



Income and Small Cap Weekly

Analysis of Oil & Gas Stocks

April 1, 2011

Remove Buy on SJT at McDep Ratio of 1.10

Summary and Recommendation

<i>Symbol</i>	SJT	<i>Ebitda Next Twelve Months ending 3/31/12 (US\$mm)</i>	83
<i>Rating</i>		<i>North American Natural Gas/Ebitda (%)</i>	96
<i>Price (US\$/sh)</i>	27.55	<i>Natural Gas and Oil Production/Ebitda (%)</i>	100
<i>Pricing Date</i>	3/31/11	<i>Adjusted Reserves/Production NTM</i>	9.1
<i>Shares (mm)</i>	47	<i>EV/Ebitda</i>	15.6
<i>Market Capitalization (US\$mm)</i>	1,280	<i>PV/Ebitda</i>	14.1
<i>Debt (US\$mm)</i>	0	<i>Undeveloped Reserves (%)</i>	5
<i>Enterprise Value (EV) (US\$mm)</i>	1,280	<i>Natural Gas and Oil Ebitda (US\$/mcf)</i>	3.47
<i>Present Value (PV) (US\$mm)</i>	1,170	<i>Present Value Proven Reserves(US\$/boe)</i>	31.77
<i>Net Present Value (US\$/unit)</i>	25	<i>Oil and Gas Ebitda Margin (%)</i>	68
<i>Debt/Present Value</i>	0.00	<i>Earnings Next Twelve Months (US\$/un)</i>	1.50
<i>McDep Ratio - EV/PV</i>	1.10	<i>Price/Earnings Next Twelve Months</i>	18
<i>Distribution Yield (%/year)</i>	5.4	<i>Distribution Next Twelve Months (US\$/sh)</i>	1.50
Note: Estimated cash flow and earnings tied to one-year futures prices for natural gas.			
Reported results may vary widely from estimates. Estimated present value per share revised only infrequently.			
Estimated present value presumes a long-term price for oil of US\$100 a barrel and natural gas, \$8 a million btu.			
For historical analysis of SJT since 2000 see www.mcdep.com/4sjt.htm			

We no longer feature the units of **San Juan Basin Royalty Trust (SJT)** as a Buy recommendation because the McDep Ratio exceeds 1.0. We try to concentrate Buy recommendations among lower McDep Ratio stocks, which we expect to return more than higher McDep Ratio stocks (see [Tables 1-4](#) on pages 5-8). Buying stocks at lower McDep Ratios and scaling back on them at higher McDep Ratios is our model for adding value to oil and gas sector performance. At the same time, we believe in core positions in high-quality stocks like SJT. In that case, our advice translates to trading around a core position. Those investors who don't wish to trade can be comfortable that the long-term return in SJT remains attractive. The main near-term variable is natural gas price, which appears to be in the early stages of a new upward trend. The main long-term variable is the durability of the San Juan Basin resource, which has thousands of low-cost wells yet to be drilled that are being postponed at today's low price. Eventually, we expect that in a stronger natural gas market the trust will receive a higher price on less decline or actual growth in production. When those conditions are closer at hand we would have a basis to raise estimated Net Present Value from the current \$25 a unit. Meanwhile, investors collect a tax-advantaged distribution estimated at 5.4% for the next twelve months. Financial risk is low because the trust has no debt.

Long Life for Value, Short Life for Taxes

The distribution yield of SJT is almost always attractive. Harder to judge is how long the distribution will last. If we judged by the latest estimates by the trust's independent engineer, we would say that cumulative future volume is 8.3 years at last year's rate. For that to be true,



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volume would have to decline by some 12% a year. Instead we see that actual volume declined at just 4% a year for the past decade (see chart [SJT Volume](#) on page 3). Volume might indeed decline by 12% a year if the operator did no investment in workovers, recompletions and new wells. Instead the reinvestment of 22% of cash flow over the past decade reduced decline to 4% a year. The slower decline more likely signals cumulative future volume of perhaps 25 years, three times the independent engineer's estimate. Indeed, ConocoPhillips (COP), the largest producer in the San Juan Basin and the operator of the trust's properties, estimates that its resources in the basin are 26 times last year's production.

The conservative engineer's estimate is an advantage for income tax purposes. Investors are entitled to reduce distributions by cost depletion to determine taxable income. In other words a 5% distribution from units of SJT purchased today would generate cost depletion of 12%, which would result in negative taxable income for the first year. Negative taxable income turns positive after units are held a few years because cost depletion also reduces the basis against which the 12% rate would be applied. We have further discussions on tax issues in an appendix.

Natural Gas Price Recovering

SJT distributions in the first three months of 2011 may be the lowest of the year as natural gas price guided by the futures market increases in each subsequent quarter (see table [Next Twelve Months Operating and Financial Estimates](#) on page 4). As of the settlement on March 31, futures prices for the delivery of natural gas in Louisiana over the next six years reached \$5.67 a million btu. The quote maintains the new trend above the 40-week average that began with the Japanese nuclear accident. The trend is good for SJT on a long-term basis despite our lifting our buy designation for now.

Kurt H. Wulff, CFA

Appendix on Tax Issues

For simplicity, investors could just as well ignore depletion and treat the trust as any other dividend payer as would automatically be the case if the trust were held in a tax-deferred pension or retirement account. We suggest holding large, or long-term positions in a stock like SJT in a taxable account where the size of holding makes the tax calculation worthwhile and to keep smaller, or more trading oriented positions in a tax-deferred account where individual securities have no immediate tax consequences.

Tax Consequences and Opportunities in Sales

The tax advantages benefiting distributions from SJT become potential disadvantages upon selling units. There is a normal capital gains tax plus a "recapture tax" on the amount of depletion claimed to reduce tax on regular distributions. Moreover, for many taxpayers the tax



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rate on the recapture portion might be some 35% compared to the tax rate that might be 15% for the capital gain portion.

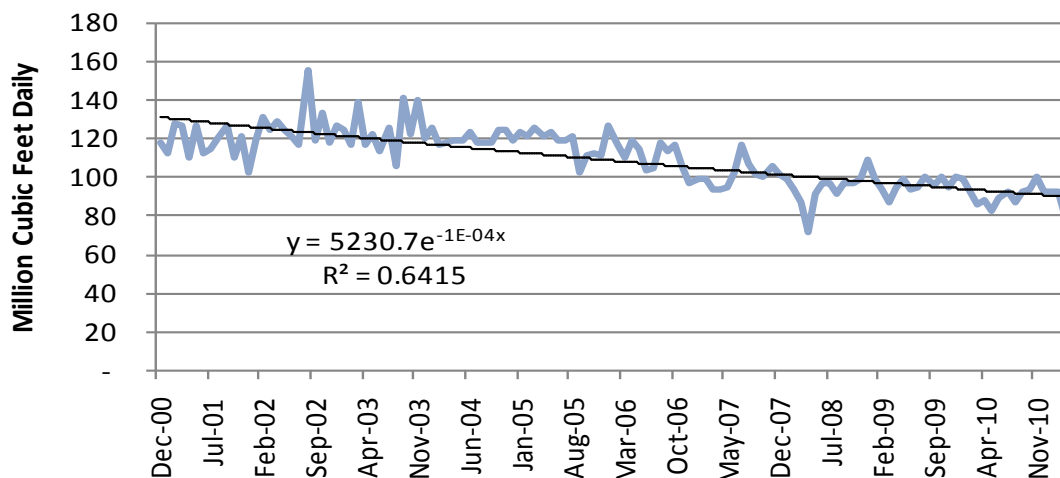
The potentially higher tax consequences on selling can become advantages for investors considering charitable gifts. Most donors are aware that giving securities has an advantage over giving cash to a charity because donors do not incur a capital gains tax. In the case of a royalty trust, gifting also saves recapture tax.

Gifts made to a charitable remainder trust may offer further advantages. A portion of the gift is credited to the charitable remainder interest and the other portion to the income interest. In a typical arrangement a donor and spouse may retain a lifetime income interest to be paid at the rate of perhaps 5% a year while the principal is paid to the charity when the donor or spouse is no longer living. The capital gains and the recapture tax can not only be saved for the charitable remainder interest, but also deferred for the income interest. The deferred amount may eventually be paid at the rate it can be assessed as a tax on the income payments.

Meanwhile a donor can reestablish a position in the same royalty trust after a short waiting period or immediately in another royalty trust and start the depletion clock running again on the new higher, undepleted cost basis.

Our explanation of the tax idea is not complete enough to be a tutorial, nor do we claim any qualification or intent to give tax advice. To the extent gifting saves taxes, there is still a net cost of the gift to the donor and the main beneficiary of any tax saving and deferral is the charity, which is the intent behind the tax rules.

San Juan Basin Royalty Trust Volume





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San Juan Basin Royalty Trust									
Next Twelve Months Operating and Financial Estimates									
									<i>Next</i>
									<i>Twelve</i>
	<i>Q3</i>	<i>Q4</i>	<i>Year</i>	<i>Q1E</i>	<i>Q2E</i>	<i>Q3E</i>	<i>Q4E</i>	<i>Year</i>	<i>Months</i>
	<i>9/30/10</i>	<i>12/31/10</i>	<i>2010</i>	<i>3/31/11</i>	<i>6/30/11</i>	<i>9/30/11</i>	<i>12/31/11</i>	<i>2011E</i>	<i>3/31/12</i>
Highlights									
Revenue (\$mm) (75%)	30.4	29.2	123.7	27.6	28.1	31.0	31.5	118.3	120.5
Cash flow (\$mm) (75%)	21.3	19.8	87.2	18.4	18.7	21.4	21.9	80.4	82.5
Per unit	0.46	0.42	1.87	0.39	0.40	0.46	0.47	1.73	1.77
Distributable Income (\$mm)	18.8	16.3	78.4	14.9	15.6	18.3	18.8	67.5	70.0
Per unit	0.40	0.35	1.68	0.32	0.33	0.39	0.40	1.45	1.50
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Volume									
Natural gas (mmbtu)	9.2	9.7	36.7	8.9	8.6	8.8	8.7	34.9	34.5
Heat Content(btu/cf)	1,103	1,105	1,101	1,103	1,103	1,103	1,103	1,103	1,103
Natural gas (bcf)	8.4	8.8	33.4	8.1	7.8	7.9	7.9	31.6	31.3
Natural Gas (mmcf)	90.8	95.4	91.4	88.0	87.1	86.3	85.4	86.7	85.8
Oil (mb)	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.1
Oil (mbd)	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Total gas & oil (bcf)	8.5	8.9	33.7	8.2	7.9	8.0	8.0	32.0	31.7
Price									
Natural gas (\$/mmbtu) (Henry Hub lagged two months)									
Henry Hub (\$/mmbtu)	4.38	4.09	4.50	3.93	4.15	4.49	4.61	4.30	4.42
Differential (%)	2	5	3	(1)	(1)	(1)	(1)	(1)	(1)
Net to SJT (\$/mmbtu)	4.28	3.89	4.38	3.98	4.21	4.55	4.68	4.35	4.48
Natural gas (\$/mcf)	4.72	4.30	4.82	4.39	4.64	5.02	5.16	4.80	4.94
Oil (\$/bbl) (WTI Cushing lagged two months)									
WTI Cushing	75.14	77.93	77.68	87.60	98.45	104.30	105.56	98.98	103.06
SJT	63.48	66.31	67.03	75.59	84.95	90.00	91.08	85.34	88.93
Total gas & oil (\$/mcf)	4.80	4.38	4.89	4.49	4.76	5.15	5.29	4.92	5.07
Revenue (\$mm)									
Natural Gas	39.4	37.7	160.8	35.6	36.0	39.8	40.5	152.0	154.8
Oil	1.1	1.1	4.2	1.3	1.4	1.5	1.5	5.7	5.9
Total	40.6	38.9	165.0	36.9	37.4	41.4	42.1	157.7	160.7
Cost (\$mm)									
Severance tax	4.0	3.9	16.3	3.6	3.7	4.1	4.2	15.6	15.9
Operating	8.1	8.6	32.4	8.7	8.7	8.7	8.7	34.8	34.8
Total	12.1	12.6	48.7	12.3	12.4	12.8	12.9	50.4	50.7
Cash flow (\$mm)									
Development	3.1	4.4	13.1	3.7	3.7	3.7	3.7	14.6	14.6
Net proceeds (\$mm)									
	25.3	22.0	103.2	20.9	21.3	24.9	25.5	92.7	95.4
Royalty income (\$mm)									
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	75%	75%
Administration	0.2	0.2	1.7	0.8	0.4	0.4	0.4	2.0	1.6
One-time			(2.6)					-	-
Distributable income (\$mm)									
	18.8	16.3	78.4	14.9	15.6	18.3	18.8	67.5	70.0
Severance tax/revenue	9.9%	10.1%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%
Operating cost (\$/mcf)	0.96	0.97	0.96	1.06	1.11	1.08	1.09	1.09	1.10
Development/Cash flow	11%	17%	11%	15%	15%	13%	13%	14%	13%



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Table ISC-1											
McDep Income and Small Cap Energy Portfolio											
Debt, Segments, Cash Flow, Income and McDep Ratio											
			Price								
Symbol/Rating	(US\$/sh)	EV/	Enterprise	PV(%)	EV/	Dist.	Dist.				
B = Buy	31-Mar	Market	Value	Nat	Ebitda	NTM	Yield	McDep			
CB (see below)	2011	Cap	(\$mm)	Gas	Oil	NTM	(\$/un)	(%)	Ratio		
Small Cap Independent Producers											
Range Resources	RRC	B	58.46	1.26	11,560	70	30	16.0	0.16	0.3	1.13
Denbury Resources Inc.	DNR		24.40	1.35	13,220	12	88	9.0	-	-	1.08
Petrohawk Energy Corporation	HK	B	24.54	1.46	10,810	87	13	10.9	-	-	1.02
Whiting Petroleum Corporation	WLL		73.45	1.14	9,920	11	89	7.7	-	-	0.98
Cimarex Energy Company	XEC	B	115.24	1.07	10,540	45	55	7.5	0.30	0.3	0.96
Berry Petroleum Company	BRY		50.45	1.49	3,960	24	76	8.6	0.30	0.6	0.94
Peyto Exploration and Development	PEYUF		21.40	1.15	3,100	76	24	12.8	0.74	3.5	0.90
Ultra Petroleum	UPL		49.25	1.20	9,060	92	8	11.4	-	-	0.85
Birchcliff Energy Ltd.	BIREF	B	12.54	1.23	1,940	62	38	10.7	-	-	0.82
<i>Total or Median</i>					74,100			10.7		-	0.96
Top Line Cash Payers											
Freehold Royalties Ltd.	FRHLF		23.46	1.06	1,460	20	80		1.73	7.4	1.06
Cross Timbers Royalty Trust	CRT		47.23	1.00	280	75	25		3.03	6.4	1.05
Sabine Royalty Trust	SBR		60.65	1.00	880	38	62		4.64	7.7	1.03
Permian Basin RT	PBT		21.82	1.00	1,020	31	69		1.79	8.2	0.99
Dorchester Minerals, L.P.	DMLP	B	29.24	1.00	900	61	39		1.85	6.3	0.97
<i>Total or Median</i>					4,500					7.4	1.03
Bottom Line Cash Payers											
Linn Energy, LLC	LINE		38.93	1.43	8,230	36	64	15.3	2.64	6.8	1.25
Vanguard Natural Resources, LLC	VNR		31.79	1.60	1,650	28	72	12.6	2.24	7.0	1.10
San Juan Basin Royalty Trust	SJT		27.55	1.00	1,280	100	-	15.6	1.50	5.4	1.10
Legacy Reserves L.P.	LGCY		31.34	1.31	1,640	13	87	10.7	2.10	6.7	1.09
Hugoton Royalty Trust	HGT	B	23.78	1.00	950	89	11	15.0	1.36	5.7	1.08
Encore Energy Partners, L.P.	ENP		23.48	1.23	1,300	18	82	9.7	1.80	7.7	1.02
Pengrowth Energy Corporation	PGH		13.83	1.34	5,600	28	72	7.9	0.86	6.3	0.99
Mesa Royalty Trust	MTR		49.60	1.00	92	75	25	11.6	3.56	7.2	0.93
Enerplus Corporation	ERF		31.66	1.22	6,900	34	66	7.7	2.22	7.0	0.88
<i>Total or Median</i>					27,600			11.6		6.8	1.08
Composite											
<i>Enterprise Value Weighting</i>					106,300	47	53				1.00
<i>Equal Weighting</i>						49	51				1.01
<i>Equal Weighted Buys</i>						69	31				1.01

CB=Contrarian Buy, Stock Price apparently in downtrend compared to 200-day average.

McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses.

Present Value (PV) presumes long-term prices of \$100 a barrel for oil and \$8 a million btu for natural gas.

Dist. = Income distribution. NTM = Next Twelve Months Ended March 31, 2012. Enterprise Value = Market Cap and Debt.



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Table ISC-2

**McDep Income and Small Cap Energy Portfolio
Net Present Value and McDep Ratio**

			<i>Price</i>			<i>Net</i>		
			<i>(\$/sh)</i>		<i>Market</i>	<i>Present</i>	<i>Debt/</i>	
	<i>Symbol/</i>		<i>31-Mar</i>	<i>Shares</i>	<i>Cap</i>	<i>Value</i>	<i>Present</i>	<i>McDep</i>
	<i>Rating</i>		<i>2011</i>	<i>(mm)</i>	<i>(\$mm)</i>	<i>(\$/un)</i>	<i>Value</i>	<i>Ratio</i>
Small Cap Independent Producers								
Range Resources	RRC	B	58.46	157.0	9,180	50.00	0.23	1.13
Denbury Resources Inc.	DNR		24.40	402.0	9,810	22.00	0.28	1.08
Petrohawk Energy Corporation	HK	B	24.54	302.0	7,410	24.00	0.32	1.02
Whiting Petroleum Corporation	WLL		73.45	119.0	8,740	75.00	0.12	0.98
Cimarex Energy Company	XEC	B	115.24	85.8	9,890	120.00	0.06	0.96
Berry Petroleum Company	BRY		50.45	52.8	2,660	55.00	0.31	0.94
Peyto Exploration and Development Corp	PEYUF		21.40	125.7	2,690	24.00	0.12	0.90
Ultra Petroleum	UPL		49.25	154.0	7,580	60.00	0.14	0.85
Birchcliff Energy Ltd.	BIREF	B	12.54	126.0	1,580	16.00	0.15	0.82
<i>Total or Median</i>					<i>59,540</i>		<i>0.15</i>	<i>0.96</i>
Top Line Cash Payers								
Freehold Royalties Ltd.	FRHLF		23.46	58.4	1,370	22.00	0.06	1.06
Cross Timbers Royalty Trust	CRT		47.23	6.0	280	45.00	-	1.05
Sabine Royalty Trust	SBR		60.65	14.6	880	59.00	-	1.03
Permian Basin RT	PBT		21.82	46.6	1,020	22.00	-	0.99
Dorchester Minerals, L.P.	DMLP	B	29.24	30.7	900	30.00	-	0.97
<i>Total or Median</i>					<i>4,450</i>			<i>1.03</i>
Bottom Line Cash Payers								
Linn Energy, LLC	LINE		38.93	148.3	5,770	28.00	0.37	1.25
Vanguard Natural Resources, LLC	VNR		31.79	32.4	1,030	27.00	0.41	1.10
San Juan Basin Royalty Trust	SJT		27.55	46.6	1,280	25.00	-	1.10
Legacy Reserves L.P.	LGCY		31.34	40.1	1,260	28.00	0.25	1.09
Hugoton Royalty Trust	HGT	B	23.78	40.0	950	22.00	-	1.08
Encore Energy Partners, L.P.	ENP		23.48	45.0	1,060	23.00	0.19	1.02
Pengrowth Energy Corporation	PGH		13.83	299.0	4,140	14.00	0.25	0.99
Mesa Royalty Trust	MTR		49.60	1.9	92	53.00	-	0.93
Enerplus Corporation	ERF		31.66	178.0	5,640	37.00	0.16	0.88
<i>Total or Median</i>					<i>21,220</i>			<i>1.08</i>

B=Buy; CB=Contrarian Buy, Stock Price apparently in downtrend compared to 200-day average.

McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses

Present Value presumes long-term prices of \$100 a barrel for oil and \$8 a million btu for natural gas.



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Table ISC-3

McDep Income and Small Cap Energy Portfolio

Value Multiples - Rank by EV/Ebitda

			<i>Price</i> <i>(\$/sh)</i>	<i>Revenue</i>	<i>Dist/</i>	<i>Adjstd</i> <i>Resrvs/</i>	<i>PV/</i>	<i>EV/</i>
	<i>Symbol/</i>		<i>31-Mar</i>	<i>Royalty</i>	<i>Equity</i>	<i>Prod</i>	<i>Ebitda</i>	<i>Ebitda</i>
	<i>Rating</i>		<i>2011</i>	<i>(%)</i>	<i>Ebitda</i>	<i>NTM</i>	<i>NTM</i>	<i>NTM</i>
Small Cap Independent Producers								
Range Resources	RRC	B	58.46		-	16.9	14.1	16.0
Peyto Exploration and Development Corp	PEYUF		21.40		0.44	19.7	14.1	12.8
Ultra Petroleum	UPL		49.25		-	27.1	13.5	11.4
Petrohawk Energy Corporation	HK	B	24.54		-	8.2	10.8	10.9
Birchcliff Energy Ltd.	BIREF	B	12.54		-	20.2	13.1	10.7
Denbury Resources Inc.	DNR		24.40		-	13.1	8.3	9.0
Berry Petroleum Company	BRY		50.45		-	11.9	9.1	8.6
Whiting Petroleum Corporation	WLL		73.45		-	10.7	7.8	7.7
Cimarex Energy Company	XEC	B	115.24		-	7.3	7.8	7.5
	<i>Median</i>					<i>13.1</i>	<i>10.8</i>	<i>10.7</i>
Top Line Cash Payers								
Cross Timbers Royalty Trust	CRT		47.23	80	0.97	13.7	14.4	15.1
Dorchester Minerals, L.P.	DMLP	B	29.24	77	0.87	7.6	14.0	13.7
Sabine Royalty Trust	SBR		60.65	100	1.00	7.7	12.7	13.1
Permian Basin RT	PBT		21.82	32	0.96	13.2	11.8	11.7
Freehold Royalties Ltd.	FRHLF		23.46	71	0.78	8.1	9.9	10.6
	<i>Median</i>					<i>8.1</i>	<i>12.7</i>	<i>13.1</i>
Bottom Line Cash Payers								
San Juan Basin Royalty Trust	SJT		27.55		0.85	9.1	14.1	15.6
Linn Energy, LLC	LINE		38.93		1.16	19.0	12.3	15.3
Hugoton Royalty Trust	HGT	B	23.78		0.86	13.3	13.9	15.0
Vanguard Natural Resources, LLC	VNR		31.79		0.95	13.1	11.4	12.6
Mesa Royalty Trust	MTR		49.60		0.84	8.8	12.4	11.6
Legacy Reserves L.P.	LGCY		31.34		0.74	11.9	9.8	10.7
Encore Energy Partners, L.P.	ENP		23.48		0.74	13.0	9.5	9.7
Pengrowth Energy Corporation	PGH		13.83		0.49	9.0	8.0	7.9
Enerplus Corporation	ERF		31.66		0.52	8.4	8.7	7.7
	<i>Median</i>					<i>11.9</i>	<i>11.4</i>	<i>11.6</i>
B=Buy; CB=Contrarian Buy, Stock Price apparently in downtrend compared to 200-day average.								
EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended March 31, 2012; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses								
Top Line Cash Payers defined as those having Revenue Royalty (see fifth column from right).								



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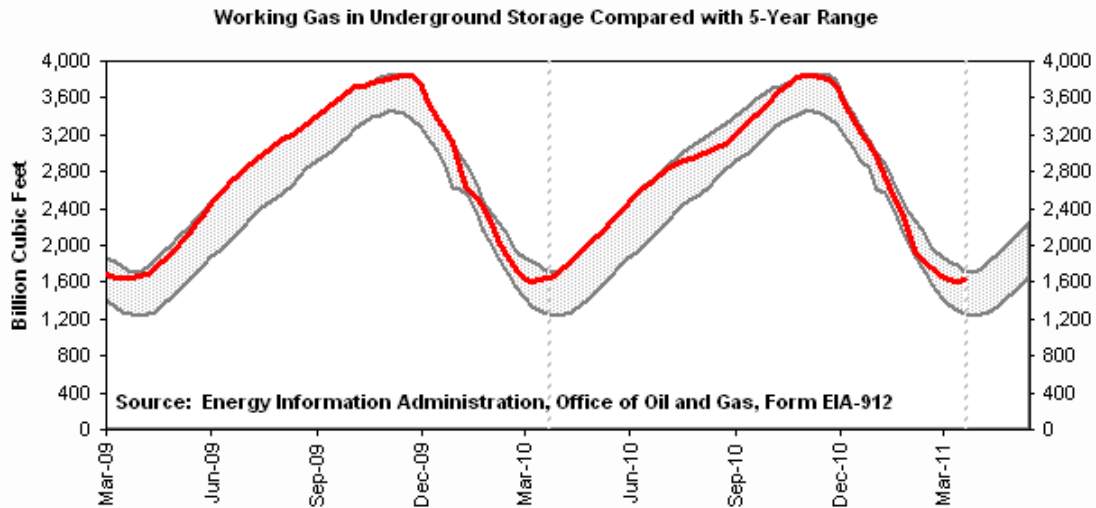
Table ISC-4									
Oil and Gas Income and Small Cap Stocks									
Rank by Enterprise Value to 200 Day Average									
			Price (\$/sh)		Enterprise Value/				
	Symbol/ Rating		31-Mar 2011	52Wk High	52Wk Low	50 Day Avg.	200 Day Avg.	McDep Ratio	
Small Cap Independent Producers									
	Cimarex Energy Company	XEC	B	115.24	0.98	1.87	1.06	1.34	0.96
	Whiting Petroleum Corporation	WLL		73.45	0.97	1.83	1.13	1.33	0.98
	Range Resources	RRC	B	58.46	0.99	1.55	1.12	1.27	1.13
	Peyto Exploration and Development Co	PEYUF		21.40	1.00	1.72	1.08	1.24	0.90
	Denbury Resources Inc.	DNR		24.40	0.98	1.46	1.07	1.23	1.08
	Petrohawk Energy Corporation	HK	B	24.54	1.00	1.42	1.12	1.21	1.02
	Berry Petroleum Company	BRY		50.45	0.97	1.53	1.05	1.21	0.94
	Birchcliff Energy Ltd.	BIREF	B	12.54	0.99	1.46	1.06	1.21	0.82
	Ultra Petroleum	UPL		49.25	0.93	1.26	1.05	1.08	0.85
	<i>Median</i>				0.98	1.53	1.07	1.23	0.96
Top Line Cash Payers									
	Freehold Royalties Ltd.	FRHLF		23.46	1.00	1.56	1.06	1.23	1.06
	Cross Timbers Royalty Trust	CRT		47.23	0.97	1.52	1.03	1.19	1.05
	Dorchester Minerals, L.P.	DMLP	B	29.24	0.99	1.40	1.06	1.10	0.97
	Sabine Royalty Trust	SBR		60.65	0.93	1.42	0.98	1.08	1.03
	Permian Basin RT	PBT		21.82	0.92	1.52	1.03	1.06	0.99
	<i>Median</i>				0.97	1.52	1.03	1.10	1.03
Bottom Line Cash Payers									
	Hugoton Royalty Trust	HGT	B	23.78	0.96	1.46	1.09	1.16	1.08
	Pengrowth Energy Corporation	PGH		13.83	0.98	2.08	1.05	1.14	0.99
	Legacy Reserves L.P.	LGCY		31.34	0.98	1.49	1.03	1.13	1.09
	Enerplus Corporation	ERF		31.66	0.96	1.87	1.00	1.13	0.88
	San Juan Basin Royalty Trust	SJT		27.55	0.97	1.33	1.10	1.12	1.10
	Encore Energy Partners, L.P.	ENP		23.48	0.99	1.94	1.03	1.12	1.02
	Vanguard Natural Resources, LLC	VNR		31.79	0.97	1.41	1.01	1.11	1.10
	Linn Energy, LLC	LINE		38.93	0.98	1.90	1.00	1.10	1.25
	Mesa Royalty Trust	MTR		49.60	0.91	1.21	1.04	1.05	0.93
	<i>Median</i>				0.97	1.49	1.03	1.12	1.08
CB=Contrarian Buy, Stock Price apparently in downtrend compared to 200-day average.									



Income and Small Cap Weekly

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April 1, 2011



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