

## Durable Cash Generators CVX, RDS, SU, XOM

		Price (US\$/sh)	Market Cap	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	2018 30-Jul	(US\$m)	(mm)						
Exxon Mobil Corporation	XOM	81.33	347,000	438,000	1.26	8.1	8.7	51	4.0	0.92
Chevron Corporation	CVX	127.59	245,000	307,000	1.26	7.4	8.5	63	3.5	0.88
Suncor Energy	SU	42.15	69,000	89,000	1.28	7.1	8.2	77	2.6	0.87
Royal Dutch Shell	RDS-B	70.68	296,000	413,000	1.39	7.2	9.3	48	5.3	0.77
<i>Total or Median</i>			957,000	1,247,000	1.27	7.3	8.6	57	3.8	0.88

### Summary and Recommendation

Median McDep Ratio of 0.87 signals more value to be realized in integrated oil companies **Chevron (CVX)**, **ExxonMobil (XOM)**, **Royal Dutch Shell (RDS)** and **Suncor (SU)**. Despite slight valuation differences, lower McDep Ratio RDS and SU at the beginning of the year have moderately outperformed higher McDep Ratio XOM and CVX in a rising oil price environment. Now oil price has reached a mid-cycle sustainable level, we believe. The cyclical trend from here seems more likely up than down. Taking account of latest quarterly results released on July 26-27, we update operating trends and point out salient characteristics that may influence future performance.

- CVX has the best, consistent volume trend for the past eight quarters (see chart [Oil Equivalent Volume](#) on page 2). Combined with a midrange price trend, volume carries through to a stronger cash flow trend (see charts [Oil Equivalent Price](#) on page 2 and [Ebitda – Production](#) on page 3). Yet, with less emphasis on refined products and chemicals, CVX gets less support from integration on the downside (see chart [Downstream Value Added](#) on page 3).
- XOM offers the most stability at a lower oil price largely because of more downstream exposure and more global diversification. We have taken account of a weaker recent volume trend with a reduction in our estimated present value several months ago.
- RDS boosted its business prospects with the acquisition of BG Group a few years ago at the cost of new shares and debt. A less strong financial position partly offsets operational stability that is otherwise comparable to that of XOM.
- SU scores more rapid volume growth accompanied by less reliability. Concentration on oil signaled by highest oil equivalent price points to more stock price appreciation with rising oil price.

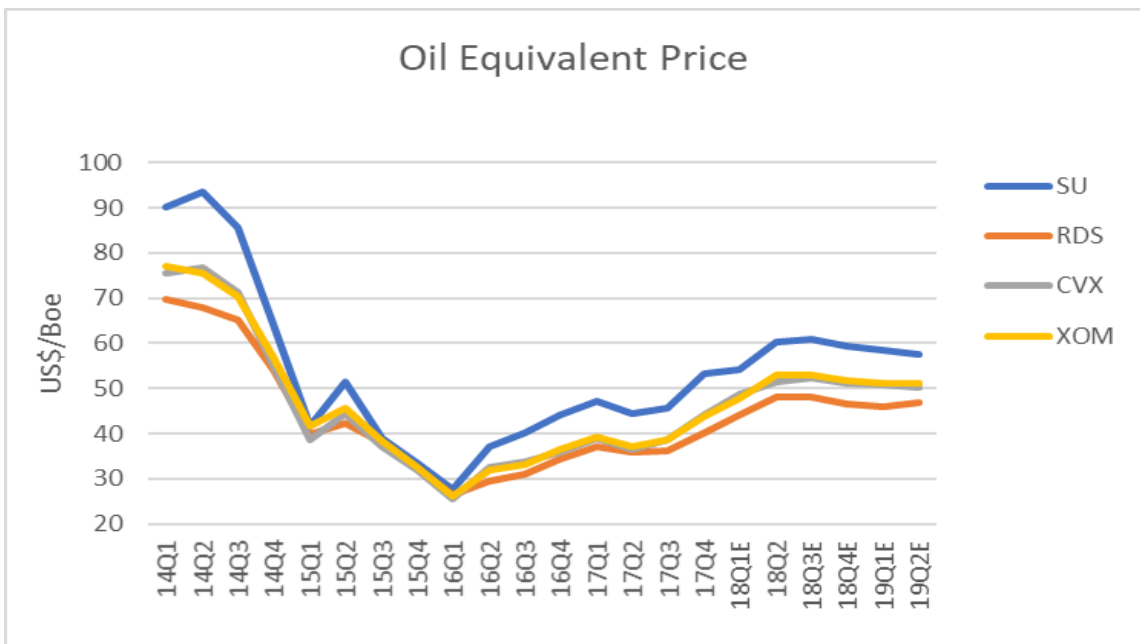
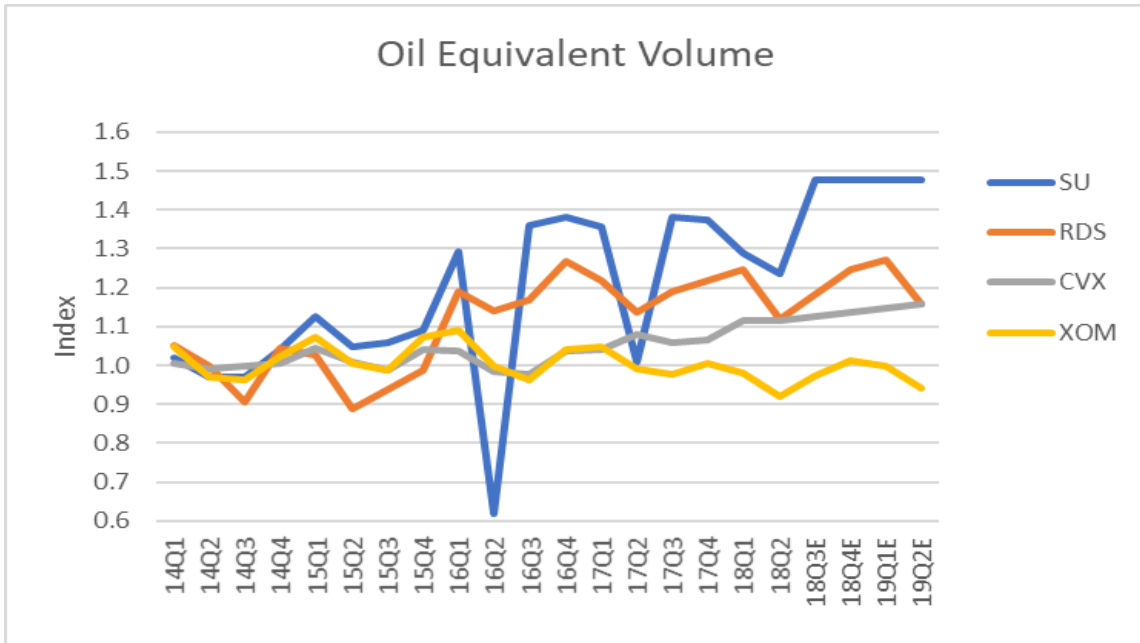
Meanwhile, quarterly detail is summarized in condensed models (see [Next Twelve Months Operating and Financial Results](#) on pages 4-5). We have optimistic expectations for each of the four integrated stocks as well as others in our coverage (see [Tables 1-4](#) on pages 6-9).

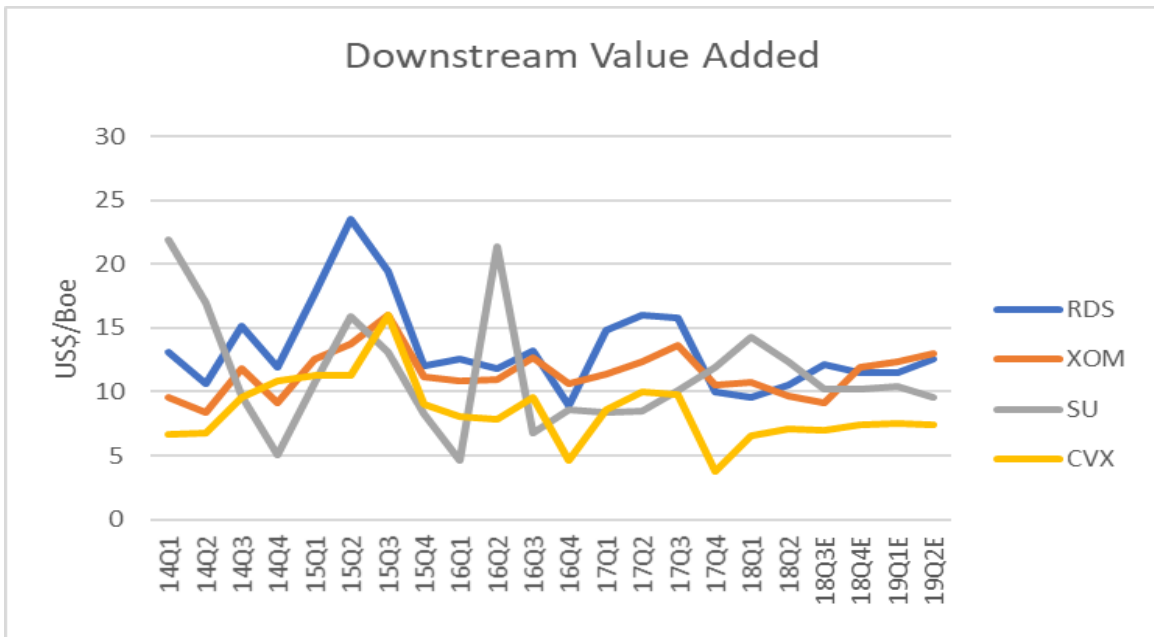
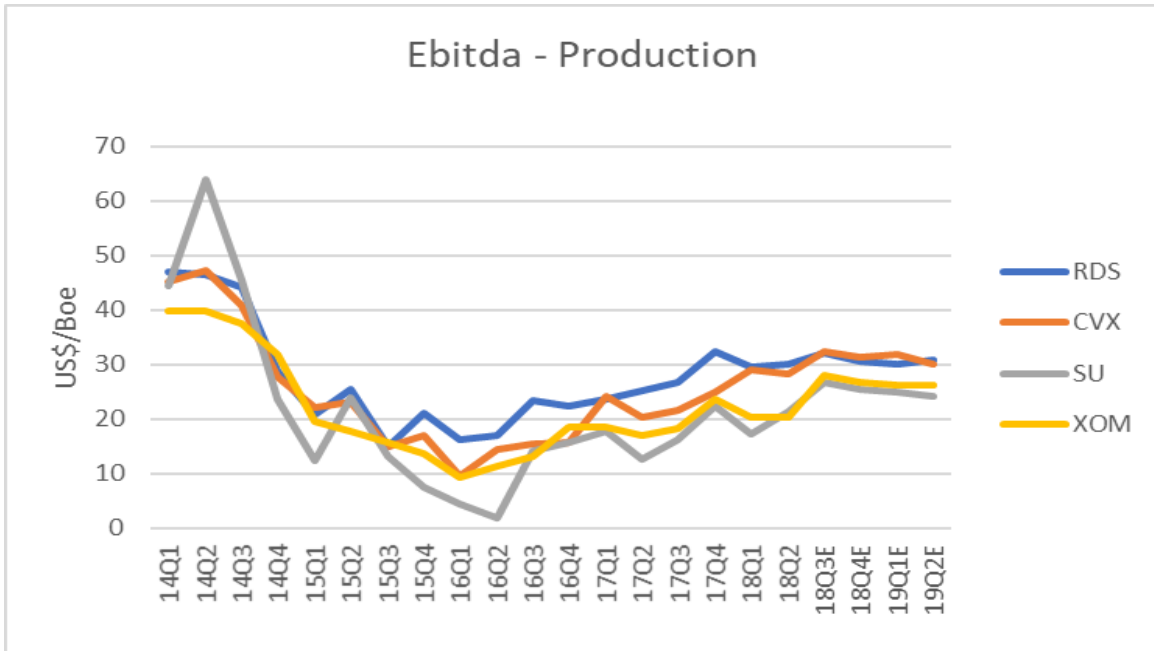
Kurt H. Wulff, CFA



# Industry Idea

Analysis of Oil and Gas Stocks  
Intraday July 30, 2018







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Analysis of Oil and Gas Stocks  
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Chevron										
Next Twelve Months Operating and Financial Estimates										
	Q2	Year	Q1E	Q2E	Q3E	Q4E	Year	Q1E	Q2E	Next Twelve Months
	6/30/17	2017	3/31/18	6/30/18	9/30/18	12/31/18	2017	3/31/18	6/30/18	12/31/18
<b>Volume</b> (barrels oil equivalent)										
Daily (mboed)	2,780	<b>2,728</b>	2,870	2,864	2,891	2,918	<b>2,886</b>	2,945	2,973	<b>2,932</b>
Period (mmboe)	253	<b>996</b>	258	261	266	268	<b>1,053</b>	265	271	<b>1,070</b>
Price (US\$/boe)	36.62	<b>39.62</b>	48.85	51.46	52.33	51.23	<b>50.98</b>	50.70	50.10	<b>51.08</b>
Expense (US\$/boe)	16.30	<b>16.90</b>	19.80	23.20	20.00	20.00	<b>20.74</b>	19.00	20.00	<b>19.75</b>
Ebitda - Production (US\$/boe)	20.32	<b>22.72</b>	29.05	28.26	32.33	31.23	<b>30.24</b>	31.70	30.10	<b>31.33</b>
Downstream VA (US\$/boe)	9.95	<b>8.02</b>	6.60	7.10	6.96	7.45	<b>7.03</b>	7.54	7.39	<b>7.34</b>
<b>Ebitda - Total</b>										
Unit (US\$/boe)	30.27	<b>30.74</b>	35.65	35.36	39.29	38.68	<b>37.27</b>	39.24	37.49	<b>38.67</b>
Period (US\$m)	7,656	<b>30,610</b>	9,207	9,216	10,448	10,384	<b>39,255</b>	10,403	10,143	<b>41,378</b>
Deprec, Deplet, Amort, Other	5,006	<b>19,783</b>	4,447	4,675	5,377	5,477	<b>19,976</b>	5,150	5,250	<b>21,254</b>
Ebit (US\$m)	2,650	<b>10,827</b>	4,760	4,541	5,071	4,907	<b>19,279</b>	5,253	4,893	<b>20,124</b>
Interest										
Ebt (US\$m)	2,650	<b>10,827</b>	4,601	4,324	4,854	4,690	<b>18,469</b>	5,036	4,676	<b>19,256</b>
Income Tax	928	<b>3,789</b>	966	908	1,019	985	<b>3,878</b>	1,057	982	<b>4,044</b>
<b>Net Income (US\$m)</b>										
Exploration and Production	1,057	<b>5,096</b>					-			
Other	1,192	<b>3,469</b>					-			
Unallocated	(526)	<b>(1,528)</b>					-			
Total	1,723	<b>7,037</b>	3,635	3,416	3,835	3,705	<b>14,590</b>	3,978	3,694	<b>15,212</b>
<b>Shares</b> (millions)	1,893	<b>1,897</b>	1,913	1,919	1,919	1,919	<b>1,918</b>	1,919	1,919	<b>1,919</b>
Earnings Per Share (US\$)	0.91	<b>3.71</b>	1.90	1.78	2.00	1.93	<b>7.61</b>	2.07	1.93	<b>7.93</b>
Dividend (US\$/share)	1.08	<b>4.32</b>	1.12	1.12	1.12	1.12	<b>4.48</b>	1.12	1.12	<b>4.48</b>
Present Value (US\$m)	256,093		349,609	350,509	350,509	350,509		350,509	350,509	<b>350,509</b>
Debt (US\$m)	66,793		62,659	62,659	62,659	62,659		62,659	62,659	<b>62,659</b>
Net Present Value (US\$m)	189,300		286,950	287,850	287,850	287,850		287,850	287,850	<b>287,850</b>
NPV (US\$/share)	100		150	150	150	150		150	150	<b>150</b>

Exxon Mobil Corporation										
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</b> (barrels oil equivalent)										
Daily (mboed)	3,922	<b>3,985</b>	3,889	3,648	3,855	4,016	<b>3,852</b>	3,961	3,730	<b>3,891</b>
Period (mmboe)	357	<b>1,454</b>	350	332	355	369	<b>1,406</b>	357	339	<b>1,420</b>
Price (US\$/boe)	36.99	<b>39.69</b>	47.81	52.93	52.90	51.63	<b>51.30</b>	51.22	51.07	<b>51.71</b>
Expense (US\$/boe)	20.07	<b>20.38</b>	27.51	32.59	25.00	25.00	<b>27.42</b>	25.00	25.00	<b>25.00</b>
Ebitda - Production (US\$/boe)	16.92	<b>19.31</b>	20.30	20.34	27.90	26.63	<b>23.89</b>	26.22	26.07	<b>26.71</b>
Downstream VA (US\$/boe)	12.39	<b>11.98</b>	10.70	9.73	9.10	11.91	<b>10.39</b>	12.34	12.96	<b>11.57</b>
<b>Ebitda - Total</b>										
Unit (US\$/boe)	29.31	<b>31.28</b>	31.01	30.07	37.00	38.53	<b>34.27</b>	38.56	39.04	<b>38.28</b>
Period (US\$m)	10,460	<b>45,502</b>	10,853	9,980	13,122	14,237	<b>48,192</b>	13,748	13,250	<b>54,358</b>
Deprec, Deplet, Amort, Other	5,177	<b>21,712</b>	4,757	4,802	4,802	4,802	<b>19,163</b>	4,802	4,802	<b>19,208</b>
Ebit (US\$m)	5,283	<b>23,790</b>	6,096	5,178	8,320	9,435	<b>29,029</b>	8,946	8,448	<b>35,150</b>
Interest	158	<b>601</b>	204	204	204	204	<b>816</b>	204	204	<b>816</b>
Ebt (US\$m)	5,125	<b>23,189</b>	5,892	4,974	8,116	9,231	<b>28,213</b>	8,742	8,244	<b>34,334</b>
Income Tax	1,794	<b>8,116</b>	1,237	1,045	1,704	1,939	<b>5,925</b>	1,836	1,731	<b>7,210</b>
<b>Net Income (US\$m)</b>										
Exploration and Production	1,184	<b>7,521</b>					-			
Other	2,370	<b>9,168</b>					-			
Unallocated	(223)	<b>(1,616)</b>					-			
Total	3,331	<b>15,073</b>	4,654	3,929	6,412	7,293	<b>22,288</b>	6,906	6,513	<b>27,124</b>
<b>Shares</b> (millions)	4,271	<b>4,258</b>	4,270	4,271	4,271	4,271	<b>4,271</b>	4,271	4,271	<b>4,271</b>
Earnings Per Share (US\$)	0.78	<b>3.54</b>	1.09	0.92	1.50	1.71	<b>5.22</b>	1.62	1.52	<b>6.35</b>
Dividend (US\$/share)	0.77	<b>3.06</b>	0.82	0.82	0.82	0.82	<b>3.28</b>	0.82	0.82	<b>3.28</b>
Present Value (US\$m)	518,252		517,941	475,331	475,331	475,331		475,331	475,331	<b>475,331</b>
Debt (US\$m)	91,152		90,941	90,941	90,941	90,941		90,941	90,941	<b>90,941</b>
Net Present Value (US\$m)	427,100		427,000	384,390	384,390	384,390		384,390	384,390	<b>384,390</b>
NPV (US\$/share)	100		100	90	90	90		90	90	<b>90</b>



# Industry Idea

Analysis of Oil and Gas Stocks  
Intraday July 30, 2018

Royal Dutch/Shell										
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)	3,439	<b>3,604</b>	3,770	3,385	3,579	3,768	<b>3,626</b>	3,850	3,509	<b>3,676</b>
Period (mmboe)	313	<b>1,315</b>	339	308	329	347	<b>1,323</b>	346	319	<b>1,342</b>
Price (US\$/boe)	36.03	<b>37.48</b>	44.07	48.03	48.01	46.50	<b>46.61</b>	45.95	46.80	<b>46.80</b>
Expense (US\$/boe)	10.94	<b>10.48</b>	14.54	18.04	16.00	16.00	<b>16.10</b>	16.00	16.00	<b>16.00</b>
Ebitda - Production (US\$/boe)	25.09	<b>27.01</b>	29.54	29.99	32.01	30.50	<b>30.51</b>	29.95	30.80	<b>30.80</b>
Downstream VA (US\$/boe)	16.00	<b>14.07</b>	9.62	10.49	12.15	11.54	<b>10.95</b>	11.54	12.53	<b>11.93</b>
<b>Ebitda - Total</b>										
Unit (US\$/boe)	41.09	<b>41.08</b>	39.15	40.48	44.16	42.04	<b>41.46</b>	41.50	43.33	<b>42.73</b>
Period (US\$m)	12,856	<b>54,032</b>	13,286	12,468	14,542	14,573	<b>54,870</b>	14,378	13,834	<b>57,327</b>
Deprec, Deplet, Amort, Other	6,436	<b>25,726</b>	5,564	5,602	5,602	5,602	<b>22,370</b>	5,602	5,859	<b>22,665</b>
Ebit (US\$m)	6,420	<b>28,306</b>	7,722	6,866	8,940	8,971	<b>32,500</b>	8,776	7,975	<b>34,662</b>
Interest	935	<b>4,042</b>	936	929	929	929	<b>3,723</b>	929	929	<b>3,716</b>
Ebt (US\$m)	5,485	<b>24,264</b>	6,786	5,937	8,011	8,042	<b>28,777</b>	7,847	7,046	<b>30,946</b>
Income Tax	1,920	<b>8,492</b>	1,425	1,247	1,682	1,689	<b>6,043</b>	1,648	1,480	<b>6,499</b>
<b>Net Income (US\$m)</b>										
Exploration and Production	1,508	<b>8,359</b>					-			
Other	2,529	<b>9,082</b>					-			
Unallocated	(471)	<b>(1,670)</b>					-			
Total	3,566	<b>15,771</b>	5,361	4,691	6,328	6,353	<b>22,734</b>	6,199	5,566	<b>24,448</b>
Shares (millions)	4,146	<b>4,150</b>	4,189	4,188	4,188	4,188	<b>4,188</b>	4,188	4,188	<b>4,188</b>
Earnings Per Share (US\$)	0.86	<b>3.80</b>	1.28	1.12	1.51	1.52	<b>5.43</b>	1.48	1.33	<b>5.84</b>
Dividend (US\$/share)	0.94	<b>3.76</b>	0.94	0.94	0.94	0.94	<b>3.76</b>	0.94	0.94	<b>3.76</b>
Present Value (US\$m)	458,655		535,560	527,313	527,313	527,313		527,313	527,313	<b>527,313</b>
Debt (US\$m)	126,975		116,710	108,513	108,513	108,513		108,513	108,513	<b>108,513</b>
Net Present Value (US\$m)	331,680		418,850	418,800	418,800	418,800		418,800	418,800	<b>418,800</b>
NPV (US\$/share)	80		100	100	100	100		100	100	<b>100</b>

Suncor										
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)	539	<b>685</b>	690	662	790	790	<b>733</b>	790	790	<b>790</b>
Period (mmboe)	49	<b>250</b>	62	60	73	73	<b>268</b>	71	72	<b>288</b>
Price (US\$/boe)	44.52	<b>47.73</b>	54.07	60.18	60.95	59.27	<b>58.80</b>	58.40	57.58	<b>59.06</b>
Expense (US\$/boe)	27.41	<b>25.29</b>	32.21	32.43	26.05	26.05	<b>28.91</b>	26.05	26.05	<b>26.05</b>
Ebitda - Production (US\$/boe)	17.11	<b>22.44</b>	21.86	27.75	34.90	33.22	<b>29.89</b>	32.35	31.52	<b>33.01</b>
Downstream VA (US\$/boe)	8.53	<b>9.79</b>	14.24	12.32	10.16	10.16	<b>11.59</b>	10.39	9.59	<b>10.07</b>
<b>Ebitda - Total</b>										
Unit (US\$/boe)	25.64	<b>32.22</b>	36.10	40.07	45.06	43.38	<b>41.48</b>	42.74	41.12	<b>43.08</b>
Period (US\$m)	1,258	<b>8,060</b>	2,241	2,414	3,275	3,153	<b>11,102</b>	3,039	2,956	<b>12,421</b>
Deprec, Deplet, Amort, Other	1,053	<b>4,407</b>	1,150	1,086	1,080	1,080	<b>4,396</b>	1,080	1,080	<b>4,321</b>
Ebit (US\$m)	205	<b>3,653</b>	1,091	1,329	2,194	2,072	<b>6,706</b>	1,958	1,875	<b>8,100</b>
Interest	28	<b>167</b>	104	161	160	160	<b>587</b>	160	160	<b>641</b>
Ebt (US\$m)	177	<b>3,486</b>	986	1,168	2,034	1,912	<b>6,120</b>	1,798	1,715	<b>7,460</b>
Income Tax	53	<b>1,046</b>	207	245	427	402	<b>1,285</b>	378	360	<b>1,567</b>
<b>Net Income (US\$m)</b>										
Exploration and Production	(70)	<b>1,345</b>					-			
Downstream	256	<b>1,780</b>					-			
Unallocated	(62)	<b>(685)</b>					-			
Total	124	<b>2,440</b>	779	922	1,607	1,511	<b>4,834</b>	1,420	1,355	<b>5,893</b>
Shares (millions)	1,672	<b>1,662</b>	1,644	1,641	1,641	1,641	<b>1,641</b>	1,641	1,641	<b>1,641</b>
Earnings Per Share (US\$)	0.07	<b>1.47</b>	0.47	0.56	0.98	0.92	<b>2.95</b>	0.87	0.83	<b>3.59</b>
Dividend (US\$/share)	0.24	<b>1.02</b>	0.28	0.28	0.28	0.28	<b>1.11</b>	0.28	0.28	<b>1.10</b>
Present Value (US\$m)	90,577		101,989	101,586	101,492	101,492		101,492	101,492	<b>101,492</b>
Debt (US\$m)	17,009		19,789	19,536	19,442	19,442		19,442	19,442	<b>19,442</b>
Net Present Value (US\$m)	73,568		82,200	82,050	82,050	82,050		82,050	82,050	<b>82,050</b>
NPV (US\$/share)	44		50	50	50	50		50	50	<b>50</b>



# Industry Idea

Analysis of Oil and Gas Stocks  
Intraday July 30, 2018

**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	30-Jul 2018								
<b>Integrated</b>										
	XOM	81.33	347,000	438,000	1.26	8.1	8.7	51	4.0	0.92
	CVX	127.59	245,000	307,000	1.26	7.4	8.5	63	3.5	0.88
	SU	42.15	69,000	89,000	1.28	7.1	8.2	77	2.6	0.87
	RDS-B	70.68	296,000	413,000	1.39	7.2	9.3	48	5.3	0.77
	<i>Total or Median</i>		<i>957,000</i>	<i>1,247,000</i>	<i>1.27</i>	<i>7.3</i>	<i>8.6</i>	<i>57</i>	<i>3.8</i>	<i>0.88</i>
<b>Large Independent</b>										
	OXY	83.59	64,100	77,800	1.21	8.6	7.8	79	3.7	1.09
	EOG	129.92	77,700	84,800	1.09	8.7	8.7	90	0.4	1.00
	PXD	191.47	32,700	35,300	1.08	8.1	8.5	94	0.0	0.96
	COP	72.70	86,000	109,000	1.27	7.5	8.1	77	1.6	0.93
	<i>Total or Median</i>		<i>260,500</i>	<i>306,900</i>	<i>1.15</i>	<i>8.3</i>	<i>8.3</i>	<i>85</i>	<i>1.0</i>	<i>0.98</i>
<b>Mid-Size Independent</b>										
	HES	64.69	19,300	26,600	1.38	10.6	9.5	89	1.5	1.12
	CLR	63.88	23,900	30,200	1.27	8.0	8.6	83	-	0.93
	DEVN	44.99	23,800	28,800	1.21	8.1	10.3	86	0.7	0.79
	XEC	100.41	9,600	11,100	1.16	6.1	8.1	82	0.6	0.75
	MRO	21.16	18,030	24,800	1.37	5.2	8.6	90	0.9	0.61
	<i>Total or Median</i>		<i>94,600</i>	<i>121,500</i>	<i>1.27</i>	<i>8.0</i>	<i>8.6</i>	<i>86</i>	<i>0.7</i>	<i>0.79</i>
<b>Small Independent</b>										
	CRC	36.48	1,700	8,000	4.8	6.0	8.2	92	-	0.73
	WLL	49.39	4,500	7,900	1.75	4.8	7.7	97	-	0.63
	RRC	14.92	3,700	8,300	2.27	6.1	10.6	46	0.5	0.57
	BIREF	4.15	1,100	1,700	1.56	5.7	9.9	50	1.8	0.57
	<i>Total or Median</i>		<i>11,000</i>	<i>25,900</i>	<i>2.01</i>	<i>5.8</i>	<i>9.0</i>	<i>71</i>	<i>0.3</i>	<i>0.60</i>
<b>Income</b>										
	PBT	9.34	440	440	1.00	11.8	12.7	80	8.3	0.93
	SBR	45.64	670	670	1.00	12.7	13.9	71	7.9	0.91
	DMLP	18.41	600	600	1.00	8.7	11.4	84	9.9	0.77
	SJT	6.04	280	280	1.00	12.8	16.9	-	7.7	0.76
	CRT	15.02	90	90	1.00	8.0	13.4	38	10.2	0.60
	<i>Total or Median</i>		<i>2,100</i>	<i>2,100</i>	<i>1.00</i>	<i>11.8</i>	<i>13.4</i>	<i>71</i>	<i>8.3</i>	<i>0.77</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)	Volume (mmboe)	Equiv.	Ebitda	Ebitda	stream Uplift (\$/boe)	Ebitda NTM (\$mm)		
		30-Jul 2018		Price (\$/boe)	Margin (%)					
<b>Integrated</b>										
Royal Dutch Shell	RDS-B	70.68	1342	46.80	66	30.80	11.92	41,327	27	3.76
Exxon Mobil Corporation	XOM	81.33	1421	51.71	52	26.70	11.56	37,930	26	3.28
Chevron Corporation	CVX	127.59	1071	51.08	61	31.30	7.33	33,527	21	4.48
Suncor Energy	SU	42.15	288	59.06	56	33.01	10.07	9,517	15	1.10
	<i>Total or Median</i>		<i>4122</i>	<i>51.40</i>	<i>59</i>	<i>31.05</i>	<i>10.82</i>	<i>122,301</i>	<i>23</i>	
<b>Large Independent</b>										
ConocoPhillips	COP	72.70	481	50.34	60	30.30	0.00	14,571	9	1.14
EOG Resources, Inc.	EOG	129.92	280	47.12	73	34.62	0.00	9,697	3	0.56
Occidental Petroleum Corp.	OXY	83.59	262	48.55	59	28.60	6.11	7,484	26	3.12
Pioneer Natural Resources	PXD	191.47	124	47.77	73	35.00	0.00	4,349	0	0.08
	<i>Total or Median</i>		<i>1147</i>	<i>48.16</i>	<i>67</i>	<i>32.46</i>	<i>0.00</i>	<i>36,101</i>	<i>6</i>	
<b>Mid-Size Independent</b>										
Marathon Oil Corporation	MRO	21.16	167	41.44	69	28.40	0.00	4,746	4	0.20
Continental Resources	CLR	63.88	109	43.21	81	34.90	0.00	3,790	-	-
Devon Energy Corporation	DVN	44.99	209	30.13	57	17.10	0.00	3,577	5	0.32
Hess Corporation	HES	64.69	100	45.18	56	25.20	0.00	2,511	12	1.00
Cimarex Energy Company	XEC	100.41	86	31.19	68	21.20	0.00	1,830	3	0.64
	<i>Total or Median</i>		<i>671</i>	<i>41.44</i>	<i>68</i>	<i>25.20</i>	<i>0.00</i>	<i>16,454</i>	<i>4</i>	
<b>Small Independent</b>										
Whiting Petroleum Corporation	WLL	49.39	49	48.70	68	32.90	0.00	1,628	-	-
Range Resources	RRC	14.92	138	18.91	52	9.90	0.00	1,370	1	0.08
California Resources	CRC	36.48	49	53.45	50	26.90	0.00	1,331	-	-
Birchcliff Energy Ltd.	BIREF	4.15	23	18.79	72	13.60	0.00	307	7	0.08
	<i>Total or Median</i>		<i>260</i>	<i>33.81</i>	<i>60</i>	<i>20.25</i>	<i>0.00</i>	<i>4,636</i>	<i>1</i>	
<b>Income</b>										
Dorchester Minerals, L.P.	DMLP	18.41	2.34	39.91	73	29.06	0.00	68	86	1.82
Sabine Royalty Trust	SBR	45.64	1.77	34.57	86	29.75	0.00	53	100	3.60
Permian Basin RT	PBT	9.34	1.22	45.69	66	30.24	0.00	37	99	0.78
San Juan Basin Royalty Trust	SJT	6.04	3.72	11.93	50	5.94	0.00	22	98	0.47
Cross Timbers Royalty Trust	CRT	15.02	0.43	41.25	63	26.08	0.00	11	82	1.53
	<i>Total or Median</i>		<i>9</i>	<i>39.91</i>	<i>66</i>	<i>29.06</i>	<i>0.00</i>	<i>191</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>30-Jul</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	127.59	1,919	62,659	16	7.0	57	23	150.00	
	Royal Dutch Shell	RDS-B	70.68	4,188	116,710	12	7.3	22	33	100.00	
	Exxon Mobil Corporation	XOM	81.33	4,271	90,941	13	9.8	52	27	90.00	
	Suncor Energy	SU	42.15	1,641	19,442	12	8.8	87		50.00	
	<i>Median</i>					<i>8.1</i>	<i>55</i>				
<b>Large Independent</b>											
	Pioneer Natural Resources	PXD	191.47	171	2,600	20	7.3	9	6	200.00	
	EOG Resources, Inc.	EOG	129.92	598	7,071	20	4.9	43	10	130.00	
	ConocoPhillips	COP	72.70	1,181	23,143	14	7.3	31	23	80.00	
	Occidental Petroleum Corp.	OXY	83.59	767	13,700	17	7.4	35	4	75.00	
	<i>Median</i>					<i>7.3</i>	<i>33</i>				
<b>Mid-Size Independent</b>											
	Cimarex Energy Company	XEC	100.41	96	1,498	11	4.8	35	18	140.00	
	Continental Resources	CLR	63.88	374	6,333	21	5.6	121	17	70.00	
	Devon Energy Corporation	DVN	44.99	528	5,000	18	8.3	24	14	60.00	
	Hess Corporation	HES	64.69	298	7,397		7.3	59	11	55.00	
	Marathon Oil Corporation	MRO	21.16	852	6,734	11	5.4	60	10	40.00	
	<i>Median</i>					<i>5.6</i>	<i>59</i>				
<b>Small Independent</b>											
	Whiting Petroleum Corporation	WLL	49.39	91	3,367	24	6.8	84	3	100.00	
	California Resources	CRC	36.48	46	6,300		8.9	41	8	100.00	
	Range Resources	RRC	14.92	247	4,657	14	10.0	83	54	40.00	
	Birchcliff Energy Ltd.	BIREF	4.15	268	625	18	7.2	228	50	9.00	
	<i>Median</i>					<i>8.0</i>	<i>83</i>				
<b>Income</b>											
	Sabine Royalty Trust	SBR	45.64	15	-	13	10.1	3	37	100	50.00
	Cross Timbers Royalty Trust	CRT	15.02	6	-	10	11.7	-	69	82	25.00
	Dorchester Minerals, L.P.	DMLP	18.41	32	-	13	6.9	-	21	76	24.00
	Permian Basin RT	PBT	9.34	47	-	12	6.7	-	21	43	10.00
	San Juan Basin Royalty Trust	SJT	6.04	47	-	13	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	30-Jul 2018	29-Dec 2017						
<b>Integrated</b>									
Suncor Energy	SU	42.15	36.72	15	2	16	12	12	0.87
Royal Dutch Shell	RDS-B	70.68	68.29	3	3	6	28	4	0.77
Chevron Corporation	CVX	127.59	125.19	2	2	4	33	3	0.88
Exxon Mobil Corporation	XOM	81.33	83.64	(3)	2	(1)	21	(1)	0.92
	<i>Median</i>			3		5		4	0.88
<b>Large Independent</b>									
ConocoPhillips	COP	72.70	54.89	32	1	33	20	25	0.93
EOG Resources, Inc.	EOG	129.92	107.91	20	0	21	12	19	1.00
Occidental Petroleum Corp.	OXY	83.59	73.66	13	2	16	18	13	1.09
Pioneer Natural Resources	PXD	191.47	172.85	11	0	11	15	10	0.96
	<i>Median</i>			17		18		16	0.98
<b>Mid-Size Independent</b>									
Hess Corporation	HES	64.69	47.47	36	1	37	25	24	1.12
Marathon Oil Corporation	MRO	21.16	16.93	25	1	26	8	17	0.61
Continental Resources	CLR	63.88	52.97	21	-	21	17	16	0.93
Devon Energy Corporation	DVN	44.99	41.40	9	0	9	9	7	0.79
Cimarex Energy Company	XEC	100.41	122.01	(18)	0	(18)	16	(16)	0.75
	<i>Median</i>			21		21		16	0.79
<b>Small Independent</b>									
Whiting Petroleum Corporation	WLL	49.39	26.48	87	-	87	37	36	0.63
Birchcliff Energy Ltd.	BIREF	4.15	3.50	18	1	20	2	12	0.57
California Resources	CRC	36.48	19.44	88	-	88	137	11	0.73
Range Resources	RRC	14.92	17.06	(13)	0	(12)	19	(6)	0.57
	<i>Median</i>			52		53		11	0.60
<b>Income</b>									
Dorchester Minerals, L.P.	DMLP	18.41	15.20	21	9	30	-	30	0.77
Permian Basin RT	PBT	9.34	8.87	5	4	10	-	10	0.93
Cross Timbers Royalty Trust	CRT	15.02	14.69	2	5	8	-	8	0.60
Sabine Royalty Trust	SBR	45.64	44.60	2	4	6	-	6	0.91
San Juan Basin Royalty Trust	SJT	6.04	8.24	(27)	3	(24)	-	(24)	0.76
	<i>Median</i>			2		8		8	0.77
	<i>Grand Median</i>			12		13		10	0.83
<b>Natural Gas (\$/mmbtu)</b>		2.79	2.95	(5)					
<b>Oil -West Texas Intermediate (\$/bbl)</b>		70.07	60.09	17					
Total Stock Market - U.S.	VTI	144.23	137.25	5	1	6			
Developed Markets - ex US	VEA	43.86	44.86	(2)	2	(1)			
Emerging Markets	VWO	43.62	45.91	(5)	1	(4)			
Total Stock Market - World	VT	75.17	74.26	1	1	2			

Source: McDep LLC, Yahoo, CME Group, Bloomberg

For historical research see [www.mcdep.com](http://www.mcdep.com)



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