



# Meter Reader

Monthly Analysis of Oil and Gas Stocks  
Intraday August 13, 2018

## Large Cap Producers Advancing COP, EOG, OXY, PXD

		Price (US\$/sh)	Market Cap	Enterprise Value	EV/ Market	EV/ Ebitda	PV/ Ebitda	Oil Prod'n/ Ebitda	Dist. Yield	McDep Ratio
	Symbol/Rating	13-Aug 2018	(US\$m)	(Smm)	Cap	NTM	NTM	(%)	(%)	(EV/PV)
Occidental Petroleum Corp.	OXY	78.55	60,300	74,000	1.23	8.3	8.0	70	4.0	1.04
EOG Resources, Inc.	EOG	121.97	70,700	77,800	1.10	8.1	8.6	90	0.5	0.94
Pioneer Natural Resources	PXD	184.28	31,500	34,100	1.08	8.5	9.2	94	0.0	0.93
ConocoPhillips	COP	71.51	85,000	107,000	1.26	7.4	8.1	77	1.6	0.91
<i>Total or Median</i>			<i>247,500</i>	<i>292,900</i>	<i>1.16</i>	<i>8.2</i>	<i>8.4</i>	<i>83</i>	<i>1.0</i>	<i>0.94</i>

### Summary and Recommendation

We like Large Cap Producers **ConocoPhillips (COP)**, **EOG Resources (EOG)**, **Occidental Petroleum (OXY)** and **Pioneer Natural Resources (PXD)** for pure play leadership in building strategic and economic value in oil and gas. After advancing a median 11% in total equity return in 2018, the four stocks are closely ranked around a median McDep Ratio of 0.94. Latest estimates take account of second quarter results disclosed July 26-August 9.

- PXD and EOG are volume growth leaders (see chart [Volume](#) on page 2). OXY and COP are growing volume with new focus after shedding properties. The spread between the two faster growers and the two slower growers narrows when considering that EOG and PXD have issued new shares while OXY and COP have retired shares. Moreover, OXY and COP pay out more cash flow in dividends.
- It all depends on oil and gas price. Price was low in 2015-2016 when volume stagnated (see chart [Price](#) on page 2). As price recovered, volume advanced. Whether producers are building or destroying capital with new outlays today depends primarily on what price will be tomorrow.
- Cash flow (Ebitda) may be growing in the next year as volume increases and efficiency improvements offset declining futures prices (see chart [Ebitda](#) on page 3).
- Meanwhile the probability distribution around price expectations appears quite wide ranging from less than \$40 a barrel to more than \$110 (see chart [Confidence](#) on page 3). Our long-term expectation is \$70, which is near the current price. Momentum appears to be upward.

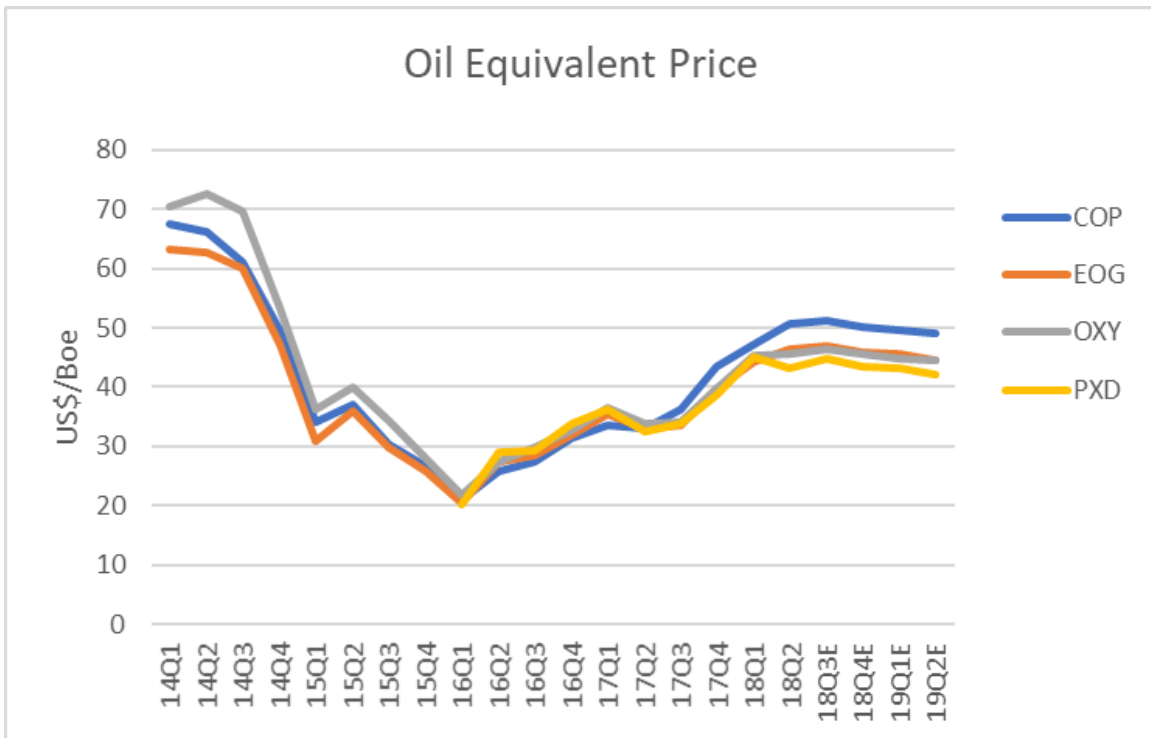
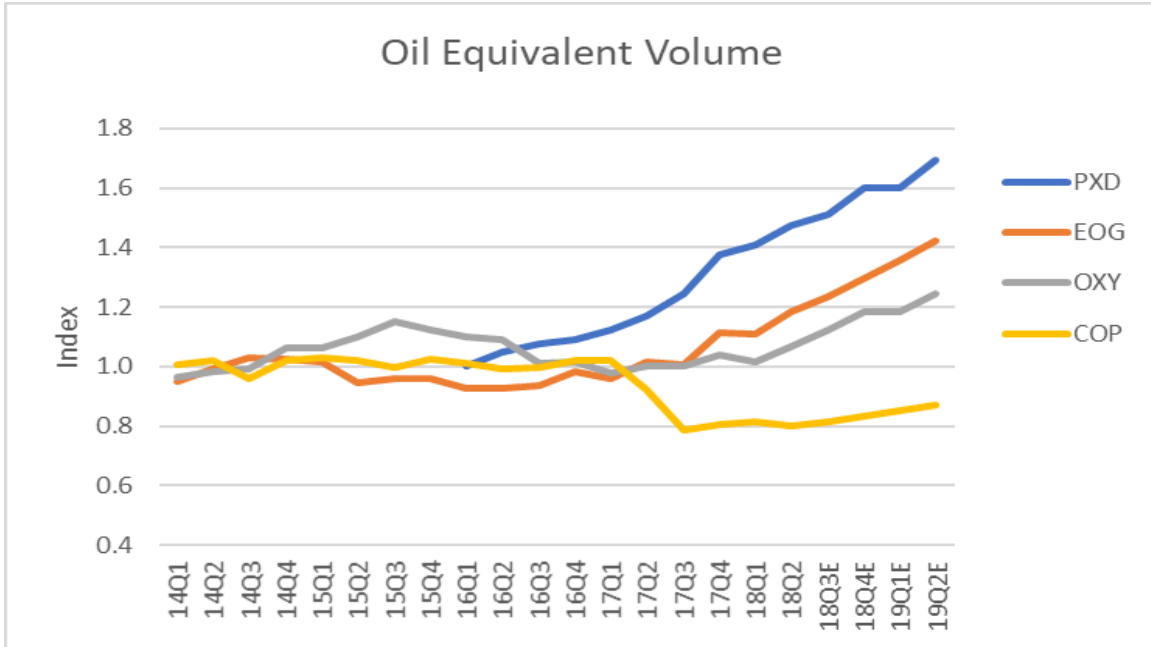
Meanwhile, quarterly detail is summarized in condensed models (see [Next Twelve Months Operating and Financial Results](#) on pages 4-5). We have optimistic expectations for each of the four large cap producer stocks as well as others in our coverage (see [Tables 1-4](#) on pages 6-9). Past analyses provide more detail (see [Index of Recent Research](#) on page 10).

Kurt H. Wulff, CFA



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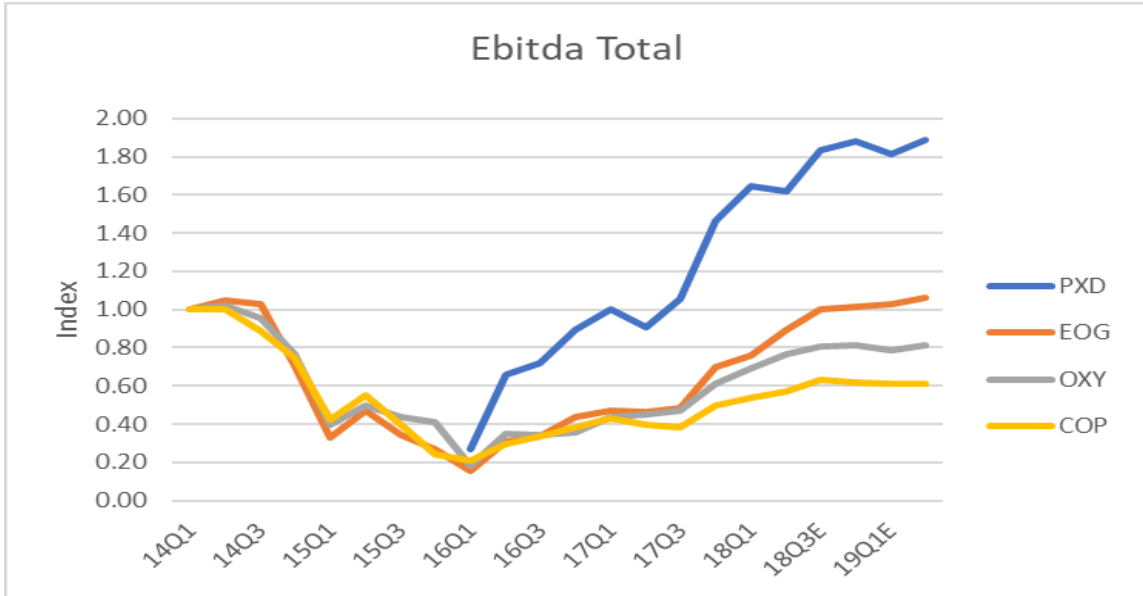
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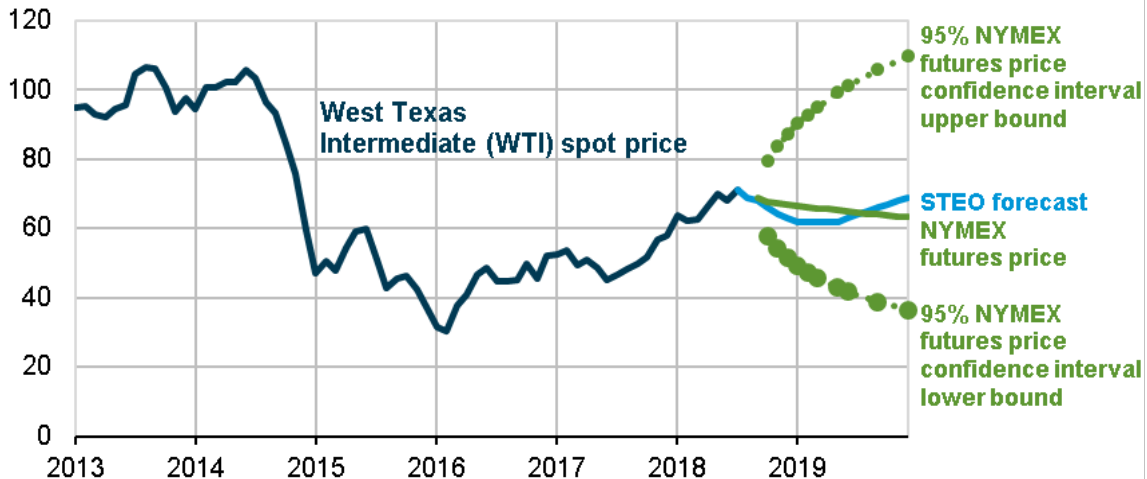


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**West Texas Intermediate (WTI) crude oil price and NYMEX confidence intervals**  
dollars per barrel



Note: Confidence interval derived from options market information for the five trading days ending Aug 2, 2018. Intervals not calculated for months with sparse trading in near-the-money options contracts.

Source: Short-Term Energy Outlook, August 2018, and CME Group





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ConocoPhillips										
Next Twelve Months Operating and Financial Estimates										
	Q2	Year	Q1	Q2	Q3E	Q4E	Year	Q1E	Q2E	Next Twelve Months
	6/30/17	2017	3/31/18	6/30/18	9/30/18	12/31/18	2018	3/31/19	6/30/19	6/30/19
<b>Volume (barrels oil equivalent)</b>										
Daily (mboed)	1,437	<b>1,377</b>	1,269	1,249	1,275	1,302	<b>1,274</b>	1,329	1,357	<b>1,316</b>
Period (mmboc)	131	<b>503</b>	114	114	117	120	<b>465</b>	120	124	<b>480</b>
Price (US\$/boe)	33.09	<b>36.30</b>	47.12	50.77	51.23	50.10	<b>49.82</b>	49.61	48.95	<b>49.96</b>
Expense (US\$/boe)	15.54	<b>16.51</b>	19.70	21.62	20.00	20.00	<b>20.32</b>	20.00	20.00	<b>20.00</b>
Ebitda - Production (US\$/boe)	17.55	<b>19.79</b>	27.42	29.15	31.23	30.10	<b>29.49</b>	29.61	28.95	<b>29.96</b>
Downstream VA (US\$/boe)	-	-	-	-	-	-	-	-	-	-
<b>Ebitda - Total</b>										
Unit (US\$/boe)	17.55	<b>19.79</b>	27.42	29.15	31.23	30.10	<b>29.49</b>	29.61	28.95	<b>29.96</b>
Period (US\$m)	2,295	<b>9,944</b>	3,132	3,313	3,664	3,605	<b>13,715</b>	3,542	3,576	<b>14,387</b>
Deprec, Deplet, Amort, Other	1,723	<b>7,490</b>	1,507	1,507	1,507	1,507	<b>6,028</b>	1,569	1,625	<b>6,208</b>
Ebit (US\$m)	572	<b>2,454</b>	1,625	1,806	2,157	2,098	<b>7,687</b>	1,973	1,951	<b>8,179</b>
Interest	306	<b>1,098</b>	184	177	177	177	<b>715</b>	177	177	<b>708</b>
Ebt (US\$m)	266	<b>1,356</b>	1,441	1,629	1,980	1,921	<b>6,972</b>	1,796	1,774	<b>7,471</b>
Income Tax	93	<b>475</b>	303	342	416	403	<b>1,464</b>	377	373	<b>1,569</b>
Net Income (US\$m)	173	<b>882</b>	1,139	1,287	1,564	1,518	<b>5,508</b>	1,419	1,401	<b>5,902</b>
Shares (millions)	1,237	<b>1,208</b>	1,186	1,181	1,181	1,181	<b>1,182</b>	1,181	1,181	<b>1,181</b>
Earnings Per Share (US\$)	0.14	<b>0.73</b>	0.96	1.09	1.32	1.29	<b>4.66</b>	1.20	1.19	<b>5.00</b>
Dividend (US\$/share)	0.27	<b>1.08</b>	0.29	0.29	0.29	0.29	<b>1.14</b>	0.29	0.29	<b>1.14</b>
Present Value (US\$m)	110,995		118,023	116,516	116,516	116,516		116,516	116,516	
Debt (US\$m)	24,405		23,143	22,036	22,036	22,036		22,036	22,036	
Net Present Value (US\$m)	86,590		94,880	94,480	94,480	94,480		94,480	94,480	
NPV (US\$/share)	70		80	80	80	80		80	80	<b>80</b>

EOG Resources Inc.										
Next Twelve Months Operating and Financial Estimates										
	Q2	Year	Q1	Q2	Q3E	Q4E	Year	Q1E	Q2E	Next Twelve Months
	6/30/17	2017	3/31/18	6/30/18	9/30/18	12/31/18	2018	3/31/19	6/30/19	6/30/19
<b>Volume (barrels oil equivalent)</b>										
Daily (mboed)	605	<b>609</b>	660	703	736	771	<b>718</b>	807	846	<b>790</b>
Period (mmboc)	55.0	<b>222.4</b>	59.4	63.9	67.7	70.9	<b>261.9</b>	72.7	77.0	<b>288.3</b>
Price (US\$/boe)	33.06	<b>35.58</b>	44.13	46.40	47.03	45.98	<b>45.94</b>	45.58	44.58	<b>45.75</b>
Expense (US\$/boe)	13.26	<b>13.28</b>	14.40	13.86	12.50	12.50	<b>13.26</b>	12.50	12.50	<b>12.50</b>
Ebitda - Production (US\$/boe)	19.79	<b>22.30</b>	29.73	32.54	34.53	33.48	<b>32.67</b>	33.08	32.08	<b>33.25</b>
Downstream VA (US\$/boe)	-	-	-	-	-	-	-	-	-	-
<b>Ebitda - Total</b>										
Unit (US\$/boe)	19.79	<b>22.30</b>	29.73	32.54	34.53	33.48	<b>32.67</b>	33.08	32.08	<b>33.25</b>
Period (US\$m)	1,089	<b>4,958</b>	1,766	2,081	2,337	2,373	<b>8,557</b>	2,404	2,471	<b>9,585</b>
Deprec, Deplet, Amort, Other	948	<b>3,695</b>	830	1,012	1,123	1,174	<b>4,140</b>	1,203	1,272	<b>4,771</b>
Ebit (US\$m)	141	<b>1,263</b>	936	1,069	1,214	1,199	<b>4,418</b>	1,202	1,199	<b>4,814</b>
Interest	70	<b>274</b>	62	63	63	63	<b>251</b>	63	63	<b>252</b>
Ebt (US\$m)	71	<b>989</b>	874	1,006	1,151	1,136	<b>4,167</b>	1,139	1,136	<b>4,562</b>
Income Tax	25	<b>346</b>	183	211	242	239	<b>875</b>	239	239	<b>958</b>
Net Income (US\$m)	46	<b>643</b>	690	795	909	898	<b>3,292</b>	899	897	<b>3,604</b>
Shares (millions)	579	<b>579</b>	580	580	580	580	<b>580</b>	580	580	<b>580</b>
Earnings Per Share (US\$)	0.08	<b>1.11</b>	1.19	1.37	1.57	1.55	<b>5.68</b>	1.55	1.55	<b>6.21</b>
Dividend (US\$/share)	0.17		0.17	0.19	0.19	0.19		0.19	-	<b>0.56</b>
Present Value (US\$m)	56,465		70,811	70,861	70,861	70,861		70,861	70,861	
Debt (US\$m)	7,250		7,011	7,061	7,061	7,061		7,061	7,061	
Net Present Value (US\$m)	49,215		63,800	63,800	63,800	63,800		63,800	63,800	
NPV (US\$/share)	85		110	110	110	110		110	110	<b>110</b>



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Occidental Petroleum										
Next Twelve Months Operating and Financial Estimates										
	Q2	Year	Q1	Q2	Q3E	Q4E	Year	Q1E	Q2E	Next Twelve Months
	6/30/17	2017	3/31/18	6/30/18	9/30/18	12/31/18	2018	3/31/19	6/30/19	6/30/19
<b>Volume (barrels oil equivalent)</b>										
Daily (mboed)	601	601	609	639	672	707	657	707	745	708
Period (mmboe)	55	219	55	58	62	65	240	64	68	258
Price (US\$/boe)	33.94	36.07	45.28	45.69	46.50	45.48	45.75	44.90	44.49	45.32
Expense (US\$/boe)	17.36	16.64	20.52	20.39	20.00	20.00	20.21	20.00	20.00	20.00
<b>Ebitda - Production (US\$/boe)</b>	16.58	19.43	24.77	25.30	26.50	25.48	25.53	24.90	24.49	25.32
Downstream VA (US\$/boe)	6.48	5.53	10.39	11.38	9.70	9.22	10.13	9.42	8.85	9.29
<b>Ebitda - Total</b>										
Unit (US\$/boe)	23.05	24.96	35.15	36.68	36.20	34.69	35.67	34.32	33.35	34.61
Period (US\$m)	1,260	5,478	1,926	2,133	2,239	2,258	8,556	2,185	2,260	8,942
<b>Deprec, Deplet, Amort, Other</b>	997	4,084	936	968	968	968	3,840	968	982	3,886
<b>Ebit (US\$m)</b>	263	1,394	990	1,165	1,271	1,290	4,716	1,217	1,278	5,056
Interest	86	345	97	97	97	97	388	97	97	388
<b>Ebt (US\$m)</b>	177	1,049	893	1,068	1,174	1,193	4,328	1,120	1,181	4,668
Income Tax	62	367	188	224	246	251	909	235	248	980
<b>Net Income (US\$m)</b>										
Exploration and Production	117	857	750	780	-	-	-	-	-	-
Other	255	813	477	567	-	-	-	-	-	-
Unallocated	(257)	(988)	(521)	(503)	-	-	-	-	-	-
Total	115	682	706	844	927	942	3,419	885	933	3,688
<b>Shares (millions)</b>	766	766	767	767	767	767	767	767	767	767
Earnings Per Share (US\$)	0.15	0.89	0.92	1.10	1.21	1.23	4.46	1.15	1.22	4.81
Dividend (US\$/share)	0.76	3.06	0.77	0.78	0.78	0.78	3.11	0.78	0.78	3.12
<b>Present Value (US\$m)</b>	70,285		71,210	70,561	70,561	70,561		70,561	70,561	
<b>Debt (US\$m)</b>	12,835		13,685	13,036	13,036	13,036		13,036	13,036	
<b>Net Present Value (US\$m)</b>	57,450		57,525	57,525	57,525	57,525		57,525	57,525	
NPV (US\$/share)	75		75	75	75	75		75	75	75

Pioneer Natural Resources Company										
Next Twelve Months Operating and Financial Estimates										
	Q2	Year	Q1	Q2	Q3E	Q4E	Year	Q1E	Q2E	Next Twelve Months
	6/30/17	2017	3/31/18	6/30/18	9/30/18	12/31/18	2018	3/31/19	6/30/19	6/30/19
<b>Volume (barrels oil equivalent)</b>										
Daily (mboed)	259	272	312	327	335	355	332	355	376	355
Period (mmboe)	24	99	28	30	31	33	121	32	34	130
Price (US\$/boe)	32.58	35.41	45.14	43.12	44.72	43.57	44.12	43.10	42.21	43.37
Expense (US\$/boe)	11.84	11.37	13.49	13.73	12.58	12.51	13.05	12.49	12.43	12.50
<b>Ebitda - Production (US\$/boe)</b>	20.74	24.04	31.65	29.39	32.14	31.06	31.06	30.61	29.78	30.87
Downstream VA (US\$/boe)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Ebitda - Total</b>										
Unit (US\$/boe)	20.74	24.04	31.65	29.39	32.14	31.06	31.06	30.61	29.78	30.87
Period (US\$m)	489	2,390	889	874	990	1,014	3,767	978	1,019	4,001
<b>Deprec, Deplet, Amort, Other</b>	399	1,672	417	471	590	618	2,095	607	641	2,456
<b>Ebit (US\$m)</b>	90	718	473	403	400	396	1,672	371	378	1,544
Interest	35	153	36	32	32	32	132	32	32	128
<b>Ebt (US\$m)</b>	55	565	437	371	368	364	1,540	339	346	1,416
Income Tax	19	198	153	130	77	77	436	71	73	297
<b>Net Income (US\$m)</b>	36	367	284	241	291	288	1,103	267	273	1,119
<b>Shares (millions)</b>	170	170	171	171	171	171	171	171	171	171
Earnings Per Share (US\$)	0.21	2.16	1.66	1.41	1.70	1.68	6.45	1.56	1.60	6.54
Dividend (US\$/share)			0.04	-	0.04	-		0.04	-	0.08
<b>Present Value (US\$m)</b>	27,175		36,823	37,123	37,123	37,123		37,123	37,123	
<b>Debt (US\$m)</b>	1,675		2,623	2,923	2,923	2,923		2,923	2,923	
<b>Net Present Value (US\$m)</b>	25,500		34,200	34,200	34,200	34,200		34,200	34,200	
NPV (US\$/share)	150		200	200	200	200		200	200	200



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**Table 1**  
**McDep Energy Stocks**  
**Ranked by McDep Ratio**

		Price (US\$/sh)	Market Cap (US\$m)	Enterprise Value (\$mm)	EV/ Market Cap	EV/ Ebitda NTM	PV/ Ebitda NTM	Oil Prod'n/ Ebitda (%)	Dist. Yield NTM (%)	McDep Ratio (EV/PV)
	Symbol/Rating	13-Aug 2018								
<b>Integrated</b>										
	XOM	78.89	337,000	427,000	1.27	7.9	8.8	50	4.2	0.90
	CVX	122.71	236,000	296,000	1.26	7.2	8.5	62	3.7	0.85
	SU	40.58	67,000	86,000	1.29	7.0	8.3	76	2.7	0.85
	RDS-B	66.09	277,000	394,000	1.42	6.9	9.4	48	5.7	0.73
	<i>Total or Median</i>		<i>917,000</i>	<i>1,203,000</i>	<i>1.28</i>	<i>7.1</i>	<i>8.7</i>	<i>56</i>	<i>3.9</i>	<i>0.85</i>
<b>Large Independent</b>										
	OXY	78.55	60,300	74,000	1.23	8.3	8.0	70	4.0	1.04
	EOG	121.97	70,700	77,800	1.10	8.1	8.6	90	0.5	0.94
	PXD	184.28	31,500	34,100	1.08	8.5	9.2	94	0.0	0.93
	COP	71.51	85,000	107,000	1.26	7.4	8.1	77	1.6	0.91
	<i>Total or Median</i>		<i>247,500</i>	<i>292,900</i>	<i>1.16</i>	<i>8.2</i>	<i>8.4</i>	<i>83</i>	<i>1.0</i>	<i>0.94</i>
<b>Mid-Size Independent</b>										
	HES	63.58	18,900	26,300	1.39	10.6	9.6	89	1.6	1.11
	CLR	64.21	24,100	30,400	1.26	8.0	8.5	83	-	0.93
	DVN	42.42	22,300	27,000	1.21	7.6	10.2	88	0.8	0.75
	XEC	87.87	8,400	10,000	1.19	6.7	10.0	85	0.7	0.67
	MRO	20.26	17,220	23,900	1.39	6.5	11.0	88	1.0	0.59
	<i>Total or Median</i>		<i>90,900</i>	<i>117,600</i>	<i>1.26</i>	<i>7.6</i>	<i>10.0</i>	<i>88</i>	<i>0.8</i>	<i>0.75</i>
<b>Small Independent</b>										
	CRC	33.39	1,400	8,200	6.0	6.3	8.4	93	-	0.75
	WLL	47.36	4,400	7,500	1.73	5.2	8.5	97	-	0.61
	RRC	15.43	3,800	8,500	2.23	5.6	9.5	44	0.5	0.58
	BIREF	3.80	1,000	1,600	1.61	5.3	9.7	49	2.0	0.54
	<i>Total or Median</i>		<i>10,600</i>	<i>25,800</i>	<i>1.98</i>	<i>5.4</i>	<i>9.0</i>	<i>71</i>	<i>0.3</i>	<i>0.60</i>
<b>Income</b>										
	SBR	46.33	680	680	1.00	12.8	13.9	71	7.8	0.93
	PBT	9.13	430	430	1.00	11.7	12.7	80	8.5	0.91
	DMLP	18.93	610	610	1.00	9.3	11.9	86	9.4	0.79
	SJT	5.81	270	270	1.00	11.7	16.1	-	8.4	0.73
	CRT	15.30	90	90	1.00	8.2	13.4	38	10.0	0.61
	<i>Total or Median</i>		<i>2,100</i>	<i>2,100</i>	<i>1.00</i>	<i>11.7</i>	<i>13.4</i>	<i>71</i>	<i>8.5</i>	<i>0.79</i>

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation, amort.  
 Estimated Ebitda (cash flow) tied to NTM futures prices for oil and natural gas. NTM = Next Twelve Months ending 6/30/19.  
 Estimated Present Value (PV) presumes a long-term price for oil of US\$70 a barrel and natural gas, \$4.00 a million btu.  
 McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses. For historical research see [www.mcdep.com](http://www.mcdep.com)



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	Symbol/Rating	Price	Upstream NTM				Down-	Total	Distrib./ Ebitda (%)	Distrib. NTM (\$/sh)
		(US\$/sh) 13-Aug 2018	Volume (mmboe)	Equiv. Price (\$/boe)	Margin (%)	Ebitda (\$/boe)	stream Uplift (\$/boe)	Ebitda NTM (\$mm)		
<b>Integrated</b>										
Royal Dutch Shell	RDS-B	66.09	1341	46.49	66	30.50	11.93	40,912	28	3.76
Exxon Mobil Corporation	XOM	78.89	1418	51.36	51	26.40	11.60	37,439	26	3.28
Chevron Corporation	CVX	122.71	1071	50.68	61	30.90	7.33	33,092	21	4.48
Suncor Energy	SU	40.58	288	58.42	56	32.54	10.00	9,384	15	1.10
	<i>Total or Median</i>		<i>4119</i>	<i>51.02</i>	<i>58</i>	<i>30.70</i>	<i>10.80</i>	<i>120,826</i>	<i>23</i>	
<b>Large Independent</b>										
ConocoPhillips	COP	71.51	480	49.96	60	30.00	0.00	14,387	9	1.14
EOG Resources, Inc.	EOG	121.97	288	45.75	73	33.25	0.00	9,585	3	0.56
Occidental Petroleum Corp.	OXY	78.55	259	45.32	56	25.30	9.28	6,542	27	3.12
Pioneer Natural Resources	PXD	184.28	129	43.37	71	30.90	0.00	4,001	0	0.08
	<i>Total or Median</i>		<i>1156</i>	<i>45.54</i>	<i>66</i>	<i>30.45</i>	<i>0.00</i>	<i>34,515</i>	<i>6</i>	
<b>Mid-Size Independent</b>										
Marathon Oil Corporation	MRO	20.26	148	38.11	66	25.10	0.00	3,707	5	0.20
Continental Resources	CLR	64.21	113	41.86	80	33.70	0.00	3,820	-	-
Devon Energy Corporation	DVN	42.42	199	32.49	55	17.90	0.00	3,555	5	0.32
Hess Corporation	HES	63.58	100	44.80	55	24.80	0.00	2,473	12	1.00
Cimarex Energy Company	XEC	87.87	83	27.94	65	18.10	0.00	1,495	4	0.64
	<i>Total or Median</i>		<i>642</i>	<i>38.11</i>	<i>65</i>	<i>24.80</i>	<i>0.00</i>	<i>15,050</i>	<i>5</i>	
<b>Small Independent</b>										
Whiting Petroleum Corporation	WLL	47.36	50	44.85	66	29.40	0.00	1,456	-	-
Range Resources	RRC	15.43	141	19.84	54	10.80	0.00	1,520	1	0.08
California Resources	CRC	33.39	49	52.84	50	26.30	0.00	1,291	-	-
Birchcliff Energy Ltd.	BIREF	3.80	23	18.91	73	13.80	0.00	311	7	0.08
	<i>Total or Median</i>		<i>262</i>	<i>32.35</i>	<i>60</i>	<i>20.05</i>	<i>0.00</i>	<i>4,579</i>	<i>1</i>	
<b>Income</b>										
Dorchester Minerals, L.P.	DMLP	18.93	2.35	37.78	74	27.83	0.00	65	87	1.77
Sabine Royalty Trust	SBR	46.33	1.77	34.58	86	29.76	0.00	53	100	3.60
Permian Basin RT	PBT	9.13	1.21	45.53	66	30.25	0.00	37	99	0.77
San Juan Basin Royalty Trust	SJT	5.81	3.73	12.22	51	6.20	0.00	23	98	0.49
Cross Timbers Royalty Trust	CRT	15.30	0.43	41.26	63	26.09	0.00	11	82	1.54
	<i>Total or Median</i>		<i>9</i>	<i>37.78</i>	<i>66</i>	<i>27.83</i>	<i>0.00</i>	<i>189</i>	<i>98</i>	
For historical research see <a href="http://www.mcdep.com">www.mcdep.com</a>										



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**Table 3**  
**McDep Energy Stocks**  
**Net Present Value Per Share**

		<i>Price</i>				<i>Devel.</i>	<i>Undev/</i>	<i>Nat</i>	<i>Top</i>	<i>Net</i>	
		<i>(US\$/sh)</i>				<i>Resrvs/</i>	<i>Devel.</i>	<i>Gas/</i>	<i>Line/</i>	<i>Present</i>	
	<i>Symbol/Rating</i>	<i>13-Aug</i>	<i>Shares</i>	<i>Debt</i>	<i>P/E</i>	<i>Prod</i>	<i>Resrvs</i>	<i>Ebitda</i>	<i>Ebitda</i>	<i>Value</i>	
		<i>2018</i>	<i>(mm)</i>	<i>(\$mm)</i>	<i>NTM</i>	<i>NTM</i>	<i>(%)</i>	<i>(%)</i>	<i>(%)</i>	<i>(US\$/sh)</i>	
<b>Integrated</b>											
	Chevron Corporation	CVX	122.71	1,919	60,359	16	7.0	57	23	150.00	
	Royal Dutch Shell	RDS-B	66.09	4,188	116,710	11	7.3	22	33	100.00	
	Exxon Mobil Corporation	XOM	78.89	4,271	90,130	13	9.8	52	28	90.00	
	Suncor Energy	SU	40.58	1,641	19,309	11	8.8	87		50.00	
	<i>Median</i>					<i>8.1</i>	<i>55</i>				
<b>Large Independent</b>											
	Pioneer Natural Resources	PXD	184.28	171	2,600	28	7.0	9	6	200.00	
	EOG Resources, Inc.	EOG	121.97	580	7,071	20	4.7	43	10	130.00	
	ConocoPhillips	COP	71.51	1,181	22,036	14	7.3	31	23	80.00	
	Occidental Petroleum Corp.	OXY	78.55	767	13,700	16	7.5	35	5	75.00	
	<i>Median</i>					<i>7.1</i>	<i>33</i>				
<b>Mid-Size Independent</b>											
	Cimarex Energy Company	XEC	87.87	95	1,579	13	5.0	35	15	140.00	
	Continental Resources	CLR	64.21	375	6,333	22	5.3	121	17	70.00	
	Devon Energy Corporation	DVN	42.42	525	4,720	18	8.8	24	12	60.00	
	Hess Corporation	HES	63.58	297	7,397		7.3	59	11	55.00	
	Marathon Oil Corporation	MRO	20.26	850	6,712	28	6.1	60	12	40.00	
	<i>Median</i>					<i>6.1</i>	<i>59</i>				
<b>Small Independent</b>											
	Whiting Petroleum Corporation	WLL	47.36	92	3,170	63	6.8	84	3	100.00	
	California Resources	CRC	33.39	41	6,800		9.0	41	7	100.00	
	Range Resources	RRC	15.43	246	4,657	10	9.9	83	56	40.00	
	Birchcliff Energy Ltd.	BIREF	3.80	268	620	15	7.2	228	51	9.00	
	<i>Median</i>					<i>8.1</i>	<i>83</i>				
<b>Income</b>											
	Sabine Royalty Trust	SBR	46.33	15	-	13	10.1	3	37	100	50.00
	Cross Timbers Royalty Trust	CRT	15.30	6	-	10	11.7	-	69	82	25.00
	Dorchester Minerals, L.P.	DMLP	18.93	32	-	14	6.9	-	17	78	24.00
	Permian Basin RT	PBT	9.13	47	-	12	6.7	-	21	43	10.00
	San Juan Basin Royalty Trust	SJT	5.81	47	-	12	11.2	-	100	-	8.00
	<i>Median</i>					<i>10.1</i>					
P/E = Stock Price to Earnings. For historical research see <a href="http://www.mcdep.com">www.mcdep.com</a> .											





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Table 4									
McDep Energy Stocks									
Total Return Year-to-Date 2018									
Ranked by Unlevered Total Return									
		Price (\$/sh)	Price (\$/sh)	Price Change (%)	Cash Distrib. (%)	Equity Total Return (%)	Debt Return (\$/sh)	Unlevered Total Return (%)	McDep Ratio
	Symbol/Rati	13-Aug 2018	29-Dec 2017						
<b>Integrated</b>									
Suncor Energy	SU	40.58	36.72	11	2	12	12	9	0.85
Chevron Corporation	CVX	122.71	125.19	(2)	2	(0)	31	(0)	0.85
Royal Dutch Shell	RDS-B	66.09	68.29	(3)	3	(0)	28	(0)	0.73
Exxon Mobil Corporation	XOM	78.89	83.64	(6)	2	(4)	21	(3)	0.90
	<i>Median</i>			(3)		(0)		(0)	0.85
<b>Large Independent</b>									
ConocoPhillips	COP	71.51	54.89	30	1	31	19	23	0.91
EOG Resources, Inc.	EOG	121.97	107.91	13	0	14	12	12	0.94
Occidental Petroleum Corp.	OXY	78.55	73.66	7	2	9	18	7	1.04
Pioneer Natural Resources	PXD	184.28	172.85	7	0	7	15	6	0.93
	<i>Median</i>			10		11		10	0.94
<b>Mid-Size Independent</b>									
Hess Corporation	HES	63.58	47.47	34	1	35	25	23	1.11
Continental Resources	CLR	64.21	52.97	21	-	21	17	16	0.93
Marathon Oil Corporation	MRO	20.26	16.93	20	1	20	8	14	0.59
Devon Energy Corporation	DVN	42.42	41.40	2	0	3	9	2	0.75
Cimarex Energy Company	XEC	87.87	122.01	(28)	0	(28)	17	(24)	0.67
	<i>Median</i>			20		20		14	0.75
<b>Small Independent</b>									
Whiting Petroleum Corporation	WLL	47.36	26.48	79	-	79	34	34	0.61
California Resources	CRC	33.39	19.44	72	-	72	167	7	0.75
Birchcliff Energy Ltd.	BIREF	3.80	3.50	9	1	10	2	6	0.54
Range Resources	RRC	15.43	17.06	(10)	0	(9)	19	(4)	0.58
	<i>Median</i>			40		41		7	0.60
<b>Income</b>									
Dorchester Minerals, L.P.	DMLP	18.93	15.20	25	9	33	-	33	0.79
Cross Timbers Royalty Trust	CRT	15.30	14.69	4	5	9	-	9	0.61
Sabine Royalty Trust	SBR	46.33	44.60	4	4	8	-	8	0.93
Permian Basin RT	PBT	9.13	8.87	3	4	7	-	7	0.91
San Juan Basin Royalty Trust	SJT	5.81	8.24	(29)	3	(26)	-	(26)	0.73
	<i>Median</i>			4		8		8	0.79
	<i>Grand Median</i>			7		8		7	0.82
<b>Natural Gas (\$/mmbtu)</b>									
		2.93	2.95	(1)					
<b>Oil -West Texas Intermediate (\$/bbl)</b>									
		66.10	60.09	10					
Total Stock Market - U.S.	VTI	145.95	137.25	6	1	7			
Developed Markets - ex US	VEA	42.38	44.86	(6)	2	(4)			
Emerging Markets	VWO	41.69	45.91	(9)	1	(8)			
Total Stock Market - World	VT	74.38	74.26	0	1	1			
Source: McDep LLC, Yahoo, CME Group, Bloomberg					For historical research see www.mcdep.com				



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Index of Recent Research				
<i>Date</i>	<i>Series</i>	<i>Symbol</i>	<i>Subject</i>	<i>Theme</i>
9-Aug	II	CLR, XEC, HES, DVN, MRO		
7-Aug	ISI	DMLP	Dorchester Minerals, L.P.	Q2 on Trend
30-Jul	II	CVX, RDS, SU, XOM		Durable Cash Generators
23-Jul	II	CRT, DMLP, PBT, SBR, SJT		Energy Price Participation
18-Jul	ISI	COP	ConocoPhillips	Large Cap Cash Producer
10-Jul	Meter Reader			Terms of Trade
6-Jul	ISI	CVX	Chevron	Oil Value Upside
2-Jul	Meter Reader Special		Outperformance in First Half 2018	Attractive Value, Auspicious Momentum
21-Jun	II	CRT, DMLP, PBT, SBR, SJT		8% Cash in Uncertain Times
12-Jun	Meter Reader			Positive Charts
6-Jun	ISI	RDS	Royal Dutch Shell	Bright Future in Integrated Gas
30-May	ISI	BIREF	Birchcliff Energy	A Play on Narrowing the Gap
24-May	ISI	DMLP	Dorchester Minerals, L.P.	Riding the Shale Trend
15-May	Meter Reader			\$70 Oil Here
9-May	ISI	XEC	Cimarex Energy	Quality Company, Lagging Stock
4-May	ISI	MRO	Marathon Oil	Raise NPV to \$40 a Share from \$30
30-Apr	ISI	XOM	ExxonMobil	Reduce NPV to \$90 from \$100 a Share
24-Apr	II	CRT, DMLP, PBT, SBR, SJT		8% Median Distribution Yield
19-Apr	ISI	DMLP	Dorchester Minerals, L.P.	11% Distribution Reinforced
17-Apr	II	COP,EOG,OXY,PXD		Positive Trends for Large Cap Independent Producers
10-Apr	Meter Reader			Transition to Moderate Growth and Inflation
3-Apr	II	SJT, CRT	San Juan Basin	Regional Natural Gas Price Softness
21-Mar	II	BIREF, CRC, RRC, WLL		Small Cap High Reward, High Risk
15-Mar	Meter Reader		ExxonMobil	Out-of-Favor Industry Leader
12-Mar	ISI	DMLP	Dorchester Minerals, L.P.	Raise Distribution Yield to 11%
1-Mar	ISI	EOG	EOG Resources	Raise NPV to \$130 on Production
28-Feb	II	CLR, XEC, HES, DVN, MRO		Oil Price Upside for Mid-Size Independent Producers
20-Feb	II	CRT, DMLP, PBT, SBR, SJT		7% Distributions Inflation Protected
13-Feb	Meter Reader			Insulate Inflation
5-Feb	ISI	HES	Hess Corporation	Repositioning for Reward
2-Feb	ISI	COP	ConocoPhillips	Raise NPV to \$80 on Higher Cash Flow
25-Jan	II	CVX, RDS, SU, XOM		Integrated Oil Value Creators
19-Jan	ISI	DMLP	Dorchester Minerals, L.P.	Highest Distribution in Three Years
16-Jan	Meter Reader			Growth is Good
2-Jan	Meter Reader Special			New Look at Beginning of Year 2018
29-Dec	Meter Reader Special			Trending Up at End of Year 2017
20-Dec	II	CRT, DMLP, PBT, SBR, SJT		Top Line Premium and Bottom Line Upside
12-Dec	Meter Reader			Oil and Gas Gains in 2018
5-Dec	ISI	RDS	Royal Dutch Shell	Share Buyback Ahead
27-Nov	ISI	CLR	Continental Resources	Oil Price Helps
16-Nov	Meter Reader			Buy ETF or Global Integrated Stock
12-Nov	ISI	BIREF	Birchcliff Energy	Downward Price Pressure Lifting
6-Nov	ISI	DMLP	Dorchester Minerals, L.P.	Royalty Growth Ratified
2-Nov	ISI	MRO	Marathon Oil	Shale Oil Value
				MR = Meter Reader (published monthly on or about second or third Tuesday)
				ISI = Independent Stock Idea
				II = Industry Idea
				For historical research by stock, go to <a href="http://mcddep.com">mcddep.com</a> , click on <a href="#">Stock Ideas</a> , click on stock by name.



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