



## **National Fuel Provides Update on the Status of Drilling Operations on New Pennsylvania State Leases**

(April 13, 2009) Williamsville, NY: Seneca Resources ("Seneca"), a wholly owned subsidiary of National Fuel Gas Company (NYSE: NFG) ("National Fuel" or the "Company"), today announced that it has completed drilling and coring a vertical Marcellus Shale well on Pennsylvania's Department of Conservation and Natural Resources ("DCNR") Tract 595 in Tioga County, Pennsylvania. Seneca acquired tract 595 at the DCNR lease sale in September 2008. At that same sale, Seneca also acquired Tract 100 in Lycoming County, where drilling is expected to commence this week.

Matthew D. Cabell, President of Seneca Resources, stated, "Preliminary results from our first three Seneca-operated vertical wells are positive and we are excited about the Marcellus Shale potential on the tracts acquired through the DCNR lease sale. These wells are part of a 10-well vertical Marcellus Shale drilling program operated by Seneca that will provide the data needed to evaluate our acreage across seven counties and help us to plan our horizontal development drilling which is to begin this summer. Seneca anticipates drilling more than 100 horizontal wells on tract 595 and tract 100 over the next several years."

Two other tracts from the September 2008 lease sale, totaling 8,408 acres, for which Seneca was high bidder, will not be acquired due to unanticipated gas pipeline routing issues. Pipeline routes acceptable to the state were more than twice the length of what was anticipated at the time of bidding.

Seneca Resources, the exploration and production segment of National Fuel Gas Company explores for, develops and purchases natural gas and oil reserves in California, the Appalachian region and in the Gulf Coast region of Texas and Louisiana. Currently, Seneca's efforts are focused on evaluating, exploring and developing reserves in the Appalachian basin, economically producing reserves in California and exploiting opportunities in the shallow waters of the Gulf of Mexico. Additional information about Seneca Resources and National Fuel Gas Company is available at [www.nationalfuelgas.com](http://www.nationalfuelgas.com) or through the Company's investor information service at 1-800-334-2188.



Certain statements contained herein, including those regarding estimated future earnings, and statements that are identified by the use of the words “anticipates,” “estimates,” “expects,” “forecasts,” “intends,” “plans,” “predicts,” “projects,” “believes,” “seeks,” “will,” “may” 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: financial and economic conditions, including the availability of credit, and their effect on the Company’s ability to obtain financing on acceptable terms for working capital, capital expenditures and other investments; occurrences affecting the Company’s ability to obtain financing under credit lines or other credit facilities or through the issuance of commercial paper, other short-term notes or debt or equity securities, including any downgrades in the Company’s credit ratings and changes in interest rates and other capital market conditions; changes in economic conditions, including global, national or regional recessions, and their effect on the demand for, and customers’ ability to pay for, the Company’s products and services; the creditworthiness or performance of the Company’s key suppliers, customers and counterparties; economic disruptions or uninsured losses resulting from terrorist activities, acts of war, major accidents, fires, hurricanes, other severe weather, pest infestation or other natural disasters; changes in actuarial assumptions, the interest rate environment and the return on plan/trust assets related to the Company’s pension and other post-retirement benefits, which can affect future funding obligations and costs and plan liabilities; changes in demographic patterns and weather conditions; changes in the availability and/or price of natural gas or oil and the effect of such changes on the accounting treatment of derivative financial instruments or the valuation of the Company’s natural gas and oil reserves; impairments under the SEC’s full cost ceiling test for natural gas and oil reserves; uncertainty of oil and gas reserve estimates; ability to successfully identify, drill for and produce economically viable natural gas and oil reserves, including shortages, delays or unavailability of equipment and services required in drilling operations; significant differences between the Company’s expected and actual production levels for natural gas or oil; significant changes in competitive factors affecting the Company; changes in laws and regulations to which the Company is subject, including tax, environmental, safety and employment laws and regulations; governmental/regulatory actions, initiatives and proceedings, including those involving acquisitions, financings, affiliate relationships, industry structure, franchise renewal, and environmental/safety requirements; unanticipated impacts of restructuring initiatives in the natural gas and electric industries; significant differences between the Company’s expected and actual capital expenditures and operating expenses and unanticipated project delays or changes in project costs or plans; the nature and projected profitability of pending and potential projects and other investments, and the ability to obtain necessary governmental approvals and permits; significant changes in tax rates or policies (including cap-and-trade regimes) 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 or activist shareholder campaigns to effect changes at the Company; increasing health care costs and the resulting effect on health insurance premiums and on the obligation to provide other post-retirement benefits; or increasing costs of insurance, changes in coverage and the ability to obtain insurance.