

Meter Reader

A Weekly Analysis of Energy Stocks Using the McDep Ratio

April 3, 2003

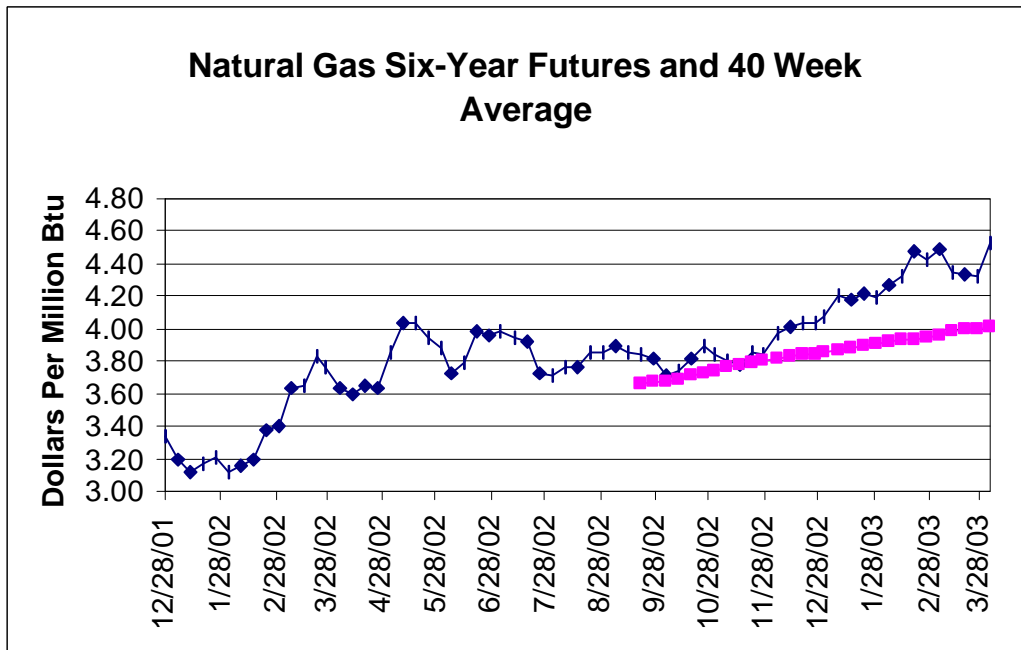
Inflation Beating Deflation

Summary and Recommendation

Our buy recommendations of natural gas producers **Burlington Resources (BR)**, **Encana (ECA)** and **XTO Energy (XTO)** get current support from a rising trend in six-year natural gas commodity prices. Oil is less robust currently with six-year oil futures trading around the 40-week moving average. Futures quotes on a refining margin (crack) basis have dipped below the moving average, perhaps temporarily as they did last fall. Looking at bond market charts we see that the trend of declining real growth expectations and the rising trend of inflation seem stronger than the trend to deflation reflected in the yield on the conventional Treasury Note. Recommended energy producers with low McDep Ratios and low ratios of debt offer an attractive real return with inflation protection and deflation resistance in a challenging economic outlook (see Table 1-1, 1-2, 2-1, 2-2, 3-1, 3-2).

Natural Gas Futures Rising

Even though winter is over natural gas buyers are showing increasing interest week-to-week in long term futures (see Chart).



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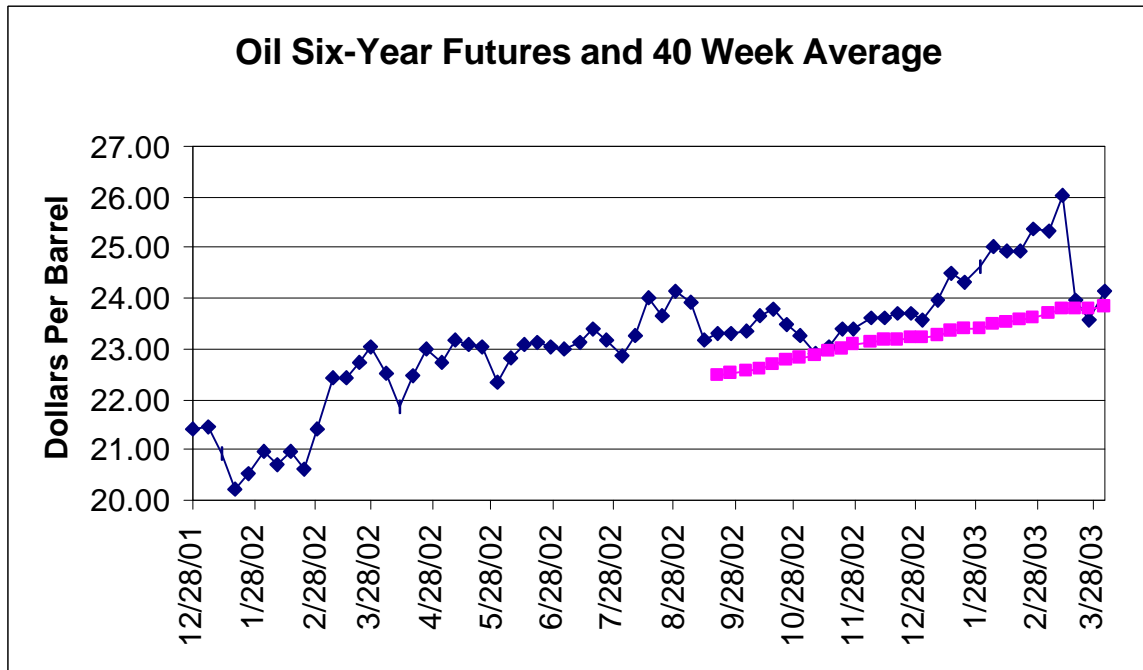
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Oil Futures Pausing

Six-year oil futures have dropped back to the 40-week average (see Chart). The quote has already rebounded from a dip below, but that can change any day. We see little likelihood of any sustained noticeable decline in six-year futures. Our trend value for the actual price over the next six years of Light Sweet Crude Oil that trades on the New York Mercantile Exchange is \$33.



One-Year Refining Crack Cracks

There are no publicly quoted futures for refined heating oil beyond 18 months and for gasoline beyond 2003. We have had to make estimates for the past few months for gasoline in 2004 in order to compute one-year futures for the refining crack spread (see Chart next page). In any event the picture that we have shows some challenge to the rising trend that had been developing.

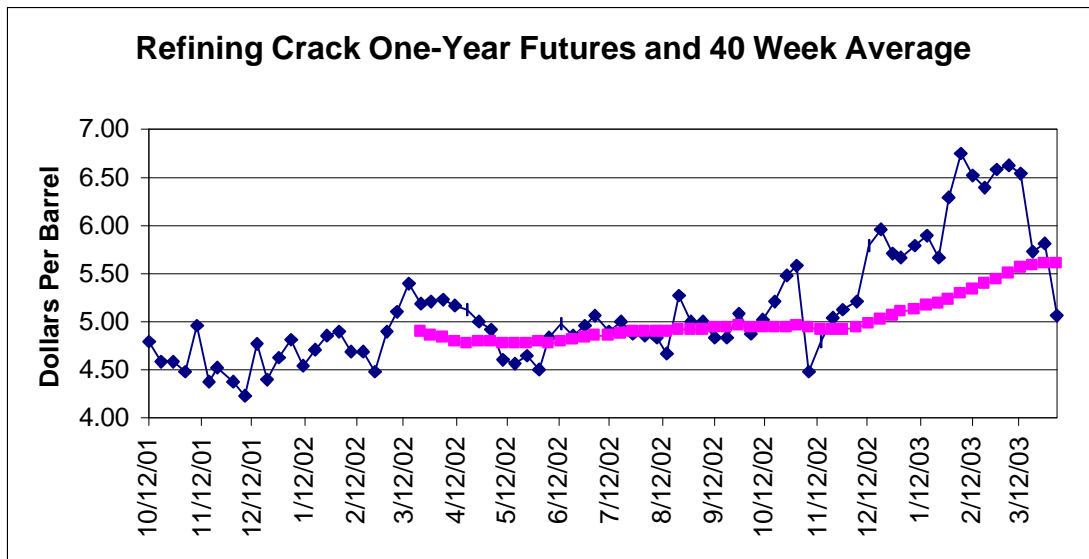
Pausing oil futures and a brief crack in the crack futures appear at the same time that stock prices for recommended major oil companies already seem to reflect pessimistic anticipations. Though we pay attention short-term, our fundamental convictions are stronger than the chart trends that can change quickly. Meanwhile most of our recommendations also pay attractive current income.

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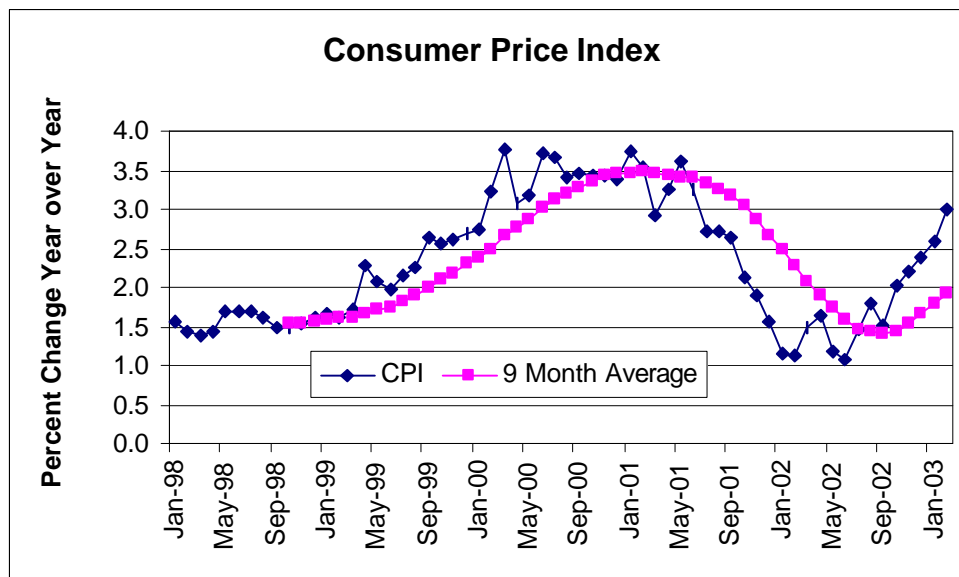
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Inflation Trends Up

Much of our confidence that oil price is low is our expectation that more inflation lies down the road. Two market trends support that view. Monthly consumer price index reversed course last summer (see Chart).



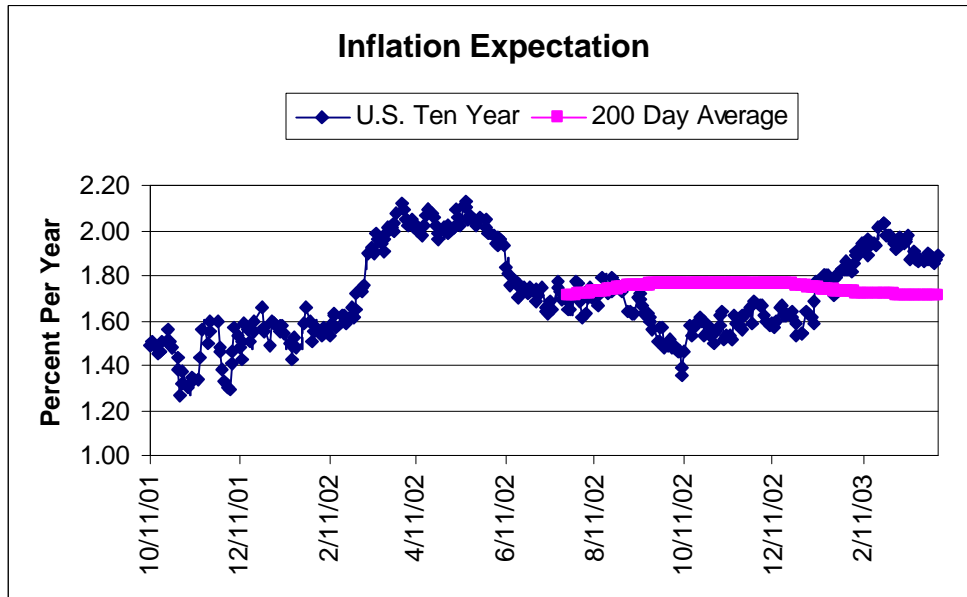
Daily inflation expectations in the Treasury market are trending up (see Chart next page).

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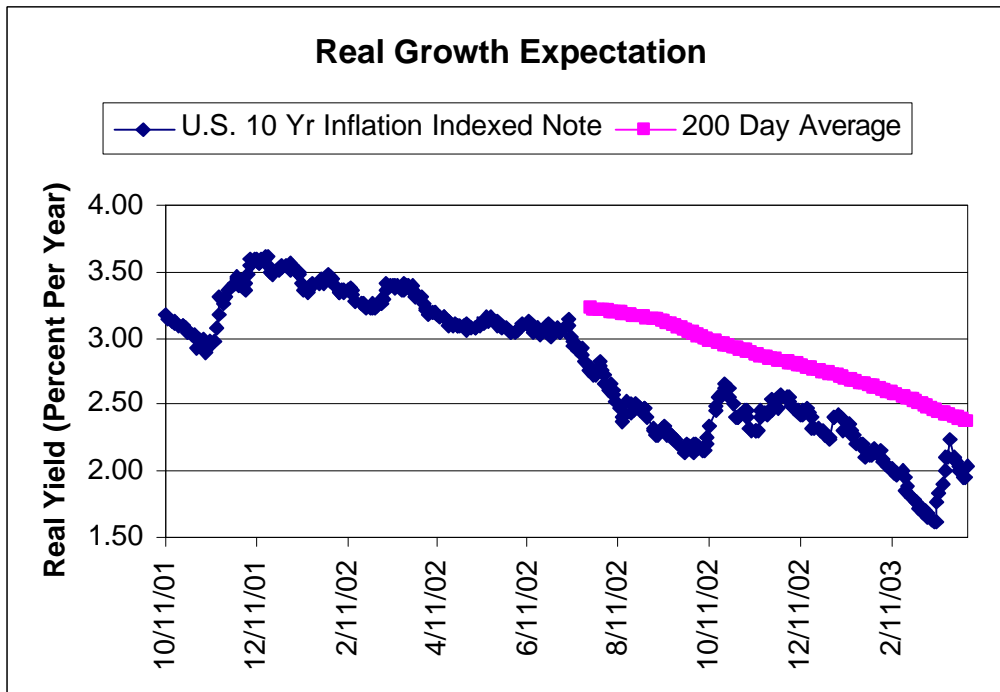
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Real Growth Expectations Declining Decisively

Expected inflation is the difference between the real yield on Treasury Inflation Protected Securities and conventional Treasury Notes. Real yield remains well below the downward trending 200-day moving average (see Chart).



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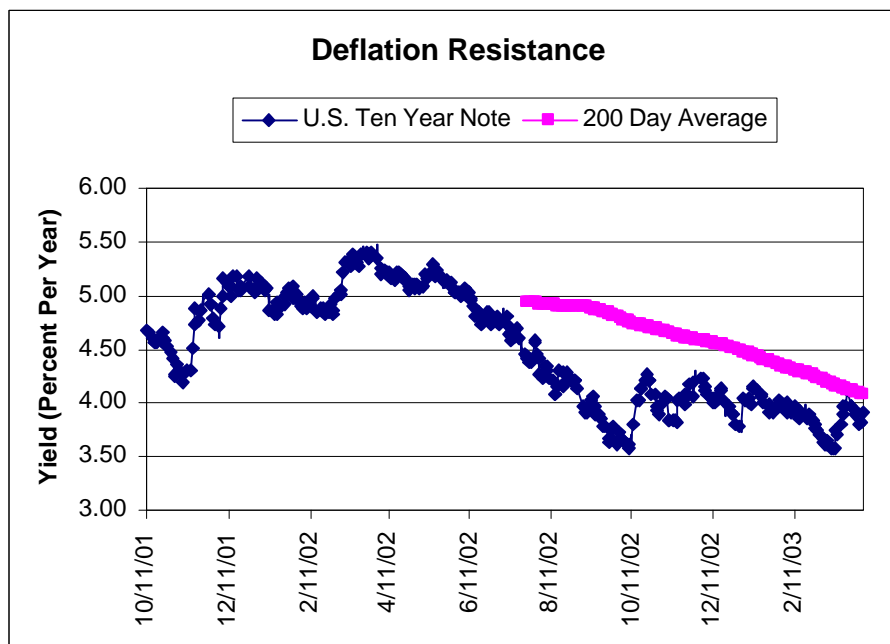
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Deflation Concerns Still Alive

So far the yield on the Ten-Year Note refuses to reverse trend despite widespread expectations to the contrary (see Chart). Yet of the three bond market measures, “deflation resistance” appears to have the weakest trend. Nonetheless it is still enough of a threat that all of our buy recommendations have zero, or low, or moderate debt.

Deflation appears most evident in manufactured goods like automobiles. Yet lower prices for cars are contributing to more volume just as lower interest rates are contributing to more home building. New cars need gasoline and spacious new homes need heat or air conditioning. There is no spare capacity in North American natural gas and little in international oil production. In that sense we can have deflation in some parts of the world economy and inflation in others. Meanwhile governments ultimately respond to the deflationary pressure after three decade peaks in speculative activity with military spending and social programs that have an inflationary impact.

Kurt H. Wulff, CFA



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

	Symbol/ Rating	Price (\$/sh) 2-Apr 2003	Shares (mm)	Market Cap (\$mm)	Net Present Value (\$/sh)	Debt/ Present Value	McDep Ratio
Mega Cap							
Exxon Mobil Corporation	XOM	35.70	6,755	241,000	35.00	0.09	1.02
BP plc	BP	38.40	3,725	143,000	45.00	0.16	0.88
TotalFinaElf S.A.	TOT	65.30	1,317	86,000	85.00	0.16	0.81
Royal Dutch/Shell	RD B	41.70	3,473	145,000	55.00	0.19	0.80
ChevronTexaco Corporation	CVX B	65.08	1,063	69,200	95.00	0.19	0.74
	<i>Total or Median</i>			684,000		0.16	0.81
Energy Infrastructure							
Southern Company	SO	28.44	696	19,800	28.00	0.43	1.01
Duke Energy Corporation	DUK	14.11	832	11,700	16.00	0.69	0.96
El Paso Corporation	EP N	6.11	589	3,600	10.00	0.79	0.92
Exelon Corporation	EXC N	50.73	325	16,500	65.00	0.51	0.89
Enel S.p.a. (32%)	EN	28.65	388	11,100	37.00	0.40	0.86
American Electric Power Co. Inc.	AEP N	23.00	348	8,000	35.00	0.60	0.86
Dominion Resources	D	55.59	294	16,300	76.00	0.44	0.85
	<i>Total or Median</i>			67,000		0.55	0.88
Natural Gas and Oil							
Occidental Petroleum Corp.	OXY	30.83	383	11,800	35.00	0.36	0.92
Burlington Resources	BR B	48.01	202	9,700	60.00	0.26	0.85
ConocoPhillips	COP B	53.41	680	36,300	70.00	0.38	0.85
Devon Energy	DVN	47.80	163	7,800	65.00	0.42	0.85
Encana Corporation	ECA B	31.61	470	14,900	40.00	0.24	0.84
Anadarko Petroleum Corp.	APC	46.05	258	11,900	60.00	0.29	0.84
ENI S.p.A.	E	69.10	750	51,800	90.00	0.14	0.80
Unocal Corporation	UCL	26.91	255	6,900	40.00	0.35	0.79
Marathon Oil Corporation	MRO B	24.15	310	7,500	40.00	0.31	0.73
OAo Lukoil	LUKOY	55.80	206	11,500	90.00	0.12	0.67
Petroleo Brasileiro S. A.	PBR N	16.26	1,086	17,700	30.00	0.25	0.66
	<i>Total or Median</i>			176,000		0.28	0.82
Service							
Baker Hughes Inc.	BHI	30.90	339	10,500	25.00	0.09	1.22
Halliburton Company	HAL	21.32	434	9,200	22.00	0.25	0.97
Schlumberger Ltd.	SLB	38.34	581	22,300	44.00	0.22	0.90

Buy/Sell rating after symbol: B - Buy, N - Neutral, S - Sell

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

Italicized issues are subject to, or sponsor, deceptive compensation arrangements that threaten value and financial viability, in our opinion.

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

	Symbol/ Rating	Price (\$/sh) 2-Apr 2003	EV/ Sales NTM	EV/ Ebitda NTM	P/E NTM	Dividend or Distribution NTM (%)	PV/ Ebitda NTM
Mega Cap							
Exxon Mobil Corporation	XOM	35.70	1.2	8.4	17	2.6	8.2
BP plc	BP	38.40	0.9	6.8	21	3.8	7.7
Royal Dutch/Shell	RD B	41.70	1.0	6.4	14	4.5	8.0
TotalFinaElf S.A.	TOT	65.30	1.0	6.2	15	4.9	7.7
ChevronTexaco Corporation	CVX B	65.08	0.9	5.8	11	4.3	7.8
	<i>Median</i>		<i>1.0</i>	<i>6.4</i>	<i>15</i>	<i>4.3</i>	<i>7.8</i>
Energy Infrastructure							
Southern Company	SO	28.44	3.3	9.2	16	4.8	9.1
Duke Energy Corporation	DUK	<i>14.11</i>	2.2	8.7	<i>10</i>	7.8	<i>9.0</i>
Exelon Corporation	EXC N	50.73	2.5	8.0	10	3.6	9.0
Enel S.p.a. (32%)	EN	28.65	2.1	7.7	22	4.9	8.9
Dominion Resources	D	55.59	3.3	7.6	12	4.6	9.0
American Electric Power Co. Inc.	AEP N	23.00	0.7	7.3	9	6.1	8.5
El Paso Corporation	EP N	<i>6.11</i>	2.3	6.4	4	2.6	6.9
	<i>Median</i>		<i>2.3</i>	<i>7.7</i>	<i>10</i>	<i>4.8</i>	<i>9.0</i>
Natural Gas and Oil							
ConocoPhillips	COP B	53.41	0.7	6.4	12	3.0	7.5
Occidental Petroleum Corp.	OXY	30.83	2.3	5.5	9	3.4	5.9
Unocal Corporation	UCL	26.91	1.9	5.0	12	3.0	6.4
Anadarko Petroleum Corp.	APC	46.05	3.8	5.0	8	0.9	6.0
Burlington Resources	BR B	48.01	3.7	4.9	10	1.1	5.8
Marathon Oil Corporation	MRO B	24.15	0.4	4.6	10	3.8	6.3
Devon Energy	DVN	47.80	2.9	4.3	6	-	5.1
Encana Corporation	ECA B	31.61	2.0	4.3	10	0.9	5.1
ENI S.p.A.	E	69.10	1.5	3.8	8	6.2	4.8
Petroleo Brasileiro S. A.	PBR N	16.26	1.2	3.7	6	8.3	5.7
OAOLukoil	LUKOY	55.80	0.8	2.7	4	3.4	4.0
	<i>Median</i>		<i>1.9</i>	<i>4.6</i>	<i>9</i>	<i>3.0</i>	<i>5.8</i>
Service							
Baker Hughes Inc.	BHI	30.90	2.2	13.1	37	1.5	10.8
Halliburton Company	HAL	21.32	1.0	8.8	19	2.3	9.0
Schlumberger Ltd.	SLB	38.34	2.1	8.0	28	2.0	8.9

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended March 31, 2004; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses

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Energy Infrastructure							
<i>Kinder Morgan Energy Partners, L.P.</i>	<i>KMP S</i>	<i>37.75</i>	<i>141</i>	<i>5,300</i>	<i>14.00</i>	<i>0.47</i>	<i>1.89</i>
<i>Kinder Morgan Management, LLC</i>	<i>KMR S</i>	<i>33.57</i>	<i>40</i>	<i>1,300</i>	<i>14.00</i>	<i>0.47</i>	<i>1.74</i>
<i>Kinder Morgan, Inc.</i>	<i>KMI S</i>	<i>45.75</i>	<i>123</i>	<i>5,600</i>	<i>14.00</i>	<i>0.80</i>	<i>1.44</i>
<i>Constellation Energy Group</i>	<i>CEG</i>	<i>27.96</i>	<i>164</i>	<i>4,600</i>	<i>20.00</i>	<i>0.69</i>	<i>1.12</i>
<i>Williams Companies</i>	<i>WMB</i>	<i>4.87</i>	<i>521</i>	<i>2,500</i>	<i>1.00</i>	<i>0.97</i>	<i>1.10</i>
<i>Dynegy Inc.</i>	<i>DYN</i>	<i>2.59</i>	<i>418</i>	<i>1,100</i>	<i>1.00</i>	<i>0.94</i>	<i>1.09</i>
<i>Calpine Corporation</i>	<i>CPN N</i>	<i>3.75</i>	<i>375</i>	<i>1,400</i>	<i>1.00</i>	<i>0.97</i>	<i>1.08</i>
<i>AES Corporation</i>	<i>AES</i>	<i>3.90</i>	<i>543</i>	<i>2,100</i>	<i>1.00</i>	<i>0.98</i>	<i>1.07</i>
<i>Sempra Energy</i>	<i>SRE</i>	<i>24.95</i>	<i>207</i>	<i>5,200</i>	<i>24.30</i>	<i>0.64</i>	<i>1.01</i>
<i>CMS Energy Corporation</i>	<i>CMS</i>	<i>5.11</i>	<i>137</i>	<i>700</i>	<i>8.70</i>	<i>0.90</i>	<i>0.96</i>
<i>Mirant Corporation</i>	<i>MIR</i>	<i>1.72</i>	<i>413</i>	<i>700</i>	<i>4.00</i>	<i>0.86</i>	<i>0.92</i>
<i>Valero Energy Corporation</i>	<i>VLO</i>	<i>40.92</i>	<i>114</i>	<i>4,700</i>	<i>50.00</i>	<i>0.50</i>	<i>0.91</i>
<i>Total or Median</i>				<i>35,200</i>		<i>0.83</i>	<i>1.09</i>
Natural Gas and Oil							
<i>Murphy Oil Corporation</i>	<i>MUR</i>	<i>44.58</i>	<i>93</i>	<i>4,100</i>	<i>41.00</i>	<i>0.24</i>	<i>1.07</i>
<i>Petro-Canada</i>	<i>PCZ</i>	<i>34.05</i>	<i>264</i>	<i>9,000</i>	<i>38.00</i>	<i>0.20</i>	<i>0.92</i>
<i>Imperial Oil Limited (30%)</i>	<i>IMO</i>	<i>31.70</i>	<i>114</i>	<i>3,600</i>	<i>36.00</i>	<i>0.12</i>	<i>0.89</i>
<i>XTO Energy Inc.</i>	<i>XTO B</i>	<i>19.05</i>	<i>169</i>	<i>3,200</i>	<i>24.00</i>	<i>0.25</i>	<i>0.84</i>
<i>Suncor Energy</i>	<i>SU</i>	<i>17.18</i>	<i>448</i>	<i>7,700</i>	<i>22.00</i>	<i>0.22</i>	<i>0.83</i>
<i>CNOOC Limited (19%)</i>	<i>CEO B</i>	<i>26.50</i>	<i>78</i>	<i>2,070</i>	<i>35.00</i>	<i>-</i>	<i>0.76</i>
<i>Norsk Hydro ASA (49%)</i>	<i>NHY</i>	<i>38.18</i>	<i>126</i>	<i>4,800</i>	<i>60.00</i>	<i>0.26</i>	<i>0.73</i>
<i>PetroChina Company Ltd (10%)</i>	<i>PTR B</i>	<i>21.40</i>	<i>176</i>	<i>3,800</i>	<i>33.00</i>	<i>0.15</i>	<i>0.70</i>
<i>Total or Median</i>				<i>38,300</i>		<i>0.21</i>	<i>0.84</i>
Coal Producers (Small Cap)							
<i>Penn Virginia Res. Part, L.P.</i>	<i>PVR</i>	<i>24.44</i>	<i>15</i>	<i>400</i>	<i>18.00</i>	<i>-</i>	<i>1.34</i>
<i>Consol Energy Inc.</i>	<i>CNX</i>	<i>16.51</i>	<i>79</i>	<i>1,300</i>	<i>5.00</i>	<i>0.88</i>	<i>1.27</i>
<i>Peabody Energy</i>	<i>BTU</i>	<i>27.87</i>	<i>55</i>	<i>1,500</i>	<i>18.00</i>	<i>0.75</i>	<i>1.14</i>
<i>Alliance Res. Part, L.P.</i>	<i>ARLP</i>	<i>22.25</i>	<i>16</i>	<i>400</i>	<i>20.00</i>	<i>0.45</i>	<i>1.05</i>
<i>Arch Coal</i>	<i>ACI</i>	<i>18.85</i>	<i>48</i>	<i>900</i>	<i>18.00</i>	<i>0.61</i>	<i>1.02</i>
<i>Massey Energy</i>	<i>MEE</i>	<i>9.51</i>	<i>75</i>	<i>700</i>	<i>18.00</i>	<i>0.37</i>	<i>0.70</i>
<i>Total or Median</i>				<i>5,200</i>		<i>0.53</i>	<i>1.10</i>

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Rank by EV/Ebitda: Enterprise Value to Earnings Before Interest, Tax, Deprec.

			Price (\$/sh)	EV/ Sales	EV/ Ebitda	P/E	Dividend or Distribution	PV/ Ebitda
	Symbol/ Rating		2-Apr 2003	NTM	NTM	NTM	NTM (%)	NTM
Energy Infrastructure								
Kinder Morgan Energy Partners, L.P.	KMP	S	37.75	3.4	16.4	19	6.6	8.7
Kinder Morgan Management, LLC	KMR	S	33.57	3.1	15.1	17	7.4	8.7
Kinder Morgan, Inc.	KMI	S	45.75	3.2	12.1	14	1.3	8.4
Calpine Corporation	CPN	N	3.75	1.9	11.0			10.2
Constellation Energy Group	CEG		27.96	2.9	10.3	11	3.4	9.2
Williams Companies	WMB		4.87	2.0	9.9		-	9.0
Dynegy Inc.	DYN		2.59	0.2	9.8		-	9.0
AES Corporation	AES		3.90	2.8	9.6			9.0
Sempra Energy	SRE		24.95	2.6	9.1	9	4.0	9.0
CMS Energy Corporation	CMS		5.11	1.3	8.6	3	14.1	9.0
Mirant Corporation	MIR		1.72	0.4	8.2	1	-	9.0
Valero Energy Corporation	VLO		40.92	0.3	5.1	6	1.0	5.6
	<i>Median</i>			2.3	9.9	10	2.4	9.0
Natural Gas and Oil								
Suncor Energy	SU		17.18	2.8	6.7	12	0.7	8.0
Murphy Oil Corporation	MUR		44.58	1.2	6.3	16	1.8	5.9
XTO Energy Inc.	XTO	B	19.05	4.1	5.8	10	0.2	6.9
Imperial Oil Limited (30%)	IMO		31.70	1.1	5.8	10	1.7	6.5
CNOOC Limited (19%)	CEO	B	26.50	3.5	4.4	9	2.4	5.9
Petro-Canada	PCZ		34.05	1.4	4.2	8	0.8	4.6
PetroChina Company Ltd (10%)	PTR	B	21.40	1.6	2.9	5	8.3	4.1
Norsk Hydro ASA (49%)	NHY		38.18	0.7	2.8	5	3.8	3.8
	<i>Median</i>			1.5	5.1	9	1.7	5.9
Coal Producers (Small Cap)								
Consol Energy Inc.	CNX		16.51	2.0	12.3	38	3.4	9.7
Penn Virginia Res. Part, L.P.	PVR		24.44	8.9	11.5	13	8.2	8.6
Peabody Energy	BTU		27.87	1.6	10.2	23	1.4	9.0
Arch Coal	ACI		18.85	1.5	9.2	106	1.2	9.0
Alliance Res. Part, L.P.	ARLP		22.25	1.2	7.4	19	9.0	7.0
Massey Energy	MEE		9.51	1.1	6.3	238	1.7	8.9
				1.6	9.7	30	2.5	8.9

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended March 31, 2004; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses

Italicized issues are subject to, or sponsor, deceptive compensation arrangements that threaten value and financial viability, in our opinion.

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Meter Reader

A Weekly Analysis of Energy Stocks Using the McDep Ratio

April 3, 2003

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

	Symbol/ Rating	Price (\$/sh) 2-Apr 2003	Shares (mm)	Market Cap (\$mm)	Net Present Value (\$/sh)	Debt/ Present Value	McDep Ratio	
Energy Infrastructure								
<i>El Paso Energy Partners</i>	EPN	S	31.59	57.0	1,800	10.60	0.60	1.80
Enterprise Products Part (16%)	EPD		21.05	28.5	600	6.70	0.63	1.78
<i>Enbridge Energy Partners, L.P.</i>	EEP	S	46.37	35.0	1,620	14.90	0.64	1.77
<i>Enbridge Energy Management, L.L.C</i>	EEQ	S	40.77	9.0	370	14.90	0.64	1.64
<i>Plains All Amer. Pipeline</i>	PAA		24.78	50.0	1,240	11.60	0.49	1.58
<i>Northern Border Partners</i>	NBP		38.46	44.0	1,690	20.40	0.62	1.33
<i>TEPPCO Partners, L.P.</i>	TPP		30.35	50.0	1,520	17.70	0.56	1.31
<i>AmeriGas Partners, L.P.</i>	APU		24.35	49.4	1,200	18.30	0.51	1.16
Western Gas Resources	WGR		33.35	33.7	1,120	37.60	0.29	0.92
<i>Total or Median</i>					11,200		0.60	1.58
Natural Gas and Oil								
Unit Corporation	UNT		20.40	43.6	890	18.00	0.04	1.13
Provident Energy Trust	PVX		6.84	63.5	430	6.00	0.23	1.11
Dorchester Minerals, L.P.	DMLP		14.30	27.0	386	13.00	-	1.10
Pogo Producing Company	PPP		40.20	64.5	2,590	38.00	0.22	1.05
Quicksilver Resources Inc.	KWK		23.68	20.4	480	25.00	0.35	0.97
Enerplus Resources Fund	ERF		19.04	75.0	1,430	20.00	0.16	0.96
Pengrowth Energy Trust	PGH		9.66	110.0	1,060	11.00	0.16	0.90
Newfield Exploration Company	NFX		34.04	51.7	1,760	40.00	0.31	0.90
<i>Penn Virginia Corporation</i>	PVA		38.96	9.0	350	45.00	0.06	0.87
Southwestern Energy Company	SWN		13.38	36.0	480	17.00	0.30	0.85
Encore Acquisition Corp. (25%)	EAC		18.86	7.0	132	24.00	0.19	0.83
Stone Energy Company	SGY		33.95	26.5	900	46.00	0.27	0.81
Spinnaker Exploration Company	SKE		19.65	33.8	660	25.00	-	0.79
Forest Oil Corporation	FST	N	22.43	48.2	1,080	35.00	0.33	0.76
Swift Energy Company	SFY		8.53	27.2	230	16.00	0.43	0.73
Magnum Hunter Resources, Inc.	MHR		5.67	69.0	390	11.00	0.45	0.73
Canadian Oil Sands Trust (US\$)	COS_u.TO	B	24.21	76.8	1,860	45.00	0.15	0.61
<i>Total or Median</i>					15,100		0.22	0.87
Natural Gas Royalty Trusts								
Cross Timbers Royalty Trust	CRT		18.93	6.0	114	21.90	-	0.87
Hugoton RoyaltyTrust (46%)	HGT		13.92	18.4	260	16.70	-	0.83
San Juan Basin Royalty Trust	SJT	B	14.51	46.6	680	18.70	-	0.78
Micro Cap								
Energy Partners Ltd.(30%)	EPL	B	10.49	8.3	87	12.00	0.34	0.92
Abraxas Petroleum Corporation	ABP		0.67	30.0	20	2.00	0.72	0.81
Purcell Energy, Ltd. (US\$)	PEL.TO	N	1.97	26.6	52	2.80	0.28	0.78

Buy/Sell rating after symbol: B - Buy, N - Neutral, S - Sell

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

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Meter Reader

A Weekly Analysis of Energy Stocks Using the McDep Ratio

April 3, 2003

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

	Symbol/ Rating	Price (\$/sh) 2-Apr 2003	EV/ Sales NTM	EV/ Ebitda NTM	P/E NTM	Dividend or Distribution NTM (%)	PV/ Ebitda NTM	
Energy Infrastructure								
El Paso Energy Partners	EPN	S	31.59	8.9	16.2	39	8.5	9.0
Enterprise Products Part (16%)	EPD		21.05	1.8	16.0	28	6.6	9.0
Enbridge Energy Partners, L.P.	EEP	S	46.37	2.1	15.9	35	7.8	9.0
Enbridge Energy Management, L.L.C	EEQ	S	40.77	1.9	14.8	31	8.8	9.0
Plains All Amer. Pipeline	PAA		24.78	0.2	14.2	20	8.7	9.0
Northern Border Partners	NBP		38.46	6.8	12.0	14	8.3	9.0
TEPPCO Partners, L.P.	TPP		30.35	1.0	11.8	16	7.9	9.0
AmeriGas Partners, L.P.	APU		24.35	1.7	10.4	24	9.0	9.0
Western Gas Resources	WGR		33.35	0.6	6.8	14	-	7.4
	<i>Median</i>			1.8	14.2	24	8.3	9.0
Natural Gas and Oil								
Unit Corporation	UNT		20.40	3.7	8.6	22	-	7.6
Dorchester Minerals, L.P.	DMLP		14.30	6.5	8.0	10	11.2	7.3
Quicksilver Resources Inc.	KWK		23.68	4.4	6.5	11	-	6.7
Enerplus Resources Fund	ERF		19.04	4.6	6.1	10	15.0	6.4
Canadian Oil Sands Trust (US\$)	COS_u.TO	B	24.21	3.2	5.5	5	5.5	9.1
Encore Acquisition Corp. (25%)	EAC		18.86	3.6	5.5	13	-	6.6
Forest Oil Corporation	FST	N	22.43	3.3	5.4	17	-	7.1
Pengrowth Energy Trust	PGH		9.66	3.6	5.4	11	19.6	6.0
Pogo Producing Company	PPP		40.20	3.3	5.1	13	0.3	4.9
Swift Energy Company	SFY		8.53	3.3	5.1	13	-	6.9
Penn Virginia Corporation	PVA		38.96	2.6	4.9	13	2.3	5.7
Southwestern Energy Company	SWN		13.38	2.4	4.9	9	-	5.8
Magnum Hunter Resources, Inc.	MHR		5.67	2.8	4.8	9	-	6.5
Provident Energy Trust	PVX		6.84	3.3	4.7	10	22.7	4.2
Stone Energy Company	SGY		33.95	2.6	3.5	7	-	4.4
Newfield Exploration Company	NFX		34.04	2.5	3.3	6	-	3.6
Spinnaker Exploration Company	SKE		19.65	2.5	2.8	10	-	3.6
	<i>Median</i>			3.3	5.1	10	-	6.4
Natural Gas Royalty Trusts								
Cross Timbers Royalty Trust	CRT		18.93	5.7	7.8	8	12.2	9.0
San Juan Basin Royalty Trust	SJT	B	14.51	5.0	6.2	7	14.0	8.0
Hugoton RoyaltyTrust (46%)	HGT		13.92	4.4	5.9	7	14.6	7.1
Micro Cap								
Abraxas Petroleum Corporation	ABP		0.67	5.0	7.1		-	8.7
Purcell Energy, Ltd. (US\$)	PEL.TO	N	1.97	3.4	4.7	10	-	6.0
Energy Partners Ltd.(30%)	EPL	B	10.49	2.8	4.7		-	5.1

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

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