



# Meter Reader

A Weekly Analysis of Oil and Gas Stocks

August 5, 2014

## ExxonMobil (XOM) Shale Oil Minerals

<i>Symbol</i>	XOM	<i>Ebitda Next Twelve Months ending 6/30/15 (US\$m)</i>	68,000
<i>Rating</i>	Buy	<i>North American Natural Gas/Ebitda (%)</i>	5
<i>Price (\$/sh)</i>	100.13	<i>Natural Gas and Oil Production/Ebitda (%)</i>	76
<i>Pricing Date</i>	8/4/14	<i>Adjusted Reserves/Production NTM</i>	14.5
<i>Shares (mm)</i>	4297	<i>EV/Ebitda</i>	7.5
<i>Market Capitalization (\$mm)</i>	430,000	<i>PV/Ebitda</i>	7.6
<i>Debt (\$mm)</i>	76,000	<i>Undeveloped Reserves (%)</i>	34
<i>Enterprise Value (EV) (\$mm)</i>	507,000	<i>Natural Gas and Oil Ebitda (\$/boe)</i>	36.00
<i>Present Value (PV) (\$mm)</i>	515,000	<i>Present Value Proven Reserves(\$/boe)</i>	15.60
<i>Net Present Value (\$/share)</i>	102	<i>Present Value Proven Reserves(\$/mcf)</i>	2.60
<i>Debt/Present Value</i>	0.15	<i>Earnings Next Twelve Months (US\$/sh)</i>	7.35
<i>McDep Ratio - EV/PV</i>	0.98	<i>Price/Earnings Next Twelve Months</i>	14
<i>Dividend Yield (%/year)</i>	2.8	<i>Indicated Annual Dividend (US\$/sh)</i>	2.76
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 XOM since 2001 see <a href="http://www.mcdep.com/1xom.htm">www.mcdep.com/1xom.htm</a>			

### Summary and Recommendation

We recommend the common stock of **ExxonMobil (XOM)** for value, growth and financial strength. At a McDep Ratio of 0.98, XOM is priced below its Net Present Value (NPV) of \$102 a share. Results for the second quarter of 2014 released on July 31 confirm progress to justify NPV concentrated 61% on oil, 23% on natural gas and 17% on downstream (see tables Present Value on page 2 and Operating and Financial Estimates on page 3). Financial strength includes low debt, large size and diversification by business segment and geography.

### Shale Oil Minerals

Masked by a decline in international oil volume, U.S. oil volume increased 9% from the previous year quarter to 458 thousand barrels daily. Horizontal drilling is just getting started with 93 new wells on line this year. Profit margins are also higher in the Permian, Bakken and Oklahoma Woodford, which counter the loss of some less profitable volume overseas. Reemphasized on the quarterly call, most of XOM's prospective Wolfcamp shale acreage in the Midland Basin is owned in fee and therefore not subject to royalty payments to others. Fee, or mineral, lands have become especially valuable in rapidly growing shale areas.

The gradual uncovering of hidden value in legacy West Texas oil lands attests to the quality of XOM's resources. Similarly a company that has been managed by some of the best and brightest talent for generations may be able to continue to produce favorable long-term results for investors with core ownership of XOM stock.



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## New High Margin LNG

Though natural gas volume was down seasonally outside the U.S. an important new liquefied natural gas (LNG) facility started up in Papua New Guinea (PNG/LNG). Currently production nears a billion cubic feet daily of high margin clean fuel for sale to Asian buyers at premium prices.

## Advantaged Feedstock to Chemicals

Just as interesting, XOM is building a 1.5 billion tons a year ethane cracker with two 650,000 tons a year polyethylene lines on the Texas Gulf Coast. The plants feed on newly economical and abundant U.S shale gas.

## Low Debt and Stock Repurchase

Some investors may think debt should be expanded. We point out that investors can add their own leverage simply by owning more stock. We think a low ratio of debt to present value is reassuring.

Some investors may also think that money used to repurchase stock should be reinvested in growing the business. We point out that the business owned by the remaining shares does experience immediate growth in proportion to the shares repurchased. XOM repurchased 3% of its shares last year thereby boosting the growth rate by 3% a year for the remaining shares. Investors who think the price of repurchased stock is too high can act on that conviction by selling a proportionate amount from the portfolio at the same time. Through stock repurchase ExxonMobil counters the challenge of continuing growth from an already large base.

Kurt H. Wulff, CFA

Exxon Mobil Corporation					
Functional Cash Flow and Present Value					
	<i>NTM</i>	<i>Adjusted</i>	<i>PV/</i>	<i>Present</i>	
	<i>Ebitda</i>	<i>R/P</i>	<i>Ebitda</i>	<i>Value</i>	
North American Natural Gas	2,580	16.2	13.6	35,000	7%
Rest of World Natural Gas	12,380	14.2	6.5	80,000	16%
Oil	37,060	14.2	8.5	314,000	61%
Downstream	16,000		5.3	85,000	17%
	68,020	14.5	7.6	514,000	100%
Debt					76,000
Net Present Value (\$mm)					438,000
Shares					4,297
Net Present Value - Standard Estimate (US\$/sh)					102
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)					105



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Exxon Mobil Corporation										
Next Twelve Months Operating and Financial Estimates										
	Q2	Year	Q1	Q2	Q3E	Q4E	Year	Q1E	Q2E	Next Twelve Months
	6/30/13	2013	3/31/14	6/30/14	9/30/14	12/31/14	2014E	3/31/15	6/30/15	6/30/15
<b>Volume</b>										
Natural Gas (mmcf)										
North America	3,928	<b>3,898</b>	3,748	3,737	3,700	3,663	<b>3,712</b>	3,626	3,590	<b>3,645</b>
Overseas	7,426	<b>7,938</b>	8,268	7,013	6,917	7,986	<b>7,544</b>	8,185	6,943	<b>7,506</b>
Total	11,354	<b>11,836</b>	12,016	10,750	10,617	11,649	<b>11,255</b>	11,811	10,533	<b>11,151</b>
Oil (mbd)	2,182	<b>2,202</b>	2,148	2,048	2,068	2,089	<b>2,088</b>	2,110	2,131	<b>2,100</b>
Total gas & oil (mmb)	371	<b>1,524</b>	374	349	353	371	<b>1,447</b>	367	354	<b>1,445</b>
Total gas & oil (mbd)	4,074	<b>4,175</b>	4,151	3,840	3,838	4,031	<b>3,964</b>	4,079	3,887	<b>3,958</b>
<b>Price</b>										
Natural gas (\$/mcf)										
Henry Hub (\$/mmbtu)	4.10	<b>3.65</b>	4.95	4.67	4.02	3.94	<b>4.39</b>	4.06	3.78	<b>3.95</b>
U.S.	4.07	<b>3.53</b>	4.78	4.46	3.83	3.76	<b>4.21</b>	4.06	3.78	<b>3.85</b>
International	9.74	<b>9.95</b>	10.59	9.00	9.00	9.00	<b>9.43</b>	9.00	9.00	<b>9.00</b>
Total	7.78	<b>7.84</b>	8.78	7.42	7.20	7.35	<b>7.71</b>	7.48	7.22	<b>7.32</b>
Oil (\$/bbl)										
WTI Cushing	94.22	<b>97.98</b>	98.74	102.98	99.67	96.81	<b>99.55</b>	95.41	94.17	<b>96.52</b>
Worldwide	98.09	<b>101.88</b>	99.82	102.56	99.27	96.42	<b>99.50</b>	95.35	94.12	<b>96.28</b>
Total gas & oil (\$/bbl)	74.21	<b>75.96</b>	77.07	75.48	73.42	71.22	<b>74.30</b>	71.00	71.17	<b>71.69</b>
NY Harbor 3-2-1 (\$/bbl)	21.37	<b>22.00</b>	19.04	21.12	19.72	15.92	<b>18.95</b>	17.32	23.39	<b>19.09</b>
<b>Revenue (\$mm)</b>										
Natural Gas										
U.S.	1,455	<b>5,023</b>	1,612	1,517	1,305	1,266	<b>5,699</b>	1,324	1,233	<b>5,127</b>
International	6,582	<b>28,827</b>	7,880	5,744	5,727	6,613	<b>25,964</b>	6,630	5,686	<b>24,656</b>
Total	8,037	<b>33,851</b>	9,493	7,260	7,032	7,878	<b>31,663</b>	7,954	6,919	<b>29,783</b>
Oil	19,478	<b>81,901</b>	19,297	19,115	18,891	18,533	<b>75,835</b>	18,108	18,253	<b>73,785</b>
Other	78,954	<b>322,757</b>	77,983	85,272	85,272	85,272	<b>333,799</b>	85,272	85,272	<b>341,088</b>
Total	106,469	<b>438,508</b>	106,773	111,647	111,194	111,683	<b>441,297</b>	111,334	110,445	<b>444,656</b>
<b>Expense (\$mm)</b>										
Production	14,283	<b>60,075</b>	13,946	12,591	12,903	13,146	<b>52,586</b>	12,972	12,530	<b>51,550</b>
Other	76,448	<b>308,698</b>	74,423	82,340	81,272	81,272	<b>319,307</b>	81,272	81,272	<b>325,088</b>
<b>Ebitda (\$mm)</b>										
Exploration and Production	13,232	<b>55,677</b>	14,844	13,784	13,020	13,265	<b>54,912</b>	13,090	12,643	<b>52,017</b>
Other	2,506	<b>14,059</b>	3,560	2,933	4,000	4,000	<b>14,493</b>	4,000	4,000	<b>16,000</b>
Total Ebitda	15,738	<b>69,736</b>	18,404	16,716	17,020	17,265	<b>69,405</b>	17,090	16,643	<b>68,017</b>
Exploration	677	<b>2,428</b>	317	606	606	606	<b>2,135</b>	606	606	<b>2,424</b>
Deprec., Deplet., & Amort.	4,405	<b>17,182</b>	4,192	4,192	4,192	4,192	<b>16,768</b>	4,192	4,192	<b>16,768</b>
<b>Ebit</b>	10,656	<b>50,126</b>	13,895	11,918	12,222	12,467	<b>50,502</b>	12,292	11,845	<b>48,825</b>
Interest	85	<b>9</b>	66	66	66	66	<b>264</b>	66	66	<b>264</b>
<b>Ebt</b>	10,571	<b>50,117</b>	13,829	11,852	12,156	12,401	<b>50,238</b>	12,226	11,779	<b>48,561</b>
Income Tax	3,700	<b>17,541</b>	4,840	4,148	4,254	4,340	<b>17,583</b>	4,279	4,123	<b>16,996</b>
<b>Net Income (\$mm)</b>										
Exploration and Production	6,305	<b>26,841</b>	7,783	6,281						
Other	1,152	<b>7,277</b>	1,860	1,452						
Unallocated	(586)	<b>(1,542)</b>	(654)	(29)						
Total	6,871	<b>32,576</b>	8,989	7,704	7,901	8,061	<b>32,654</b>	7,947	7,656	<b>31,565</b>
<b>Shares (millions)</b>	4,433	<b>4,420</b>	4,328	4,297	4,297	4,297	<b>4,305</b>	4,297	4,297	<b>4,297</b>
Per share (\$)	1.55	<b>7.37</b>	2.08	1.79	1.84	1.88	<b>7.58</b>	1.85	1.78	<b>7.35</b>
Ebitda Margin (E&P)	48%	<b>48%</b>	52%	52%	50%	50%	<b>51%</b>	50%	50%	<b>50%</b>
Tax Rate	35%	<b>35%</b>	35%	35%	35%	35%	<b>35%</b>	35%	35%	<b>35%</b>
<b>Dividend</b>	0.63	<b>2.52</b>	0.69	0.69	0.69	0.69	<b>2.76</b>	0.69	0.69	<b>2.76</b>





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			<i>Price (US\$/sh)</i>	<i>Shares</i>	<i>Market Cap (US\$mm)</i>	<i>Net Present Value (US\$/sh)</i>	<i>Debt/ Present Value</i>	<i>McDep Ratio</i>
	<i>Symbol/Rating</i>		<i>4-Aug 2014</i>	<i>(mm)</i>				
	<i>B = Buy, CB (see below)</i>							
<b>Global Integrated</b>								
Exxon Mobil Corporation	XOM	B	100.13	4,297	430,000	102.00	0.15	0.98
Royal Dutch Shell plc	RDS-A		82.02	3,145	258,000	95.00	0.22	0.89
Chevron Corporation	CVX		128.17	1,902	244,000	150.00	0.13	0.87
Total S.A.	TOT		65.48	2,281	149,000	80.00	0.24	0.86
Lukoil Oil Company	LUKOY	CB	55.33	776	42,900	135.00	0.06	0.45
	<i>Total or Median</i>				<i>1,124,000</i>		<i>0.15</i>	<i>0.87</i>
<b>U.S. Independent</b>								
EOG Resources, Inc.	EOG		111.81	548	61,300	110.00	0.08	1.02
ConocoPhillips	COP		81.98	1,243	102,000	100.00	0.21	0.86
Occidental Petroleum Corp.	OXY		100.75	792	79,800	120.00	0.09	0.85
Marathon Oil Corporation	MRO	B	39.22	696	27,300	50.00	0.22	0.83
Devon Energy Corporation	DVN	B	76.81	408	31,300	100.00	0.24	0.82
	<i>Total or Median</i>				<i>301,700</i>		<i>0.21</i>	<i>0.85</i>
<b>Canada/Australia</b>								
Woodside Petroleum Ltd.	WOPEY		39.17	823	32,200	36.00	0.13	1.08
Imperial Oil Limited (30%)	IMO		50.85	255	13,000	52.00	0.18	0.98
EnCana Corporation	ECA	B	21.47	736	15,800	30.00	0.26	0.79
Cenovus Energy Inc.	CVE		31.07	758	23,600	42.00	0.18	0.79
Canadian Oil Sands Limited	COSWF	B	21.33	485	10,300	34.00	0.14	0.68
	<i>Total or Median</i>				<i>95,000</i>		<i>0.18</i>	<i>0.79</i>
<b>Small Cap Independent Producers</b>								
Continental Resources (32%)	CLR	B	149.15	59	8,800	135.00	0.18	1.09
Cimarex Energy Company	XEC	B	141.23	87	12,300	140.00	0.11	1.01
Whiting Petroleum Corporation	WLL	B	88.03	120	10,600	90.00	0.22	0.98
Halcón Resources	HK		5.51	414	2,300	7.00	0.57	0.91
PDC Energy	PDCE		60.34	36	2,200	75.00	0.21	0.84
WPX Energy Inc.	WPX		21.13	200	4,200	28.00	0.33	0.84
Peyto Exploration and Development Corp.	PEYUF		33.05	152	5,000	42.00	0.12	0.81
Range Resources	RRC	CB	76.73	163	12,500	100.00	0.18	0.81
Birchcliff Energy Ltd.	BIREF	B	10.25	156	1,600	14.00	0.21	0.79
	<i>Total or Median</i>				<i>60,000</i>		<i>0.21</i>	<i>0.84</i>
<b>RTF Cash Payers</b>								
Dorchester Minerals, L.P.	DMLP	B	34.47	31	1,060	32.00	-	1.08
Enduro Royalty Trust	NDRO		13.51	33	450	14.00	-	0.97
Mesa Royalty Trust	MTR		25.97	2	50	28.00	-	0.92
Freehold Royalties Ltd.	FRHLF		23.03	68	1,570	26.00	0.08	0.90
Sabine Royalty Trust	SBR		57.02	15	830	64.00	-	0.89
San Juan Basin Royalty Trust	SJT	B	17.92	47	840	21.00	-	0.85
Hugoton Royalty Trust	HGT		10.13	40	410	13.00	-	0.78
Permian Basin RT	PBT		13.77	47	640	18.00	-	0.77
Cross Timbers Royalty Trust	CRT		30.98	6	190	42.00	-	0.74
	<i>Total or Median</i>				<i>6,000</i>		<i>-</i>	<i>0.89</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> <i>(US\$/sh)</i>	<i>Adjustd</i> <i>Resrvs/</i>	<i>PV/</i>	<i>EV/</i>	<i>P/E</i>	<i>Dividend</i>
	<i>Symbol/Rating</i>		<i>4-Aug</i>	<i>Prod</i>	<i>Ebitda</i>	<i>Ebitda</i>	<i>NTM</i>	<i>NTM</i>
	B = Buy, CB (see below)		<i>2014</i>	<i>NTM</i>	<i>NTM</i>	<i>NTM</i>	<i>NTM</i>	<i>(\$/sh)</i>
<b>Global Integrated</b>								
Exxon Mobil Corporation	XOM	B	100.13	14.5	7.6	7.5	14	2.76
Total S.A.	TOT		65.48	11.0	7.2	6.2	12	3.28
Royal Dutch Shell plc	RDS-A		82.02	10.3	6.7	6.0	12	3.76
Chevron Corporation	CVX		128.17	9.3	6.9	6.0	13	4.28
Lukoil Oil Company	LUKOY	CB	55.33	15.5	5.8	2.6	5	3.07
	<i>Median</i>			<i>11.0</i>	<i>6.9</i>	<i>6.0</i>	<i>12</i>	
<b>U.S. Independent</b>								
EOG Resources, Inc.	EOG		111.81	7.8	6.7	6.8	22	0.50
Devon Energy Corporation	DVN	B	76.81	10.1	8.2	6.7	17	0.96
Occidental Petroleum Corp.	OXY		100.75	10.7	7.4	6.3	14	2.88
ConocoPhillips	COP		81.98	11.3	7.1	6.1	12	2.76
Marathon Oil Corporation	MRO	B	39.22	10.4	6.5	5.4	12	0.84
	<i>Median</i>			<i>10.4</i>	<i>7.1</i>	<i>6.3</i>	<i>14</i>	
<b>Canada/Australia</b>								
Imperial Oil Limited (30%)	IMO		50.85	25.0	9.9	9.8	14	0.48
Woodside Petroleum Ltd.	WOPEY		39.17	9.5	7.6	8.2	17	2.06
EnCana Corporation	ECA	B	21.47	7.6	9.6	7.6	15	0.28
Canadian Oil Sands Limited	COSWF	B	21.33	18.2	9.9	6.7	10	1.56
Cenovus Energy Inc.	CVE		31.07	14.3	8.5	6.7	14	0.98
	<i>Median</i>			<i>14.3</i>	<i>9.6</i>	<i>7.6</i>	<i>14</i>	
<b>Small Cap Independent Producers</b>								
Range Resources	RRC	CB	76.73	12.4	14.5	11.7	70	0.16
Peyto Exploration and Development Corp.	PEYUF		33.05	10.0	10.8	8.8	22	0.88
PDC Energy	PDCE		60.34	17.5	10.3	8.7	36	-
Continental Resources (32%)	CLR	B	149.15	11.4	7.4	8.1	19	-
Birchcliff Energy Ltd.	BIREF	B	10.25	14.5	10.0	7.9	22	-
WPX Energy Inc.	WPX		21.13	8.6	8.9	7.5	-	-
Halcón Resources	HK		5.51	5.8	8.2	7.4	14	-
Cimarex Energy Company	XEC	B	141.23	7.0	7.3	7.4	19	0.64
Whiting Petroleum Corporation	WLL	B	88.03	7.4	5.4	5.3	16	-
	<i>Median</i>			<i>10.0</i>	<i>8.9</i>	<i>7.9</i>	<i>21</i>	
<b>RTF Cash Payers</b>								
Dorchester Minerals, L.P.	DMLP	B	34.47	8.3	13.5	14.5	21	1.94
Sabine Royalty Trust	SBR		57.02	10.2	15.6	13.9	14	4.10
San Juan Basin Royalty Trust	SJT	B	17.92	10.7	15.9	13.6	15	1.19
Hugoton Royalty Trust	HGT		10.13	14.4	14.9	11.6	14	0.74
Cross Timbers Royalty Trust	CRT		30.98	12.2	14.7	10.9	13	2.35
Freehold Royalties Ltd.	FRHLF		23.03	5.7	11.8	10.5	19	1.54
Mesa Royalty Trust	MTR		25.97	6.9	10.7	9.9	12	2.18
Permian Basin RT	PBT		13.77	9.8	10.5	8.0	13	1.05
Enduro Royalty Trust	NDRO		13.51	7.4	8.0	7.7	17	0.78
	<i>Median</i>			<i>9.8</i>	<i>13.5</i>	<i>10.9</i>	<i>14</i>	

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 June 30, 2015; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses



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Table 4									
McDep Energy Stocks									
Total Return and Enterprise Value Momentum									
Ranked by EV/200-Day Average									
			Price	Equity					
			(\$/sh)	Total					
	Symbol		4-Aug	Return	Enterprise Value/				McDep
	Rating		2014	YTD	52Wk	52Wk	50 Day	200 Day	Ratio
				(%)	High	Low	Avg.	Avg.	
<b>Global Integrated</b>									
	RDS-A		82.02	18	0.99	1.21	1.01	1.08	0.89
	CVX		128.17	4	0.96	1.14	1.00	1.04	0.87
	XOM	B	100.13	0	0.96	1.15	0.98	1.02	0.98
	TOT		65.48	10	0.91	1.16	0.95	1.01	0.86
	LUKOY	CB	55.33	(10)	0.85	1.11	0.95	0.96	0.45
	<i>Median</i>			4	0.96	1.15	0.98	1.02	0.87
<b>U.S. Independent</b>									
	EOG		111.81	34	0.94	1.43	0.99	1.15	1.02
	DVN	B	76.81	25	0.97	1.25	1.00	1.10	0.82
	COP		81.98	19	0.96	1.21	0.98	1.08	0.86
	MRO	B	39.22	12	0.97	1.17	1.01	1.07	0.83
	OXY		100.75	7	0.96	1.16	1.00	1.04	0.85
	<i>Median</i>			19	0.96	1.21	1.00	1.08	0.85
<b>Canada/Australia</b>									
	IMO		50.85	16	0.95	1.21	0.98	1.08	0.98
	WOPEY		39.17	16	0.97	1.18	1.00	1.06	1.08
	CVE		31.07	10	0.96	1.16	1.00	1.06	0.79
	COSWF	B	21.33	17	0.94	1.15	0.98	1.05	0.68
	ECA	B	21.47	20	0.91	1.16	0.96	1.03	0.79
	<i>Median</i>			16	0.95	1.16	0.98	1.06	0.79
<b>Small Cap Independent Producers</b>									
	WLL	B	88.03	42	0.97	1.53	1.07	1.20	0.98
	XEC	B	141.23	35	0.94	1.68	1.02	1.19	1.01
	CLR	B	149.15	33	0.95	1.49	1.00	1.15	1.09
	BIREF	B	10.25	50	0.80	1.35	0.87	1.06	0.79
	HK		5.51	43	0.88	1.19	0.93	1.04	0.91
	WPX		21.13	4	0.92	1.14	0.98	1.03	0.84
	PDCE		60.34	13	0.85	1.24	0.99	1.02	0.84
	PEYUF		33.05	10	0.88	1.20	0.93	1.00	0.81
	RRC	CB	76.73	(9)	0.84	1.04	0.92	0.93	0.81
	<i>Median</i>			33	0.88	1.24	0.98	1.04	0.84
<b>RTF Cash Payers</b>									
	DMLP	B	34.47	40	0.97	1.46	1.13	1.29	1.08
	HGT		10.13	45	0.84	1.45	0.94	1.14	0.78
	SBR		57.02	18	0.89	1.19	0.97	1.08	0.89
	NDRO		13.51	17	0.85	1.19	1.01	1.05	0.97
	FRHLF		23.03	15	0.90	1.17	0.95	1.04	0.90
	SJT	B	17.92	12	0.88	1.16	0.94	1.01	0.85
	MTR		25.97	32	0.69	1.28	0.83	1.01	0.92
	PBT		13.77	12	0.85	1.14	0.96	1.00	0.77
	CRT		30.98	11	0.81	1.15	0.90	0.99	0.74
	<i>Median</i>			17	0.85	1.19	0.95	1.04	0.89

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

Source: Bloomberg, Yahoo, McDep LLC



# Meter Reader

A Weekly Analysis of Oil and Gas Stocks  
August 5, 2014

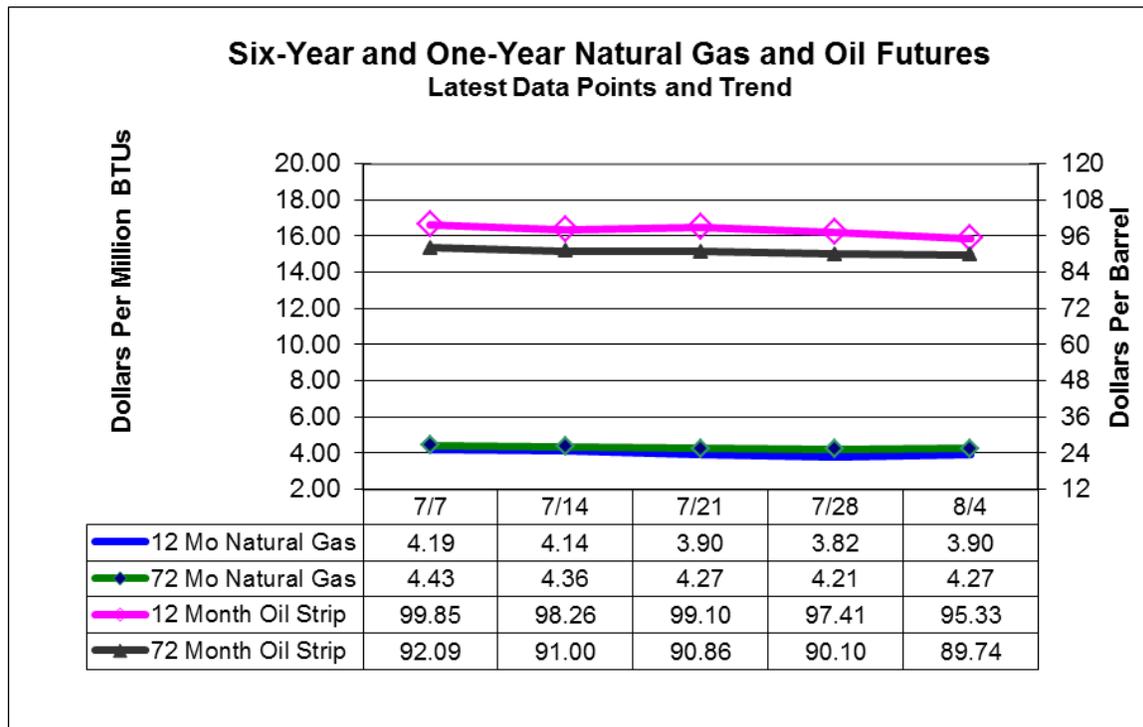
Index of Recent Research			
<b>Stock Ideas</b>			
<u>Date</u>	<u>Symbol</u>	<u>Subject</u>	<u>Theme</u>
30-Jul	RRC	Range Resources	Transportation and Processing Lagging Fraccing
22-Jul	MRO	Marathon Oil	Frac Shale Oil, Sell Norway (Meter Reader)
15-Jul	WLL	Whiting Petroleum	Agrees to Acquire Kodiak Oil & Gas (Meter Reader)
8-Jul	DVN	Devon Energy	Five Core Focus (Meter Reader)
1-Jul	COSWF	Canadian Oil Sands Ltd.	Returning to Favor (Meter Reader)
24-Jun	DMLP	Dorchester Minerals, L.P.	Raise NPV to \$32 on Minerals (Meter Reader)
24-Jun	FRHLF	Freehold Royalties Ltd	Raise NPV to \$26 on Minerals (Meter Reader)
17-Jun	PEYUF	Peyto Exploration	Raise NPV to \$42 on More Energy Growth (Meter Reader)
10-Jun	OXY	Occidental Petroleum	Raise NPV to \$120, Spinoff Filed (Meter Reader)
3-Jun	ECA	Encana Corporation	Hidden Value Surfaces (Meter Reader)
27-May	CVX	Chevron	Oil Price Turns Up (Meter Reader)
20-May	BIREF	Birchcliff Energy	Raise NPV to \$14 on Accelerating Volume (Meter Reader)
13-May	XEC	Cimarex Energy	Raise NPV to \$140 on Cana Double (Meter Reader)
23-Apr	HGT	Hugoton Royalty Trust	Positive Arbitration Ruling
21-Apr	MTR	Mesa Royalty Trust	Underpayment Uncovered, Upside Commodity Leverage
15-Apr	COP	ConocoPhillips	Shale Upside, Exploration Promise, Dividend Strength (Meter Reader)
25-Mar	CVE	Cenovus Energy	Oil Growth Slowed by Transit States (Meter Reader)
18-Mar	PBT	Permian Basin Royalty Trust	Rising Oil Production, Understated Income (Meter Reader)
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)
21-Feb	PDCE	PDC Energy	Raise NPV to \$75 on More Shale Oil
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)
19-Nov	CLR	Continental Resources	High Density "Ears Back" Drilling Pace (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)
13-Sep	CRT	Cross Timbers Royalty Trust	Fracking Upside in Permian and Scoop (Income and Small Cap Weekly)
23-Jul	WOPEY	Woodside Petroleum, Ltd.	Distributing LNG Cash (Meter Reader)
For historical research by stock, go to <a href="http://mcdep.com">mcdep.com</a> , click on <a href="#">Stock Ideas</a> , click on stock by name.			
<b>Meter Reader</b>			
29-Jul			Investment Strategy August 2014 - Oil and Gas in Safe Areas
22-Jul	MRO	Marathon Oil	Frac Shale Oil, Sell Norway
15-Jul	WLL	Whiting Petroleum	Agrees to Acquire Kodiak Oil & Gas
8-Jul	DVN	Devon Energy	Five Core Focus
1-Jul	COSWF	Canadian Oil Sands Ltd.	Returning to Favor
24-Jun	DMLP, FRHLF		Raise NPV to \$32 for Dorchester, \$26 for Freehold
17-Jun	PEYUF	Peyto Exploration	Raise NPV to \$42 on More Energy Growth
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For earlier editions, go to <a href="http://mcdep.com">mcdep.com</a> , click on <a href="#">Meter Reader</a> .			
<b>Industry Ideas</b>			
July			Oil and Gas Investor: In Royalty We Trust
24-Jun	DMLP, FRHLF, PBT, CRT, NDRO		Raise NPV, Trustee Approved, Permian Wells
4-Jun	PBT, CRT	Permian BRT, Cross Timbers RT	Vote Your Proxy
17-Apr	PBT, SBR, CRT, HGT		Proxy Voting Underway



# Meter Reader

A Weekly Analysis of Oil and Gas Stocks

August 5, 2014



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