



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

February 4, 2014

ExxonMobil (XOM)

Largest and Strongest Oil and Gas Producer

<i>Symbol</i>	XOM	<i>Ebitda Next Twelve Months ending 12/31/14 (US\$mm)</i>	71,600
<i>Rating</i>	Contrarian Buy	<i>North American Natural Gas/Ebitda (%)</i>	5
<i>Price (\$/sh)</i>	90.05	<i>Natural Gas and Oil Production/Ebitda (%)</i>	78
<i>Pricing Date</i>	2/3/14	<i>Adjusted Reserves/Production NTM</i>	13.1
<i>Shares (mm)</i>	4361	<i>EV/Ebitda</i>	6.7
<i>Market Capitalization (\$mm)</i>	393,000	<i>PV/Ebitda</i>	7.4
<i>Debt (\$mm)</i>	86,000	<i>Undeveloped Reserves (%)</i>	39
<i>Enterprise Value (EV) (\$mm)</i>	479,000	<i>Natural Gas and Oil Ebitda (\$/boe)</i>	36.10
<i>Present Value (PV) (\$mm)</i>	531,000	<i>Present Value Proven Reserves(\$/boe)</i>	16.40
<i>Net Present Value (\$/share)</i>	102	<i>Present Value Proven Reserves(\$/mcf)</i>	2.70
<i>Debt/Present Value</i>	0.16	<i>Earnings Next Twelve Months (US\$/sh)</i>	7.67
<i>McDep Ratio - EV/PV</i>	0.90	<i>Price/Earnings Next Twelve Months</i>	12
<i>Dividend Yield (%/year)</i>	2.8	<i>Indicated Annual Dividend (US\$/sh)</i>	2.52
Note: Estimated cash flow and earnings tied to one-year futures prices for oil and 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\$90 a barrel and natural gas, \$6 a million btu.			
For historical analysis of XOM since 2001 see www.mcdep.com/1xom.htm			

Summary and Recommendation

After appreciating to Net Present Value (NPV) of \$102, stock price of **ExxonMobil (XOM)**, the largest and strongest oil and gas producer, has declined to Contrarian Buy territory at \$90 a share. Recent results fit expectations embedded in NPV. Accordingly, we see potential stock price gain of 13% to NPV after which the long-term return would be about 12% a year with the current low level of debt and historical inflation of 3% a year. For the past thirty years, the S&P 500 index has returned 11% a year and XOM 14% a year according to *Bloomberg*. Meanwhile, unlevered cash flow declined moderately during the past year from a high level (see chart [Ebitda](#) on page 2). Cash flow from both oil and gas production (upstream) and downstream is volatile. Yet, the fluctuations upstream are often counterbalanced by downstream (see charts [Oil and Gas Production](#) and [Downstream](#) on page 2 and 3). XOM gains an advantage on a levered basis because it has reduced shares aggressively (see chart [Shares](#) on page 3). XOM has increased its debt as the monetary authorities offer free use of money, but the overall level remains low at a ratio of 0.16 to present value (see chart [Debt](#) on page 4). Turning to the components of NPV, we shift about 3% of value to Oil Production from Downstream (see table [Present Value](#) on page 4). Projected cash flow is slightly higher for Production and slightly lower for Other (downstream) than earlier (see table [Operating and Financial Estimates](#) on page 5). XOM's quality is partly recognized in a McDep Ratio of 0.90 that is not as low as for peers (see [Table 1](#) on page 6). Peers match XOM on low debt (see [Table 2](#) on page 7). Longer reserve life index helps justify an unlevered cash flow multiple that is higher than peers, yet low relative to long-term prospects, we believe (see [Table 3](#) on page 8).

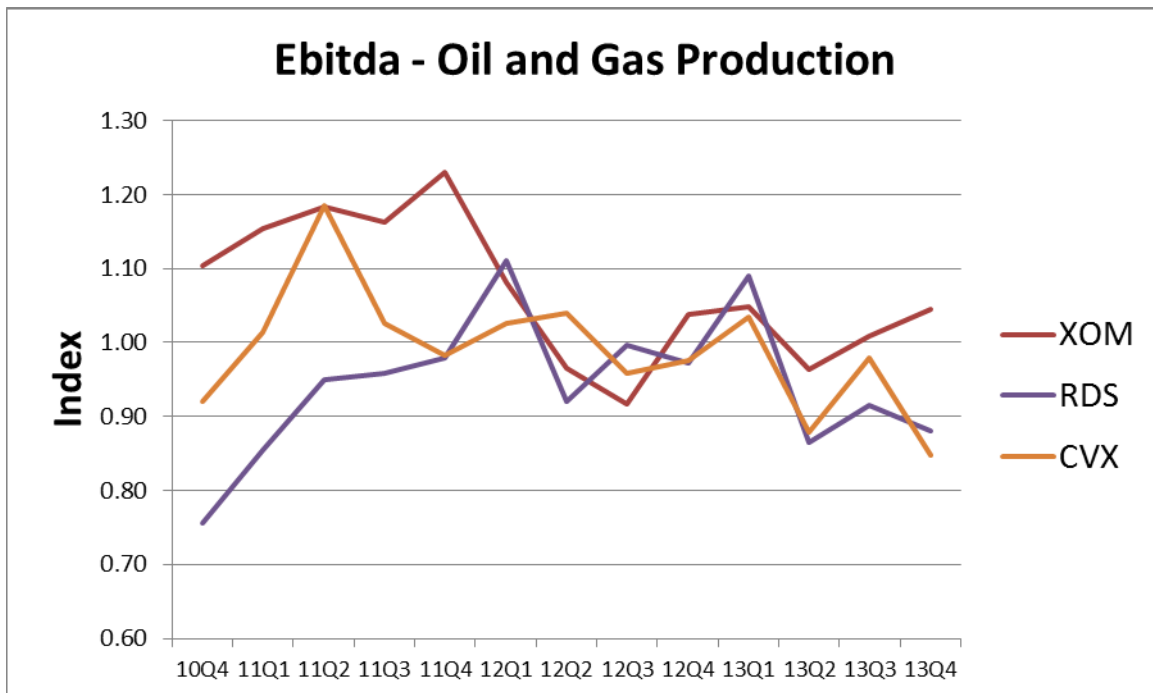
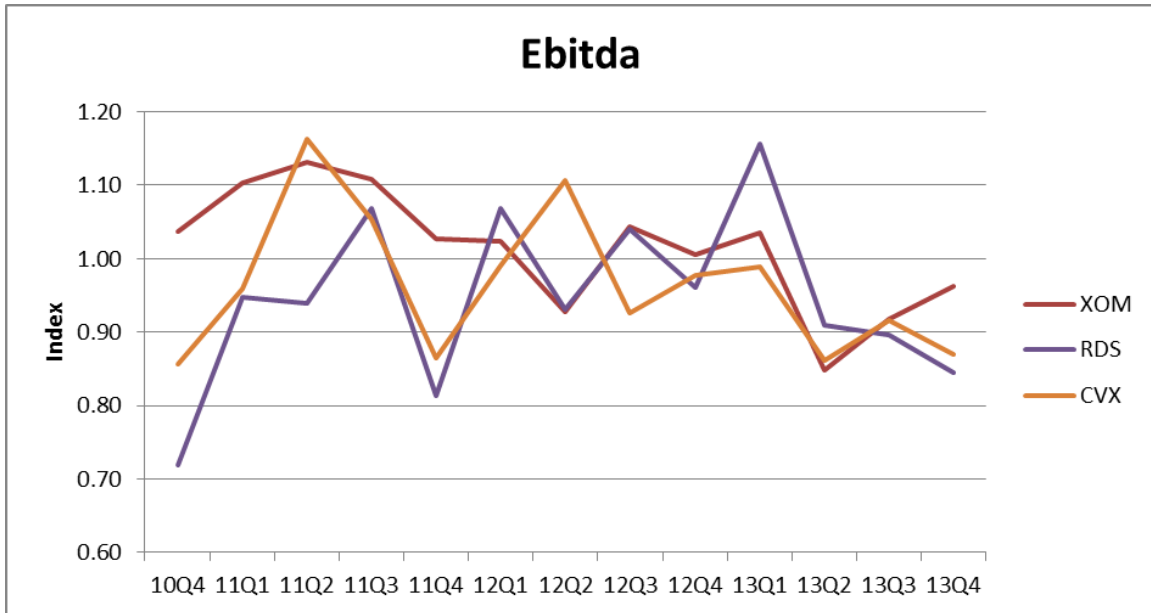
Kurt H. Wulff, CFA



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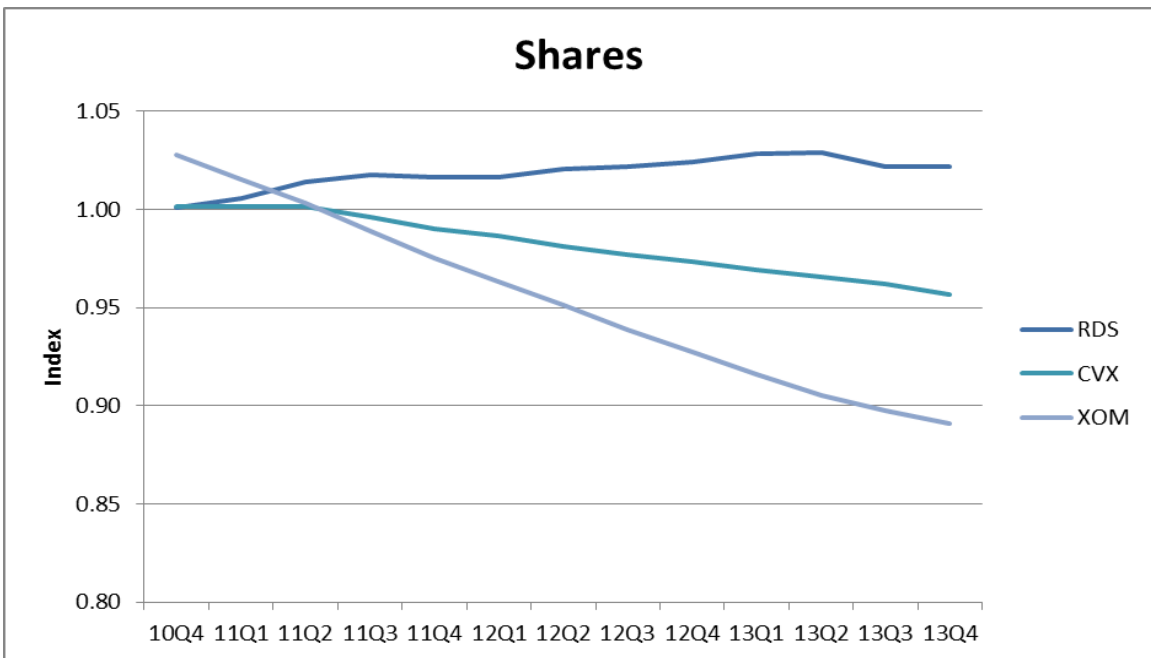
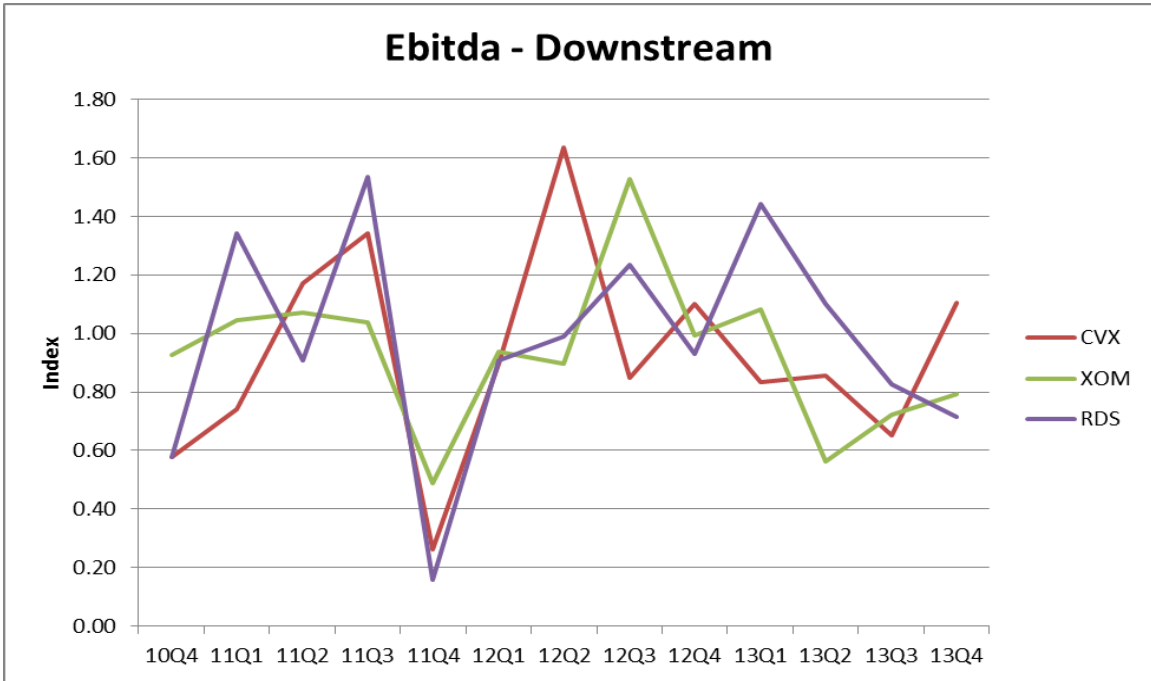




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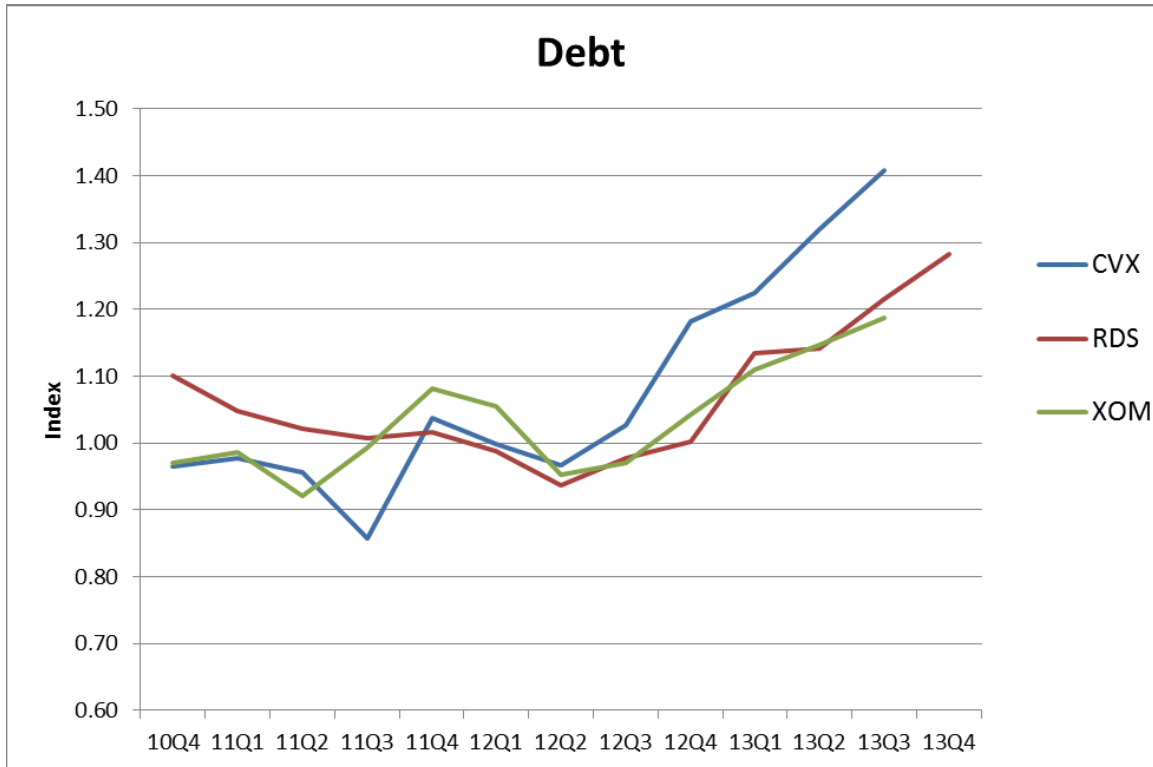




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Exxon Mobil Corporation					
Functional Cash Flow and Present Value					
	<i>NTM</i>	<i>Adjusted</i>	<i>PV/</i>	<i>Present</i>	
	<u><i>Ebitda</i></u>	<u><i>R/P</i></u>	<u><i>Ebitda</i></u>	<u><i>Value</i></u>	
North American Natural Gas	2,970	15.7	13.5	40,000	8%
Rest of World Natural Gas	13,710	14.3	7.3	100,000	19%
Oil	38,950	11.8	7.7	301,000	57%
Downstream	16,000		5.6	90,000	17%
	71,630	13.1	7.4	531,000	100%
Debt					86,000
Net Present Value (\$mm)					445,000
Shares					4,361
Net Present Value - Standard Estimate (US\$/sh)					102
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)					104



Meter Reader

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February 4, 2014

Exxon Mobil Corporation										
Next Twelve Months Operating and Financial Estimates										
	Q4	Year	Q3	Q4	Year	Q1E	Q2E	Q3E	Q4E	Next Twelve Months
	12/31/12	2012	9/30/13	12/31/13	2013	3/31/14	6/30/14	9/30/14	12/31/14	12/31/14
Volume										
Natural Gas (mmcf)										
North America	4,093	4,197	3,927	3,820	3,898	3,782	3,744	3,707	3,669	3,725
Overseas	8,448	8,159	6,987	8,067	7,938	9,202	7,352	6,917	7,986	7,858
Total	12,541	12,356	10,914	11,887	11,836	12,984	11,096	10,624	11,656	11,583
Oil (mbd)	2,203	2,185	2,199	2,235	2,202	2,257	2,280	2,303	2,326	2,292
Total gas & oil (mmb)	395	1,551	370	388	1,524	398	376	375	393	1,541
Total gas & oil (mbd)	4,293	4,239	4,018	4,216	4,175	4,421	4,129	4,073	4,268	4,222
Price										
Natural gas (\$/mcf)										
Henry Hub (\$/mmbtu)	3.40	2.79	3.58	3.60	3.65	4.73	4.47	4.47	4.54	4.56
U.S.	3.27	2.73	3.31	3.42	3.53	4.73	4.47	4.47	4.54	4.56
International	9.52	9.34	9.49	9.93	9.95	9.95	9.95	9.95	9.95	9.95
Total	7.48	7.10	7.27	7.84	7.84	8.43	8.10	8.04	8.25	8.21
Oil (\$/bbl)										
WTI Cushing	88.18	94.16	105.83	97.46	97.98	95.89	94.86	92.27	90.12	93.28
Worldwide	102.12	105.03	105.76	99.79	101.88	99.71	98.64	95.94	93.71	96.96
Total gas & oil (\$/bbl)	74.25	74.77	77.62	75.00	75.96	75.67	76.23	75.20	73.58	75.16
NY Harbor 3-2-1 (\$/bbl)	33.86	31.29	17.57	18.94	22.00	20.58	24.06	24.08	20.09	22.20
Revenue (\$mm)										
Natural Gas										
U.S.	1,231	4,186	1,196	1,202	5,023	1,612	1,522	1,526	1,534	6,193
International	7,399	27,824	6,100	7,370	28,827	8,240	6,656	6,332	7,311	28,539
Total	8,630	32,010	7,296	8,572	33,851	9,852	8,179	7,857	8,845	34,732
Oil	20,698	83,994	21,396	20,518	81,901	20,258	20,465	20,325	20,051	81,100
Other	85,845	366,291	83,680	81,770	322,757	81,770	81,770	81,770	81,770	327,081
Total	115,173	482,295	112,372	110,860	438,508	111,880	110,414	109,953	110,666	442,913
Expense (\$mm)										
Production	15,087	61,118	14,858	14,748	59,948	15,647	14,885	14,646	15,016	60,195
Other	81,428	346,938	80,478	78,247	308,713	77,770	77,770	77,770	77,770	311,081
Ebitda (\$mm)										
Exploration and Production	14,241	54,885	13,834	14,342	55,803	14,463	13,758	13,537	13,879	55,637
Other	4,417	19,353	3,202	3,524	14,044	4,000	4,000	4,000	4,000	16,000
Total Ebitda	18,658	74,238	17,036	17,866	69,847	18,463	17,758	17,537	17,879	71,637
Exploration	458	1,859	594	712	2,428	712	712	712	712	2,848
Deprec., Deplet., & Amort.	4,110	15,888	4,287	4,287	17,089	4,287	4,287	4,287	4,287	17,148
Ebit	14,090	56,491	12,155	12,867	50,330	13,464	12,759	12,538	12,880	51,641
Interest	111	327	52	52	213	52	52	52	52	208
Ebt	13,979	56,164	12,103	12,815	50,117	13,412	12,707	12,486	12,828	51,433
Income Tax	4,893	19,657	4,236	4,485	17,541	4,694	4,448	4,370	4,490	18,002
Net Income (\$mm)										
Exploration and Production	7,162	28,295	6,713	6,786	26,841					
Other	2,426	10,858	1,617	1,826	7,277					
Unallocated (501)		(2,646)	(463)	(282)	(1,542)					
Total	9,087	36,507	7,867	8,330	32,576	8,718	8,260	8,116	8,338	33,432
Shares (millions)	4,541	4,627	4,395	4,361	4,420	4,361	4,361	4,361	4,361	4,361
Per share (\$)	2.00	7.89	1.79	1.91	7.37	2.00	1.89	1.86	1.91	7.67
Ebitda Margin (E&P)	49%	47%	48%	49%	48%	48%	48%	48%	48%	48%
Tax Rate	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%
Dividend	0.57	2.28	0.63	0.63	2.52	0.63	0.63	0.63	0.63	2.52



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						Present Value by Segment (%)					
		Price		EV/	Enterprise	North	Rest of			Dist.	
		(US\$/sh)		Market	Value	Amer.	World			Yield	
Symbol/Rating		3-Feb		Cap		Natural	Natural	Oil	Down-	NTM	McDep
B = Buy, CB (see below)		2014			(\$mm)	Gas	Gas	Prod'n	stream	(%)	Ratio
Global Integrated											
E Exxon Mobil Corporation	XOM CB	90.05	1.22	479,000		8	19	57	17	2.8	0.90
R Royal Dutch Shell plc	RDS-A	67.81	1.37	293,000		4	22	57	17	5.3	0.77
C Chevron Corporation	CVX	111.14	1.18	253,000		4	11	72	13	3.6	0.77
T Total S.A.	TOT	56.20	1.36	173,000			22	61	17	5.7	0.76
L Lukoil Oil Company	LUKOY CB	55.62	1.05	45,500				74	26	5.1	0.42
<i>Total or Median</i>			1.22	1,244,000				61	17	5.1	0.77
U.S. Independent											
E OEG Resources, Inc.	EOG	161.74	1.15	50,800		22	4	75		0.5	0.91
O Occidental Petroleum Corp.	OXY	87.24	1.14	79,600		9	1	79	11	2.9	0.83
M Marathon Oil Corporation	MRO CB	32.06	1.48	33,800		6	3	90		2.4	0.73
C ConocoPhillips	COP	63.86	1.43	114,000		15	15	71		4.3	0.72
D Devon Energy Corporation	DVN CB	57.85	1.43	33,700		45		55		1.5	0.66
<i>Total or Median</i>			1.43	312,000		15		75		2.4	0.73
Canada/Australia											
W Woodside Petroleum Ltd.	WOPEY	32.23	1.19	32,000			69	31		5.2	0.91
I Imperial Oil Limited (30%)	IMO	40.97	1.29	13,500		2		79	18	1.1	0.83
E EnCana Corporation	ECA CB	17.64	1.66	21,600		80		20		1.6	0.70
C Cenovus Energy Inc.	CVE	25.71	1.35	26,300		9		75	16	3.4	0.68
C Canadian Oil Sands Limited	COSWF CB	17.89	1.28	11,100				100		7.1	0.59
<i>Total or Median</i>			1.29	105,000				75		3.4	0.70
Small Cap Independent Producers											
R Range Resources	RRC B	84.99	1.26	17,200		72		28		0.2	0.96
C Continental Resources (32%)	CLR B	108.07	1.24	7,900		16		84		-	0.92
P PDC Energy	PDCE	47.27	1.35	2,300		27		73		-	0.89
P Peyto Exploration and Develop	PEYUF	28.19	1.19	5,000		82		18		2.3	0.85
W WPX Energy Inc.	WPX	18.82	1.64	6,200		68		32		-	0.81
W Whiting Petroleum Corporation	WLL B	56.62	1.40	9,500		8		92		-	0.81
C Cimarex Energy Company	XEC B	95.29	1.17	9,700		41		59		0.6	0.79
H Halcón Resources	HK	3.40	3.15	5,000		8		92		-	0.75
B Birchcliff Energy Ltd.	BIREF B	7.47	1.43	1,700		69		31		-	0.70
<i>Total or Median</i>			1.35	65,000		41		59		-	0.81
RTF Cash Payers											
E Enduro Royalty Trust	NDRO	13.95	1.00	460		37		63		8.9	1.00
D Dorchester Minerals, L.P.	DMLP B	24.25	1.00	740		51		49		8.6	0.93
F Freehold Royalties Ltd.	FRHLF	19.48	1.04	1,360		18		82		7.8	0.93
M Mesa Royalty Trust	MTR	22.70	1.00	40		79		21		8.4	0.90
S San Juan Basin Royalty Trust	SJT B	17.43	1.00	810		100		-		8.1	0.83
S Sabine Royalty Trust	SBR	50.72	1.00	740		52		48		8.6	0.79
H Hugoton Royalty Trust	HGT	8.75	1.00	350		90		10		12.5	0.73
C Cross Timbers Royalty Trust	CRT	29.90	1.00	180		70		30		10.6	0.71
P Permian Basin RT	PBT	12.28	1.00	570		19		81		8.1	0.68
<i>Total or Median</i>			1.00	5,300		52		48		8.6	0.83

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

Estimated present value presumes a long-term price for oil of US\$90 a barrel and natural gas, \$6 a million btu.

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



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			<i>Price (US\$/sh)</i>	<i>Shares</i>	<i>Market Cap (US\$mm)</i>	<i>Net Present Value (US\$/sh)</i>	<i>Debt/ Present Value</i>	<i>McDep Ratio</i>
	<i>Symbol/Rating</i>		<i>3-Feb 2014</i>	<i>(mm)</i>				
	<i>B = Buy, CB (see below)</i>							
Global Integrated								
Exxon Mobil Corporation	XOM	CB	90.05	4,361	393,000	102.00	0.16	0.90
Royal Dutch Shell plc	RDS-A		67.81	3,138	213,000	95.00	0.21	0.77
Chevron Corporation	CVX		111.14	1,919	213,000	150.00	0.12	0.77
Total S.A.	TOT		56.20	2,275	128,000	80.00	0.20	0.76
Lukoil Oil Company	LUKOY	CB	55.62	776	43,200	135.00	0.02	0.42
	<i>Total or Median</i>				<i>990,000</i>		<i>0.16</i>	<i>0.77</i>
U.S. Independent								
EOG Resources, Inc.	EOG		161.74	274	44,300	180.00	0.12	0.91
Occidental Petroleum Corp.	OXY		87.24	802	70,000	108.00	0.10	0.83
Marathon Oil Corporation	MRO	CB	32.06	711	22,790	50.00	0.24	0.73
ConocoPhillips	COP		63.86	1,241	79,000	100.00	0.22	0.72
Devon Energy Corporation	DVN	CB	57.85	407	23,500	100.00	0.20	0.66
	<i>Total or Median</i>				<i>239,600</i>		<i>0.20</i>	<i>0.73</i>
Canada/Australia								
Woodside Petroleum Ltd.	WOPEY		32.23	823	26,500	36.00	0.14	0.91
Imperial Oil Limited (30%)	IMO		40.97	255	10,500	52.00	0.19	0.83
EnCana Corporation	ECA	CB	17.64	736	13,000	30.00	0.28	0.70
Cenovus Energy Inc.	CVE		25.71	757	19,500	42.00	0.18	0.68
Canadian Oil Sands Limited	COSWF	CB	17.89	485	8,700	34.00	0.13	0.59
	<i>Total or Median</i>				<i>78,000</i>		<i>0.18</i>	<i>0.70</i>
Small Cap Independent Producers								
Range Resources	RRC	B	84.99	161	13,700	90.00	0.20	0.96
Continental Resources (32%)	CLR	B	108.07	59	6,400	120.00	0.18	0.92
PDC Energy	PDCE		47.27	36	1,700	55.00	0.23	0.89
Peyto Exploration and Development Corp.	PEYUF		28.19	149	4,200	34.00	0.14	0.85
WPX Energy Inc.	WPX		18.82	201	3,800	26.00	0.32	0.81
Whiting Petroleum Corporation	WLL	B	56.62	120	6,800	75.00	0.23	0.81
Cimarex Energy Company	XEC	B	95.29	87	8,300	125.00	0.12	0.79
Halcón Resources	HK		3.40	463	1,600	7.00	0.51	0.75
Birchcliff Energy Ltd.	BIREF	B	7.47	163	1,200	12.00	0.21	0.70
	<i>Total or Median</i>				<i>48,000</i>		<i>0.21</i>	<i>0.81</i>
RTF Cash Payers								
Enduro Royalty Trust	NDRO		13.95	33	460	14.00	-	1.00
Dorchester Minerals, L.P.	DMLP	B	24.25	31	740	26.00	-	0.93
Freehold Royalties Ltd.	FRHLF		19.48	67	1,310	21.00	0.04	0.93
Mesa Royalty Trust	MTR		22.70	2	40	25.00	-	0.90
San Juan Basin Royalty Trust	SJT	B	17.43	47	810	21.00	-	0.83
Sabine Royalty Trust	SBR		50.72	15	740	64.00	-	0.79
Hugoton Royalty Trust	HGT		8.75	40	350	12.00	-	0.73
Cross Timbers Royalty Trust	CRT		29.90	6	180	42.00	-	0.71
Permian Basin RT	PBT		12.28	47	570	18.00	-	0.68
	<i>Total or Median</i>				<i>5,200</i>		<i>-</i>	<i>0.83</i>

CB=Contrarian Buy, Stock Price may be in downtrend compared to 200-day average.
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	<i>Symbol/Rating</i>		<i>3-Feb</i>	<i>NTM</i>	<i>NTM</i>	<i>NTM</i>	<i>NTM</i>	<i>NTM</i>
	<i>B = Buy, CB (see below)</i>		<i>2014</i>					<i>(\$/sh)</i>
Global Integrated								
Exxon Mobil Corporation	XOM	CB	90.05	13.1	7.4	6.7	12	2.52
Royal Dutch Shell plc	RDS-A		67.81	9.9	6.9	5.4	14	3.60
Chevron Corporation	CVX		111.14	9.2	6.8	5.2	11	4.00
Total S.A.	TOT		56.20	9.8	6.1	4.7	8	3.19
Lukoil Oil Company	LUKOY	CB	55.62	15.7	5.6	2.4	5	2.82
	<i>Median</i>			<i>9.9</i>	<i>6.8</i>	<i>5.2</i>	<i>11</i>	
U.S. Independent								
EOG Resources, Inc.	EOG		161.74	7.1	6.7	6.1	19	2.56
ConocoPhillips	COP		63.86	11.5	8.2	5.9	12	0.75
Occidental Petroleum Corp.	OXY		87.24	10.4	7.1	5.8	15	2.76
Devon Energy Corporation	DVN	CB	57.85	10.1	8.2	5.4	13	0.76
Marathon Oil Corporation	MRO	CB	32.06	9.3	7.1	5.2	12	0.88
	<i>Median</i>			<i>10.1</i>	<i>7.1</i>	<i>5.8</i>	<i>13</i>	
Canada/Australia								
Imperial Oil Limited (30%)	IMO		40.97	20.1	10.7	8.9	11	0.47
EnCana Corporation	ECA	CB	17.64	7.2	11.6	8.2	12	0.87
Woodside Petroleum Ltd.	WOPEY		32.23	9.5	8.4	7.6	16	1.66
Canadian Oil Sands Limited	COSWF	CB	17.89	20.8	10.7	6.3	11	1.26
Cenovus Energy Inc.	CVE		25.71	12.3	7.9	5.4	13	0.28
	<i>Median</i>			<i>12.3</i>	<i>10.7</i>	<i>7.6</i>	<i>12</i>	
Small Cap Independent Producers								
Range Resources	RRC	B	84.99	12.3	13.5	12.9	52	0.16
Peyto Exploration and Development Corp.	PEYUF		28.19	8.5	9.8	8.3	15	0.65
PDC Energy	PDCE		47.27	25.1	9.3	8.3	26	-
Birchcliff Energy Ltd.	BIREF	B	7.47	17.8	11.0	7.8	17	-
WPX Energy Inc.	WPX		18.82	8.0	9.3	7.5		-
Continental Resources (32%)	CLR	B	108.07	11.4	7.8	7.1	16	-
Halcón Resources	HK		3.40	5.3	9.5	7.1	8	-
Cimarex Energy Company	XEC	B	95.29	7.2	7.6	6.0	13	0.56
Whiting Petroleum Corporation	WLL	B	56.62	8.1	5.8	4.7	13	-
	<i>Median</i>			<i>8.5</i>	<i>9.3</i>	<i>7.5</i>	<i>16</i>	
RTF Cash Payers								
Sabine Royalty Trust	SBR		50.72	9.2	14.7	11.6	12	4.35
San Juan Basin Royalty Trust	SJT	B	17.43	10.2	13.9	11.6	12	1.42
Mesa RoyaltyTrust	MTR		22.70	5.2	10.6	9.6	12	1.91
Dorchester Minerals, L.P.	DMLP	B	24.25	6.5	10.1	9.5	14	2.08
Freehold Royalties Ltd.	FRHLF		19.48	4.7	10.2	9.4	20	1.51
Cross Timbers Royalty Trust	CRT		29.90	12.5	12.3	8.7	9	3.17
Enduro Royalty Trust	NDRO		13.95	6.4	8.4	8.3	11	1.24
Permian Basin RT	PBT		12.28	12.7	11.0	7.5	12	0.99
Hugoton RoyaltyTrust	HGT		8.75	12.8	9.6	7.0	8	1.09
	<i>Median</i>			<i>9.2</i>	<i>10.6</i>	<i>9.4</i>	<i>12</i>	

CB=Contrarian Buy, Stock Price may be 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 December 31, 2014; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

February 4, 2014

Table 4									
McDep Energy Stocks									
Total Return and Enterprise Value Momentum									
Ranked by EV/200-Day Average									
			Price	Equity					
			(\$/sh)	Total					
	Symbol		3-Feb	Return	Enterprise Value/				McDep
	Rating		2014	YTD	52Wk	52Wk	50 Day	200 Day	Ratio
				(%)	High	Low	Avg.	Avg.	
Global Integrated									
	RDS-A		67.81	(5)	0.95	1.06	0.98	1.01	0.77
	TOT		56.20	(8)	0.92	1.16	0.96	1.01	0.76
	XOM	CB	90.05	(11)	0.90	1.05	0.94	0.98	0.90
	CVX		111.14	(11)	0.89	1.00	0.93	0.93	0.77
	LUKOY	CB	55.62	(12)	0.83	1.02	0.92	0.91	0.42
	<i>Median</i>			(11)	0.90	1.05	0.94	0.98	0.77
U.S. Independent									
	EOG		161.74	(4)	0.87	1.37	0.98	1.04	0.91
	DVN	CB	57.85	(6)	0.90	1.09	0.97	0.99	0.66
	COP		63.86	(10)	0.90	1.09	0.94	0.97	0.72
	OXY		87.24	(8)	0.89	1.11	0.95	0.96	0.83
	MRO	CB	32.06	(9)	0.89	1.06	0.94	0.94	0.73
	<i>Median</i>			(8)	0.89	1.09	0.95	0.97	0.73
Canada/Australia									
	ECA	CB	17.64	(2)	0.91	1.04	0.98	0.99	0.70
	IMO		40.97	(7)	0.92	1.08	0.97	0.99	0.83
	COSWF	CB	17.89	(5)	0.85	1.01	0.97	0.94	0.59
	WOPEY		32.23	(7)	0.83	1.03	0.95	0.93	0.91
	CVE		25.71	(10)	0.81	1.00	0.94	0.91	0.68
	<i>Median</i>			(7)	0.85	1.03	0.97	0.94	0.70
Small Cap Independent Producers									
	XEC	B	95.29	(9)	0.86	1.41	0.96	1.08	0.79
	CLR	B	108.07	(4)	0.91	1.36	1.00	1.07	0.92
	RRC	B	84.99	1	0.97	1.20	1.03	1.07	0.96
	WLL	B	56.62	(8)	0.85	1.22	0.96	1.02	0.81
	BIREF	B	7.47	9	0.89	1.09	1.03	1.01	0.70
	WPX		18.82	(8)	0.86	1.18	0.99	0.99	0.81
	PEYUF		28.19	(8)	0.90	1.18	0.94	0.97	0.85
	PDCE		47.27	(11)	0.70	1.18	0.91	0.89	0.89
	HK		3.40	(12)	0.69	1.02	0.97	0.87	0.75
	<i>Median</i>			(8)	0.86	1.18	0.97	1.01	0.81
RTF Cash Payers									
	HGT		8.75	17	0.88	1.25	1.11	1.07	0.73
	SJT	B	17.43	5	0.96	1.24	1.03	1.07	0.83
	CRT		29.90	2	0.94	1.19	1.00	1.03	0.71
	MTR		22.70	8	0.87	1.12	1.05	1.00	0.90
	DMLP	B	24.25	(5)	0.92	1.07	0.97	0.99	0.93
	SBR		50.72	1	0.92	1.15	1.00	0.99	0.79
	NDRO		13.95	16	0.81	1.18	1.11	0.97	1.00
	PBT		12.28	(4)	0.75	1.03	0.92	0.90	0.68
	FRHLF		19.48	(6)	0.81	1.00	0.94	0.87	0.93
	<i>Median</i>			2	0.88	1.15	1.00	0.99	0.83

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

Source: Bloomberg, Yahoo, McDep LLC



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

February 4, 2014

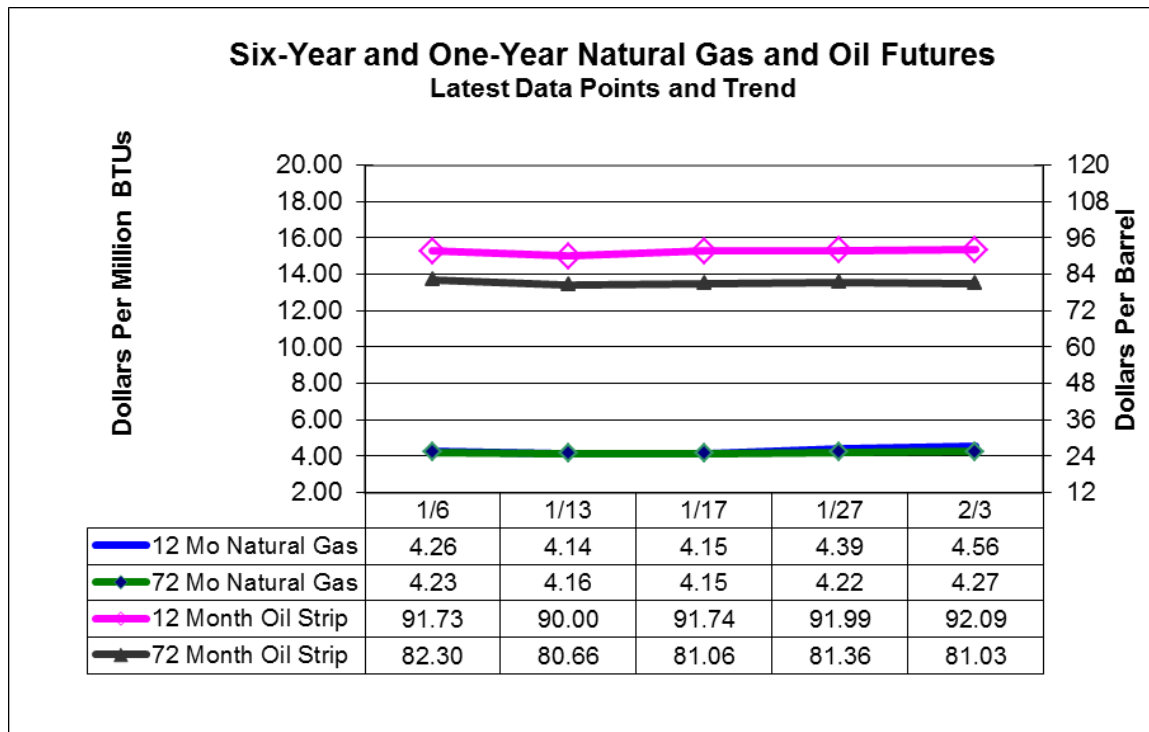
Index of Recent Research			
Stock Ideas			
<i>Date</i>	<i>Symbol</i>	<i>Subject</i>	<i>Theme</i>
21-Jan	RDSA	Royal Dutch Shell plc	Lower NPV to \$95 on Profit Warning (Meter Reader)
14-Jan	PDCE	PDC Energy	Raise NPV to \$55 on Colorado Shale Oil (Meter Reader)
17-Dec	MRO	Marathon Oil	New CEO Accelerates Shale Growth (Meter Reader)
3-Dec	LUKOY	Lukoil	Low McDep Ratio Emerging Market Stock (Meter Reader)
26-Nov	DVN	Devon Energy	Acquires \$6 Billion Eagle Ford Position (Meter Reader)
19-Nov	CLR	Continental Resources	High Density "Ears Back" Drilling Pace (Meter Reader)
15-Nov	BIREF	Birchcliff Energy	15% a Year Growth to 2018
12-Nov	XEC	Cimarex Energy	Raise NPV to \$125 on Permian Productivity (Meter Reader)
8-Nov	DMLP	Dorchester Minerals, L.P.	Oil up 6% a Quarter
5-Nov	COSWF	Canadian Oil Sands Ltd.	Time to Explore New Options (Meter Reader)
31-Oct	RRC	Range Resources	Core Owner in Largest Producing Field
29-Oct	WLL	Whiting Petroleum	Fracking Productivity Leaps 50% (Meter Reader)
25-Oct	ECA	Encana Corporation	San Juan Oil Upgraded to Commercial from Emerging
4-Oct	NDRO	Enduro Royalty Trust	Worth Another Look after Stock Price Decline
27-Sep	WPX	WPX Energy	San Juan Basin Innovator (Income and Small Cap Weekly)
24-Sep	XOM	Exxon Mobil	Fracking Firms Long-Term Value (Meter Reader)
17-Sep	COP	ConocoPhillips	Fracking Upside in Eagle Ford, Bakken and Permian (Meter Reader)
13-Sep	CRT	Cross Timbers Royalty Trust	Fracking Upside in Permian and Scoop (Income and Small Cap Weekly)
10-Sep	OXY	Occidental Petroleum	Permian Late Bloomer (Meter Reader)
23-Jul	WOPEY	Woodside Petroleum, Ltd.	Distributing LNG Cash (Meter Reader)
19-Jul	SJT	San Juan Basin Royalty Trust	Acreage 75% in Liquids-Rich Shale Zone (Income and Small Cap Weekly)
12-Jul	PBT	Permian Basin Royalty Trust	Stock Price Recovering from Short-Term Overreaction
5-Jul	LINE	Linn Energy	Stock Undervalued while SEC Probes (Income and Small Stock Weekly)
31-May	HGT	Hugoton Royalty Trust	Beating the Bear (Income and Small Cap Weekly)
14-May	EOG	EOG Resources	Raise NPV to \$180 on More Big Wells (Meter Reader)
30-Apr	TOT	Total	Recovery Potential (Meter Reader)
19-Apr	HK	Halcón Resources	Fourth Core Area - El Halcón ("The Hawk") (Inc. and Small Cap Wkly)
16-Apr	CVX	Chevron	Deflation Resistance (Meter Reader)
12-Apr	MTR	Mesa Royalty Trust	RTF Stealth Play on Long-Life Natural Gas (Income and Small Cap Wkly)
5-Apr	SBR	Sabine Royalty Trust	Accelerating Volume Growth (Income and Small Cap Weekly)
28-Mar	PEYUF	Peyto Exploration and Development	Raise NPV to \$32 for Fracking Winner (Income and Small Cap Weekly)
For historical research by stock, go to mcdep.com , click on Stock Ideas , click on stock by name.			
Meter Reader			
28-Jan	SJT, HGT, MTR, BIREF		Arctic Cold Strengthens Natural Gas Price
21-Jan	RDSA	Royal Dutch Shell plc	Lower NPV to \$95 on Profit Warning
14-Jan	PDCE	PDC Energy	Raise NPV to \$55 on Colorado Shale Oil
7-Jan			Six-Year Futures Up in 2014
31-Dec			Catch up for Canada
24-Dec			Rising RTF Cash in 2014
17-Dec	MRO	Marathon Oil	New CEO Accelerates Shale Growth
10-Dec			Fracking Investment Strategy
For earlier editions, go to mcdep.com , click on Meter Reader .			
Industry Ideas			
28-Jan			Arctic Cold Strengthens Natural Gas Price (Meter Reader)
9-Jan		RTF Cash Payers	Trustee Change Proposed
7-Jan			Six-Year Futures Up in 2014 (Meter Reader)
24-Dec		RTF Cash Payers	Rising RTF Cash in 2014 (Meter Reader)
13-Nov		McDep Book Review	<i>The Frackers</i> by Gregory Zuckerman



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

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