

Freehold Royalties Ltd. (FRHLF) Model for Upcoming Encana Spinoff

<i>Symbol</i>	FRHLF	<i>Ebitda Next Twelve Months ending 3/31/15 (US\$mm)</i>	150
<i>Rating</i>	RTF Stock	<i>North American Natural Gas/Ebitda (%)</i>	13
<i>Price (US\$/sh)</i>	21.04	<i>Natural Gas and Oil Production/Ebitda (%)</i>	100
<i>Pricing Date</i>	3/31/14	<i>Adjusted Reserves/Production NTM</i>	5.4
<i>Shares (mm)</i>	68	<i>EV/Ebitda</i>	9.9
<i>Market Capitalization (US\$mm)</i>	1,420	<i>PV/Ebitda</i>	9.9
<i>Debt (US\$mm)</i>	60	<i>Undeveloped Reserves (%)</i>	33
<i>Enterprise Value (EV) (US\$mm)</i>	1,480	<i>Natural Gas and Oil Ebitda (US\$/boe)</i>	40
<i>Present Value (PV) (US\$mm)</i>	1,480	<i>Present Value Proven Reserves(US\$/boe)</i>	67
<i>Net Present Value (US\$/unit)</i>	21	<i>Oil and Gas Ebitda Margin (%)</i>	58
<i>Debt/Present Value</i>	0.04	<i>Earnings Next Twelve Months (US\$/un)</i>	1.02
<i>McDep Ratio - EV/PV</i>	1.00	<i>Price/Earnings Next Twelve Months</i>	21
<i>Distribution Yield (%/year)</i>	7.2	<i>Indicated Annual Distribution (US\$/sh)</i>	1.52
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 Freehold since 2009 see www.mcdep.com/5fru.htm			

Summary and Recommendation

We like the Top Line Cash Payer quality of Canadian oil and gas resource stock **Freehold Royalties (FRHLF)**, an owner of mineral rights that in some cases date back to 1670. A McDep Ratio of 1.00 points to the high regard in which investors hold the stock and the likelihood there may not be much immediate relative appreciation potential from here. Yet, like other Canadian stocks, Freehold is outperforming again in 2014 after lagging U.S. oil and gas producers in 2013. Demonstrating that imitation may be the sincerest form of flattery, our buy-recommended large cap producer **Encana (ECA)** hopes to tap into better valuation with a proposed spinoff of its freehold properties in a new company it calls Clearwater Royalty. Mineral rights give rise to both top line and bottom line opportunities. Typically, an operator will lease the rights to drill and produce while paying a percent of revenue (the top line) as a royalty to the landowner. Alternatively, the mineral owner may drill at its expense and keep the profits (the bottom line) along with the risk of loss. We estimate that 82% of our Net Present Value (NPV) of \$21 a share stems from Top Line - Royalty Interests and 18% from Bottom Line - Working Interests (see table Present Value on page 2). That may seem surprising because the Top Line share of cash flow (Ebitda) is 74% and production 68% (see Table Next Twelve Months Operating and Financial Estimates on page 3). Top Line owners typically underestimate the reserves we use for our estimate of NPV, often by a wide margin. Moreover, the option value of future spending by others and the lower volatility of cash flow is a decided advantage we may not have fully recognized among other factors. Finally a dividend yield of 7% and immaterial debt add further appeal to FRHLF as a component in our recommended RTF (Royalty Trust Fund).

Kurt H. Wulff, CFA



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A Weekly Analysis of Oil and Gas Stocks
April 1, 2014

Freehold Royalties Ltd.					
Functional Cash Flow and Present Value					
				<i>Present</i>	
	<i>NTM Ebitda</i>	<i>Adjusted</i>	<i>PV/</i>	<i>Value</i>	
	<i>(US\$mm)</i>	<i>R/P</i>	<i>Ebitda</i>	<i>(US\$mm)</i>	
<u>Top Line - Royalty Interests</u>					
North American Natural Gas	16	5.8	17.1	280	19%
Oil	94	5.8	9.9	930	63%
	110			1,210	82%
<u>Bottom Line - Working Interests</u>					
North American Natural Gas	3	4.0	11.2	30	2%
Oil	37	4.6	6.5	240	16%
	40			270	18%
<u>Total Top and Bottom</u>					
North American Natural Gas	19	5.5	16.3	310	21%
Oil	131	5.3	8.9	1,170	79%
	150	5.4	9.9	1,480	100%
Debt (US\$mm)					60
Net Present Value (US\$mm)					1,420
Shares (mm)					68
Net Present Value - Standard Estimate (US\$/sh)					21
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)					19
Reserves Include Proven Plus Half of Probable					
Top Line Approximation at 1.5 times Cash Flow Multiple Depending on Reserve Life					



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A Weekly Analysis of Oil and Gas Stocks

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Freehold Royalties Ltd.											
Next Twelve Months Operating and Financial Estimates											
(Canadian dollars)											
	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)	5.8	1.4	1.5	5.9	1.4	1.4	1.4	1.4	5.7	1.4	5.7
Nat Gas (mmcf) - Top Line	15.9	15.9	15.9	16.1	15.8	15.7	15.6	15.5	15.7	15.5	15.6
Natural gas (bcf)	1.1	0.3	0.3	1.1	0.3	0.3	0.3	0.3	1.3	0.3	1.3
Nat Gas (mmcf) - Btm Lin	3.0	2.9	3.5	3.0	3.5	3.5	3.4	3.4	3.5	3.4	3.4
Days	366	90	92	365	90	91	92	92	365	90	365
Oil (mmb)	1.32	0.34	0.33	1.28	0.33	0.34	0.34	0.35	1.36	0.34	1.37
Oil (mmb) - Top Line	3.6	3.79	3.63	3.5	3.67	3.70	3.74	3.78	3.7	3.81	3.8
Oil (mmb)	0.76	0.19	0.21	0.81	0.21	0.22	0.22	0.22	0.87	0.22	0.88
Oil (mmb) - Bottom Line	2.1	2.14	2.32	2.2	2.34	2.37	2.39	2.41	2.4	2.44	2.4
Total gas & oil (bcf)	19.4	4.9	5.1	19.5	5.0	5.1	5.1	5.2	20.3	5.1	20.4
Total gas & oil (mmb)	8.8	9.1	9.2	8.9	9.2	9.3	9.3	9.4	9.3	9.4	9.3
Price											
Natural gas (\$/mcf)											
Henry Hub (US\$/mmbtu)	2.79	3.34	3.60	3.65	4.95	4.38	4.43	4.50	4.57	4.61	4.48
Currency (US\$/C\$)	1.00	0.99	0.95	0.97	0.90	0.90	0.90	0.90	0.90	0.90	0.90
Henry Hub (C\$/mmbtu)	2.78	3.36	3.78	3.76	5.47	4.84	4.90	4.98	5.05	5.10	4.95
Company (C\$/mcf)	9.79	2.41	2.72	13.39	3.94	3.48	3.53	3.58	15.75	3.67	15.46
Oil (\$/bbl)											
WTI Cushing (US\$)	94.16	94.41	97.46	97.98	98.74	101.30	98.91	96.12	98.77	93.52	97.47
WTI Cushing (C\$/bbl)	94.01	95.13	102.26	100.91	109.12	111.95	109.31	106.23	109.15	103.35	107.71
Company (C\$/bbl)	72.94	67.36	72.90	77.26	83.55	85.72	83.69	81.33	83.56	79.13	82.45
Total gas & oil (\$/mcf)	8.32	8.03	8.57	8.97	10.25	10.36	10.19	9.99	10.19	9.81	10.08
Revenue (\$mm)											
Natural Gas - Top Line	11	3.5	3.8	15	5.4	4.8	4.9	4.9	20	4.9	19
Natural Gas - Bottom Line	2	0.6	1.0	3	1.5	1.3	1.3	1.3	5	1.3	5
Oil - Top Line	96	22.9	24.0	98	27.2	28.5	28.4	27.9	112	26.8	112
Oil - Bottom Line	56	13.0	15.9	63	18.0	18.9	18.8	18.5	74	17.7	74
Other	(4)	(0.7)	(1.3)	(4)	(1.0)	(1.0)	(1.0)	(1.0)	(4)	(1.0)	(4)
Total	162	39.3	43.4	175	51.0	52.4	52.3	51.6	207	49.8	206
Expense											
Top Line	8	2.0	2.0	8	2.3	2.4	2.4	2.3	9	2.3	9
Bottom Line	22	6.7	6.1	25	7.7	8.0	8.0	7.8	31	7.5	31
Ebitda (\$mm)											
Top Line	98	24.4	25.8	105	30.2	30.9	30.9	30.4	122	29.4	122
Bottom Line	33	6.2	9.5	37	10.8	11.2	11.1	11.0	44	10.6	44
Total Ebitda	132	30.6	35.3	142	41.0	42.0	42.0	41.4	166	40.0	165
Deprec., Deplet., & Amort.	65	15.9	15.4	61	15.4	15.4	15.4	15.4	62	15.4	62
Ebit	67	14.7	19.9	80	25.6	26.6	26.6	26.0	105	24.6	104
Interest	2	0.5	0.6	3	0.6	0.6	0.6	0.6	2	0.6	2
Ebt	65	14.2	19.3	78	25.0	26.0	26.0	25.4	102	24.0	101
Income Tax	19	3.6	5.1	20	6.2	6.5	6.5	6.3	26	6.0	25
Net Income (\$mm)	46	10.6	14.2	58	18.7	19.5	19.5	19.0	77	18.0	76
Shares (millions)	64.8	66.5	67.5	67.0	67.5	67.5	67.5	67.5	67.5	67.5	67.5
Per share (\$)	0.71	0.16	0.21	0.86	0.28	0.29	0.29	0.28	1.14	0.27	1.13
Ebitda Margin - Top Line	92%	92%	93%	93%	93%	93%	93%	93%	93%	93%	93%
Ebitda Margin - Bottom Line	60%	48%	61%	59%	58%	58%	58%	58%	58%	58%	58%
Tax Rate	29%	25%	26%	26%	25%	25%	25%	25%	25%	25%	25%
Distribution (\$mm)	109	27.9	28.4	113	28.4	28.4	28.4	28.4	113	28.4	113
Per share (\$)	1.68	0.42	0.42	1.68	0.42	0.42	0.42	0.42	1.68	0.42	1.68
Payout	98%	105%	96%	95%	83%	81%	81%	82%	82%	85%	82%



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						Present Value by Segment (%)					
		Price		EV/	Enterprise	North	Rest of			Dist.	
		(US\$/sh)		Market	Value	Amer.	World			Yield	
Symbol/Rating	31-Mar	2014	Cap	(\$mm)	Natural	Natural	Oil	Down-	NTM	McDep	
B = Buy, CB (see below)					Gas	Gas	Prod'n	stream	(%)	Ratio	
Global Integrated											
Exxon Mobil Corporation	XOM	B	97.68	1.20	512,000	8	19	57	17	2.6	0.96
Total S.A.	TOT		65.60	1.35	201,000		21	62	16	5.1	0.86
Chevron Corporation	CVX		118.91	1.18	270,000	4	11	72	13	3.4	0.82
Royal Dutch Shell plc	RDS-A		73.06	1.35	309,000	4	22	57	17	4.9	0.82
Lukoil Oil Company	LUKOY	CB	55.93	1.17	50,700			75	25	5.1	0.45
<i>Total or Median</i>				<i>1.20</i>	<i>1,343,000</i>			<i>62</i>	<i>17</i>	<i>4.9</i>	<i>0.82</i>
U.S. Independent											
EOG Resources, Inc.	EOG		196.17	1.11	59,800	18	4	78		0.5	0.90
Occidental Petroleum Corp.	OXY		95.29	1.13	86,100	9	1	79	11	3.0	0.89
Marathon Oil Corporation	MRO	B	35.52	1.44	35,800	7	4	89		2.1	0.78
ConocoPhillips	COP		70.35	1.39	121,000	15	15	71		3.9	0.77
Devon Energy Corporation	DVN	B	66.93	1.39	37,900	45		55		1.4	0.74
<i>Total or Median</i>				<i>1.39</i>	<i>341,000</i>	<i>15</i>		<i>78</i>		<i>2.1</i>	<i>0.78</i>
Canada/Australia											
Woodside Petroleum Ltd.	WOPEY		36.15	1.15	34,000		70	30		5.7	1.00
Imperial Oil Limited (30%)	IMO		46.55	1.24	14,800	2		79	19	1.0	0.91
EnCana Corporation	ECA	B	21.38	1.55	24,400	81		19		1.3	0.79
Cenovus Energy Inc.	CVE		28.96	1.31	28,800	9		75	16	3.3	0.74
Canadian Oil Sands Limited	COSWF	B	20.95	1.24	12,600			100		6.0	0.67
<i>Total or Median</i>				<i>1.24</i>	<i>115,000</i>			<i>75</i>		<i>3.3</i>	<i>0.79</i>
Small Cap Independent Producers											
Cimarex Energy Company	XEC	B	119.11	1.13	11,700	41		59		0.5	0.96
Range Resources	RRC	B	82.97	1.28	17,100	63		37		0.2	0.94
Peyto Exploration and Develop	PEYUF		34.20	1.18	6,000	81		19		1.9	0.94
Continental Resources (32%)	CLR	B	124.27	1.22	9,000	16		84		-	0.93
Birchcliff Energy Ltd.	BIREF	B	9.97	1.36	2,200	69		31		-	0.87
PDC Energy	PDCE		62.26	1.29	2,900	27		73		-	0.86
Halcón Resources	HK		4.33	2.94	5,200	6		94		-	0.83
Whiting Petroleum Corporation	WLL	B	69.39	1.33	11,000	7		93		-	0.82
WPX Energy Inc.	WPX		18.03	1.74	6,300	70		30		-	0.76
<i>Total or Median</i>				<i>1.29</i>	<i>71,000</i>	<i>41</i>		<i>59</i>		<i>-</i>	<i>0.87</i>
RTF Cash Payers											
Freehold Royalties Ltd.	FRHLF		21.04	1.04	1,480	21		79		7.2	1.00
Mesa Royalty Trust	MTR		25.86	1.00	50	74		26		9.9	0.95
Dorchester Minerals, L.P.	DMLP	B	26.20	1.00	800	50		50		7.6	0.94
Enduro Royalty Trust	NDRO		12.53	1.00	410	37		63		8.5	0.89
San Juan Basin Royalty Trust	SJT	B	17.65	1.00	820	100		-		8.5	0.84
Sabine Royalty Trust	SBR		49.50	1.00	720	47		53		9.4	0.77
Cross Timbers Royalty Trust	CRT		31.16	1.00	190	64		36		11.0	0.74
Permian Basin RT	PBT		13.20	1.00	620	26		74		8.2	0.73
Hugoton Royalty Trust	HGT		8.07	1.00	320	88		13		12.5	0.67
<i>Total or Median</i>				<i>1.00</i>	<i>5,400</i>	<i>50</i>		<i>50</i>		<i>8.5</i>	<i>0.84</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</i> (US\$/sh)	<i>Shares</i>	<i>Market</i> <i>Cap</i>	<i>Net</i> <i>Present</i> <i>Value</i>	<i>Debt/</i> <i>Present</i> <i>Value</i>	<i>McDep</i> <i>Ratio</i>
	<i>Symbol/Rating</i>		<i>31-Mar</i> <i>2014</i>	<i>(mm)</i>	<i>(US\$mm)</i>	<i>(US\$/sh)</i>		
	B = Buy, CB (see below)							
Global Integrated								
Exxon Mobil Corporation	XOM	B	97.68	4,361	426,000	102.00	0.16	0.96
Total S.A.	TOT		65.60	2,276	149,000	80.00	0.22	0.86
Chevron Corporation	CVX		118.91	1,919	228,000	150.00	0.13	0.82
Royal Dutch Shell plc	RDS-A		73.06	3,138	229,000	95.00	0.21	0.82
Lukoil Oil Company	LUKOY	CB	55.93	776	43,400	135.00	0.07	0.45
	<i>Total or Median</i>				<i>1,075,000</i>		<i>0.16</i>	<i>0.82</i>
U.S. Independent								
EOG Resources, Inc.	EOG		196.17	274	53,800	220.00	0.09	0.90
Occidental Petroleum Corp.	OXY		95.29	802	76,400	108.00	0.10	0.89
Marathon Oil Corporation	MRO	B	35.52	701	24,900	50.00	0.24	0.78
ConocoPhillips	COP		70.35	1,241	87,000	100.00	0.21	0.77
Devon Energy Corporation	DVN	B	66.93	407	27,200	100.00	0.21	0.74
	<i>Total or Median</i>				<i>269,300</i>		<i>0.21</i>	<i>0.78</i>
Canada/Australia								
Woodside Petroleum Ltd.	WOPEY		36.15	823	29,800	36.00	0.13	1.00
Imperial Oil Limited (30%)	IMO		46.55	255	11,900	52.00	0.18	0.91
EnCana Corporation	ECA	B	21.38	736	15,700	30.00	0.28	0.79
Cenovus Energy Inc.	CVE		28.96	757	21,900	42.00	0.18	0.74
Canadian Oil Sands Limited	COSWF	B	20.95	485	10,200	34.00	0.13	0.67
	<i>Total or Median</i>				<i>90,000</i>		<i>0.18</i>	<i>0.79</i>
Small Cap Independent Producers								
Cimarex Energy Company	XEC	B	119.11	87	10,400	125.00	0.11	0.96
Range Resources	RRC	B	82.97	161	13,400	90.00	0.21	0.94
Peyto Exploration and Development Corp.	PEYUF		34.20	149	5,100	37.00	0.14	0.94
Continental Resources (32%)	CLR	B	124.27	59	7,400	135.00	0.17	0.93
Birchcliff Energy Ltd.	BIREF	B	9.97	163	1,600	12.00	0.23	0.87
PDC Energy	PDCE		62.26	36	2,200	75.00	0.19	0.86
Halcón Resources	HK		4.33	412	1,800	7.00	0.55	0.83
Whiting Petroleum Corporation	WLL	B	69.39	119	8,300	90.00	0.20	0.82
WPX Energy Inc.	WPX		18.03	201	3,600	28.00	0.32	0.76
	<i>Total or Median</i>				<i>54,000</i>		<i>0.20</i>	<i>0.87</i>
RTF Cash Payers								
Freehold Royalties Ltd.	FRHLF		21.04	68	1,420	21.00	0.04	1.00
Mesa Royalty Trust	MTR		25.86	2	50	27.00	-	0.95
Dorchester Minerals, L.P.	DMLP	B	26.20	31	800	28.00	-	0.94
Enduro Royalty Trust	NDRO		12.53	33	410	14.00	-	0.89
San Juan Basin Royalty Trust	SJT	B	17.65	47	820	21.00	-	0.84
Sabine Royalty Trust	SBR		49.50	15	720	64.00	-	0.77
Cross Timbers Royalty Trust	CRT		31.16	6	190	42.00	-	0.74
Permian Basin RT	PBT		13.20	47	620	18.00	-	0.73
Hugoton Royalty Trust	HGT		8.07	40	320	12.00	-	0.67
	<i>Total or Median</i>				<i>5,400</i>		<i>-</i>	<i>0.84</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; MTR, 27 from 25



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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		31-Mar 2014	NTM	NTM	NTM	NTM	NTM	
	B = Buy, CB (see below)								
Global Integrated									
	Exxon Mobil Corporation	XOM	B	97.68	13.5	7.2	6.9	12	2.52
	Royal Dutch Shell plc	RDS-A		73.06	9.9	6.8	5.5	14	3.60
	Total S.A.	TOT		65.60	9.9	6.3	5.4	10	3.36
	Chevron Corporation	CVX		118.91	9.1	6.6	5.4	11	4.00
	Lukoil Oil Company	LUKOY	CB	55.93	15.4	5.6	2.5	4	2.84
	<i>Median</i>				9.9	6.6	5.4	11	
U.S. Independent									
	EOG Resources, Inc.	EOG		196.17	7.8	7.0	6.3	20	2.88
	Occidental Petroleum Corp.	OXY		95.29	10.4	6.8	6.1	15	2.76
	ConocoPhillips	COP		70.35	11.6	7.9	6.0	12	1.00
	Devon Energy Corporation	DVN	B	66.93	10.3	8.1	6.0	14	0.96
	Marathon Oil Corporation	MRO	B	35.52	10.6	7.3	5.7	13	0.76
	<i>Median</i>				10.4	7.3	6.0	14	
Canada/Australia									
	Imperial Oil Limited (30%)	IMO		46.55	23.9	10.2	9.3	12	0.47
	EnCana Corporation	ECA	B	21.38	6.8	11.3	8.9	14	0.28
	Woodside Petroleum Ltd.	WOPEY		36.15	9.5	8.3	8.3	18	2.06
	Canadian Oil Sands Limited	COSWF	B	20.95	20.8	10.3	6.8	12	1.27
	Cenovus Energy Inc.	CVE		28.96	13.8	8.8	6.6	14	0.96
	<i>Median</i>				13.8	10.2	8.3	14	
Small Cap Independent Producers									
	Range Resources	RRC	B	82.97	14.4	11.9	11.2	38	0.16
	Peyto Exploration and Development Corp.	PEYUF		34.20	8.5	9.8	9.2	17	0.65
	PDC Energy	PDCE		62.26	17.3	9.8	8.4	27	-
	Birchcliff Energy Ltd.	BIREF	B	9.97	15.2	9.2	8.0	21	-
	WPX Energy Inc.	WPX		18.03	8.6	9.7	7.3		-
	Continental Resources (32%)	CLR	B	124.27	11.4	7.7	7.1	17	-
	Cimarex Energy Company	XEC	B	119.11	7.8	7.2	6.9	16	0.64
	Halcón Resources	HK		4.33	6.1	7.9	6.5	10	-
	Whiting Petroleum Corporation	WLL	B	69.39	8.2	5.9	4.8	21	-
	<i>Median</i>				8.6	9.2	7.3	19	
RTF Cash Payers									
	San Juan Basin Royalty Trust	SJT	B	17.65	10.7	13.0	10.9	12	1.50
	Sabine Royalty Trust	SBR		49.50	9.0	13.8	10.7	11	4.64
	Dorchester Minerals, L.P.	DMLP	B	26.20	7.2	11.0	10.3	16	1.99
	Freehold Royalties Ltd.	FRHLF		21.04	5.4	9.9	9.9	21	1.52
	Mesa Royalty Trust	MTR		25.86	6.4	9.0	8.6	10	2.57
	Cross Timbers Royalty Trust	CRT		31.16	12.2	11.4	8.5	9	3.42
	Permian Basin RT	PBT		13.20	9.7	10.1	7.4	12	1.08
	Enduro Royalty Trust	NDRO		12.53	7.3	8.0	7.2	12	1.06
	Hugoton Royalty Trust	HGT		8.07	13.5	10.5	7.1	8	1.01
	<i>Median</i>				9.0	10.5	8.6	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		31-Mar	YTD	52Wk	52Wk	50 Day	200 Day	McDep
		Rating	2014	(%)	High	Low	Avg.	Avg.	Ratio
Global Integrated									
Total S.A.	TOT		65.60	8	0.99	1.29	1.05	1.10	0.86
Royal Dutch Shell plc	RDS-A		73.06	4	0.99	1.12	1.02	1.06	0.82
Exxon Mobil Corporation	XOM	B	97.68	(3)	0.97	1.12	1.03	1.05	0.96
Chevron Corporation	CVX		118.91	(4)	0.94	1.07	1.03	0.99	0.82
Lukoil Oil Company	LUKOY	CB	55.93	(11)	0.86	1.12	1.01	0.94	0.45
	<i>Median</i>			(3)	0.97	1.12	1.03	1.05	0.82
U.S. Independent									
EOG Resources, Inc.	EOG		196.17	17	0.98	1.63	1.08	1.16	0.90
Devon Energy Corporation	DVN	B	66.93	9	1.00	1.21	1.05	1.08	0.74
Occidental Petroleum Corp.	OXY		95.29	1	0.96	1.19	1.02	1.03	0.89
ConocoPhillips	COP		70.35	1	0.96	1.17	1.04	1.02	0.77
Marathon Oil Corporation	MRO	B	35.52	1	0.95	1.13	1.04	1.01	0.78
	<i>Median</i>			1	0.96	1.19	1.04	1.03	0.78
Canada/Australia									
EnCana Corporation	ECA	B	21.38	19	0.99	1.17	1.07	1.11	0.79
Canadian Oil Sands Limited	COSWF	B	20.95	13	0.99	1.14	1.08	1.07	0.67
Imperial Oil Limited (30%)	IMO		46.55	6	0.99	1.20	1.05	1.07	0.91
Woodside Petroleum Ltd.	WOPEY		36.15	7	0.92	1.14	1.05	1.03	1.00
Cenovus Energy Inc.	CVE		28.96	2	0.94	1.10	1.07	1.01	0.74
	<i>Median</i>			7	0.99	1.14	1.07	1.07	0.79
Small Cap Independent Producers									
Cimarex Energy Company	XEC	B	119.11	14	0.98	1.72	1.08	1.22	0.96
Birchcliff Energy Ltd.	BIREF	B	9.97	46	1.00	1.33	1.12	1.22	0.87
Continental Resources (32%)	CLR	B	124.27	10	0.99	1.52	1.06	1.14	0.93
Whiting Petroleum Corporation	WLL	B	69.39	12	0.97	1.41	1.06	1.13	0.82
Peyto Exploration and Development	PEYUF		34.20	12	1.00	1.28	1.08	1.12	0.94
PDC Energy	PDCE		62.26	17	0.87	1.43	1.09	1.07	0.86
Range Resources	RRC	B	82.97	(2)	0.93	1.13	0.97	1.03	0.94
Halcón Resources	HK		4.33	12	0.77	1.10	1.05	0.98	0.83
WPX Energy Inc.	WPX		18.03	(12)	0.85	1.11	0.99	0.96	0.76
	<i>Median</i>			12	0.97	1.33	1.06	1.12	0.87
RTF Cash Payers									
Mesa RoyaltyTrust	MTR		25.86	25	0.96	1.28	1.10	1.15	0.95
Cross Timbers Royalty Trust	CRT		31.16	8	0.95	1.24	1.02	1.07	0.74
Dorchester Minerals, L.P.	DMLP	B	26.20	3	1.00	1.16	1.04	1.06	0.94
San Juan Basin Royalty Trust	SJT	B	17.65	7	0.97	1.26	1.01	1.06	0.84
Hugoton RoyaltyTrust	HGT		8.07	10	0.81	1.16	0.96	1.00	0.67
Permian Basin RT	PBT		13.20	5	0.81	1.09	1.02	0.97	0.73
Sabine Royalty Trust	SBR		49.50	(0)	0.90	1.07	0.98	0.97	0.77
Freehold Royalties Ltd.	FRHLF		21.04	3	0.87	1.08	1.03	0.96	1.00
Enduro Royalty Trust	NDRO		12.53	6	0.74	1.06	0.95	0.91	0.89
	<i>Median</i>			6	0.90	1.16	1.02	1.00	0.84

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

Source: Bloomberg, Yahoo, McDep LLC



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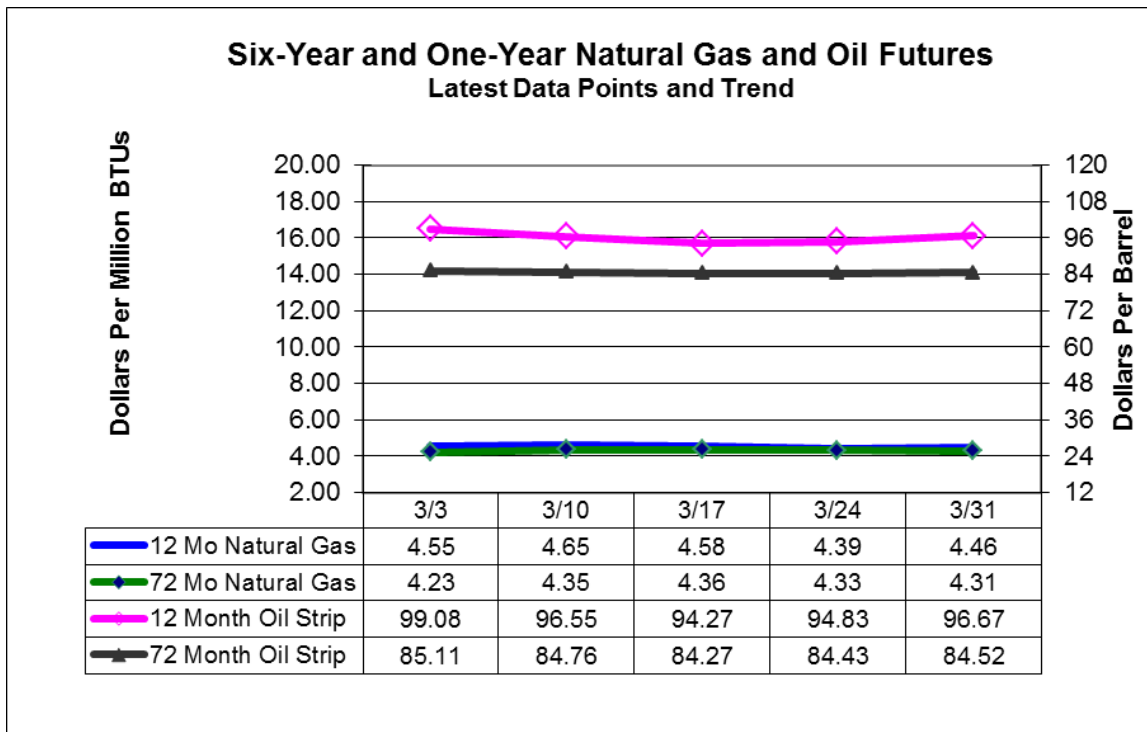
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Index of Recent Research			
<u>Date</u>	<u>Symbol</u>	<u>Subject</u>	<u>Theme</u>
Stock Ideas			
25-Mar	CVE	Cenovus Energy	Oil Growth Slowed by Transit States (Meter Reader)
18-Mar	PBT	Permian Basin Royalty Trust	Rising Oil Production, Understated 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
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)
31-May	HGT	Hugoton Royalty Trust	Beating the Bear (Income and Small Cap Weekly)
21-May	IMO	Imperial Oil	Timely on Bitumen Price (Meter Reader)
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			
25-Mar	CVE	Cenovus Energy	Oil Growth Slowed by Transit States
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10-Dec			Fracking Investment Strategy
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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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