

Peyto Exploration and Development Corp. (PEYUF) **Raise NPV to \$42 on More Energy Growth**

<i>Symbol</i>	PEYUF	<i>Ebitda Next Twelve Months ending 6/30/15 (US\$mm)</i>	771
<i>Rating</i>		<i>North American Natural Gas/Ebitda (%)</i>	74
<i>Price (US\$/sh)</i>	38.53	<i>Natural Gas and Oil Production/Ebitda (%)</i>	100
<i>Pricing Date</i>	6/16/14	<i>Adjusted Reserves/Production NTM</i>	10.0
<i>Shares (mm)</i>	152	<i>EV/Ebitda</i>	8.8
<i>Market Capitalization (US\$mm)</i>	5,860	<i>PV/Ebitda</i>	9.5
<i>Debt (US\$mm)</i>	900	<i>Undeveloped Reserves (%)</i>	35
<i>Enterprise Value (EV) (US\$mm)</i>	6,760	<i>Natural Gas and Oil Ebitda (US\$/boe)</i>	32.84
<i>Present Value (PV) (US\$mm)</i>	7,290	<i>Present Value Proven Reserves(US\$/boe)</i>	25.75
<i>Net Present Value (US\$/sh)</i>	42	<i>Oil and Gas Ebitda Margin (%)</i>	88
<i>Debt/Present Value</i>	0.12	<i>Earnings Next Twelve Months (US\$/sh)</i>	2.01
<i>McDep Ratio - EV/PV</i>	0.93	<i>Price/Earnings Next Twelve Months</i>	19
<i>Dividend Yield (%/year)</i>	2.3	<i>Indicated Annual Dividend (US\$/sh)</i>	0.89
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 unit 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 Peyto since 2009 see www.mcdep.com/5pey.htm			

Summary and Recommendation

After an outstanding five-year record in our research coverage, Small Cap Independent Producer **Peyto Exploration (PEYUF)** has further appreciation potential to estimated Net Present Value (NPV) of \$42 a share, up from \$37 (see table Present Value on page 2). NPV growth of 26% a year for the past five years magnified by an increase in McDep Ratio became stock price growth of 34% a year (see chart NPV on page 2). Reinvested distributions and dividends enlarged total return to 41% a year according to *Bloomberg*. The fundamental trend stemmed from volume growth, also 34% a year (see chart Volume on page 3). The company's natural gas emphasis resulted in a low price compared to producers with more oil in the mix (see chart Price on page 3). Astonishing efficiency reflected in a cash flow margin of 88% helped offset low price (see chart Ebitda Margin on page 4). Meanwhile debt increased just 13% a year while shares increased 7% a year. On a per share basis, volume gained 27% a year (see chart Volume Per Share on page 4). The normal 7% a year real unlevered return incorporated in NPV counts only on growth for the next twelve months (see table Financial Estimates on page 5). A higher return would depend on continued high growth, which in turn depends most on commodity price. Natural gas and oil price are both in an uptrend, enhanced recently by bullets flying in Ukraine, Libya, Iraq, Nigeria and elsewhere. In any case, at a McDep Ratio of 0.93 Peyto stock is priced at the median for small cap independents (see Tables 1-3). Similarly, Peyto's total return of 26% this year and its 50-day and 200-day momentum measures are close to medians (see Table 4 on page 9). We like Peyto stock as a complement to our buy recommendations, but we would be pruning those groups of stocks that have moved above our suggested portfolio weighting.

Kurt H. Wulff, CFA

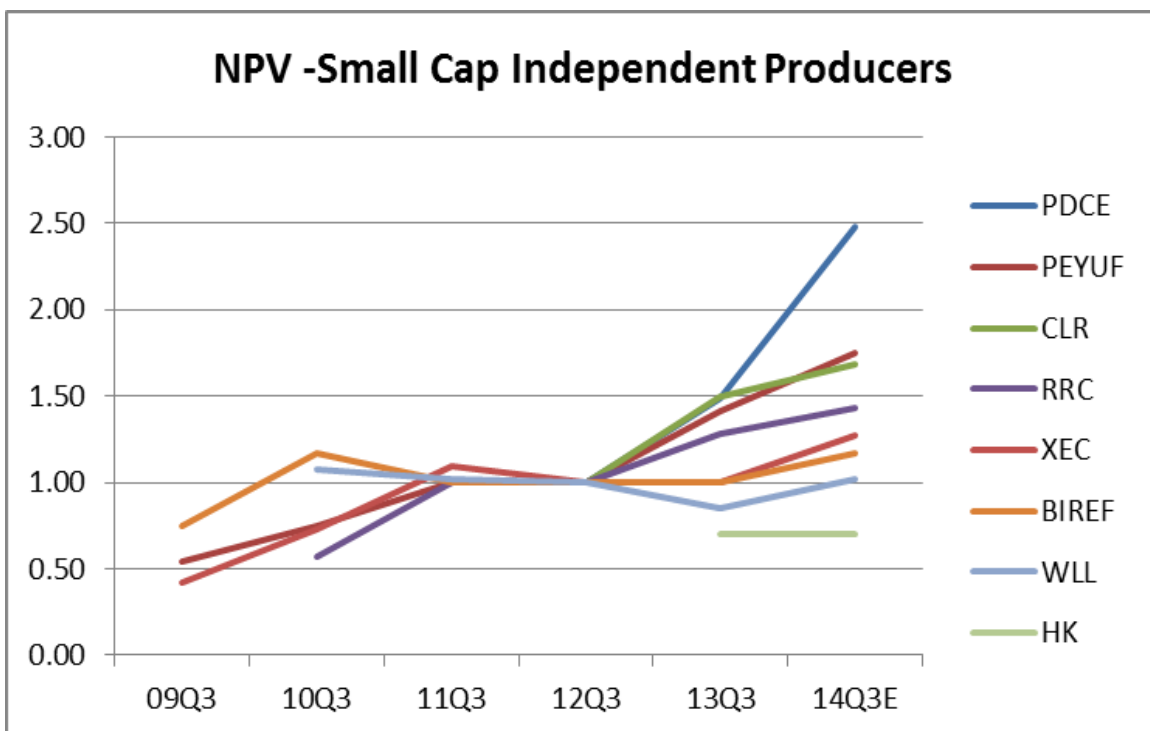


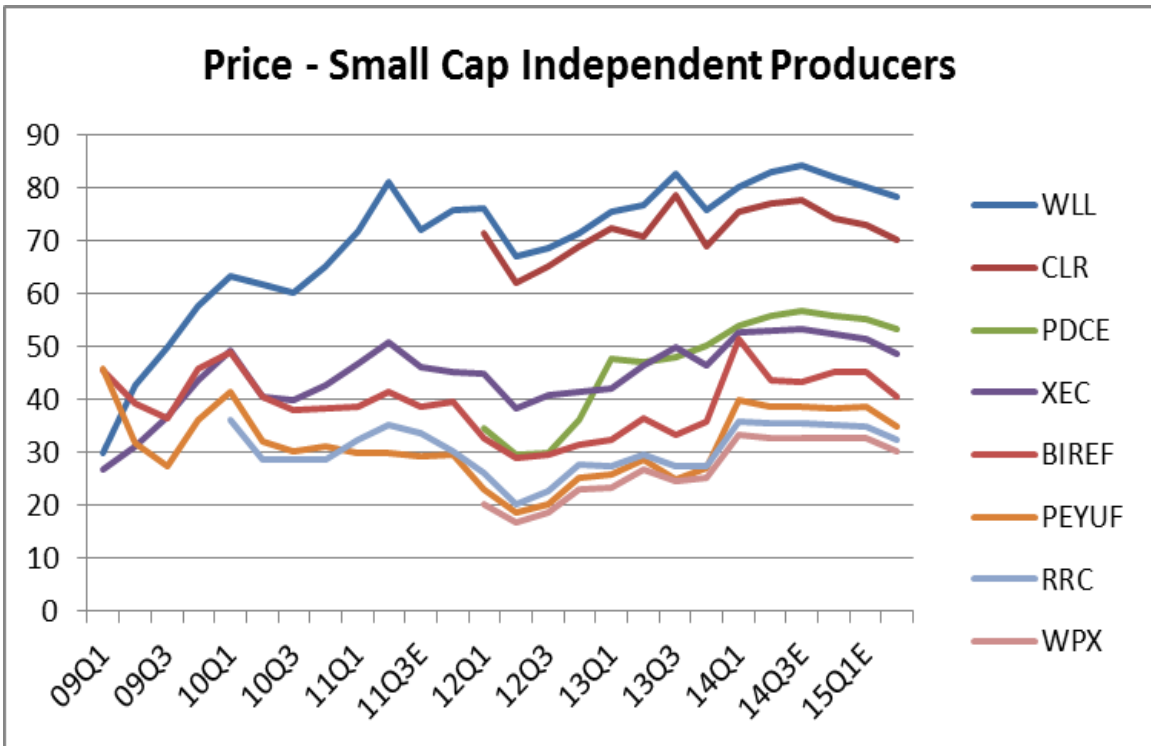
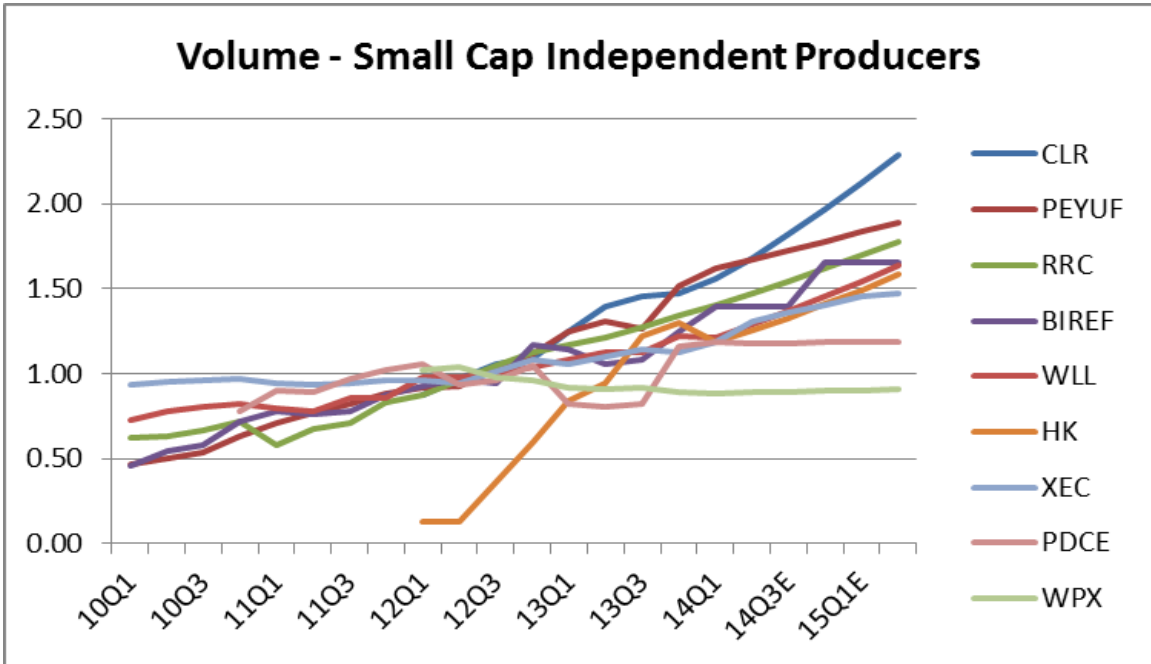
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A Weekly Analysis of Oil and Gas Stocks

June 17, 2014

Peyto Exploration and Development Corp.					
Functional Cash Flow and Present Value					
	<i>NTM Ebitda</i>	<i>Adjusted</i>	<i>PV/</i>	<i>Present</i>	
	<i>(US\$mm)</i>	<i>R/P</i>	<i>Ebitda</i>	<i>Value</i>	
				<i>(US\$mm)</i>	
North American Natural Gas	570	9.8	10.4	5,900	81%
Oil	200	11.0	6.9	1,380	19%
	770	10.0	9.5	7,280	100%
Debt (US\$mm)					900
Net Present Value (US\$mm)					6,380
Shares (mm)					152
Net Present Value - Standard Estimate (US\$/sh)					42
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)					44

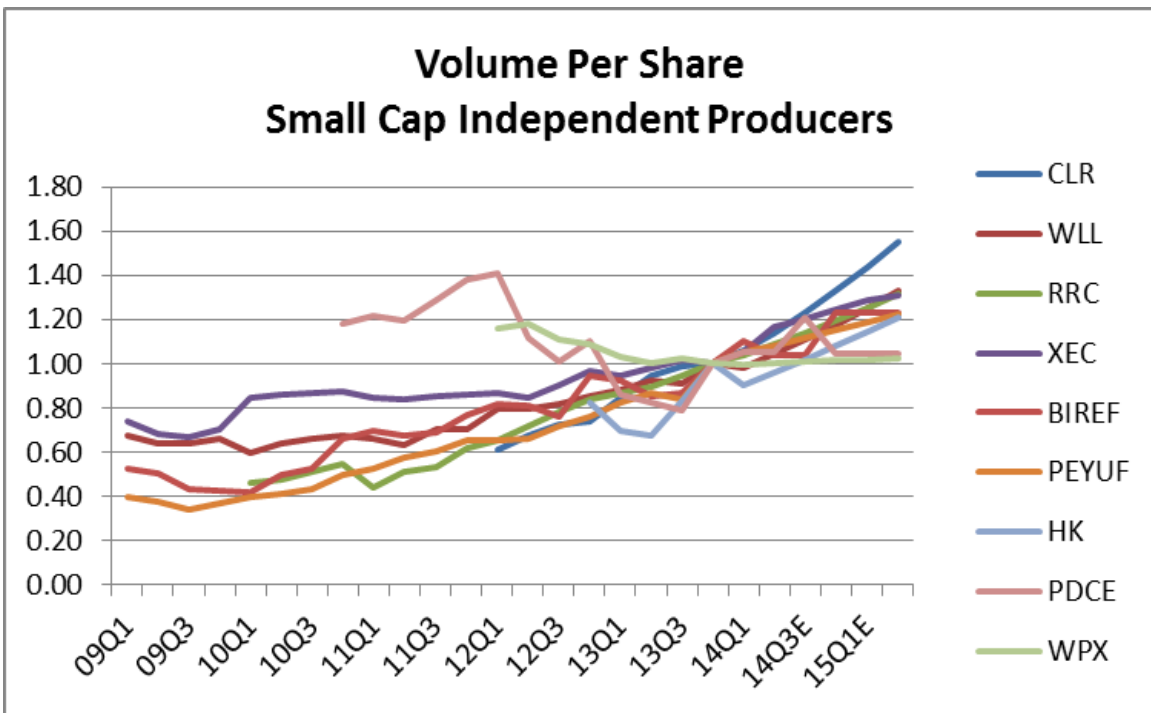
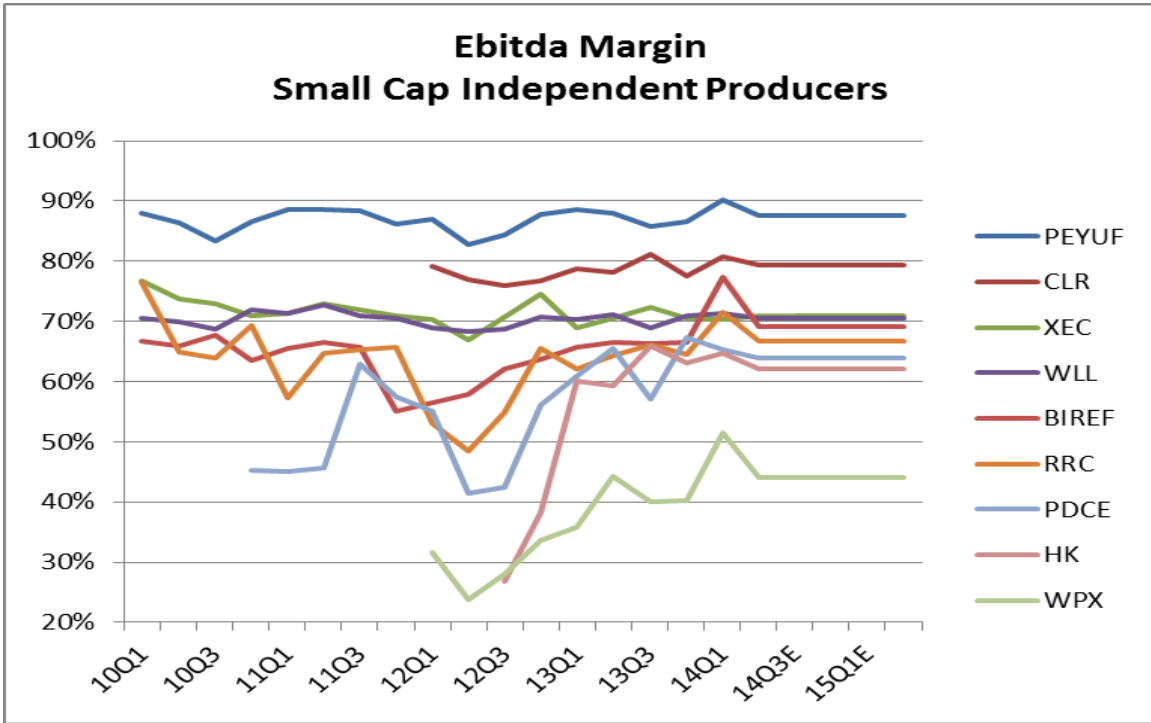






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Peyto Exploration and Development Corp.										
Next Twelve Months Operating and Financial Estimates										
(Canadian dollars)										
										<i>Next Twelve Months</i>
	<i>Q2</i>	<i>Year</i>	<i>Q1</i>	<i>Q2E</i>	<i>Q3E</i>	<i>Q4E</i>	<i>Year</i>	<i>Q1E</i>	<i>Q2E</i>	<i>6/30/15</i>
	<i>6/30/13</i>	<i>2013</i>	<i>3/31/14</i>	<i>6/30/14</i>	<i>9/30/13</i>	<i>12/31/14</i>	<i>2014E</i>	<i>3/31/15</i>	<i>6/30/15</i>	<i>6/30/15</i>
Volume										
Natural gas (bcf)	28.3	115.9	35.0	36.5	38.0	39.1	148.5	39.4	41.0	157.5
Natural Gas (mmcf)	311	318	389	401	413	425	407	438	451	432
Days	91	365	90	91	92	92	365	90	91	365
Oil (mmb)	0.6	2.3	0.7	0.7	0.7	0.8	2.9	0.8	0.8	3.1
Oil (mbd)	6.37	6.4	7.38	7.68	7.98	8.30	7.8	8.63	8.98	8.5
Total gas & oil (bcf)	31.8	129.9	39.0	40.7	42.4	43.7	165.7	44.1	45.9	176.1
Total gas & oil (mbd)	58.2	59.3	72.2	74.5	76.8	79.1	75.7	81.6	84.1	80.4
Price										
Natural gas (\$/mcf)										
Henry Hub (US\$/mmbtu)	4.10	3.65	4.95	4.67	4.71	4.75	4.77	4.81	4.22	4.62
Currency (US\$/C\$)	0.98	0.97	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92
Henry Hub (C\$/mmbtu)	4.19	3.76	5.37	5.07	5.11	5.15	5.18	5.21	4.58	5.01
Company (C\$/mcf)	3.85	3.40	5.23	4.94	4.98	5.02	5.04	5.08	4.46	4.88
Oil (\$/bbl)										
WTI Cushing (US\$)	94.22	97.98	98.74	103.04	106.15	102.98	102.73	99.76	97.10	101.50
WTI Cushing (C\$/bbl)	96.41	100.91	107.13	111.79	115.17	111.73	111.46	108.23	105.35	110.12
Company (C\$/bbl)	68.08	71.81	84.64	88.32	90.99	88.27	88.14	85.59	83.31	86.93
Total gas & oil (\$/mcf)	4.67	4.32	6.14	5.95	6.04	6.04	5.56	6.05	5.47	5.89
Revenue (\$mm)										
Natural Gas	109.0	394	183.1	180.0	189.0	196.3	748	200.1	183.0	768
Oil	39.5	167	56.2	61.7	66.8	67.4	252	66.5	68.1	269
Royalties	(9.8)	(41)	(17.9)	(19.3)	(20.5)	(21.1)	(79)	(21.3)	(20.1)	(83)
Total	138.6	521	221.4	222.4	235.3	242.6	922	245.3	231.0	954
Expense	16.7	67	21.9	27.6	29.2	30.1	109	30.4	28.6	118
Ebitda (\$mm)	121.9	454	199.5	194.8	206.1	212.5	813	214.9	202.4	836
Deprec., Deplet., & Amort.	53.3	225	68.9	69.1	72.0	74.3	284	74.9	78.1	299
Hedging and other	14.0	16	42.2	20.0	20.0	20.0	102	20.0	20.0	80
Ebit	54.7	213	88.4	105.7	114.1	118.3	427	119.9	104.3	457
Interest	5.4	22	5.4	5.4	5.4	5.4	22	5.4	5.4	22
Ebt	49.3	191	83.0	100.3	108.7	112.9	405	114.5	98.9	435
Income Tax	12.0	47	20.7	24.1	26.1	27.1	98	27.5	23.7	104
Net Income (\$mm)	37.3	145	62.3	76.2	82.6	85.8	307	87.1	75.1	331
Shares (millions)	149.0	149	152.0	152	152	152	152	152	152	152
Per share (\$)	0.25	0.97	0.41	0.50	0.54	0.56	2.02	0.57	0.49	2.17
Ebitda Margin - O&G	88%	87%	90%	88%	88%	88%	88%	88%	88%	88%
Tax Rate	24%	24%	25%	24%	24%	24%	24%	24%	24%	24%
Dividend (\$mm)	33	131	36	36	36	36	146	36	36	146
Per share (\$)	0.22	0.88	0.24	0.24	0.24	0.24	0.96	0.24	0.24	0.96



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						<i>Present Value by Segment (%)</i>					
		<i>Price</i>		<i>EV/</i>	<i>Enterprise</i>	<i>North</i>	<i>Rest of</i>			<i>Dist.</i>	
		<i>(US\$/sh)</i>	<i>Market</i>	<i>Value</i>	<i>Natural</i>	<i>Natural</i>	<i>Oil</i>	<i>Down-</i>	<i>NTM</i>	<i>Yield</i>	<i>McDep</i>
<i>Symbol/Rating</i>	<i>16-Jun</i>	<i>2014</i>	<i>Cap</i>	<i>(\$mm)</i>	<i>Gas</i>	<i>Gas</i>	<i>Prod'n</i>	<i>stream</i>	<i>(%)</i>		
B = Buy, CB (see below)											
Global Integrated											
Exxon Mobil Corporation	XOM	B	102.92	1.17	522,000	8	19	56	17	2.4	1.01
Total S.A.	TOT		71.42	1.30	211,000			22	62	16	0.92
Royal Dutch Shell plc	RDS-A		80.77	1.34	340,000	4	22	57	17	4.7	0.88
Chevron Corporation	CVX		128.54	1.18	290,000	4	11	72	13	3.3	0.88
Lukoil Oil Company	LUKOY	B	61.73	1.15	55,000			75	25	5.1	0.49
<i>Total or Median</i>				<i>1.18</i>	<i>1,418,000</i>			<i>62</i>	<i>17</i>	<i>4.6</i>	<i>0.88</i>
U.S. Independent											
EOG Resources, Inc.	EOG		114.03	1.08	67,600	18	4	78		0.4	1.03
Occidental Petroleum Corp.	OXY		103.35	1.12	91,600	8	1	83	9	2.8	0.87
ConocoPhillips	COP		83.69	1.32	137,000	15	14	71		3.3	0.87
Devon Energy Corporation	DVN	B	78.23	1.47	46,800	32		68		0.9	0.84
Marathon Oil Corporation	MRO	B	39.01	1.35	36,700	8	4	89		1.9	0.83
<i>Total or Median</i>				<i>1.32</i>	<i>380,000</i>	<i>15</i>		<i>78</i>		<i>1.9</i>	<i>0.87</i>
Canada/Australia											
Woodside Petroleum Ltd.	WOPEY		40.36	1.14	38,000			70	30	5.1	1.11
Imperial Oil Limited (30%)	IMO		51.73	1.23	16,200	2		79	18	0.9	1.00
EnCana Corporation	ECA	B	24.55	1.46	26,400	80		20		1.1	0.87
Cenovus Energy Inc.	CVE		31.58	1.30	31,200	9		75	15	3.1	0.80
Canadian Oil Sands Limited	COSWF	B	22.49	1.23	13,400			100		7.0	0.71
<i>Total or Median</i>				<i>1.23</i>	<i>125,000</i>			<i>75</i>		<i>3.1</i>	<i>0.87</i>
Small Cap Independent Producers											
Continental Resources (32%)	CLR	B	152.38	1.19	10,800	16		84		-	1.11
Halcón Resources	HK		6.96	2.33	6,700	6		94		-	1.00
Cimarex Energy Company	XEC	B	139.55	1.12	13,600	40		60		0.5	1.00
Birchcliff Energy Ltd.	BIREF	B	13.73	1.27	2,700	72		28		-	0.98
PDC Energy	PDCE		68.53	1.29	3,200	26		74		-	0.93
Peyto Exploration and Developm	PEYUF		38.53	1.15	6,800	81		19		2.3	0.93
Whiting Petroleum Corporation	WLL	B	79.50	1.30	12,400	7		93		-	0.91
Range Resources	RRC	B	88.32	1.27	18,200	62		38		0.2	0.91
WPX Energy Inc.	WPX		22.48	1.62	7,300	69		31		-	0.87
<i>Total or Median</i>				<i>1.27</i>	<i>82,000</i>	<i>40</i>		<i>60</i>		<i>-</i>	<i>0.93</i>
RTF Cash Payers											
Mesa Royalty Trust	MTR		34.69	1.00	70	71		29		7.0	1.25
Freehold Royalties Ltd.	FRHLF		25.65	1.09	1,900	19		81		6.0	1.20
Dorchester Minerals, L.P.	DMLP	B	28.47	1.00	870	45		55		7.7	1.02
San Juan Basin Royalty Trust	SJT	B	20.15	1.00	940	100		-		7.3	0.96
Sabine Royalty Trust	SBR		61.28	1.00	890	44		56		7.5	0.96
Enduro Royalty Trust	NDRO		13.07	1.00	430	37		63		6.8	0.93
Hugoton Royalty Trust	HGT		11.70	1.00	470	88		12		8.0	0.90
Cross Timbers Royalty Trust	CRT		36.93	1.00	220	64		36		8.8	0.88
Permian Basin RT	PBT		15.20	1.00	710	20		80		7.6	0.84
<i>Total or Median</i>				<i>1.00</i>	<i>6,500</i>	<i>45</i>		<i>55</i>		<i>7.5</i>	<i>0.96</i>

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\$m)</i>	<i>Net Present Value (US\$/sh)</i>	<i>Debt/ Present Value</i>	<i>McDep Ratio</i>
	<i>Symbol/Rating</i>		<i>16-Jun 2014</i>	<i>(mm)</i>				
		<i>B = Buy, CB (see below)</i>						
Global Integrated								
Exxon Mobil Corporation	XOM	B	102.92	4,328	445,000	102.00	0.15	1.01
Total S.A.	TOT		71.42	2,277	163,000	80.00	0.21	0.92
Royal Dutch Shell plc	RDS-A		80.77	3,145	254,000	95.00	0.22	0.88
Chevron Corporation	CVX		128.54	1,909	245,000	150.00	0.13	0.88
Lukoil Oil Company	LUKOY	B	61.73	776	47,900	135.00	0.06	0.49
<i>Total or Median</i>					<i>1,155,000</i>		<i>0.15</i>	<i>0.88</i>
U.S. Independent								
EOG Resources, Inc.	EOG		114.03	548	62,500	110.00	0.08	1.03
Occidental Petroleum Corp.	OXY		103.35	792	81,900	120.00	0.09	0.87
ConocoPhillips	COP		83.69	1,243	104,000	100.00	0.21	0.87
Devon Energy Corporation	DVN	B	78.23	408	31,900	100.00	0.27	0.84
Marathon Oil Corporation	MRO	B	39.01	696	27,150	50.00	0.22	0.83
<i>Total or Median</i>					<i>307,500</i>		<i>0.21</i>	<i>0.87</i>
Canada/Australia								
Woodside Petroleum Ltd.	WOPEY		40.36	823	33,200	36.00	0.13	1.11
Imperial Oil Limited (30%)	IMO		51.73	255	13,200	52.00	0.18	1.00
EnCana Corporation	ECA	B	24.55	736	18,100	30.00	0.27	0.87
Cenovus Energy Inc.	CVE		31.58	757	23,900	42.00	0.19	0.80
Canadian Oil Sands Limited	COSWF	B	22.49	485	10,900	34.00	0.13	0.71
<i>Total or Median</i>					<i>99,000</i>		<i>0.18</i>	<i>0.87</i>
Small Cap Independent Producers								
Continental Resources (32%)	CLR	B	152.38	59	9,000	135.00	0.18	1.11
Halcón Resources	HK		6.96	414	2,900	7.00	0.57	1.00
Cimarex Energy Company	XEC	B	139.55	87	12,200	140.00	0.11	1.00
Birchcliff Energy Ltd.	BIREF	B	13.73	156	2,100	14.00	0.21	0.98
PDC Energy	PDCE		68.53	36	2,500	75.00	0.21	0.93
Peyto Exploration and Development Corp.	PEYUF		38.53	152	5,900	42.00	0.12	0.93
Whiting Petroleum Corporation	WLL	B	79.50	120	9,500	90.00	0.21	0.91
Range Resources	RRC	B	88.32	162	14,300	100.00	0.19	0.91
WPX Energy Inc.	WPX		22.48	200	4,500	28.00	0.33	0.87
<i>Total or Median</i>					<i>63,000</i>		<i>0.21</i>	<i>0.93</i>
RTF Cash Payers								
Mesa RoyaltyTrust	MTR		34.69	2	70	28.00	-	1.25
Freehold Royalties Ltd.	FRHLF		25.65	68	1,740	21.00	0.10	1.20
Dorchester Minerals, L.P.	DMLP	B	28.47	31	870	28.00	-	1.02
San Juan Basin Royalty Trust	SJT	B	20.15	47	940	21.00	-	0.96
Sabine Royalty Trust	SBR		61.28	15	890	64.00	-	0.96
Enduro Royalty Trust	NDRO		13.07	33	430	14.00	-	0.93
Hugoton RoyaltyTrust	HGT		11.70	40	470	13.00	-	0.90
Cross Timbers Royalty Trust	CRT		36.93	6	220	42.00	-	0.88
Permian Basin RT	PBT		15.20	47	710	18.00	-	0.84
<i>Total or Median</i>					<i>6,300</i>		<i>-</i>	<i>0.96</i>

CB=Contrarian Buy, Stock Price may be in downtrend compared to 200-day average.
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Table 3									
McDep Energy Stocks									
Value Multiples and Dividend									
Ranked by EV/Ebitda									
			Price (US\$/sh)	Adjustd Resrvs/ Prod	PV/ Ebitda	EV/ Ebitda	P/E	Dividend	
	Symbol/Rating		16-Jun 2014	NTM	NTM	NTM	NTM	NTM	
	B = Buy, CB (see below)							(\$/sh)	
Global Integrated									
	Exxon Mobil Corporation	XOM	B	102.92	14.0	7.0	7.0	12	2.52
	Total S.A.	TOT		71.42	10.3	6.4	5.9	12	3.31
	Royal Dutch Shell plc	RDS-A		80.77	10.3	6.5	5.8	11	3.76
	Chevron Corporation	CVX		128.54	9.1	6.6	5.7	12	4.28
	Lukoil Oil Company	LUKOY	B	61.73	15.5	5.6	2.8	5	3.18
	<i>Median</i>				10.3	6.5	5.8	12	
U.S. Independent									
	Devon Energy Corporation	DVN	B	78.23	10.3	8.3	7.0	16	0.72
	EOG Resources, Inc.	EOG		114.03	7.8	6.3	6.5	21	2.88
	Occidental Petroleum Corp.	OXY		103.35	10.7	7.0	6.1	13	2.76
	ConocoPhillips	COP		83.69	11.3	6.7	5.8	11	0.50
	Marathon Oil Corporation	MRO	B	39.01	10.6	6.2	5.2	11	0.76
	<i>Median</i>				10.6	6.7	6.1	13	
Canada/Australia									
	Imperial Oil Limited (30%)	IMO		51.73	24.5	9.7	9.7	14	0.48
	Woodside Petroleum Ltd.	WOPEY		40.36	9.5	7.4	8.2	17	2.06
	EnCana Corporation	ECA	B	24.55	7.2	9.2	8.0	15	0.28
	Canadian Oil Sands Limited	COSWF	B	22.49	19.9	9.6	6.8	11	1.57
	Cenovus Energy Inc.	CVE		31.58	13.7	8.2	6.5	14	0.98
	<i>Median</i>				13.7	9.2	8.0	14	
Small Cap Independent Producers									
	Range Resources	RRC	B	88.32	13.6	11.3	10.2	62	0.16
	PDC Energy	PDCE		68.53	17.5	9.7	9.0	33	-
	Birchcliff Energy Ltd.	BIREF	B	13.73	14.5	8.9	8.8	23	-
	Peyto Exploration and Development Corp.	PEYUF		38.53	10.0	9.5	8.8	19	0.89
	Halcón Resources	HK		6.96	5.8	7.8	7.7	15	-
	Continental Resources (32%)	CLR	B	152.38	11.4	7.0	7.7	18	-
	WPX Energy Inc.	WPX		22.48	8.6	8.0	6.9	-	-
	Cimarex Energy Company	XEC	B	139.55	7.0	6.8	6.8	17	0.64
	Whiting Petroleum Corporation	WLL	B	79.50	8.1	5.4	4.9	12	-
	<i>Median</i>				10.0	8.0	7.7	19	
RTF Cash Payers									
	Sabine Royalty Trust	SBR		61.28	9.9	13.9	13.3	13	4.59
	San Juan Basin Royalty Trust	SJT	B	20.15	10.7	13.1	12.6	14	1.47
	Mesa RoyaltyTrust	MTR		34.69	6.9	9.7	12.1	14	2.44
	Hugoton RoyaltyTrust	HGT		11.70	14.4	12.2	11.0	12	0.94
	Freehold Royalties Ltd.	FRHLF		25.65	5.7	9.1	10.9	20	1.55
	Dorchester Minerals, L.P.	DMLP	B	28.47	8.3	10.7	10.9	15	2.19
	Cross Timbers Royalty Trust	CRT		36.93	12.2	11.2	9.8	11	3.26
	Permian Basin RT	PBT		15.20	9.8	9.9	8.4	13	1.16
	Enduro Royalty Trust	NDRO		13.07	7.4	7.6	7.0	15	0.88
	<i>Median</i>				9.8	10.7	10.9	14	

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 June 30, 2015; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses



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Table 4									
McDep Energy Stocks									
Total Return and Enterprise Value Momentum									
Ranked by EV/200-Day Average									
			Price	Equity					
			(\$/sh)	Total					
	Symbol		16-Jun	Return	Enterprise Value/				
	Rating		2014	YTD	52Wk	52Wk	50 Day	200 Day	McDep
				(%)	High	Low	Avg.	Avg.	Ratio
Global Integrated									
Total S.A.	TOT		71.42	19	0.98	1.36	1.02	1.11	0.92
Royal Dutch Shell plc	RDS-A		80.77	16	1.00	1.20	1.03	1.10	0.88
Exxon Mobil Corporation	XOM	B	102.92	3	1.00	1.18	1.02	1.07	1.01
Chevron Corporation	CVX		128.54	5	1.00	1.15	1.04	1.06	0.88
Lukoil Oil Company	LUKOY	B	61.73	(2)	0.93	1.22	1.10	1.04	0.49
	<i>Median</i>			5	1.00	1.20	1.03	1.07	0.88
U.S. Independent									
EOG Resources, Inc.	EOG		114.03	36	0.99	1.72	1.10	1.23	1.03
Devon Energy Corporation	DVN	B	78.23	27	1.00	1.30	1.06	1.14	0.84
ConocoPhillips	COP		83.69	21	1.00	1.29	1.07	1.13	0.87
Occidental Petroleum Corp.	OXY		103.35	10	1.00	1.19	1.06	1.08	0.87
Marathon Oil Corporation	MRO	B	39.01	12	0.99	1.16	1.05	1.08	0.83
	<i>Median</i>			21	1.00	1.29	1.06	1.13	0.87
Canada/Australia									
EnCana Corporation	ECA	B	24.55	37	1.00	1.29	1.05	1.16	0.87
Imperial Oil Limited (30%)	IMO		51.73	18	1.00	1.30	1.05	1.12	1.00
Canadian Oil Sands Limited	COSWF	B	22.49	23	0.99	1.21	1.05	1.11	0.71
Woodside Petroleum Ltd.	WOPEY		40.36	20	1.00	1.25	1.05	1.11	1.11
Cenovus Energy Inc.	CVE		31.58	12	0.99	1.17	1.06	1.08	0.80
	<i>Median</i>			20	1.00	1.25	1.05	1.11	0.87
Small Cap Independent Producers									
Birchcliff Energy Ltd.	BIREF	B	13.73	100	1.00	1.69	1.14	1.42	0.98
Cimarex Energy Company	XEC	B	139.55	33	1.00	1.96	1.11	1.25	1.00
Continental Resources (32%)	CLR	B	152.38	35	0.99	1.65	1.10	1.24	1.11
Peyto Exploration and Development	PEYUF		38.53	27	1.00	1.37	1.07	1.18	0.93
Halcón Resources	HK		6.96	80	1.00	1.31	1.09	1.17	1.00
Whiting Petroleum Corporation	WLL	B	79.50	28	0.99	1.52	1.07	1.17	0.91
PDC Energy	PDCE		68.53	29	0.94	1.37	1.08	1.12	0.93
WPX Energy Inc.	WPX		22.48	10	0.97	1.19	1.04	1.09	0.87
Range Resources	RRC	B	88.32	5	0.94	1.16	0.98	1.05	0.91
	<i>Median</i>			29	0.99	1.37	1.08	1.17	0.93
RTF Cash Payers									
Mesa RoyaltyTrust	MTR		34.69	74	0.98	1.74	1.19	1.44	1.25
Hugoton RoyaltyTrust	HGT		11.70	65	0.97	1.68	1.17	1.40	0.90
Cross Timbers Royalty Trust	CRT		36.93	30	1.00	1.47	1.11	1.21	0.88
Sabine Royalty Trust	SBR		61.28	26	1.00	1.28	1.13	1.18	0.96
San Juan Basin Royalty Trust	SJT	B	20.15	24	0.99	1.32	1.08	1.17	0.96
Freehold Royalties Ltd.	FRHLF		25.65	27	1.00	1.29	1.11	1.16	1.20
Dorchester Minerals, L.P.	DMLP	B	28.47	14	0.98	1.22	1.03	1.11	1.02
Permian Basin RT	PBT		15.20	22	0.93	1.26	1.11	1.11	0.84
Enduro Royalty Trust	NDRO		13.07	12	0.80	1.15	1.06	1.01	0.93
	<i>Median</i>			26	0.98	1.29	1.11	1.17	0.96

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

Source: Bloomberg, Yahoo, McDep LLC



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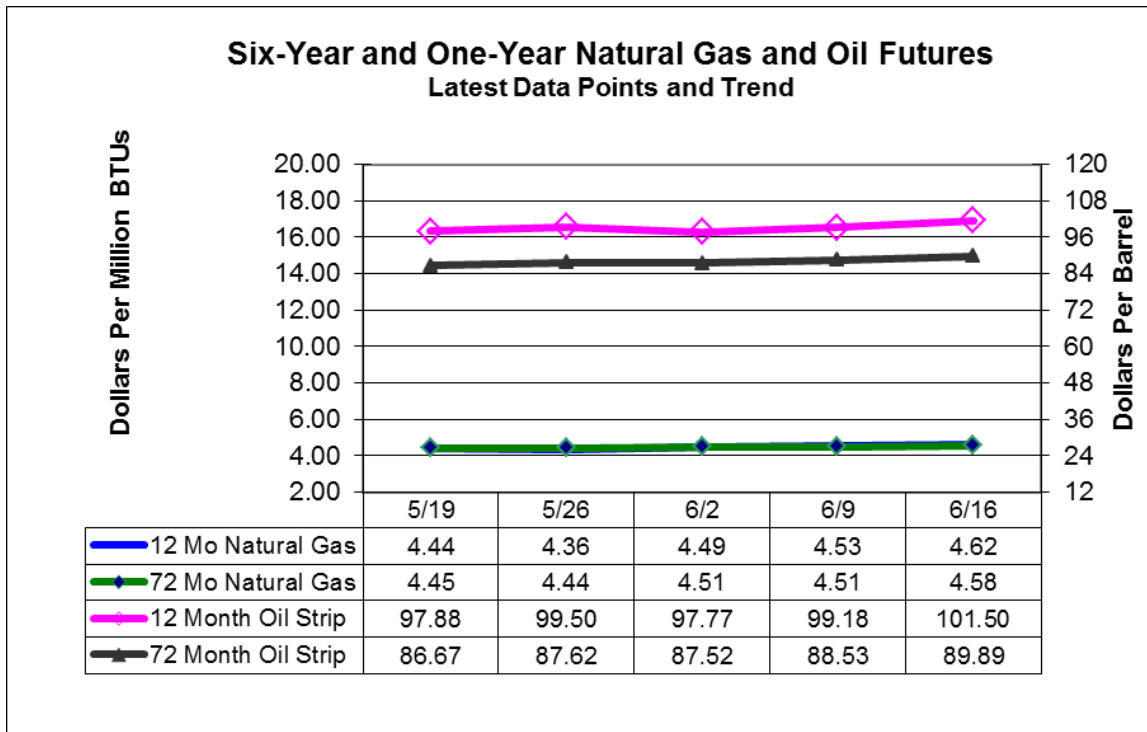
Index of Recent Research			
Stock Ideas			
<u>Date</u>	<u>Symbol</u>	<u>Subject</u>	<u>Theme</u>
10-Jun	OXY	Occidental Petroleum	Raise NPV to \$120, Spinoff Filed (Meter Reader)
3-Jun	ECA	Encana Corporation	Hidden Value Surfaces (Meter Reader)
27-May	CVX	Chevron	Oil Price Turns Up (Meter Reader)
20-May	BIREF	Birchcliff Energy	Raise NPV to \$14 on Accelerating Volume (Meter Reader)
13-May	XEC	Cimarex Energy	Raise NPV to \$140 on Cana Double (Meter Reader)
23-Apr	HGT	Hugoton Royalty Trust	Positive Arbitration Ruling
22-Apr	RRC	Range Resources	Testing Utica (Meter Reader)
21-Apr	MTR	Mesa Royalty Trust	Underpayment Uncovered, Upside Commodity Leverage
15-Apr	COP	ConocoPhillips	Shale Upside, Exploration Promise, Dividend Strength (Meter Reader)
8-Apr	WLL	Whiting Petroleum	Fracking by the Nanometer (Meter Reader)
1-Apr	FRHLF	Freehold Royalties Ltd	Model for Upcoming Encana Spinoff (Meter Reader)
25-Mar	CVE	Cenovus Energy	Oil Growth Slowed by Transit States (Meter Reader)
18-Mar	PBT	Permian Basin Royalty Trust	Rising Oil Production, Understated Income (Meter Reader)
11-Mar	LUKOY	Lukoil	Economic Opportunity in Political Risk (Meter Reader)
4-Mar	EOG	EOG Resources	Raise NPV to \$220 on Shale Oil Leadership (Meter Reader)
25-Feb	XEC	Cimarex Energy	More Upside Ahead (Meter Reader)
21-Feb	DMLP	Dorchester Minerals, L.P.	Raise NPV to \$28 on Shale Oil
21-Feb	PDCE	PDC Energy	Raise NPV to \$75 on More Shale Oil
11-Feb	SJT	San Juan Basin Royalty Trust	Strategic Resource in a Cold Winter (Meter Reader)
4-Feb	XOM	Exxon Mobil	Largest and Strongest Oil and Gas Producer (Meter Reader)
21-Jan	RDSA	Royal Dutch Shell plc	Lower NPV to \$95 on Profit Warning (Meter Reader)
17-Dec	MRO	Marathon Oil	New CEO Accelerates Shale Growth (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)
5-Nov	COSWF	Canadian Oil Sands Ltd.	Time to Explore New Options (Meter Reader)
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)
13-Sep	CRT	Cross Timbers Royalty Trust	Fracking Upside in Permian and Scoop (Income and Small Cap Weekly)
23-Jul	WOPEY	Woodside Petroleum, Ltd.	Distributing LNG Cash (Meter Reader)
21-May	IMO	Imperial Oil	Timely on Bitumen Price (Meter Reader)
30-Apr	TOT	Total	Recovery Potential (Meter Reader)
For historical research by stock, go to mcdep.com , click on Stock Ideas , click on stock by name.			
Meter Reader			
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29-Apr			Prune for Portfolio Profit
22-Apr	RRC	Range Resources	Testing Utica
15-Apr	COP	ConocoPhillips	Shale Upside, Exploration Promise, Dividend Strength
8-Apr	WLL	Whiting Petroleum	Fracking by the Nanometer
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Industry Ideas			
4-Jun	PBT, CRT	Permian BRT, Cross Timbers RT	Vote Your Proxy
17-Apr	PBT, SBR, CRT, HGT		Proxy Voting Underway
9-Jan		RTF Cash Payers	Trustee Change Proposed
24-Dec		RTF Cash Payers	Rising RTF Cash in 2014 (Meter Reader)



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