

## Devon Energy (DVN) Rebalance Candidate

<i>Symbol</i>	DVN	<i>Ebitda Next Twelve Months ending 9/30/15 (US\$m)</i>	6,300
<i>Rating</i>	Contrarian Buy	<i>North American Natural Gas/Ebitda (%)</i>	20
<i>Price (\$/sh)</i>	56.56	<i>Natural Gas and Oil Production/Ebitda (%)</i>	100
<i>Pricing Date</i>	10/13/14	<i>Adjusted Reserves/Production NTM</i>	10.0
<i>Shares (mm)</i>	411	<i>EV/Ebitda</i>	6.4
<i>Market Capitalization (\$mm)</i>	23,200	<i>PV/Ebitda</i>	9.2
<i>Debt (\$mm)</i>	16,900	<i>Undeveloped Reserves (%)</i>	28
<i>Enterprise Value (EV) (\$mm)</i>	40,200	<i>Natural Gas and Oil Ebitda (\$/boe)</i>	27.60
<i>Present Value (PV) (\$mm)</i>	58,000	<i>Present Value Proven Reserves(\$/boe)</i>	21.90
<i>Net Present Value (\$/share)</i>	100	<i>Present Value Proven Reserves(\$/mcf)</i>	3.60
<i>Debt/Present Value</i>	0.29	<i>Earnings Next Twelve Months (US\$/sh)</i>	4.17
<i>McDep Ratio - EV/PV</i>	0.69	<i>Price/Earnings Next Twelve Months</i>	14
<i>Dividend Yield (%/year)</i>	1.7	<i>Indicated Annual Dividend (US\$/sh)</i>	0.96
Note: Estimated cash flow and earnings tied to one-year futures prices for natural gas and oil.			
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 research on Devon since 2004 see <a href="http://www.mcdep.com/3dvn.htm">http://www.mcdep.com/3dvn.htm</a>			

### Summary and Recommendation

Contrarian Buy-recommended **Devon Energy (DVN)** looks like a good candidate for purchase by long-term investors to rebalance diversified portfolios toward energy during a sharp market decline. DVN's McDep Ratio of 0.69 is lowest among large cap independent producers. Stock price at \$57 a share is down 27% from the 52-week high of \$81. Though significantly reduced by transactions in the past year, remaining natural gas exposure at 28% of present value is double that of peers (see table Present Value on page 2). Natural gas stocks seem to be suffering less in the recent stock market decline. Chief Operating Officer Dave Hager, speaking at a UBS conference on September 18, emphasized that while natural gas and oil was important to Devon, oil would be the source of growth in 2015 (see table Operating and Financial Estimates on page 2). In the company's new emphasis on oil, the Permian Basin is contributing about 40% of U.S. crude oil, Devon's highest value product. The Eagle Ford shale trend may contribute a third of U.S. crude oil in the next year. U.S. crude oil contributed about 20% of volume and 40% of revenue in the second quarter of 2014. Canadian heavy oil, DVN's third oil core focus, is expanding production by a third from July 2014 to December 2015. Barnett and Anadarko, which includes Cana, are the two natural gas focus areas. Devon appears to be in good shape to weather market volatility and to keep focusing on its five cores. We also like other large cap independent producers in our coverage (see Tables 1-4 on pages 3-6). Finally, having been through many cycles over the decades, the pain of short-term decline lessens while the prospect of long-term opportunity brightens.

Kurt H. Wulff, CFA



# Meter Reader

A Weekly Analysis of Oil and Gas Stocks

October 14, 2014

Devon Energy					
Functional Cash Flow and Present Value					
	NTM Ebitda	Adjusted	PV/	Present	
	(US\$mm)	R/P	Ebitda	Value	
				(US\$mm)	
North American Natural Gas	1,290	9.3	12.4	16,000	28%
Oil	4,104	10.5	9.1	37,300	64%
Midstream	896		5.2	4,700	8%
	6,290	10.0	9.2	58,000	100%
Debt (US\$mm)					16,900
Net Present Value (US\$mm)					41,100
Shares (mm)					411
Net Present Value - Standard Estimate (US\$/sh)					100
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)					96

Devon Energy										
Next Twelve Months Operating and Financial Results										
	Q3	Year	Q2	Q3E	Q4E	Year	Q1E	Q2E	Q3E	Next
	9/30/13	2013	6/30/14	9/30/14	12/31/14	2014E	3/31/15	6/30/15	9/30/15	Twelve
										Months
										9/30/15
<b>Volume</b>										
Natural Gas (bcf)	219	874	176	153	151	677	146	147	147	591
Natural Gas (mmcf)	2,383	2,393	1,931	1,660	1,643	1,855	1,627	1,611	1,595	1,619
Oil (mb)	27	107	31	30	31	122	32	33	34	130
Oil (mbd)	294	294	345	330	340	335	350	361	371	356
Total gas & oil (mmboe)	64	253	61	56	56	235	56	57	59	228
Total gas & oil (mboed)	691	693	667	607	614	644	621	629	637	625
<b>Price</b>										
Natural gas (\$/mcf)										
Henry Hub (\$/mmbtu)	3.58	3.65	4.67	4.07	3.98	4.42	4.05	3.74	3.78	3.89
Company	3.00	3.09	4.15	3.61	3.53	3.93	3.60	3.32	3.36	3.45
Oil (\$/bbl)										
WTI Cushing	105.83	97.98	102.98	97.24	85.27	96.06	83.47	82.90	82.77	83.60
Company	62.31	54.30	62.00	58.55	51.34	57.56	50.01	49.67	49.59	50.14
Total gas & oil (\$/mcf)	6.14	5.62	7.35	6.96	6.31	6.88	6.27	6.16	6.22	6.24
<b>Revenue (\$mm)</b>										
Natural Gas	658	2,700	729	552	534	2,664	526	487	493	2,040
Oil	1,685	5,823	1,947	1,778	1,605	7,038	1,576	1,630	1,695	6,506
Total	2,344	8,523	2,676	2,330	2,139	9,701	2,102	2,117	2,188	8,546
<b>Expense</b>	721	2,823	697	634	564	2,659	551	556	582	2,253
<b>Ebitda (\$mm)</b>										
Production	1,486	5,177	1,755	1,471	1,351	6,187	1,328	1,337	1,381	5,397
Midstream	137	523	224	224	224	855	224	224	224	896
Total Ebitda	1,623	5,700	1,979	1,695	1,575	7,042	1,552	1,561	1,605	6,293
Deprec., Deplet., & Amort.	691	2,780	828	828	828	3,223	828	828	828	3,312
Hedging and other	20	(179)	135	18	(44)	209	(56)	(51)	(28)	(179)
<b>Ebit</b>	912	3,099	1,016	850	791	3,610	780	784	806	3,160
Interest	104	433	131	131	131	505	131	131	131	524
<b>Ebt</b>	808	2,666	885	719	660	3,105	649	653	675	2,636
Income Tax	283	933	310	252	231	1,087	227	229	236	923
<b>Net Income (\$mm)</b>	525	1,733	575	467	429	2,018	422	424	439	1,714
<b>Shares (millions)</b>	407	407	411	411	411	410	411	411	411	411
Per Share (\$)	1.29	4.26	1.40	1.14	1.04	4.92	1.03	1.03	1.07	4.17
Ebitda Margin (Production)	63%	61%	66%	63%	63%	64%	63%	63%	63%	63%
Tax Rate	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%



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						Present Value by Segment (%)					
		Price (US\$/sh)	EV/ Market	Enterprise Value	North Amer.	Rest of World			Dist. Yield		
Symbol/Rating	13-Oct	2014	Cap	(\$mm)	Natural Gas	Natural Gas	Oil Prod'n	Down- stream	NTM (%)	McDep Ratio	
B = Buy, CB (see below)											
<b>Global Integrated</b>											
Exxon Mobil Corporation	XOM	CB	90.84	1.19	465,000	7	16	61	17	3.0	0.91
Royal Dutch Shell plc	RDS-A		69.64	1.37	301,000	4	22	57	17	5.4	0.79
Chevron Corporation	CVX		112.03	1.21	257,000	3	11	73	13	3.8	0.78
Total S.A.	TOT		56.86	1.43	186,000		22	59	18	5.5	0.78
Lukoil Oil Company	LUKOY	CB	48.88	1.21	46,000			76	24	6.1	0.41
<i>Total or Median</i>				<i>1.21</i>	<i>1,255,000</i>			<i>61</i>	<i>17</i>	<i>5.4</i>	<i>0.78</i>
<b>U.S. Independent</b>											
EOG Resources, Inc.	EOG		83.76	1.14	52,300	16	4	80		0.8	0.78
Occidental Petroleum Corp.	OXY		87.90	1.15	79,400	7	1	84	9	3.3	0.76
ConocoPhillips	COP		68.07	1.40	118,000	13	14	72		4.3	0.75
Marathon Oil Corporation	MRO	CB	32.92	1.34	30,100	9	3	88		2.6	0.72
Devon Energy Corporation	DVN	CB	56.56	1.73	40,100	28		64	8	1.7	0.69
<i>Total or Median</i>				<i>1.34</i>	<i>320,000</i>	<i>13</i>		<i>80</i>		<i>2.6</i>	<i>0.75</i>
<b>Canada/Australia</b>											
Woodside Petroleum Ltd.	WOPEY		33.83	1.16	32,000		70	30		6.6	0.95
Imperial Oil Limited (30%)	IMO		43.78	1.26	14,100	2		79	19	1.1	0.87
EnCana Corporation	ECA	CB	18.81	1.72	23,800	50		50		1.5	0.74
Cenovus Energy Inc.	CVE		23.96	1.37	24,900	9		78	13	4.0	0.65
Canadian Oil Sands Limited	COSWF	CB	16.22	1.32	10,400			100		10.2	0.55
<i>Total or Median</i>				<i>1.32</i>	<i>105,000</i>			<i>78</i>		<i>4.0</i>	<i>0.74</i>
<b>Small Cap Independent Producers</b>											
Cimarex Energy Company	XEC	CB	106.25	1.20	11,100	41		59		0.6	0.79
WPX Energy Inc.	WPX		17.40	1.70	6,000	61		39		-	0.74
Peyto Exploration and Develop	PEYUF		29.17	1.20	5,400	83		17		3.7	0.73
Halcón Resources	HK		2.51	4.65	4,800	6		94		-	0.72
Whiting Petroleum Corporation	WLL	CB	57.66	1.45	10,000	9		91		-	0.72
Continental Resources (32%)	CLR	CB	53.89	1.31	8,300	16		84		-	0.69
Range Resources	RRC	CB	61.87	1.35	13,600	61		39		0.3	0.69
Birchcliff Energy Ltd.	BIREF	CB	8.59	1.38	1,900	72		28		-	0.68
PDC Energy	PDCE		39.50	1.57	2,200	26		74		-	0.64
<i>Total or Median</i>				<i>1.38</i>	<i>63,000</i>	<i>41</i>		<i>59</i>		<i>-</i>	<i>0.72</i>
<b>RIF Cash Payers</b>											
Mesa Royalty Trust	MTR		27.43	1.00	50	71		29		8.1	0.98
Dorchester Minerals, L.P.	DMLP	CB	25.46	1.00	780	40		60		6.8	0.80
San Juan Basin Royalty Trust	SJT	CB	16.51	1.00	770	100		-		6.9	0.79
Freehold Royalties Ltd.	FRHLF		19.25	1.11	1,570	18		82		7.8	0.76
Sabine Royalty Trust	SBR		47.52	1.00	690	44		56		7.8	0.74
Enduro Royalty Trust	NDRO		9.52	1.00	310	30		70		6.4	0.68
Permian Basin RT	PBT		11.81	1.00	550	20		80		8.7	0.66
Hugoton Royalty Trust	HGT		8.44	1.00	340	87		13		9.5	0.65
Cross Timbers Royalty Trust	CRT		25.60	1.00	150	64		36		9.1	0.61
<i>Total or Median</i>				<i>1.00</i>	<i>5,200</i>	<i>44</i>		<i>56</i>		<i>7.8</i>	<i>0.74</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) 13-Oct 2014</i>	<i>Shares (mm)</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>B = Buy, CB (see below)</i>						
<b>Global Integrated</b>								
Exxon Mobil Corporation		XOM CB	90.84	4,297	390,000	102.00	0.15	0.91
Royal Dutch Shell plc		RDS-A	69.64	3,162	220,000	95.00	0.21	0.79
Chevron Corporation		CVX	112.03	1,902	213,000	150.00	0.13	0.78
Total S.A.		TOT	56.86	2,281	130,000	80.00	0.24	0.78
Lukoil Oil Company		LUKOY CB	48.88	776	37,900	135.00	0.07	0.41
		<i>Total or Median</i>			<i>991,000</i>		<i>0.15</i>	<i>0.78</i>
<b>U.S. Independent</b>								
EOG Resources, Inc.		EOG	83.76	549	46,000	110.00	0.10	0.78
Occidental Petroleum Corp.		OXY	87.90	783	68,800	120.00	0.10	0.76
ConocoPhillips		COP	68.07	1,245	85,000	100.00	0.21	0.75
Marathon Oil Corporation		MRO CB	32.92	679	22,350	50.00	0.18	0.72
Devon Energy Corporation		DVN CB	56.56	411	23,200	100.00	0.29	0.69
		<i>Total or Median</i>			<i>245,400</i>		<i>0.18</i>	<i>0.75</i>
<b>Canada/Australia</b>								
Woodside Petroleum Ltd.		WOPEY	33.83	823	27,800	36.00	0.13	0.95
Imperial Oil Limited (30%)		IMO	43.78	255	11,200	52.00	0.18	0.87
EnCana Corporation		ECA CB	18.81	736	13,800	30.00	0.31	0.74
Cenovus Energy Inc.		CVE	23.96	758	18,200	42.00	0.17	0.65
Canadian Oil Sands Limited		COSWF CB	16.22	485	7,900	34.00	0.13	0.55
		<i>Total or Median</i>			<i>79,000</i>		<i>0.17</i>	<i>0.74</i>
<b>Small Cap Independent Producers</b>								
Cimarex Energy Company		XEC CB	106.25	87	9,300	140.00	0.13	0.79
WPX Energy Inc.		WPX	17.40	203	3,500	28.00	0.30	0.74
Peyto Exploration and Development Corp.		PEYUF	29.17	154	4,500	42.00	0.12	0.73
Halcón Resources		HK	2.51	415	1,000	7.00	0.57	0.72
Whiting Petroleum Corporation		WLL CB	57.66	120	6,900	90.00	0.22	0.72
Continental Resources (32%)		CLR CB	53.89	118	6,400	85.00	0.16	0.69
Range Resources		RRC CB	61.87	163	10,100	100.00	0.18	0.69
Birchcliff Energy Ltd.		BIREF CB	8.59	158	1,400	14.00	0.19	0.68
PDC Energy		PDCE	39.50	36	1,400	75.00	0.23	0.64
		<i>Total or Median</i>			<i>45,000</i>		<i>0.19</i>	<i>0.72</i>
<b>RTF Cash Payers</b>								
Mesa RoyaltyTrust		MTR	27.43	2	50	28.00	-	0.98
Dorchester Minerals, L.P.		DMLP CB	25.46	31	780	32.00	-	0.80
San Juan Basin Royalty Trust		SJT CB	16.51	47	770	21.00	-	0.79
Freehold Royalties Ltd.		FRHLF	19.25	73	1,410	26.00	0.08	0.76
Sabine Royalty Trust		SBR	47.52	15	690	64.00	-	0.74
Enduro Royalty Trust		NDRO	9.52	33	310	14.00	-	0.68
Permian Basin RT		PBT	11.81	47	550	18.00	-	0.66
Hugoton RoyaltyTrust		HGT	8.44	40	340	13.00	-	0.65
Cross Timbers Royalty Trust		CRT	25.60	6	150	42.00	-	0.61
		<i>Total or Median</i>			<i>5,100</i>		<i>-</i>	<i>0.74</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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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		13-Oct	NTM	NTM	NTM	NTM	NTM	
	B = Buy, CB (see below)		2014					(\$/sh)	
<b>Global Integrated</b>									
	Exxon Mobil Corporation	XOM	CB	90.84	14.5	8.1	7.3	14	2.76
	Total S.A.	TOT		56.86	10.9	7.7	6.0	12	3.11
	Chevron Corporation	CVX		112.03	9.3	7.6	5.9	13	4.28
	Royal Dutch Shell plc	RDS-A		69.64	10.2	7.4	5.8	13	3.76
	Lukoil Oil Company	LUKOY	CB	48.88	14.6	6.2	2.5	7	2.96
	<i>Median</i>				10.9	7.6	5.9	13	
<b>U.S. Independent</b>									
	Devon Energy Corporation	DVN	CB	56.56	10.0	9.2	6.4	14	0.96
	Occidental Petroleum Corp.	OXY		87.90	10.5	8.2	6.2	15	2.88
	EOG Resources, Inc.	EOG		83.76	7.4	7.9	6.2	18	0.67
	ConocoPhillips	COP		68.07	11.1	8.0	6.0	14	2.92
	Marathon Oil Corporation	MRO	CB	32.92	11.2	7.0	5.1	14	0.84
	<i>Median</i>				10.5	8.0	6.2	14	
<b>Canada/Australia</b>									
	Imperial Oil Limited (30%)	IMO		43.78	24.9	11.4	9.9	13	0.46
	EnCana Corporation	ECA	CB	18.81	8.1	11.4	8.4	14	0.28
	Woodside Petroleum Ltd.	WOPEY		33.83	9.9	6.8	6.5	14	2.22
	Cenovus Energy Inc.	CVE		23.96	14.5	9.4	6.1	13	0.95
	Canadian Oil Sands Limited	COSWF	CB	16.22	17.9	11.1	6.1	9	1.65
	<i>Median</i>				14.5	11.1	6.5	13	
<b>Small Cap Independent Producers</b>									
	Range Resources	RRC	CB	61.87	11.7	14.6	10.0	66	0.16
	Payto Exploration and Development Corp.	PEYUF		29.17	9.6	11.4	8.3	21	1.07
	PDC Energy	PDCE		39.50	15.9	11.0	7.0	53	-
	Cimarex Energy Company	XEC	CB	106.25	6.1	8.2	6.5	20	0.64
	Birchcliff Energy Ltd.	BIREF	CB	8.59	13.4	9.5	6.5	18	-
	WPX Energy Inc.	WPX		17.40	8.3	8.8	6.5	-	-
	Continental Resources (32%)	CLR	CB	53.89	11.4	9.4	6.5	15	-
	Halcón Resources	HK		2.51	5.7	8.8	6.4	9	-
	Whiting Petroleum Corporation	WLL	CB	57.66	7.1	5.9	4.3	14	-
	<i>Median</i>				9.6	9.4	6.5	19	
<b>RTF Cash Payers</b>									
	San Juan Basin Royalty Trust	SJT	CB	16.51	10.5	17.1	13.5	14	1.14
	Sabine Royalty Trust	SBR		47.52	10.0	17.4	12.9	13	3.69
	Dorchester Minerals, L.P.	DMLP	CB	25.46	7.5	15.1	12.1	19	1.74
	Mesa Royalty Trust	MTR		27.43	6.6	10.9	10.7	12	2.23
	Freehold Royalties Ltd.	FRHLF		19.25	5.2	13.1	9.9	20	1.50
	Hugoton Royalty Trust	HGT		8.44	13.3	14.1	9.2	11	0.80
	Cross Timbers Royalty Trust	CRT		25.60	12.2	15.0	9.2	11	2.34
	Permian Basin RT	PBT		11.81	9.8	12.3	8.1	11	1.03
	Enduro Royalty Trust	NDRO		9.52	8.3	9.3	6.3	16	0.61
	<i>Median</i>				9.8	14.1	9.9	13	

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 September 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		13-Oct	Return	Enterprise Value/				McDep
	Rating		2014	(%)	52Wk	52Wk	50 Day	200 Day	Ratio
					High	Low	Avg.	Avg.	
<b>Global Integrated</b>									
	XOM	CB	90.84	(8)	0.89	1.04	0.94	0.93	0.91
	RDS-A		69.64	1	0.87	1.06	0.92	0.93	0.79
	CVX		112.03	(8)	0.85	1.02	0.92	0.93	0.78
	TOT		56.86	(4)	0.82	1.01	0.92	0.90	0.78
	LUKOY	CB	48.88	(20)	0.77	1.02	0.91	0.89	0.41
	<i>Median</i>			(8)	0.85	1.02	0.92	0.93	0.78
<b>U.S. Independent</b>									
	COP		68.07	0	0.83	1.06	0.90	0.93	0.75
	MRO	CB	32.92	(5)	0.83	1.03	0.88	0.92	0.72
	OXY		87.90	(6)	0.85	1.02	0.90	0.92	0.76
	DVN	CB	56.56	(8)	0.80	1.00	0.87	0.88	0.69
	EOG		83.76	0	0.73	1.06	0.83	0.85	0.78
	<i>Median</i>			(5)	0.83	1.03	0.88	0.92	0.75
<b>Canada/Australia</b>									
	IMO		43.78	(0)	0.84	1.07	0.90	0.93	0.87
	ECA	CB	18.81	5	0.84	1.06	0.91	0.93	0.74
	WOPEY		33.83	3	0.84	1.04	0.90	0.92	0.95
	CVE		23.96	(14)	0.79	1.00	0.86	0.87	0.65
	COSWF	CB	16.22	(10)	0.76	1.01	0.85	0.84	0.55
	<i>Median</i>			(0)	0.84	1.04	0.90	0.92	0.74
<b>Small Cap Independent Producers</b>									
	PEYUF		29.17	(3)	0.79	1.03	0.91	0.89	0.73
	WPX		17.40	(15)	0.76	1.02	0.81	0.89	0.74
	XEC	CB	106.25	2	0.74	1.12	0.83	0.88	0.79
	BIREF	CB	8.59	25	0.69	1.20	0.87	0.87	0.68
	CLR	CB	53.89	(4)	0.72	1.06	0.80	0.85	0.69
	WLL	CB	57.66	(7)	0.70	1.03	0.77	0.84	0.72
	HK		2.51	(35)	0.70	1.00	0.83	0.82	0.72
	RRC	CB	61.87	(27)	0.71	1.00	0.88	0.80	0.69
	PDCE		39.50	(26)	0.64	1.00	0.80	0.77	0.64
	<i>Median</i>			(7)	0.71	1.03	0.83	0.85	0.72
<b>RTF Cash Payers</b>									
	MTR		27.43	43	0.73	1.36	0.89	0.98	0.98
	SJT	CB	16.51	4	0.82	1.07	0.89	0.91	0.79
	HGT		8.44	23	0.70	1.21	0.89	0.90	0.65
	DMLP	CB	25.46	3	0.72	1.07	0.80	0.89	0.80
	FRHLF		19.25	(3)	0.76	1.02	0.88	0.88	0.76
	SBR		47.52	0	0.74	1.04	0.86	0.88	0.74
	PBT		11.81	(2)	0.73	1.00	0.85	0.87	0.66
	CRT		25.60	(7)	0.67	1.04	0.82	0.81	0.61
	NDRO		9.52	(17)	0.65	1.00	0.76	0.74	0.68
	<i>Median</i>			0	0.73	1.04	0.86	0.88	0.74

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 Oil and Gas Stocks

October 14, 2014

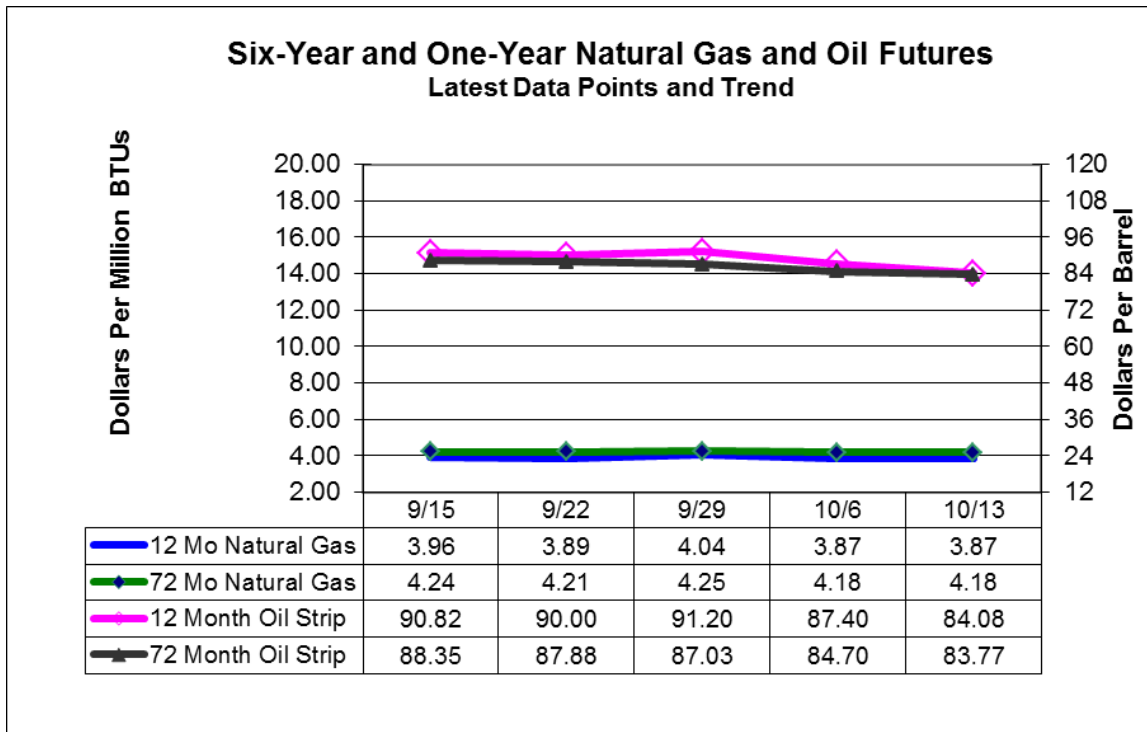
<b>Index of Recent Research</b>			
<b>Stock Ideas</b>			
<u>Date</u>	<u>Symbol</u>	<u>Subject</u>	<u>Theme</u>
7-Oct	ECA	Encana Corporation	Suttles' Stamp (Meter Reader)
23-Sep	CLR	Continental Resources	Raise NPV to \$85 on 29% Growth (Meter Reader)
16-Sep	RDSA	Royal Dutch Shell plc	Ben's Growth Strategy (Meter Reader)
9-Sep	EOG	EOG Resources	Mr. Shale (Meter Reader)
2-Sep	LUKOY	Lukoil	Oil under Uncertainty (Meter Reader)
26-Aug	SJT	San Juan Basin Royalty Trust	Income and Shale (Meter Reader)
19-Aug	TOT	Total	Diversified Political Risk (Meter Reader)
14-Aug	BIREF	Birchcliff Energy	Healthy Volume, Seasonal Price
8-Aug	DMLP	Dorchester Minerals, L.P.	Robust Bakken and Permian Oil Growth
5-Aug	XOM	Exxon Mobil	Shale Oil Minerals (Meter Reader)
30-Jul	RRC	Range Resources	Transportation and Processing Lagging Fracking
22-Jul	MRO	Marathon Oil	Frac Shale Oil, Sell Norway (Meter Reader)
15-Jul	WLL	Whiting Petroleum	Agrees to Acquire Kodiak Oil & Gas (Meter Reader)
8-Jul	DVN	Devon Energy	Five Core Focus (Meter Reader)
1-Jul	COSWF	Canadian Oil Sands Ltd.	Returning to Favor (Meter Reader)
24-Jun	FRHLF	Freehold Royalties Ltd	Raise NPV to \$26 on Minerals (Meter Reader)
17-Jun	PEYUF	Peyto Exploration	Raise NPV to \$42 on More Energy Growth (Meter Reader)
10-Jun	OXY	Occidental Petroleum	Raise NPV to \$120, Spinoff Filed (Meter Reader)
27-May	CVX	Chevron	Oil Price Turns Up (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
21-Apr	MTR	Mesa Royalty Trust	Underpayment Uncovered, Upside Commodity Leverage
15-Apr	COP	ConocoPhillips	Shale Upside, Exploration Promise, Dividend Strength (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)
21-Feb	PDCE	PDC Energy	Raise NPV to \$75 on More Shale Oil
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)
For historical research by stock, go to <a href="http://mcdep.com">mcdep.com</a> , click on <a href="#">Stock Ideas</a> , click on stock by name.			
<b>Meter Reader</b>			
7-Oct	ECA	Encana Corporation	Suttles' Stamp
30-Sep		RTF (Royalty Trust Fund)	Current Income and Future Fracking
23-Sep	CLR	Continental Resources	Raise NPV to \$85 on 29% Growth
16-Sep	RDSA	Royal Dutch Shell plc	Ben's Growth Strategy
9-Sep	EOG	EOG Resources	Mr. Shale
2-Sep	LUKOY	Lukoil	Oil under Uncertainty
26-Aug	SJT	San Juan Basin Royalty Trust	Income and Shale
19-Aug	TOT	Total	Diversified Political Risk
12-Aug	CLR	Continental Resources	Raise NPV to \$150 on Fracking Growth
5-Aug	XOM	Exxon Mobil	Shale Oil Minerals
29-Jul			Investment Strategy August 2014 - Oil and Gas in Safe Areas
22-Jul	MRO	Marathon Oil	Frac Shale Oil, Sell Norway
For earlier editions, go to <a href="http://mcdep.com">mcdep.com</a> , click on <a href="#">Meter Reader</a> .			
<b>Industry Ideas</b>			
30-Sep		RTF (Royalty Trust Fund)	Current Income and Future Fracking
July			Oil and Gas Investor: In Royalty We Trust
24-Jun	DMLP, FRHLF, PBT, CRT, NDRO		Raise NPV, Trustee Approved, Permian Wells



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