National Fuel Gas Company Provides Updates on its Appalachian Operations and Announces Crude Oil Property Acquisitions

(Sept. 27, 2012) 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”) today provided an update on recent well results within the Marcellus Shale. Also, Seneca announced a pending farm-in agreement on properties near its existing crude oil assets in California, as well as its initial entry into the Mississippian Lime crude oil play in Kansas.

In the Marcellus Shale, Seneca has brought on three more wells on its DCNR Tract 100 acreage in Lycoming County, Pa., two of which utilized a reduced cluster spacing (RCS) completion design. The two RCS wells had peak 24-hour production rates of 13.4 and 14.9 million cubic feet (“MMcf”) per day of natural gas and the third well had a peak rate of 11.3 MMcf per day. To date, Seneca has tested eight wells on Tract 100, with IP rates ranging from 10.5 to 16.1 MMcf per day. In Seneca’s Rich Valley prospect in its Western Development Area in Cameron County, Pa., one horizontal well was drilled and tested utilizing the RCS completion design and reached a peak 24-hour rate of 6.3 MMcf per day of natural gas.

In the Utica Shale, Seneca has recently finished the completion of two horizontal wells, one each in McKean and Forest counties, Pa. The Tionesta well in Forest County had all stages successfully completed. As a result of an operational challenge, unrelated to the quality of the reservoir, the Mt. Jewett well in McKean County was only partially completed with three frac stages. Currently, both Utica wells are shut-in for a period of 60 days and are expected to begin production in November.

In California, Seneca has reached an agreement in principle with Chevron U.S.A. (“Chevron”) for a portion of Chevron’s assets in the East Coalinga Field. As part of the agreement, Seneca would gain operatorship of the field in early 2013, while Chevron would retain a royalty on incremental development and full interest in the existing production.

Also, Seneca has recently established a new position within the Mississippian Lime crude oil play, with approximately 9,300 net acres (23,000 gross acres) in Pratt County, Kan. Seneca will be the operator on 4,600 net acres and will have a non-operating interest on the remaining net acreage position. Seneca is expected to participate in three to eight horizontal wells in fiscal year 2013.

The activity anticipated as a result of these oil property acquisitions is included in the Company’s preliminary fiscal year 2013 capital expenditure forecast of $555 to $710 million and production forecast range of 92 to 105 billion cubic feet equivalent (“Bcfe”).

“We are very excited about these new opportunities to further enhance our highly successful crude oil operations,” said David F. Smith, Chairman and Chief Executive Officer of National Fuel. “With our history of successfully integrating and growing mature properties in California, we believe that the East Coalinga Field fits nicely with our existing operations

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and will help Seneca to continue growing crude oil production in California. Our initial footprint in the Mississippian Lime play, although modest in size, provides us a position in an emerging play that we believe has significant potential and additional running room.

"Over the past several years, Seneca has transitioned from an exploration company focused on conventional plays to a development company focused on resource plays. I am quite confident that we have the technical and operational team in place to continue our development in California and Appalachia and to be successful in our entry into the Mississippian Lime. With the growth of our Appalachian properties over the last few years and the resulting shift to a higher percentage of natural gas production, the acquisition of additional oil development opportunities will keep us on the path towards our ongoing goal of maintaining a significant contribution to the Company from our oil-producing properties."

National Fuel is an integrated energy company with $5.8 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 or through its 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: factors affecting the Company's ability to successfully identify, drill for and produce economically viable natural gas and oil reserves, including among others geology, lease availability, title disputes, weather conditions, shortages, delays or unavailability of equipment and services required in drilling operations, insufficient gathering, processing and transportation capacity, the need to obtain governmental approvals and permits, and compliance with environmental laws and regulations; changes in laws, regulations or judicial interpretations to which the Company is subject, including those involving derivatives, taxes, safety, employment, climate change, other environmental matters, real property, and exploration and production activities such as hydraulic fracturing; changes in the price of natural gas or oil; impairments under the SEC's full cost ceiling test for natural gas and oil reserves; uncertainty of oil and gas reserve estimates; significant differences between the Company's projected and actual production levels for natural gas or oil; changes in demographic patterns and weather conditions; changes in the availability, price or accounting treatment of derivative financial instruments; governmental/regulatory actions, initiatives and proceedings, including those involving rate cases (which address, among other things, allowed rates of return, rate design and retained natural gas), environmental/safety requirements, affiliate relationships, industry structure,

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and franchise renewal; delays or changes in costs or plans with respect to Company projects or related projects of other companies, including difficulties or delays in obtaining necessary governmental approvals, permits or orders or in obtaining the cooperation of interconnecting facility operators; financial and economic conditions, including the availability of credit, and occurrences affecting the Company's ability to obtain financing on acceptable terms for working capital, capital expenditures and other investments, 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 major accidents, fires, severe weather, natural disasters, terrorist activities, acts of war, cyber attacks or pest infestation; changes in price differential between similar quantities of natural gas at different geographic locations, and the effect of such changes on the demand for pipeline transportation capacity to or from such locations; other changes in price differentials between similar quantities of oil or natural gas having different quality, heating value, geographic location or delivery date; significant differences between the Company's projected and actual capital expenditures and operating expenses; changes in laws, 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; 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. The Company disclaims any obligation to update any forward-looking statements to reflect events or circumstances after the date thereof.