
<b>General and Administrative Reconciliation</b> (Thousands)					
Exploration & Production General & Administrative	\$ 49,504	\$ 31,980	\$ 29,374	\$ 24,600	\$ 19,946
Exploration & Production All Other O&M	79,895	67,995	65,016	68,585	52,294
Exploration & Production Total O&M	129,399	99,975	94,390	93,185	72,240
All Other Segments O&M	271,120	294,594	306,810	336,209	324,168
Total Consolidated O&M	\$ 400,519	\$ 394,569	\$ 401,200	\$ 429,394	\$ 396,408

(1) Represents the elimination of certain West Coast gas production revenue included in "Gas (after Hedging)" in the table above that is sold to the gas processing plant shown in the table above. An elimination for the same dollar amount is made to reduce the gas processing plant's Purchased Gas expense.

(2) General & Administrative cost per Mcf equivalent equals the fiscal year Exploration & Production General and Administrative cost divided by the Total Gas & Oil Production (MMcfe) in that same fiscal year.

## Pipeline & Storage Segment - Regulatory Overview

### Regulation

The Company's Pipeline & Storage operations are regulated at the federal level by the Federal Energy Regulatory Commission (FERC).

### FERC Overview

The FERC is an independent agency within the Department of Energy, responsible for regulating the interstate transmission activities in the natural gas, electric, hydro and oil pipeline industries. The FERC is composed of up to five commissioners, including a chair, appointed by the President and confirmed by the Senate for a five-year term.

### Current Commissioners

(As of January 2012)	Term Began	Term Expires	Background
<b>Jon Wellinghoff</b> Chairman	2007	2012	Named Chairman of the FERC by President Barack Obama on March 19, 2009. Chairman Wellington is an energy law specialist with more than 30 years experience, and is co-chair of the Demand Response Collaborative launched jointly by FERC and the National Association of Regulatory Utility Commissioners (NARUC). He is a member of NARUC's Committee on Energy Resources and the Environment. Former advisor to the Defense Science Board's Energy Policy Task Force.
<b>Philip D. Moeller</b> Commissioner	2010	2015	Former Energy Policy Advisor and former Staff Coordinator for the Washington State Senate Committee on Energy, Utilities and Telecommunications.
<b>Marc Spitzer</b> Commissioner	2006	2011*	Former Arizona Senate majority leader and former Chairman of the Arizona Corporation Commission. *Mr. Spitzer's appointment to FERC expired June 30, 2011, and his commission ended on December 14, 2011.
<b>John R. Norris</b> Commissioner	2010	2012	Former Chief of Staff for the U.S. Department of Agriculture and former Chairman of the Iowa Utilities Board (IUB). Former member of the FERC/NARUC Demand Response Collaborative. He has also served on the Board of Directors of the National Regulatory Research Institute, a member of the Board of Trustees of the Iowa Power Fund and on the Advisory Councils of the Iowa Energy Center and the Center for Global and Regional Environmental Research at the University of Iowa.
<b>Cheryl A. LaFleur</b> Commissioner	2010	2014	Former vice president and acting CEO of National Grid USA, responsible for the delivery of electricity to 3.4 million customers in the Northeast. Commissioner LaFleur has been an active leader in the growth of energy efficiency, the introduction of competitive energy markets, the development of strategies for environmental improvement, and efforts to strengthen reliability and safety.

### Summary of General Rate Changes

National Fuel Gas Supply Corporation	Filing Date	Effective Date	Test Period Ended	Revenue Increase (Decrease)		Rate of Return (%)		Rate Base			
				---(\$ Millions)---	---	--Total Rate Base--	--Equity--	---(\$ Millions)---	---		
Case:				Requested	Granted	Requested	Granted	Requested	Granted		
RP95-031 <sup>(1)</sup>	10-31-94	06-01-95	03-95	21.0	6.0	10.31	9.59 <sup>(2)</sup>	12.6	11.3 <sup>(2)</sup>	429.0	427.0
RP06-298 <sup>(3)</sup>											
RP12-88 <sup>(4)</sup>	10-31-11	05-01-11	03-12	38.0	Pending	10.61	Pending	13.5	Pending	441.7	Pending

(1) Reflects the merger of Penn-York Energy Corporation into National Fuel Gas Supply Corporation as approved by the FERC on January 19, 1994 at Docket No. CP92-508.

(2) Not specified in the FERC-approved settlement agreement -- based upon Company calculations.

(3) Uncontested settlement was approved by FERC via letter ordered issued February 9, 2007. The order constitutes approval of the RP95-031 Stipulation, as amended. The settlement provides for a 5-year moratorium on rates, but requires National Gas Supply Corporation to make a Section 4 filing effective December 1, 2011.

(4) Filed in compliance with the settlement of Docket No. RP06-298, proposing an effective date of December 1, 2011. FERC issued an order dated November 30, 2011 that suspended the effectiveness of the rates until May 1, 2012, subject to refund and the outcome of hearing procedures.

## Pipeline & Storage Segment - Revenues, Volumes and Revenue Rates

Year Ended September 30	2011	2010	2009	2008	2007
<b>Operating Revenues</b> (Thousands of Dollars)					
Firm Transportation:					
Affiliated	\$ 48,335	\$ 47,425	\$ 47,767	\$ 47,326	\$ 47,726
Nonaffiliated	86,317	91,899	91,267	74,995	71,045
<b>Total Firm Transportation</b>	<b>134,652</b>	<b>139,324</b>	<b>139,034</b>	<b>122,321</b>	<b>118,771</b>
Interruptible Transportation	1,341	1,863	3,175	4,330	4,161
<b>Total Transportation</b>	<b>\$ 135,993</b>	<b>\$ 141,187</b>	<b>\$ 142,209</b>	<b>\$ 126,651</b>	<b>\$ 122,932</b>
Storage:					
Affiliated Storage	32,060	31,654	31,716	31,265	31,455
Nonaffiliated Storage	34,671	35,017	35,015	35,769	35,680
<b>Total Storage</b>	<b>\$ 66,731</b>	<b>\$ 66,671</b>	<b>\$ 66,731</b>	<b>\$ 67,034</b>	<b>\$ 67,135</b>
Other	12,384	11,025	10,333	22,871	21,899
<b>Total Operating Revenues</b>	<b>\$ 215,108</b>	<b>\$ 218,883</b>	<b>\$ 219,273</b>	<b>\$ 216,556</b>	<b>\$ 211,966</b>
<b>Volumes (MMcf)</b>					
Firm Transportation:					
Affiliated	107,084	99,451	108,677	107,846	111,243
Nonaffiliated	210,833	197,456	239,617	245,327	239,870
<b>Total Firm Transportation</b>	<b>317,917</b>	<b>296,907</b>	<b>348,294</b>	<b>353,173</b>	<b>351,113</b>
Interruptible Transportation	2,037	4,459	3,888	5,197	4,975
<b>Total Volumes</b>	<b>319,954</b>	<b>301,366</b>	<b>352,182</b>	<b>358,370</b>	<b>356,088</b>
<b>Average Revenues per Mcf</b>					
Firm Transportation - Nonaffiliated	\$0.41	\$0.47	\$0.38	\$0.31	\$0.30
Interruptible Transportation	\$0.66	\$0.42	\$0.82	\$0.83	\$0.84

## Pipeline & Storage Segment - Transmission & Storage Statistics

At September 30	2011	2010	2009	2008	2007
<b>Pipeline Mileage</b>	<b>2,795</b>	<b>2,787</b>	<b>2,792</b>	<b>2,800</b>	<b>2,936</b>
<b>Transmission Statistics</b>					
<b>Compressor Stations</b>					
Number <sup>(2)</sup>	19	19	16	15	15
Horsepower	66,009	62,644	60,399	39,779	39,929
<b>Storage Statistics<sup>(1)</sup></b>					
<b>Storage Services - Bcf<sup>(3)</sup></b>					
Firm Service - Affiliated	31.5	29.8	29.8	29.7	29.1
Firm Service - Nonaffiliated	34.9	36.6	36.6	36.7	37.3
Operational Capacity	7.0	7.0	7.0	7.0	7.0
<b>Total Available Working Capacity - Bcf</b>	<b>73.4</b>	<b>73.4</b>	<b>73.4</b>	<b>73.4</b>	<b>73.4</b>
<b>Underground Areas</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>32</b>
<b>Compressor Stations</b>					
Number <sup>(2)</sup>	14	14	14	14	15
Horsepower	35,550	35,550	35,550	35,325	35,475

(1) Note: All data provided pertains to National Fuel Gas Supply Corporation.

(2) National Fuel Gas Supply Corporation has two compressor stations which provide compression for both transmission services and storage services. Those two are reported in both the "Number of Transmission Compressor Stations" and the "Number of Storage

(3) Amounts shown for capacity are net of released capacity.

## Utility Segment - Regulatory Overview

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### Regulation

The Company's Utility operations are regulated at the state level by the State of New York Public Service Commission (NYPSC), Department of Public Service (PSC) and the Pennsylvania Public Utility Commission (PaPUC).

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### PSC Overview

The PSC has been bipartisan by law since 1970 and consists of up to five members, each appointed by the Governor and confirmed by the State Senate for a term of six years or to complete an unexpired term of a former Commissioner. The Chairman, designated by the Governor, is the chief executive officer of the Department.

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### Current Commissioners

(As of January 2012)

#### Background

**Garry Brown**  
Chairman

Mr. Brown has more than 30 years of experience in the public, private and not-for-profit energy and electricity sectors, including previously holding a position as Senior Policy Analyst for the former New York State Energy Office. He is also chairman of the New York State Board on Electric Generation Siting and the Environment. He sits on the board of the New York State Energy Research and Development Authority, the New York State Environmental Board, and the board of the Regional Greenhouse Gas Initiative Inc.. Mr. Brown is a member of the New York State Broadband Development and Deployment Council. Term began 2007; term expires 2015.

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**Patricia L. Acampora**  
Commissioner

Former Assemblywoman in the New York State Legislature representing the 1st Assembly District on Long Island. Ms. Acampora is a long-standing Committee Member of the National Association of Regulatory Commissioners' (NARUC) Committee on Consumer Affairs. Term began 2005; term expires 2015.

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**Maureen F. Harris, Esq.**  
Commissioner

Ms. Harris is a member of NARUC's Critical Infrastructure Committee and recently was appointed to the FERC/NARUC Smart Response Collaborative and Co-Chair of the Smart Grid Working Group for NARUC. She was formerly in private law practice, specializing in municipal finance and real estate development. Term began 2006; term expires 2012.

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**Robert E. Curry, Jr.**  
Commissioner

Mr. Curry is a member of the Committee on Energy Resources and the Environment of the NARUC and also Vice-Chair of the Department of Energy/NARUC LNG Partnership. He was formerly in private law practice, with an emphasis on corporate governance and transactional work. Term began 2006; term expires 2012.

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**James L. Larocca**  
Commissioner

Mr. Larocca previously served as Chairman and Trustee of the Long Island Power Authority. He is a former Director of KeySpan Energy Company and its predecessor, Brooklyn Union Gas, where he served on the Audit, Compensation and Corporate Governance Committees. He is a former Trustee of the New York Power Authority. Mr. Larocca was New York's first Commissioner of Energy, where he led the development of the New York State Energy Master Plan. Term began 2008; term expires 2012.

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### PaPUC Overview

The PaPUC consists of five full-time members, each appointed by the Governor and approved by a majority of the members of the State Senate for staggered five year terms. The Chairman is designated by the Governor. Four of the below Commissioners were appointed by former Governor Edward G. Rendell. Thomas W. Corbett was sworn in as the new Governor on January 18, 2011 and has since then appointed one new Commissioner.

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### Current Commissioners

(As of January 2012)

#### Background

**James H. Cawley**  
Commissioner

Commissioner Cawley was a former member of the PaPUC (1979-1985) and former Majority Counsel to the Pennsylvania Senate Consumer Affairs Committee and former Chief Counsel to the Senate Majority Floor Leader. He returned to the Commission in 2005, serving as both Vice Chairman and Chairman, and received a second term ending March 31, 2015. He currently serves as Adjunct Professor of Administrative Law at Widener University School of Law. Term began 2005; term expires 2015.

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**John F. Coleman, Jr.**  
Vice Chairman

Vice Chairman Coleman was nominated by then Governor Edward G. Rendell on June 2, 2010, confirmed by the Senate and took office on June 18, 2010. In May 1999, he was appointed as the President/CEO of the Chamber of Business and Industry of Centre County. He will focus on supporting the PUC's mission to balance the needs of consumers and utilities to ensure safe and reliable utility service at reasonable rates; the implementation of energy conservation and efficiency, and telecommunications laws; improvements to aging utility infrastructure; consumer outreach initiatives; and economic development and the fostering of new technologies and competitive markets. Term began 2010; term expires 2012.

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**Wayne E. Gardner**  
Commissioner

Mr. Gardner's focus is on reliability, price competitiveness, security of supply, and customer service for the consumers and utilities of the Commonwealth. He serves on the board for the Environmental Quality Board, the Mid-Atlantic Conference of Regulatory Utilities Commissioners (MACRUC), and the Electricity Committee of the NARUC. He served in several operational and managerial capacities for more than 20 years at PECO Energy Company; former venture partner in EnerTech Capital Partners. Term began 2008; term expires 2013.

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**Robert F. Powelson**  
Chairman

Chairman Powelson was first nominated to the PUC on June 19, 2008, by Governor Edward G. Rendell to fill the remainder of an unexpired term. He was then renominated for a full 5 year term in February 2009 and appointed Chairman by Governor Tom Corbett in February 2011. He is also a member of the National Association of Regulatory Utility Commissioners (NARUC) Committee on Water and Critical Infrastructure. He previously served as the President of the Chester County Chamber of Business & Industry and is the former Director of Government Relations for the Delaware County Chamber. Term began 2008; term expires 2014.

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**Pamela A. Witmer**  
Commissioner

Commissioner Witmer was nominated by Governor Tom Corbett on June 7, 2011, unanimously confirmed by the Senate and took office on June 27, 2011. She most recently led the energy and environment practice for Harrisburg-based Bravo Group, a governmental and public relations firm. She also recently served on the Corbett Transition Team's Energy & Environment Committee. From 2000 to 2007, she was President and CEO of the Pennsylvania Chemical Industry Council, a trade association. Term began 2011; term expires 2016.

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## Utility Segment - Summary of General Rate Changes

New York Division	Filing Date	Effective Date	Test Period Ended	Revenue Increase (Decrease)		Rate of Return (%)				Rate Base	
				---(\$ Millions)---		--Total Rate Base---		--Equity---		---(\$ Millions)---	
				Requested	Granted	Requested	Granted	Requested	Granted	Requested	Granted
Case:											
07-G-0141	01-29-07	12-28-07	12-08	52.0	1.8	9.03	7.61	11.650	9.10	711.0	699.0
04-G-1047 <sup>(1)</sup>	08-27-04	08-01-05	07-07	60.9	21.0	9.10	N/A	11.875	N/A	686.1	N/A
00-G-1858 <sup>(2)</sup>	N/A	10-01-03	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
00-G-1495 <sup>(3)</sup>	N/A	10-01-00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
98-G-1291 <sup>(4)</sup>	N/A	10-01-00	N/A	N/A	(7.2)	N/A	N/A	N/A	N/A	N/A	N/A
95-G-1009 <sup>(5)</sup>	09-29-97	10-01-97	09-98	7.2	7.2	N/A	N/A	N/A	N/A	N/A	N/A
95-G-1009 <sup>(5)</sup>	11-09-95	10-01-96	09-97	28.9	7.2	9.56	N/A	11.500	N/A	630.7	N/A
94-G-0885	10-21-94	09-20-95	07-96	56.5	14.2	10.44	9.10	12.850	10.40	628.3	574.0

N/A - Not Applicable

- (1) A two-year rate plan that runs from August 1, 2005 through July 31, 2007. Earnings above 11.5% on a cumulative basis are to be shared equally between shareholders and ratepayers. The plan provides that customers will receive a bill credit of \$16.25 million in the first year and up to \$16.25 million in the second year, related to the overcollection of Gross Receipts Tax.
- (2) Extended most of the features of the previous rate plan (00-G-1495). Specific changes included the following: Earnings above an 11% return on equity were to be shared equally between shareholders and ratepayers. The \$5.0 million bill credit continued unless the Company could demonstrate that it was no longer justified. Increased the amount of pension and post-retirement benefits recognized in existing rates by \$8.0 million. Continued deferral of pension and post-retirement benefit expenses above the amount recognized in rates.
- (3) The three-year rate plan that ran from October 1, 2000 through September 30, 2003 was extended through September 30, 2004. Earnings above an 11.0% return on a cumulative basis were to be shared equally between shareholders and ratepayers. The plan provided that customers would receive a bill credit of \$17.6 million in the first year, of which \$7.6 million related to customers' share of earnings accumulated under previous settlements. The credit was reduced to \$5.0 million in the second year, and in the third and subsequent years the credit was to remain at \$5.0 million unless the Company could demonstrate that it was no longer justified.
- (4) A two-year rate plan that ran through September 30, 2000. An allowed return on equity of 12%, above which 50% additional earnings would be shared equally between shareholders and customers, was retained from the previous settlement (see note 5). The rate plan also called for a \$7.2 million general restructuring reserve to be recorded in fiscal 1999.
- (5) Settlement provided for an annual base rate increase of \$7.2 million in each fiscal year beginning October 1, 1996 and 1997 with no specified rate of return on equity. Earnings above a 12% return on equity (excluding certain items determined on a cumulative basis over three years ending 9/30/98) were to be shared equally between shareholders and customers.

Pennsylvania Division:				Revenue Increase (Decrease)		Rate of Return (%)				Rate Base	
				---(\$ Millions)---		--Total Rate Base---		--Equity---		---(\$ Millions)---	
				Requested	Granted	Requested	Granted	Requested	Granted	Requested	Granted
Case:											
R-061493 <sup>(6)(8)</sup>	05-31-06	01-01-07	01-07	25.9	14.3	9.48	N/A	12.250	N/A	297.0	N/A
R-049656 <sup>(7)(8)</sup>	09-15-04	04-15-05	05-05	22.8	12.0	9.16	N/A	11.880	N/A	279.2	N/A
R-038168 <sup>(8)(9)</sup>	04-16-03	01-15-04	09-03	16.5	3.5	9.96	N/A	12.750	N/A	262.5	N/A
R-953299 <sup>(8)</sup>	03-15-95	09-27-95	11-95	22.0	6.0	10.98	N/A	13.250	N/A	230.6	N/A

N/A - Not Applicable

- (6) Settlement - \$14.3 million; effective date January 1, 2007.
- (7) The PaPUC adopted a Settlement Agreement in this proceeding. The settlement, among other things, provided for a \$12.0 million annual operating revenue increase. The effective date of the increase in rates was April 15, 2005.
- (8) Settlement - only revenue increase specified.
- (9) On December 18, 2003, the PaPUC adopted a Settlement Agreement in this proceeding. The settlement, among other things, provided for a \$3.5 million annual operating revenue increase. The effective date of the increase in rates was January 15, 2004.

## Utility Segment - Degree Day Statistics

Year Ended September 30	2011	2010	2009	2008	2007
<b>Buffalo, NY</b>					
Normal	6,692	6,692	6,692	6,729	6,692
Actual	6,751	6,292	6,701	6,277	6,271
Percent Colder (Warmer) than Normal	0.9%	(6.0%)	0.1%	(6.7%)	(6.3%)
<b>Erie, PA</b>					
Normal	6,243	6,243	6,243	6,277	6,243
Actual	6,359	5,947	6,176	5,779	6,007
Percent Colder (Warmer) than Normal	1.9%	(4.7%)	(1.1%)	(7.9%)	(3.8%)

## Utility Segment - Gas Acquired for Utility Sales

Year Ended September 30	2011	2010	2009	2008	2007
<b>Gas Acquired for Utility Sales (MMcf)</b>					
<b>Source of Utility Gas Supply</b>					
Long-Term Contract	38,139	36,207	46,144	52,094	51,041
Spot Purchases	38,377	34,734	26,891	23,340	19,627
Appalachian	3,734	2,069	1,294	3,844	8,091
<b>Total Utility Gas Supply</b>	<b>80,250</b>	<b>73,010</b>	<b>74,329</b>	<b>79,278</b>	<b>78,759</b>
<b>Plus:</b>					
Storage Change - Net (Into) or Out	(971)	598	643	82	(142)
Used in Operations, Shrinkage and Other	(5,421)	(4,848)	(5,558)	(5,890)	(5,586)
<b>Total Gas Acquired for Utility Sales</b>	<b>73,858</b>	<b>68,760</b>	<b>69,414</b>	<b>73,470</b>	<b>73,031</b>

## Utility Segment - Revenues, Volumes and Customers

Year Ended September 30	2011	2010	2009	2008	2007
<b>Operating Revenues</b> (Thousands of Dollars)					
Residential Sales	\$ 603,838	\$ 583,443	\$ 850,088	\$ 876,677	\$ 848,693
Commercial Sales	80,811	81,110	128,520	135,361	136,863
Industrial Sales	5,849	5,697	7,213	7,419	8,271
Off-System Sales	33,968	29,135	3,740	58,225	9,751
<b>Total Sales</b>	<b>724,466</b>	<b>699,385</b>	<b>989,561</b>	<b>1,077,682</b>	<b>1,003,578</b>
Transportation	123,729	109,675	111,483	113,901	102,534
Other	4,300	10,730	11,980	18,686	14,612
<b>Total Operating Revenue</b>	<b>\$ 852,495</b>	<b>\$ 819,790</b>	<b>\$ 1,113,024</b>	<b>\$ 1,210,269</b>	<b>\$ 1,120,724</b>
<b>Volumes (MMcf)</b>					
Residential Sales	57,466	54,012	58,835	57,463	60,236
Commercial Sales	8,517	8,203	9,551	9,769	10,713
Industrial Sales	723	646	515	552	727
Off-System Sales	7,151	5,899	513	5,686	1,355
<b>Total Sales Volumes</b>	<b>73,857</b>	<b>68,760</b>	<b>69,414</b>	<b>73,470</b>	<b>73,031</b>
Transportation	66,273	60,105	59,751	64,267	62,240
<b>Total Volumes</b>	<b>140,130</b>	<b>128,865</b>	<b>129,165</b>	<b>137,737</b>	<b>135,271</b>
<b>Pipeline Mileage</b>	<b>14,824</b>	<b>14,836</b>	<b>14,837</b>	<b>14,819</b>	<b>14,813</b>
<b>Average Revenue per Mcf</b>					
Residential	\$10.51	\$10.80	\$14.45	\$15.26	\$14.09
Commercial	\$9.49	\$9.89	\$13.46	\$13.86	\$12.78
Industrial	\$8.09	\$8.82	\$14.01	\$13.44	\$11.38
Off-System	\$4.75	\$4.94	\$7.29	\$10.24	\$7.20
Transportation	\$1.87	\$1.82	\$1.87	\$1.77	\$1.65
<b>Average Number of Customers</b>					
Residential (includes Transportation Customers)	681,461	679,100	677,929	676,919	675,240
Commercial	49,056	48,554	48,287	48,809	49,010
Industrial	1,083	1,093	1,109	1,135	1,149
<b>Total Average Number of Customers</b>	<b>731,600</b>	<b>728,747</b>	<b>727,325</b>	<b>726,863</b>	<b>725,399</b>
<b>Average Number of Transportation Customers</b>					
Aggregator Programs	122,399	108,777	103,105	98,855	79,604
Industrial	75	73	71	70	72
<b>Total Average Number of Transportation Customers</b>	<b>122,474</b>	<b>108,850</b>	<b>103,176</b>	<b>98,925</b>	<b>79,676</b>
<b>Residential Customer Statistics</b>					
Average Mcf per Retail Customer	99	92	100	97	99
Average Annual Retail Bill	\$1,045	\$994	\$1,440	\$1,479	\$1,395
Househeating Customers - % of Households in Service Territory	98%	97%	97%	97%	97%

## Energy Marketing Segment - Statistics

Year Ended September 30	2011	2010	2009	2008	2007
<b>Operating Revenues</b> (Thousands of Dollars)	\$ 284,966	\$ 344,802	\$ 398,321	\$ 551,232	\$ 413,612
<b>Natural Gas Marketing Volume</b> (MMcf)	52,893	58,299	60,858	56,120	50,775
<b>Number of Customers</b> (At September 30)	21,875	21,206	21,625	20,687	20,548

## Principal Officers & Directors as of September 30, 2011

### National Fuel Gas Company

David F. Smith, Chairman and Chief Executive Officer  
Ronald J. Tanski, President and Chief Operating Officer  
Matthew D. Cabell, Senior Vice President  
James D. Ramsdell, Senior Vice President  
David P. Bauer, Treasurer and Principal Financial Officer  
Karen M. Camiolo, Controller and Principal Accounting Officer  
Paula M. Ciprich, General Counsel and Secretary  
Donna L. DeCarolis, Vice President Business Development

### Principal Officers of Principal Subsidiaries Seneca Resources Corporation

David F. Smith, Chairman  
Matthew D. Cabell, President  
Barry L. McMahan, Senior Vice President and Secretary  
John P. McGinnis, Senior Vice President  
Cindy D. Wilkinson, Controller

### National Fuel Gas Supply Corporation

David F. Smith, Chairman  
John R. Pustulka, President  
David P. Bauer, Treasurer  
James R. Peterson, Secretary and General Counsel  
Karen M. Camiolo, Controller  
Ronald C. Kraemer, Vice President

### Empire Pipeline, Inc.

David F. Smith, Chairman  
Ronald C. Kraemer, President  
David P. Bauer, Treasurer  
James R. Peterson, Secretary  
Karen M. Camiolo, Controller

### National Fuel Gas Distribution Corporation

David F. Smith, Chairman  
Anna Marie Cellino, President  
Carl M. Carlotti, Senior Vice President  
Paula M. Ciprich, Secretary  
Karen M. Camiolo, Controller  
Richard E. Klein, Treasurer  
Bruce D. Heine, Vice President  
Jay W. Lesch, Vice President  
Sarah J. Mugel, Vice President and General Counsel  
Steven Wagner, Vice President  
Ann M. Wegrzyn, Vice President

### National Fuel Resources, Inc.

Joseph N. Del Vecchio, Vice President

### Directors Key

- 1 - Member of Audit Committee
- 2 - Member of Compensation Committee
- 3 - Member of Executive Committee
- 4 - Member of Nominating/Corporate Governance Committee
- 5 - Member of Financing Committee
- ^ - Denotes Committee Chairman

### Directors

#### Philip C. Ackerman: 3, 5^

Former Chairman of the Board of Directors, Chief Executive Officer and President of the Company. Director of Associated Electric and Gas Insurance Services Limited. Board member since 1994.

#### Robert T. Brady: 2, 3, 4^

Executive Chairman, former Chief Executive Officer and President of Moog Inc. Director of Astronics Corporation, M&T Bank Corporation, member of the Board of the Buffalo Niagara Partnership and a member of the Governor's Regional Economic Development Council of Western New York. Former director of Seneca Foods Corporation. Board member since 1995.

#### R. Don Cash: 1, 2, 4

Chairman Emeritus and Board Director of Questar Corporation. Former Chairman, Chief Executive Officer and President of Questar Corporation. Chairman and Director of Texas Tech Foundation, Director of Zions Bancorporation, Associated Electric and Gas Insurance Services Limited and the Ranching Heritage Association. Former Director of TODCO (The Offshore Drilling Company). Board member since 2003.

#### Stephen E. Ewing: 1, 2, 5

Former Vice Chairman of DTE Energy. Former President and Chief Operating Officer of MCN Energy Group Inc. and Former President and Chief Executive Officer of Michigan Consolidated Gas Company. Director of CMS Energy. Trustee and immediate past Chairman of the Board of The Skillman Foundation. Chairman of the Auto Club of Michigan (AAA) and Vice Chairman of the Board of the Auto Club Group (AAA). Former Chairman of the American Gas Association, the National Petroleum Council, the Midwest Gas Association and the Natural Gas Vehicle Coalition. Board member since 2007.

#### Rolland E. Kidder: 1, 4

Founder, former Chairman and President of Kidder Exploration, Inc., and former Trustee of the New York Power Authority. Former Director of two Appalachian-based energy associations: the Independent Oil and Gas Association of New York and the Pennsylvania Natural Gas Association. Former Executive Director of the Robert H. Jackson Center, Inc. Board member since 2002.

#### Craig G. Matthews: 1^, 3, 5

Former President, Chief Executive Officer and Director of NUI Corporation. Former Vice Chairman, Chief Operating Officer and Director of KeySpan Corporation. Director of Hess Corporation and Board member of Republic Financial Corporation. Member and former Chairman of the Board of Trustees of Polytechnic Institute of New York University, member of the National Advisory Board for the Salvation Army and founding Chairman of the New Jersey Salvation Army Board. Board member since February 2005.

#### George L. Mazanec: 1, 2^, 3, 5

Former Vice Chairman of PanEnergy Corporation (now part of Spectra) and former President and Chief Executive Officer of Texas Eastern Transmission Corporation. Former Director of Dynege Inc. Director of Associated Electric and Gas Insurance Services Limited and member of the Board of Trustees of DePauw University. Board member since 1996. The services of Mr. Mazanec conclude at the 2012 Annual Meeting (March 2012).

#### Richard G. Reiten: 2, 4

Former Chairman, Director, Chief Executive Officer and President of Northwest Natural Gas Company. Former President of Portland General Electric Company and Portland General Corporation. Director of Associated Electric and Gas Insurance Services Limited, U.S. Bancorp, and IDACORP Inc. Former Chairman and Director of the American Gas Association and former Director of Building Materials Holding Corporation. Board member since 2004.

#### Frederic V. Salerno: 2, 4

Senior Advisor to New Mountain Capital, L.L.C.. Director to GGCP, Inc. Former Vice Chairman and Chief Financial Officer of Verizon Communications. Trustee and former President of the Inner City Scholarship Fund and former Chairman of the Board of Trustees of the State University of New York. Director of Akamai Technologies, Inc., Intercontinental Exchange, Inc., Viacom, Inc., and CBS Corporation. Former Director of Bear Stearns & Co, Inc. and Consolidated Edison, Inc., and former Chairman of the Board of Orion Power Holdings. Board member since 2008.

#### David F. Smith: 3^, 5

Chairman, Chief Executive Officer and former President of National Fuel Gas Company. Board member of the American Gas Association (Executive Committee), American Gas Foundation, Gas Technology Institute (Executive Committee), the Business Council of New York State (Chairman and member of the Executive Committee), immediate past Chairman of the Buffalo Niagara Enterprise (Executive Committee), the Buffalo Niagara Partnership (Executive Committee), the State University of New York at Buffalo Law School Dean's Advisory Council and The Sabres Foundation. Board member since 2007.



## Investor Information

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### Website

investor.nationalfuelgas.com

### Fiscal Year

Commences October 1, Ends September 30

### Incorporation

New Jersey on December 8, 1902

### Stock Exchange Listing

New York Stock Exchange (Stock Symbol: NFG)

### Dividend History

109 Consecutive Years of Dividend Payments

41 Consecutive Years of Dividend Increases

### Dividend Rate at September 30, 2011

\$1.42 per Share

### Book Value at September 30, 2011

\$22.85 per Share

### Number of Registered Shareholders

14,355 at September 30, 2011

### Common Stock Transfer Agent and Registrar

Computershare<sup>(1)</sup>

P.O. Box 358015

Pittsburgh, PA 15252-8015

Tel: 800-648-8166

Website: <http://www.bnymellon.com/shareowner/isd>

E-Mail: [shrrelations@bnymellon.com](mailto:shrrelations@bnymellon.com)

### National Fuel Direct Stock Purchase and Dividend Reinvestment Plan

National Fuel offers a simple, cost-effective method for purchasing shares of National Fuel stock. A prospectus, which includes details of the Plan, can be obtained by calling, writing or e-mailing Computershare, the administrator of the Plan, at the address listed above.

### Investor Relations

Investors or financial analysts desiring information should contact:

**David P. Bauer**

**Treasurer**

716-857-7318

**Timothy J. Silverstein**

**Director, Investor Relations**

716-857-6987

[SilversteinT@natfuel.com](mailto:SilversteinT@natfuel.com)

### Additional Stockholder Reports

Additional copies of this report, the 2011 Form 10-K and the Summary Annual Report 2011 can be obtained without charge by writing or calling:

**Paula M. Ciprich**

**Corporate Secretary**

716-857-7548

**Timothy J. Silverstein**

**Director, Investor Relations**

716-857-6987

### Corporate Headquarters

National Fuel Gas Company

6363 Main Street

Williamsville, NY 14221

### E-Mail Alerts

Get the latest information concerning National Fuel Gas Company delivered automatically to your e-mail address.

Sign up for e-mail alerts regarding SEC filings and Financial News Releases at our website:

[investor.nationalfuelgas.com](http://investor.nationalfuelgas.com)

### Independent Accountants

PriceWaterhouseCoopers LLP

3600 HSBC Center

Buffalo, NY 14203

(1) On December 31, 2011, The Bank of New York Mellon's Shareowner Services businesses was acquired by Computershare.

**National Fuel Gas Company  
Financial & Statistical Report 2011**

6363 Main Street  
Williamsville, NY 14221

**Investor Relations**

**David P. Bauer**  
Treasurer  
716-857-7318

**Timothy J. Silverstein**  
Director, Investor Relations  
716-857-6987  
SilversteinT@natfuel.com

**Website**  
<http://investor.nationalfuelgas.com>

