

Meter Reader

A Weekly Analysis of Energy Stocks Using the McDep Ratio

April 1, 2002

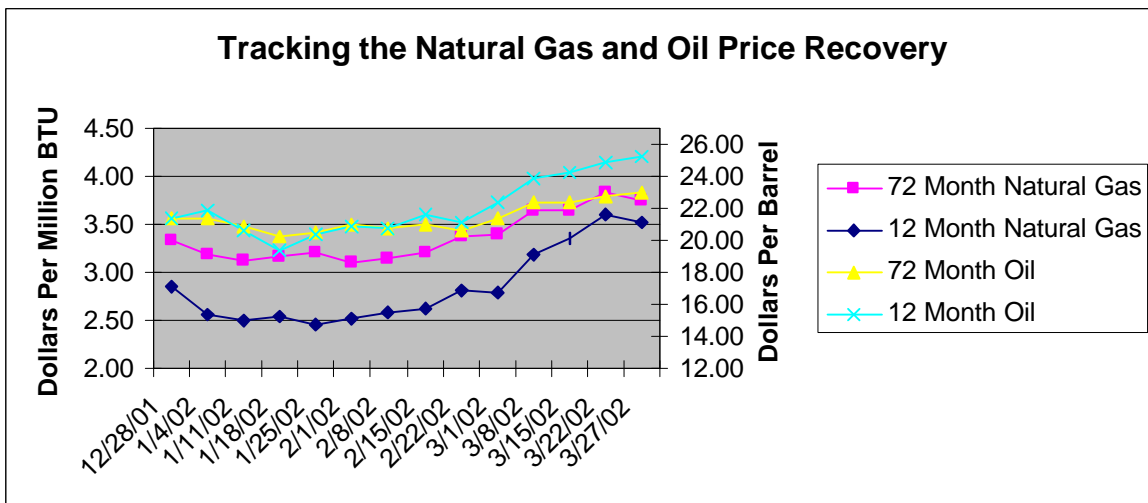
Buy Energy

Summary and Recommendation

Though some energy stocks have outperformed especially since the last few days of February, we believe our recommendations have further potential. Higher inflation expectations in the bond market lend staying power to the higher futures prices for energy that in turn lend strong quantitative valuation appeal for energy investments. The Iraq factor, a positive now, becomes a negative, in our opinion, only if oil price is higher and the regime in Baghdad is about to be toppled. Few companies are better positioned than the largest independent producer to be created on or about April 5, **Encana Corporation** (symbol to be **ECA**). The combination of PanCanadian Energy (**PCX**) and Albert Energy (**AEC**) will be the largest independent oil and gas producer. Among other reasons that we recommend the stock is the expectation that increased trading of the new company's shares on the New York Stock Exchange will attract more U.S. investors who previously may not have been active in energy stocks headquartered outside the U.S. Our confidence in our buy recommendations is also boosted when we see how much investors are willing to overpay, in our opinion, for recommended Strong Sell **Kinder Morgan** (**KMI, KMP, KMR**) and **El Paso Energy Partners** (**EPN**). For additional recommendations and perspective on sell and buy ideas for energy representation in a diversified portfolio, see our valuation ranking of 73 stocks (Tables L-1, L-2, M-1, M-2, S-1 and S-2).

Oil Moves Ahead

Six-year oil price advanced another 1% to \$23.05 from \$22.74. Six-year natural gas price receded 2% to \$3.76 from \$3.83 in the short week ended March 27 (see Chart).



Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Owning shares in energy stocks, neither Mr. Wulff nor his spouse act contrary to a buy or sell rating.

Meter Reader

A Weekly Analysis of Energy Stocks Using the McDep Ratio

April 1, 2002

The surprisingly strong move in 12-month natural gas that got going in February and accelerated in March may have ended for now. Nonetheless 12-month natural gas is still less than 72-month natural gas. In turn 72-month natural gas does not have any of the premium to 72-month oil that it may eventually command.

The futures market says 12-month oil is temporarily high relative to 72-month oil. That fact should remind us of possible vulnerability to some decline. Yet the futures market for oil usually is in backwardation meaning that the current price is usually above the long-term price. Moreover, in our opinion, the long-term price of oil is fundamentally cheap at \$23.05 per barrel for light sweet grade at Cushing, Oklahoma.

Kinder Morgan General Partner Tax: April Fool!

Last week we suggested that if we ignored the general partner tax, the McDep Ratio for KMP would be about half the level we showed. Wrong. Let's try again to show the impact of the general partner tax on McDep Ratio.

The first column reproduces the calculation we explained last week (see table). That is our base case. It assumes that the general partner gets slightly less than half (.4961) of the value of KMP's business. A McDep Ratio as high as 1.87 is a strong sell signal and we rate the stock accordingly.

Kinder Morgan Energy Partners McDep Ratio

	<i>Recognize GP Tax</i>	<i>Ignore GP Tax</i>	<i>No GP Debt</i>
Shares (millions)	136	136	136
Price of KMP (\$/sh)	33.01	33.01	33.01
Market Cap (\$mm)	4489	4489	4489
Gross Debt (\$mm)	3718	3718	3719
Allocation	0.4134	0.8193	0.8193
Debt (\$mm)	1537	3046	3047
Market Cap & Debt (\$mm)	6026	7535	7536
Gross Ebitda (\$mm)	868	868	869
Allocation	0.4134	0.8193	0.4134
Ebitda (\$mm)	359	711	359
PV/Ebitda	9	9	9
Present Value (\$mm)	3229	6400	3233
McDep Ratio	1.87	1.18	2.33

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Owning shares in energy stocks, neither Mr. Wulff nor his spouse act contrary to a buy or sell rating. 2

Meter Reader

A Weekly Analysis of Energy Stocks Using the McDep Ratio

April 1, 2002

Now let us ignore the GP tax. In the second column there is no value allocated to the GP. Note that there is no debt allocated to the GP either. Thus the McDep Ratio that ignores the GP tax is still at the high end of the range for holding a stock.

As we looked at the issue again we note that our base case represents the middle ground. One could make a worst case assumption and allocate no debt to the GP while crediting the GP with half of value. That could be the case if it turns out in hindsight that payout levels were too high and value is not what it appears to be. The GP would be under no obligation to repay the tax that was collected. Recognizing the GP tax, but assigning no debt to the GP yields a McDep Ratio of 2.33.

If we have been fooled more than once on how to value the disguised general partner tax, chances are other investors have been fooled also. Valuation can be a powerful tool often overlooked in glowing praise heaped on stocks that have gone up in the past.

Kinder Morgan would have investors believe that the GP tax is an incentive. Supposedly the tax starts out low and then goes up only if the GP does a good job that justifies raising the distribution. Here's the rub. The number of units outstanding when the tax was low is a small fraction of those outstanding today. Unitholders who buy today are immediately hit with a general partner tax of about 40% on average even before any 50% tax on incremental cash flow. What reward has the GP produced for new stockholders to justify a 40% tax out the gate? April Fool!

Kurt H. Wulff, CFA

Meter Reader

A Weekly Analysis of Energy Stocks Using the McDep Ratio

April 1, 2002

Table L-1
Mega Cap and Large Cap Energy Companies
Rank by McDep Ratio: Market Cap and Debt to Present Value

	<i>Symbol/ Rating</i>	<i>Price (\$/sh) 27-Mar 2002</i>	<i>Shares (mm)</i>	<i>Market Cap (\$mm)</i>	<i>Net Present Value (\$/sh)</i>	<i>Debt/ Present Value</i>	<i>McDep Ratio</i>	
Mega Cap								
Exxon Mobil Corporation	XOM	43.95	6,924	304,000	36.00	0.09	1.20	
BP plc	BP	52.89	3,738	198,000	47.00	0.16	1.11	
Royal Dutch/Shell	RD	3	54.10	3,520	190,000	55.00	0.04	0.98
TotalFinaElf S.A.	TOT	76.98	1,352	104,000	85.00	0.15	0.92	
ChevronTexaco Corporation	CVX	90.50	1,062	96,100	110.00	0.14	0.85	
	<i>Total or Median</i>			892,000		0.14	0.98	
Energy Infrastructure								
American Electric Power Co. Inc.	AEP	3	46.00	322	14,800	42.10	0.64	1.03
Duke Energy Corporation	DUK	37.60	781	29,400	36.30	0.44	1.02	
Williams Companies	WMB	23.48	521	12,200	22.70	0.58	1.01	
El Paso Corporation	EPG	45.35	532	24,100	44.80	0.49	1.01	
Southern Company	SO	26.66	683	18,200	27.40	0.42	0.98	
Dominion Resources	D	65.16	247	16,100	79.40	0.45	0.90	
Exelon Corporation	EXC	2	52.84	323	17,100	84.00	0.40	0.78
	<i>Total or Median</i>			117,000		0.44	0.99	
Natural Gas and Oil								
Anadarko Petroleum Corp.	APC	57.02	266	15,200	56.00	0.26	1.02	
Unocal Corporation	UCL	38.84	257	10,000	39.00	0.34	1.00	
Occidental Petroleum Corp.	OXY	28.86	372	10,700	30.00	0.48	0.98	
ENI S.p.A.	E	73.10	789	57,700	75.00	0.19	0.98	
Devon Energy	DVN	48.77	165	8,000	55.00	0.48	0.94	
Burlington Resources	BR	1	40.48	201	8,100	48.00	0.33	0.89
Encana Corporation	PCX	2	29.93	490	14,700	35.00	0.19	0.88
ConocoPhillips	P	2	62.69	680	42,700	80.00	0.32	0.85
OAOLukoil	LUKOY	56.75	299	17,000	70.00	0.08	0.83	
Marathon Oil Corporation	MRO	1	28.79	310	8,900	42.00	0.27	0.77
	<i>Total or Median</i>			178,000		0.32	0.89	
Service								
Baker Hughes Inc.	BHI	38.20	338	12,900	24.50	0.13	1.49	
Schlumberger Ltd.	SLB	58.93	581	34,200	44.00	0.12	1.30	
Halliburton Company	HAL	17.13	429	7,400	24.90	0.12	0.73	

Buy/Sell rating after symbol: 1-Strong Buy, 2-Buy, 3-Neutral, 4-Sell, 5-Strong Sell

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

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Owning shares in energy stocks, neither Mr. Wulff nor his spouse act contrary to a buy or sell rating.

Meter Reader

A Weekly Analysis of Energy Stocks Using the McDep Ratio

April 1, 2002

Table L-2
Mega Cap and Large Cap Energy Companies
Rank by EV/Ebitda: Enterprise Value to Earnings Before Interest, Tax, Deprec.

	<i>Symbol/ Rating</i>	<i>Price (\$/sh) 27-Mar 2002</i>	<i>EV/ Sales NTM</i>	<i>EV/ Ebitda NTM</i>	<i>P/E NTM</i>	<i>Dividend or Distribution NTM (%)</i>	<i>PV/ Ebitda NTM</i>	
Mega Cap								
Exxon Mobil Corporation	XOM	43.95	1.6	12.1	26	2.1	10.1	
BP plc	BP	52.89	1.3	10.0	17	2.5	9.0	
Royal Dutch/Shell	RD	3	54.10	1.2	8.6	19	2.6	8.7
TotalFinaElf S.A.	TOT	76.98	1.3	8.2	16	2.7	8.9	
ChevronTexaco Corporation	CVX	90.50	1.3	7.6	15	3.1	8.9	
	<i>Median</i>		<i>1.3</i>	<i>8.6</i>	<i>17</i>	<i>2.6</i>	<i>8.9</i>	
Energy Infrastructure								
American Electric Power Co. Inc.	AEP	3	46.00	0.7	10.3	16	5.2	10.0
Williams Companies	WMB	23.48	2.5	10.1	16	3.4	10.0	
Duke Energy Corporation	DUK	37.60	0.9	9.2	14	2.9	9.0	
El Paso Corporation	EPG	45.35	0.9	9.0	14	1.9	9.0	
Southern Company	SO	26.66	2.9	8.9	16	5.0	9.0	
Dominion Resources	D	65.16	3.6	8.1	15	4.0	9.0	
Exelon Corporation	EXC	2	52.84	2.3	7.0	11	3.2	9.0
	<i>Median</i>		<i>2.3</i>	<i>9.0</i>	<i>15</i>	<i>3.4</i>	<i>9.0</i>	
Natural Gas and Oil								
Anadarko Petroleum Corp.	APC	57.02	3.2	8.2	18	0.5	8.1	
Occidental Petroleum Corp.	OXY	28.86	1.5	7.9	14	3.5	8.1	
Burlington Resources	BR	1	40.48	4.7	7.5	1.4	8.4	
Devon Energy	DVN	48.77	3.1	6.9	49	0.4	7.4	
ENI S.p.A.	E	73.10	1.7	6.7	14	2.5	6.9	
Unocal Corporation	UCL	38.84	2.6	6.7	22	2.1	6.7	
Encana Corporation	PCX	2	29.93	1.9	6.3	16	0.8	7.2
ConocoPhillips	P	2	62.69	0.9	6.1	13	2.3	7.2
Marathon Oil Corporation	MRO	1	28.79	0.4	4.1	7	3.2	5.3
OAO Lukoil	LUKOY	56.75	1.5	4.0	8	1.9	4.9	
	<i>Median</i>		<i>1.8</i>	<i>6.7</i>	<i>14</i>	<i>2.0</i>	<i>7.2</i>	
Service								
Baker Hughes Inc.	BHI	38.20	2.4	11.9	27	1.2	9.0	
Schlumberger Ltd.	SLB	58.93	3.0	10.4	29	1.3	9.0	
Halliburton Company	HAL	17.13	0.7	5.8	13	2.9	9.0	

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended March 31, 2003; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Owning shares in energy stocks, neither Mr. Wulff nor his spouse act contrary to a buy or sell rating.

Meter Reader

A Weekly Analysis of Energy Stocks Using the McDep Ratio

April 1, 2002

Table M-1
Mid Cap Energy Companies
Rank by McDep Ratio: Market Cap and Debt to Present Value

	<i>Symbol/ Rating</i>		<i>Price (\$/sh) 27-Mar 2002</i>	<i>Shares (mm)</i>	<i>Market Cap (\$mm)</i>	<i>Net Present Value (\$/sh)</i>	<i>Debt/ Present Value</i>	<i>McDep Ratio</i>
Energy Infrastructure								
Kinder Morgan Management, LLC	KMR	5	33.99	30	1,000	12.40	0.48	1.91
Kinder Morgan Energy Partners, L.P.	KMP	5	33.10	136	4,500	12.40	0.48	1.87
Kinder Morgan, Inc.	KMI	5	48.25	120	5,800	16.00	0.78	1.44
Enterprise Products Part.	EPD		47.94	87	4,200	31.70	0.23	1.40
Dynegy Inc.	DYN		29.52	339	10,000	20.60	0.57	1.19
Calpine Corporation	CPN	3	12.92	377	4,900	12.50	0.66	1.01
AES Corporation	AES		9.10	543	4,900	8.80	0.83	1.01
Mirant Corporation	MIR		14.50	353	5,100	18.60	0.65	0.92
Valero Energy Corporation	VLO		49.42	104	5,100	60.00	0.46	0.91
Consol Energy Inc.	CNX		26.11	79	2,100	35.90	0.51	0.86
CMS Energy Corporation	CMS		22.13	128	2,800	43.80	0.62	0.81
Sempra Energy	SRE		24.79	203	5,000	41.70	0.50	0.80
Constellation Energy Group	CEG		30.74	152	4,700	56.50	0.35	0.70
	<i>Total or Median</i>				<i>55,400</i>		<i>0.54</i>	<i>1.01</i>
Natural Gas and Oil								
Murphy Oil Corporation	MUR		95.72	46	4,400	82.00	0.18	1.14
Ocean Energy, Inc.	OEI		19.90	178	3,500	20.00	0.30	1.00
Imperial Oil Limited (30%)	IMO		29.60	119	3,500	30.00	0.11	0.99
Norsk Hydro ASA (49%)	NHY		48.10	126	6,100	54.00	0.18	0.91
Petro-Canada	PCZ		26.03	262	6,800	31.00	0.11	0.86
PetroChina Company Ltd (10%)	PTR	2	21.07	176	3,700	28.00	0.16	0.79
	<i>Total or Median</i>				<i>28,000</i>		<i>0.17</i>	<i>0.95</i>

Buy/Sell rating after symbol: 1 - Strong Buy, 2 - Buy, 3 - Neutral, 5 - Strong Sell

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

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Owning shares in energy stocks, neither Mr. Wulff nor his spouse act contrary to a buy or sell rating.

Meter Reader

A Weekly Analysis of Energy Stocks Using the McDep Ratio

April 1, 2002

Table M-2
Mid Cap Energy Companies
Rank by EV/Ebitda: Enterprise Value to Earnings Before Interest, Tax, Deprec.

			Price (\$/sh)	EV/ Sales	EV/ Ebitda	P/E	Dividend or Distribution	PV/ Ebitda
	Symbol/ Rating		27-Mar 2002	NTM	NTM	NTM	NTM (%)	NTM
Energy Infrastructure								
	KMR	5	33.99	4.6	17.2	22	6.5	9.0
	KMP	5	33.10	4.5	16.8	21	6.6	9.0
	KMI	5	48.25	4.1	13.0	20	0.4	9.0
	EPD		47.94	1.7	12.6	14	5.2	9.0
	DYN		29.52	0.5	10.7	14	1.0	9.0
	CPN	3	12.92	1.8	9.1	8	-	9.0
	AES		9.10	3.2	9.1	7	-	9.0
	MIR		14.50	0.5	8.3	7	-	9.0
	CNX		26.11	2.1	7.8	9	4.3	9.0
	CMS		22.13	0.8	7.3	11	6.6	9.0
	SRE		24.79	1.1	7.2	10	4.0	9.0
	CEG		30.74	1.8	6.3	10	1.6	9.0
	VLO		49.42	0.3	6.1	9	0.8	6.8
	<i>Median</i>			<i>1.8</i>	<i>9.1</i>	<i>10</i>	<i>1.6</i>	<i>9.0</i>
Natural Gas and Oil								
	IMO		29.60	1.2	10.9	28	1.8	11.1
	MUR		95.72	1.1	9.1	45	1.6	8.0
	OEI		19.90	4.6	7.8	34	0.8	7.8
	PCZ		26.03	1.6	6.3	16	1.0	7.4
	NHY		48.10	0.8	4.3	13	2.2	4.8
	PTR	2	21.07	1.7	3.4	7	8.7	4.3
	<i>Median</i>			<i>1.4</i>	<i>7.0</i>	<i>22</i>	<i>1.7</i>	<i>7.6</i>

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended March 31, 2003; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Owning shares in energy stocks, neither Mr. Wulff nor his spouse act contrary to a buy or sell rating.

Meter Reader

A Weekly Analysis of Energy Stocks Using the McDep Ratio

April 1, 2002

Table S-1
Small Cap Energy Companies
Rank by McDep Ratio: Market Cap and Debt to Present Value

	<i>Symbol/ Rating</i>		<i>Price (\$/sh) 27-Mar 2002</i>	<i>Shares (mm)</i>	<i>Market Cap (\$mm)</i>	<i>Net Present Value (\$/sh)</i>	<i>Debt/ Present Value</i>	<i>McDep Ratio</i>
Energy Infrastructure								
El Paso Energy Partners	EPN	5	37.38	36.0	1,350	7.90	0.50	2.87
Enbridge Energy Partners,	EPP		44.39	31.0	1,380	16.60	0.58	1.71
Northern Border Partners	NBP		39.90	42.0	1,680	20.30	0.56	1.42
Penn Virginia Res. Part, L.P.(48%)	PVR		24.21	7.7	190	16.50	0.13	1.41
Plains All Amer. Pipeline	PAA		25.05	38.0	950	14.30	0.47	1.40
TEPPCO Partners, L.P.	TPP		31.70	39	1,230	15.60	0.69	1.32
Penn Virginia Corporation	PVA		39.50	9.0	360	35.00	0.10	1.12
AmeriGas Partners, L.P.	APU		21.55	44.0	950	19.50	0.54	1.05
		<i>Total or Median</i>			<i>8,100</i>		<i>0.52</i>	<i>1.40</i>
Natural Gas and Oil								
Dorchester Hugoton, Ltd.	DHULZ		13.75	10.7	148	11.60	(0.17)	1.22
Spinnaker Exploration Company	SKE		42.23	28.5	1,200	35.00	0.03	1.20
Newfield Exploration Company	NFX		37.65	48.6	1,830	33.00	0.25	1.11
Quicksilver Resources Inc.	KWK		22.98	19.4	450	20.00	0.43	1.08
Stone Energy Company	SGY		38.66	26.4	1,020	42.00	0.29	0.94
Swift Energy Company	SFY		19.95	24.8	500	22.00	0.32	0.94
Forest Oil Corporation	FST	2	29.72	46.7	1,390	35.00	0.29	0.89
Unit Corporation	UNT		18.30	36.2	660	21.00	0.03	0.88
Pogo Producing Company	PPP		25.76	60.5	1,560	32.00	0.27	0.86
Southwestern Energy Company	SWN		12.40	25.6	320	17.00	0.44	0.85
Magnum Hunter Resources, Inc.	MHR		7.84	71.5	560	11.00	0.43	0.84
CNOOC Limited (19%)	CEO	2	24.92	78	1,940	30.00	-	0.83
XTO Energy Inc.	XTO	2	19.91	124.0	2,470	26.00	0.21	0.82
Encore Acquisition Corp. (25%)	EAC		15.00	7.5	113	20.00	0.18	0.80
		<i>Total or Median</i>			<i>14,200</i>		<i>0.26</i>	<i>0.88</i>
Natural Gas Royalty Trusts								
Cross Timbers Royalty Trust	CRT		18.66	6.0	112	19.90	-	0.94
San Juan Basin Royalty Trust	SJT	2	11.84	46.6	550	15.70	-	0.75
Hugoton RoyaltyTrust	HGT		11.81	40.0	470	16.20	-	0.73
Micro Cap								
Torch Energy Royalty Trust	TRU		6.88	8.6	59	5.50	-	1.25
Abraxas Petroleum Corporation	ABP		1.40	26.8	38	0.50	0.96	1.08
Energy Partners Ltd.(30%)	EPL	2	7.93	8.1	64	10.00	0.34	0.86
Purcell Energy, Ltd. (US\$)	PEL.TO	2	1.86	27.4	51	3.50	0.09	0.57

Buy/Sell rating after symbol: 1 - Strong Buy, 2 - Buy, 3 - Neutral, 4 - Sell, 5 - Strong Sell
McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Owning shares in energy stocks, neither Mr. Wulff nor his spouse act contrary to a buy or sell rating.

Meter Reader

A Weekly Analysis of Energy Stocks Using the McDep Ratio

April 1, 2002

Table S-2
Small Cap Energy Companies
Rank by EV/Ebitda: Enterprise Value to Earnings Before Interest, Tax, Deprec.

	<i>Symbol/ Rating</i>		<i>Price (\$/sh) 27-Mar 2002</i>	<i>EV/ Sales NTM</i>	<i>EV/ Ebitda NTM</i>	<i>P/E NTM</i>	<i>Dividend or Distribution NTM (%)</i>	<i>PV/ Ebitda NTM</i>
Energy Infrastructure								
	EPN	5	37.38	20.1	25.8	52	6.7	9.0
	EEP		44.39	6.9	15.4	85	7.9	9.0
	NBP		39.90	8.0	12.8	18	8.0	9.0
	PVR		24.21	9.3	12.7	14	8.3	9.0
	PAA		25.05	0.2	12.6	16	8.2	9.0
	TPP		31.70	0.7	11.9	15	7.3	9.0
	APU		21.55	1.4	9.4	18	10.2	9.0
	PVA		39.50	4.5	7.7	25	2.3	6.9
	<i>Median</i>			<i>5.7</i>	<i>12.6</i>	<i>18</i>	<i>8.0</i>	<i>9.0</i>
Natural Gas and Oil								
	DHULZ		13.75	6.7	10.0	14	8.7	8.2
	KWK		22.98	4.9	8.9		-	8.2
	SFY		19.95	5.1	7.6	41	-	8.1
	FST	2	29.72	3.8	7.2		-	8.0
	MHR		7.84	3.3	6.7		-	8.0
	XTO	2	19.91	3.4	6.7	14	0.2	8.2
	PPP		25.76	3.7	6.2	36	0.5	7.3
	SKE		42.23	5.1	5.9	19	-	4.9
	EAC		15.00	3.9	5.9	13	-	7.4
	UNT		18.30	3.1	5.8	13	-	6.6
	CEO	2	24.92	4.2	5.5	11	1.0	6.7
	SWN		12.40	2.3	5.4	13	-	6.4
	NFX		37.65	3.7	5.2	21	-	4.7
	SGY		38.66	3.6	4.8	11	-	5.0
	<i>Median</i>			<i>3.7</i>	<i>6.1</i>	<i>14</i>	<i>-</i>	<i>7.3</i>
Natural Gas Royalty Trusts								
	CRT		18.66	6.1	10.4	11	9.1	11.1
	SJT	2	11.84	6.1	7.8	11	9.4	10.3
	HGT		11.81	4.8	7.1	10	10.1	9.8
Micro Cap								
	ABP		1.40	4.9	7.2		-	6.7
	TRU		6.88	4.8	5.7	7	15.1	4.6
	EPL	2	7.93	2.1	3.9		-	4.5
	PEL.TO	2	1.86	2.3	3.1	7	-	5.4

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended March 31, 2003; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Owing shares in energy stocks, neither Mr. Wulff nor his spouse act contrary to a buy or sell rating.