

Permian Basin Royalty Trust (PBT) Rising Oil Production, Understated Income

<i>Symbol</i>	PBT	<i>Ebitda Next Twelve Months ending 3/31/15 (US\$mm)</i>	78
<i>Rating</i>	RTF stock	<i>North American Natural Gas/Ebitda (%)</i>	16
<i>Price (US\$/sh)</i>	12.97	<i>Natural Gas and Oil Production/Ebitda (%)</i>	100
<i>Pricing Date</i>	3/17/14	<i>Adjusted Reserves/Production NTM</i>	9.7
<i>Shares (mm)</i>	46.61	<i>EV/Ebitda</i>	7.7
<i>Market Capitalization (US\$mm)</i>	605	<i>PV/Ebitda</i>	10.7
<i>Debt (US\$mm)</i>	0	<i>Undeveloped Reserves (%)</i>	0
<i>Enterprise Value (EV) (US\$mm)</i>	605	<i>Natural Gas and Oil Ebitda (US\$/mcf)</i>	9.40
<i>Present Value (PV) (US\$mm)</i>	839	<i>Present Value Proven Reserves(US\$/boe)</i>	83.50
<i>Net Present Value (US\$/unit)</i>	18.00	<i>Oil and Gas Ebitda Margin (%)</i>	71
<i>Debt/Present Value</i>	0.00	<i>Earnings Next Twelve Months (US\$/un)</i>	1.04
<i>McDep Ratio - EV/PV</i>	0.72	<i>Price/Earnings Next Twelve Months</i>	12
<i>Distribution Yield (%/year)</i>	8.0	<i>Distribution Next Twelve Months (US\$/sh)</i>	1.04
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 PBT see www.mcdep.com/5pbt.htm			

Summary and Recommendation

As one of the components in our recommended Royalty Trust Fund (RTF), we like the units of **Permian Basin Royalty Trust (PBT)** for PBT's oil volume uptrend and low stock price accompanying understated distributions. Updated in Form 10-K filed with the government on March 3, oil volumes are beginning to increase as the Permian Basin follows the lead of the Bakken and Eagle Ford in fracking success. Both PBT's Top Line Texas Royalty properties and Bottom Line Waddell Ranch properties are growing (see chart [Volume](#) on page 2). PBT's oil in the more mature Central Basin Platform area may not grow as fast as that for some others in the more exciting Delaware Basin Wolfcamp area of the Permian Basin, but any growth is quite positive for royalty trusts, which are usually priced low in the stock market in anticipation of gradual volume decline. Carried by others on Top Line leases, PBT pays its share of drilling costs on Bottom Line leases. Because operator ConocoPhillips is in the midst of an active development program, PBT's distributions are some \$0.60 a unit lower than if no drilling were occurring. Looking through that, we estimate the present value of future cash flow to derive Net Present Value (NPV) of \$18 a unit (see table [Present Value](#) on page 2). Yet, only developed reserves are used in our estimate as the trust's independent engineer provides little information on likely future results of expanding activity (see table [Reserves](#) on page 3). Especially with new fracking techniques and horizontal drilling there is much more oil remaining to be produced in the Permian Basin. Finally, expected gains in 2014 contribute to a higher estimated next twelve months distribution of \$1.04 a unit, an 8.0% distribution yield (see table [Operating and Financial Estimates](#) on page 4).

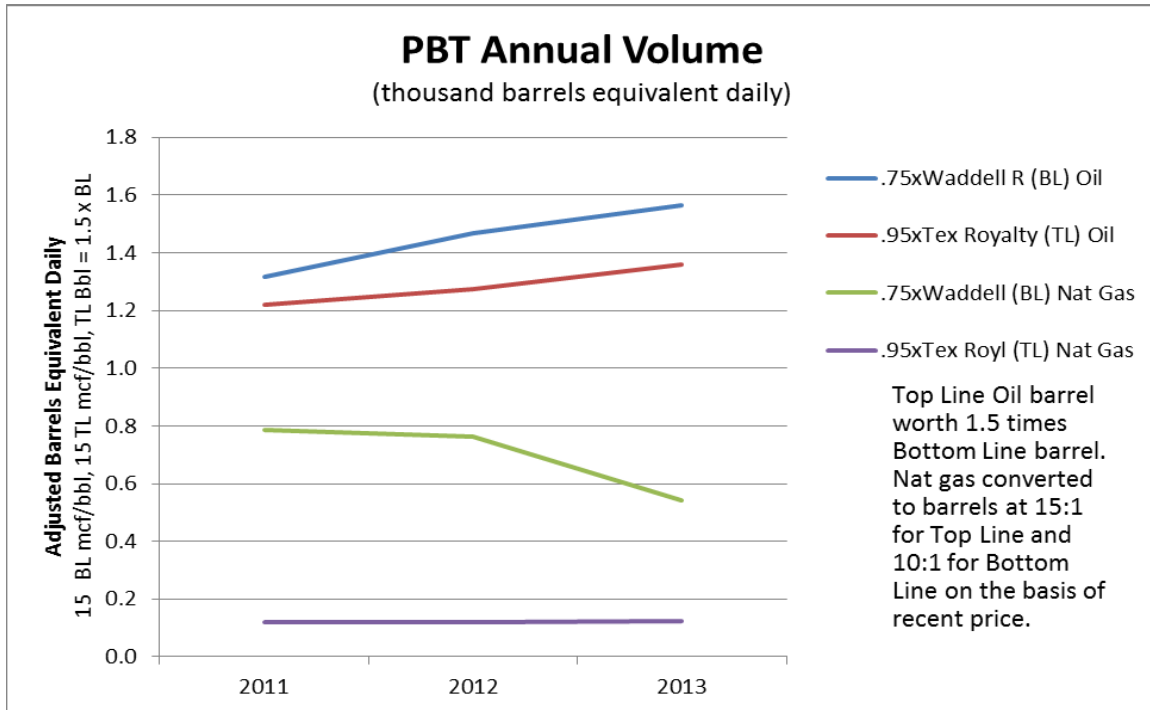
Kurt H. Wulff, CFA



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A Weekly Analysis of Oil and Gas Stocks

March 18, 2014



Permian Basin Royalty Trust					
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>	
<u>Top Line - Royalty Interests (95% Underlying)</u>					
North American Natural Gas	4	8.0	19.0	80	10%
Oil	29	11.0	12.3	360	43%
	34	9.9	13.1	440	52%
<u>Bottom Line - Working Interests (75% Underlying)</u>					
North American Natural Gas	8	7.0	12.1	100	12%
Oil	37	10.0	8.2	300	36%
	45	9.4	8.9	400	48%
<u>Total Top and Bottom</u>					
North American Natural Gas	12	7.8	14.4	180	21%
Oil	66	10.6	10.0	660	79%
	78	9.7	10.7	840	100%
Debt (US\$mm)					-
Net Present Value (US\$mm)					840
Shares (mm)					46.6
Net Present Value (US\$/sh)					18
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)					17
Top Line Approximation at 1.5 times Cash Flow Multiple Depending on Reserve Life					



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Permian Basin Royalty Trust					
Natural Gas and Oil Reserves					
Total (on operating company basis)					
	<i>Natural Gas</i>	<i>Oil</i>	<i>Total</i>		
	<i>(bcf)</i>	<i>(mmb)</i>	<i>(bcf)</i>	<i>(mmb)</i>	
<u><i>Reserves (bcf or mmb)</i></u>					
Proven (P)	14	7.7	60	10	100
Proven Developed (P)	14	7.7	60	10	100
Proven Undeveloped	-	-	-	-	0
<i>Production, 2014</i>	1.8	0.73	6	1.0	
<u><i>Reserve Life Index (years)</i></u>					
R/P P	7.8	10.6	9.7	9.7	
R/P PD	7.8	10.6	9.7	9.7	
R/P PUD	-	-	-	-	
R/P PD+.5PUD	7.8	10.6	9.7	9.7	
Texas Royalty					
<u><i>Reserves (bcf or mmb)</i></u>					
Proven (P)	10.8	4.5	38	6.3	100
Proven Developed (P)	10.8	4.5	38	6.3	100
Proven Undeveloped	-	-	-	-	0
<i>Production</i>	1.4	0.41	4	0.6	
<u><i>Reserve Life Index (years)</i></u>					
R/P P	8.0	11.0	9.9	9.9	
R/P PD	8.0	11.0	9.9	9.9	
R/P PUD	-	-	-	-	
R/P PD+.5PUD	8.0	11.0	9.9	9.9	
Waddell Ranch					
<u><i>Reserves (bcf or mmb)</i></u>					
Proven (P)	3.2	3.2	22	3.7	100
Proven Developed (P)	3.2	3.2	22	3.7	100
Proven Undeveloped	-	-	-	-	0
<i>Production</i>	0.45	0.32	2	0.4	
<u><i>Reserve Life Index (years)</i></u>					
R/P P	7.0	10.0	9.4	9.4	
R/P PD	7.0	10.0	9.4	9.4	
R/P PUD	-	-	-	-	
R/P PD+.5PUD	7.0	10.0	9.4	9.4	



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Permian Basin Royalty Trust											
Next Twelve Months Operating and Financial Estimates											
	Year	Q1	Q4	Year	Q1E	Q2E	Q3E	Q4E	Year	Q1E	Next Twelve Months
	2012	3/31/13	12/31/13	2013	3/31/14	6/30/14	9/30/14	12/31/14	2014E	3/31/15	3/31/15
Volume											
Natural Gas (bcf)	4.20	0.98	0.66	3.12	0.83	0.79	0.81	0.80	3.24	0.80	3.20
Natural Gas (mmcf)	11.5	10.7	7.1	8.5	9.0	8.9	8.8	8.7	8.9	8.6	8.8
Days	366	92	92	365	92	89	92	92	365	92	365
Oil (mmb)	1.04	0.27	0.29	1.11	0.29	0.28	0.30	0.30	1.17	0.30	1.18
Oil (mbd)	2.85	2.91	3.12	3.04	3.15	3.18	3.21	3.25	3.20	3.28	3.23
Days	366	92	92	365	92	89	92	92	365	92	365
Total (bcfe)	10.47	2.59	2.38	9.77	2.57	2.49	2.59	2.60	10.24	2.61	10.28
Total (mmcf)	28.6	28.2	25.8	26.8	27.9	28.0	28.1	28.2	28.1	28.3	28.2
Price (Henry Hub and WTI Cushing lagged two months)											
Henry Hub (\$/mmbtu)	2.76	3.51	3.51	3.64	3.91	4.99	4.52	4.52	4.48	4.66	4.67
Differential (%)	(119)	(23)	(111)	(49)	(49)	(49)	(49)	(49)	(49)	(49)	(49)
Trust (\$/mcf)	6.06	4.33	7.39	5.43	5.82	7.44	6.73	6.74	6.67	6.94	6.96
WTI Cushing (\$/bbl)	95.89	89.97	104.44	96.58	95.56	99.42	96.84	94.62	96.61	92.50	95.84
Differential (%)	5	12	1	6	1	1	1	1	1	1	1
Trust (\$/bbl)	90.82	79.19	103.22	91.05	94.44	98.25	95.70	93.51	95.45	91.42	94.66
Total (\$/bbl)	68.95	59.00	86.98	72.40	75.25	81.19	78.34	77.09	77.94	76.22	78.18
Revenue (\$mm)											
Natural Gas - Top Line	4.2	0.9	1.0	3.8	1.1	1.3	1.2	1.2	4.9	1.2	5.0
Natural Gas - Bottom Line	21.9	3.3	3.9	13.1	3.7	4.6	4.2	4.2	16.7	4.3	17.3
Total Natural Gas	25.5	4.3	4.8	16.9	4.8	5.9	5.5	5.4	21.6	5.5	22.3
Oil - Top Line	29.8	6.7	8.9	31.6	8.6	8.7	8.9	8.7	34.9	8.6	34.9
Oil - Bottom Line	65.0	14.5	20.7	69.4	18.8	19.1	19.4	19.2	76.5	18.9	76.7
Total Oil	94.8	21.2	29.6	101.0	27.4	27.8	28.3	27.9	111.4	27.6	111.6
Total Revenue	120.9	25.5	34.5	117.9	32.2	33.7	33.8	33.3	133.0	33.1	133.9
Expense											
Operating - Top Line	1.8	0.8	0.5	2.2	0.6	0.7	0.7	0.6	2.6	0.6	2.6
Operating - Bottom Line	20.7	4.4	9.4	27.0	7.1	7.5	7.5	7.4	29.5	7.4	29.8
Production taxes - Top L	1.2	0.3	0.4	1.4	0.4	0.4	0.4	0.4	1.7	0.4	1.7
Production taxes - Bottom L	3.9	0.7	0.9	3.0	0.8	0.8	0.8	0.8	3.3	0.8	3.3
Total Expense	27.6	6.2	11.2	33.5	8.9	9.4	9.4	9.3	37.0	9.2	37.3
Cash Flow (\$mm)											
Top Line	31.0	6.5	9.0	31.8	8.6	9.0	9.0	8.9	35.5	8.8	35.7
Bottom Line	62.3	12.8	14.3	52.6	14.6	15.4	15.3	15.2	60.5	15.1	60.9
Total Cash Flow	93.3	19.3	23.3	84.4	23.2	24.3	24.4	24.1	96.0	23.9	96.6
Development	28.0	11.7	13.4	42.9	10.0	10.0	10.0	10.0	40.0	10.0	40.0
Royalty Income (\$mm)											
Top Line @ 95% Cash Flow	29.5	6.2	8.6	30.2	8.2	8.5	8.6	8.5	33.7	8.4	33.9
Bottom L @ 75% (CF-Dev)	25.7	0.8	0.7	7.2	3.5	4.0	4.0	3.9	15.4	3.8	15.7
Administration	1.2	0.3	(1.5)	(3.1)	0.3	0.3	0.3	0.3	1.2	0.3	1.2
Distributable Income (\$mm)	54.0	6.7	10.7	40.5	11.4	12.2	12.3	12.0	47.9	11.9	48.4
Units (millions)											
Distribution (\$/unit)	1.16	0.14	0.23	0.87	0.24	0.26	0.26	0.26	1.03	0.25	1.04
Cash Flow Margin - Top		84%	90%	89%	88%	88%	88%	88%	88%	88%	88%
Cash Flow Margin - Bottom		72%	58%	64%	65%	65%	65%	65%	65%	65%	65%



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								Present Value by Segment (%)			
		Price		EV/	Enterprise	North	Rest of			Dist.	
		(US\$/sh)		Market	Value	Amer.	World			Yield	
Symbol/Rating		17-Mar		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	B	94.32	1.21	497,000	8	19	57	17	2.7	0.94
Total S.A.	TOT		64.70	1.35	200,000			21	62	16	5.2
Royal Dutch Shell plc	RDS-A		71.85	1.35	305,000	4	22	57	17	5.0	0.81
Chevron Corporation	CVX		115.07	1.19	262,000	4	11	72	13	3.5	0.80
Lukoil Oil Company	LUKOY	CB	51.85	1.18	47,500			75	25	5.3	0.42
<i>Total or Median</i>				<i>1.21</i>	<i>1,312,000</i>			<i>62</i>	<i>17</i>	<i>5.0</i>	<i>0.81</i>
U.S. Independent											
Occidental Petroleum Corp.	OXY		96.85	1.12	87,300	9	1	79	11	3.0	0.91
EOG Resources, Inc.	EOG		187.23	1.12	57,400	18	4	78		0.5	0.86
Marathon Oil Corporation	MRO	CB	33.18	1.47	34,100	7	4	89		2.3	0.74
ConocoPhillips	COP		67.29	1.41	117,000	15	15	71		4.1	0.74
Devon Energy Corporation	DVN	B	62.80	1.42	36,300	45		55		1.5	0.71
<i>Total or Median</i>				<i>1.41</i>	<i>332,000</i>	<i>15</i>		<i>78</i>		<i>2.3</i>	<i>0.74</i>
Canada/Australia											
Woodside Petroleum Ltd.	WOPEY		34.72	1.16	33,000		70	30		5.9	0.97
Imperial Oil Limited (30%)	IMO		46.25	1.25	14,700	2		79	19	1.0	0.91
EnCana Corporation	ECA	B	20.41	1.58	23,700	81		19		1.4	0.77
Cenovus Energy Inc.	CVE		26.67	1.34	27,000	9		75	16	3.6	0.70
Canadian Oil Sands Limited	COSWF	B	19.51	1.26	11,900			100		6.5	0.63
<i>Total or Median</i>				<i>1.26</i>	<i>110,000</i>			<i>75</i>		<i>3.6</i>	<i>0.77</i>
Small Cap Independent Producers											
Range Resources	RRC	B	88.22	1.27	18,000	63		37		0.2	0.98
Cimarex Energy Company	XEC	B	112.66	1.14	11,200	41		59		0.6	0.91
Continental Resources (32%)	CLR	B	117.62	1.23	8,600	16		84		-	0.89
Peyto Exploration and Developm	PEYUF		31.79	1.19	5,700	81		19		2.0	0.88
Birchcliff Energy Ltd.	BIREF	B	9.34	1.38	2,100	69		31		-	0.83
PDC Energy	PDCE		58.81	1.28	2,700	27		73		-	0.82
Whiting Petroleum Corporation	WLL	B	68.00	1.34	10,800	7		93		-	0.81
Halcón Resources	HK		3.63	3.31	5,000	6		94		-	0.78
WPX Energy Inc.	WPX		17.67	1.75	6,200	70		30		-	0.75
<i>Total or Median</i>				<i>1.28</i>	<i>70,000</i>	<i>41</i>		<i>59</i>		<i>-</i>	<i>0.83</i>
RTF Cash Payers											
Freehold Royalties Ltd.	FRHLF		20.45	1.04	1,440	18		82		7.4	0.97
Mesa RoyaltyTrust	MTR		24.22	1.00	50	79		21		8.0	0.97
Enduro Royalty Trust	NDRO		13.08	1.00	430	37		63		8.0	0.94
Dorchester Minerals, L.P.	DMLP	B	25.63	1.00	790	50		50		7.6	0.92
San Juan Basin Royalty Trust	SJT	B	17.32	1.00	810	100		-		9.1	0.82
Sabine Royalty Trust	SBR		49.67	1.00	720	47		53		9.2	0.78
Permian Basin RT	PBT		12.97	1.00	610	21		79		8.0	0.72
Cross Timbers Royalty Trust	CRT		30.10	1.00	180	70		30		11.2	0.72
Hugoton RoyaltyTrust	HGT		7.88	1.00	320	90		10		14.7	0.66
<i>Total or Median</i>				<i>1.00</i>	<i>5,400</i>	<i>50</i>		<i>50</i>		<i>8.0</i>	<i>0.82</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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A Weekly Analysis of Oil and Gas Stocks

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Table 2								
McDep Energy Stocks								
Net Present Value and McDep Ratio								
			<i>Price</i>			<i>Net</i>		
	<i>Symbol/Rating</i>		<i>(US\$/sh)</i>	<i>Shares</i>	<i>Market</i>	<i>Present</i>	<i>Debt/</i>	<i>McDep</i>
	<i>B = Buy, CB (see below)</i>		<i>17-Mar</i>	<i>(mm)</i>	<i>Cap</i>	<i>Value</i>	<i>Present</i>	<i>Ratio</i>
			<i>2014</i>		<i>(US\$mm)</i>	<i>(US\$/sh)</i>	<i>Value</i>	
Global Integrated								
Exxon Mobil Corporation	XOM	B	94.32	4,361	411,000	102.00	0.16	0.94
Total S.A.	TOT		64.70	2,276	147,000	80.00	0.22	0.85
Royal Dutch Shell plc	RDS-A		71.85	3,138	225,000	95.00	0.21	0.81
Chevron Corporation	CVX		115.07	1,919	221,000	150.00	0.13	0.80
Lukoil Oil Company	LUKOY	CB	51.85	776	40,200	135.00	0.07	0.42
<i>Total or Median</i>					<i>1,044,000</i>		<i>0.16</i>	<i>0.81</i>
U.S. Independent								
Occidental Petroleum Corp.	OXY		96.85	802	77,700	108.00	0.10	0.91
EOG Resources, Inc.	EOG		187.23	274	51,300	220.00	0.09	0.86
Marathon Oil Corporation	MRO	CB	33.18	701	23,260	50.00	0.24	0.74
ConocoPhillips	COP		67.29	1,241	84,000	100.00	0.21	0.74
Devon Energy Corporation	DVN	B	62.80	407	25,600	100.00	0.21	0.71
<i>Total or Median</i>					<i>261,900</i>		<i>0.21</i>	<i>0.74</i>
Canada/Australia								
Woodside Petroleum Ltd.	WOPEY		34.72	823	28,600	36.00	0.13	0.97
Imperial Oil Limited (30%)	IMO		46.25	255	11,800	52.00	0.18	0.91
EnCana Corporation	ECA	B	20.41	736	15,000	30.00	0.28	0.77
Cenovus Energy Inc.	CVE		26.67	757	20,200	42.00	0.18	0.70
Canadian Oil Sands Limited	COSWF	B	19.51	485	9,500	34.00	0.13	0.63
<i>Total or Median</i>					<i>85,000</i>		<i>0.18</i>	<i>0.77</i>
Small Cap Independent Producers								
Range Resources	RRC	B	88.22	161	14,200	90.00	0.21	0.98
Cimarex Energy Company	XEC	B	112.66	87	9,800	125.00	0.11	0.91
Continental Resources (32%)	CLR	B	117.62	59	7,000	135.00	0.17	0.89
Peyto Exploration and Development Corp.	PEYUF		31.79	149	4,700	37.00	0.14	0.88
Birchcliff Energy Ltd.	BIREF	B	9.34	163	1,500	12.00	0.23	0.83
PDC Energy	PDCE		58.81	36	2,100	75.00	0.18	0.82
Whiting Petroleum Corporation	WLL	B	68.00	119	8,100	90.00	0.20	0.81
Halcón Resources	HK		3.63	412	1,500	7.00	0.55	0.78
WPX Energy Inc.	WPX		17.67	201	3,600	28.00	0.32	0.75
<i>Total or Median</i>					<i>53,000</i>		<i>0.20</i>	<i>0.83</i>
RIF Cash Payers								
Freehold Royalties Ltd.	FRHLF		20.45	68	1,380	21.00	0.04	0.97
Mesa Royalty Trust	MTR		24.22	2	50	25.00	-	0.97
Enduro Royalty Trust	NDRO		13.08	33	430	14.00	-	0.94
Dorchester Minerals, L.P.	DMLP	B	25.63	31	790	28.00	-	0.92
San Juan Basin Royalty Trust	SJT	B	17.32	47	810	21.00	-	0.82
Sabine Royalty Trust	SBR		49.67	15	720	64.00	-	0.78
Permian Basin RT	PBT		12.97	47	610	18.00	-	0.72
Cross Timbers Royalty Trust	CRT		30.10	6	180	42.00	-	0.72
Hugoton Royalty Trust	HGT		7.88	40	320	12.00	-	0.66
<i>Total or Median</i>					<i>5,300</i>		<i>-</i>	<i>0.82</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

NPV (\$/sh) changes since 2/24/14: EOG, 220 from 180; CLR, 135 from 120; WLL, 90 from 75; WPX 28 from 26.

NPV (\$/sh) changes since 3/10/14: PEYUF, 37 from 34



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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		17-Mar 2014	NTM	NTM	NTM	NTM	NTM	
	B = Buy, CB (see below)							(\$/sh)	
Global Integrated									
	Exxon Mobil Corporation	XOM	B	94.32	13.5	7.3	6.9	12	2.52
	Royal Dutch Shell plc	RDS-A		71.85	9.9	6.9	5.6	15	3.60
	Total S.A.	TOT		64.70	9.9	6.5	5.5	10	3.40
	Chevron Corporation	CVX		115.07	9.1	6.8	5.4	11	4.00
	Lukoil Oil Company	LUKOY	CB	51.85	15.4	5.7	2.4	4	2.73
	<i>Median</i>				9.9	6.8	5.5	11	
U.S. Independent									
	Occidental Petroleum Corp.	OXY		96.85	10.4	7.0	6.3	16	2.76
	EOG Resources, Inc.	EOG		187.23	7.8	7.1	6.2	20	2.88
	ConocoPhillips	COP		67.29	11.6	8.0	6.0	12	1.00
	Devon Energy Corporation	DVN	B	62.80	10.3	8.2	5.8	14	0.96
	Marathon Oil Corporation	MRO	CB	33.18	10.6	7.5	5.6	13	0.76
	<i>Median</i>				10.4	7.5	6.0	14	
Canada/Australia									
	Imperial Oil Limited (30%)	IMO		46.25	23.9	10.4	9.5	12	0.47
	EnCana Corporation	ECA	B	20.41	6.8	11.2	8.6	14	0.28
	Woodside Petroleum Ltd.	WOPEY		34.72	9.5	8.3	8.1	17	2.06
	Canadian Oil Sands Limited	COSWF	B	19.51	20.8	10.6	6.6	12	1.26
	Cenovus Energy Inc.	CVE		26.67	13.8	9.0	6.3	14	0.96
	<i>Median</i>				13.8	10.4	8.1	14	
Small Cap Independent Producers									
	Range Resources	RRC	B	88.22	14.4	12.0	11.8	41	0.16
	Peyto Exploration and Development Corp.	PEYUF		31.79	8.5	9.7	8.6	16	0.65
	PDC Energy	PDCE		58.81	17.3	9.8	8.1	28	-
	Birchcliff Energy Ltd.	BIREF	B	9.34	15.2	9.2	7.6	20	-
	WPX Energy Inc.	WPX		17.67	8.6	9.7	7.3		-
	Continental Resources (32%)	CLR	B	117.62	11.4	7.8	7.0	16	-
	Cimarex Energy Company	XEC	B	112.66	7.8	7.3	6.6	16	0.64
	Halcón Resources	HK		3.63	6.1	8.2	6.4	10	-
	Whiting Petroleum Corporation	WLL	B	68.00	8.2	6.1	4.9	24	-
	<i>Median</i>				8.6	9.2	7.3	18	
RTF Cash Payers									
	Sabine Royalty Trust	SBR		49.67	9.0	13.9	10.8	11	4.59
	Dorchester Minerals, L.P.	DMLP	B	25.63	7.2	11.2	10.2	16	1.96
	San Juan Basin Royalty Trust	SJT	B	17.32	10.5	12.3	10.1	11	1.58
	Freehold Royalties Ltd.	FRHLF		20.45	4.2	10.1	9.8	21	1.52
	Mesa RoyaltyTrust	MTR		24.22	5.3	9.8	9.4	13	1.93
	Cross Timbers Royalty Trust	CRT		30.10	12.4	11.6	8.3	9	3.36
	Permian Basin RT	PBT		12.97	9.7	10.7	7.7	12	1.04
	Enduro Royalty Trust	NDRO		13.08	7.1	8.1	7.6	13	1.05
	Hugoton RoyaltyTrust	HGT		7.88	13.0	9.1	6.0	7	1.16
	<i>Median</i>				9.0	10.7	9.4	12	
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 March 31, 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									
				Equity					
			Price	Total					
			(\$/sh)	Return	Enterprise Value/				
	Symbol		17-Mar	YTD	52Wk	52Wk	50 Day	200 Day	McDep
		Rating	2014	(%)	High	Low	Avg.	Avg.	Ratio
Global Integrated									
Total S.A.	TOT		64.70	6	0.99	1.27	1.05	1.10	0.85
Royal Dutch Shell plc	RDS-A		71.85	2	0.98	1.10	1.01	1.05	0.81
Exxon Mobil Corporation	XOM	B	94.32	(6)	0.94	1.09	0.99	1.02	0.94
Chevron Corporation	CVX		115.07	(7)	0.91	1.04	0.99	0.96	0.80
Lukoil Oil Company	LUKOY	CB	51.85	(18)	0.80	1.05	0.93	0.88	0.42
	<i>Median</i>			(6)	0.94	1.09	0.99	1.02	0.81
U.S. Independent									
EOG Resources, Inc.	EOG		187.23	12	0.97	1.56	1.06	1.13	0.86
Devon Energy Corporation	DVN	B	62.80	2	0.96	1.16	1.01	1.04	0.71
Occidental Petroleum Corp.	OXY		96.85	3	0.98	1.22	1.04	1.04	0.91
ConocoPhillips	COP		67.29	(4)	0.93	1.13	1.01	1.00	0.74
Marathon Oil Corporation	MRO	CB	33.18	(5)	0.91	1.08	0.99	0.96	0.74
	<i>Median</i>			2	0.96	1.16	1.01	1.04	0.74
Canada/Australia									
EnCana Corporation	ECA	B	20.41	13	0.99	1.14	1.06	1.08	0.77
Imperial Oil Limited (30%)	IMO		46.25	5	0.99	1.19	1.06	1.07	0.91
Canadian Oil Sands Limited	COSWF	B	19.51	5	0.94	1.08	1.03	1.01	0.63
Woodside Petroleum Ltd.	WOPEY		34.72	3	0.89	1.10	1.02	1.00	0.97
Cenovus Energy Inc.	CVE		26.67	(6)	0.87	1.03	1.00	0.95	0.70
	<i>Median</i>			5	0.94	1.10	1.03	1.01	0.77
Small Cap Independent Producers									
Cimarex Energy Company	XEC	B	112.66	8	0.96	1.64	1.06	1.19	0.91
Birchcliff Energy Ltd.	BIREF	B	9.34	36	1.00	1.27	1.11	1.16	0.83
Whiting Petroleum Corporation	WLL	B	68.00	10	0.95	1.39	1.07	1.13	0.81
Continental Resources (32%)	CLR	B	117.62	5	0.95	1.45	1.04	1.10	0.89
Range Resources	RRC	B	88.22	5	0.98	1.18	1.03	1.08	0.98
Peyto Exploration and Development	PEYUF		31.79	4	0.96	1.21	1.02	1.06	0.88
PDC Energy	PDCE		58.81	11	0.83	1.38	1.08	1.03	0.82
WPX Energy Inc.	WPX		17.67	(13)	0.84	1.10	0.97	0.95	0.75
Halcón Resources	HK		3.63	(6)	0.73	1.04	1.00	0.92	0.78
	<i>Median</i>			5	0.95	1.27	1.04	1.08	0.83
RTF Cash Payers									
Mesa RoyaltyTrust	MTR		24.22	16	0.93	1.20	1.06	1.09	0.97
San Juan Basin Royalty Trust	SJT	B	17.32	5	0.95	1.24	1.00	1.04	0.82
Dorchester Minerals, L.P.	DMLP	B	25.63	0	0.98	1.13	1.02	1.04	0.92
Cross Timbers Royalty Trust	CRT		30.10	4	0.95	1.20	1.00	1.04	0.72
Hugoton RoyaltyTrust	HGT		7.88	6	0.79	1.13	0.94	0.97	0.66
Sabine Royalty Trust	SBR		49.67	(0)	0.90	1.09	0.98	0.97	0.78
Permian Basin RT	PBT		12.97	2	0.80	1.07	1.01	0.96	0.72
Enduro Royalty Trust	NDRO		13.08	10	0.78	1.11	1.00	0.94	0.94
Freehold Royalties Ltd.	FRHLF		20.45	(0)	0.85	1.05	1.01	0.93	0.97
	<i>Median</i>			4	0.90	1.13	1.00	0.97	0.82

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

Source: Bloomberg, Yahoo, McDep LLC



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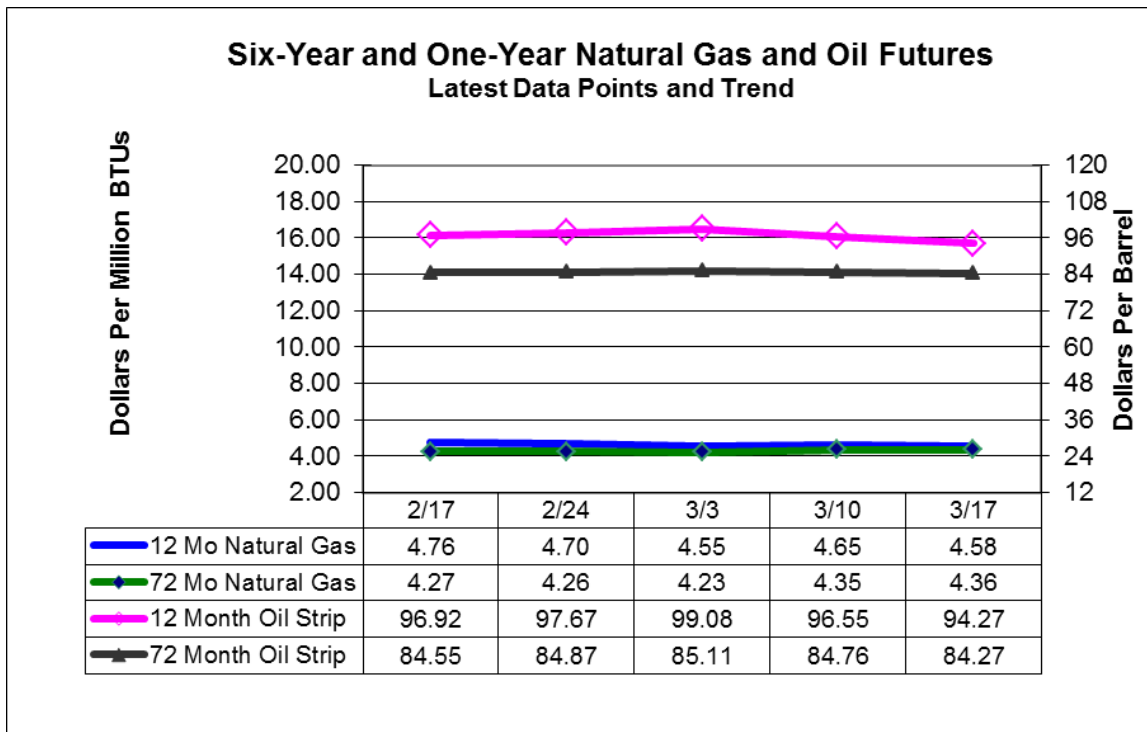
Index of Recent Research			
Stock Ideas			
<u>Date</u>	<u>Symbol</u>	<u>Subject</u>	<u>Theme</u>
11-Mar	LUKOY	Lukoil	Economic Opportunity in Political Risk (Meter Reader)
4-Mar	EOG	EOG Resources	Raise NPV to \$220 on Shale Oil Leadership (Meter Reader)
25-Feb	XEC	Cimarex Energy	More Upside Ahead (Meter 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
18-Feb	ECA	Encana Corporation	Leveraged to Natural Gas Price (Meter Reader)
13-Feb	BIREF	Birchcliff Energy	Cash Flow Estimate Up 30%
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)
31-Oct	RRC	Range Resources	Core Owner in Largest Producing Field
29-Oct	WLL	Whiting Petroleum	Fracking Productivity Leaps 50% (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)
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)
12-Jul	PBT	Permian Basin Royalty Trust	Stock Price Recovering from Short-Term Overreaction
31-May	HGT	Hugoton Royalty Trust	Beating the Bear (Income and Small Cap Weekly)
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			
11-Mar	LUKOY	Lukoil	Economic Opportunity in Political Risk
4-Mar	EOG	EOG Resources	Raise NPV to \$220 on Shale Oil Leadership
25-Feb	XEC	Cimarex Energy	More Upside Ahead
18-Feb	ECA	Encana Corporation	Leveraged to Natural Gas Price
11-Feb	SJT	San Juan Basin Royalty Trust	Strategic Resource in a Cold Winter
4-Feb	XOM	Exxon Mobil	Largest and Strongest Oil and Gas Producer
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
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)



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