

Meter Reader

A Weekly Analysis of Energy Stocks Using the McDep Ratio

September 4, 2003

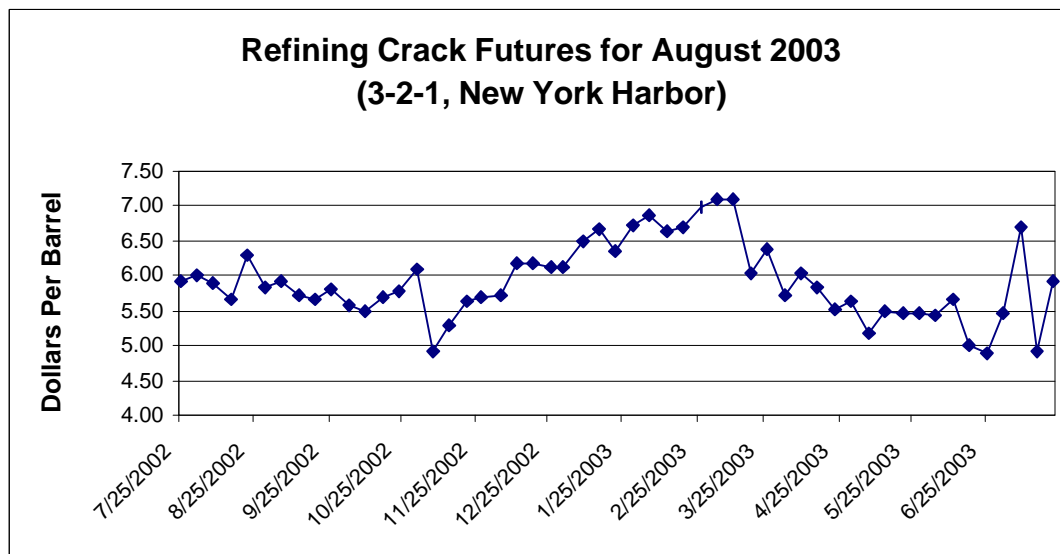
Refining Crack Futures Understate Outcome

Summary and Recommendation

A surprisingly strong gasoline market in August that was largely unanticipated by commodity futures markets makes us more confident that the great old mega cap energy companies offer unrecognized investment value. Our recommendations are **Royal Dutch (RD)** and **ChevronTexaco (CVX)**, while **BP (BP)**, **Total (TOT)**, and **ExxonMobil (XOM)** are also attractive for investors seeking real return with inflation protection and deflation resistance. Moreover if we can make a case for mega caps, we can make a stronger case for other producer/refiner recommendations **Marathon (MRO)**, **ConocoPhillips (COP)** and **PetroChina (PTR)**.

Refining Crack Futures and Daily Results

Six-year futures for light sweet oil and natural gas are among the most important indicators of value for oil and gas producers. Such a far-sighted view, imperfect as it may be, is not widely available for the refining crack, the margin between crude oil and refined products. We construct one-year refining crack futures for New York Harbor by comparing the average price of two barrels of unleaded gasoline and one barrel of heating oil with three barrels of crude oil. The trend for the past year gives only the slightest hint of a strong final result (see Chart). Prices are from the New York Mercantile Exchange.



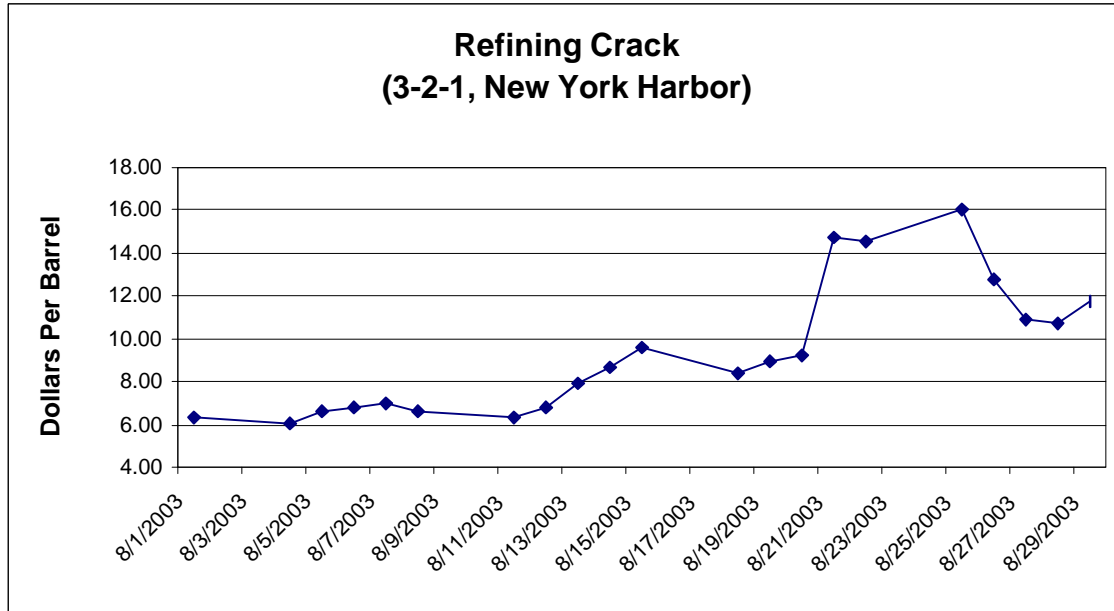
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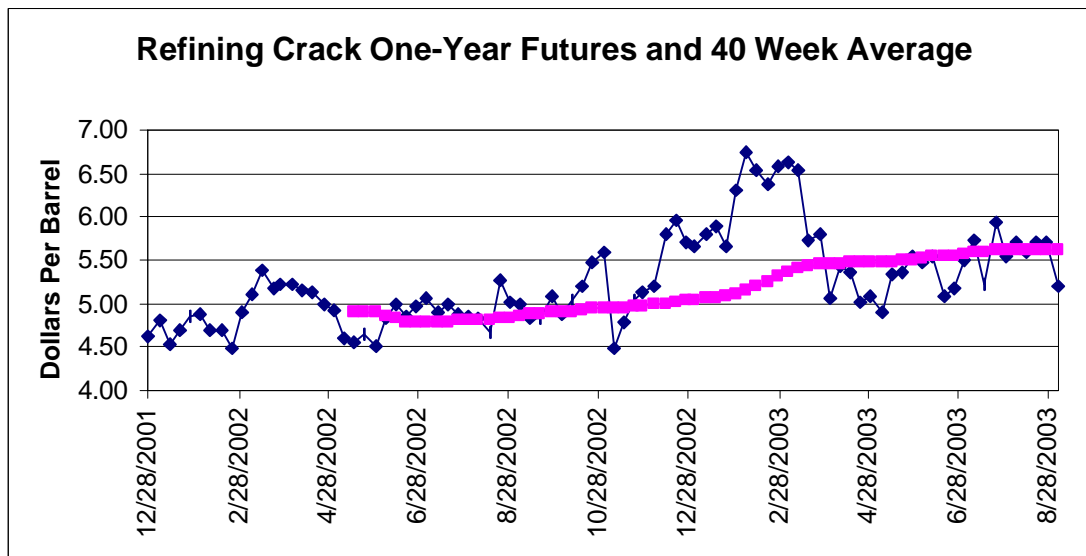
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The final price on the futures chart came close to the mark for the first actual day of August at about \$6 a barrel (see Chart). Before the month was out, the crack more than doubled. Prices are from wsj.com.



While the strong August should be good for earnings to be reported in October it won't be noticed much in our valuation tables as we are in the process of shifting our period for estimated earnings to the Next Twelve Months ended September 30, 2004. Estimated NTM earnings are tied to futures for the same period, which have declined in the past week (see Chart).



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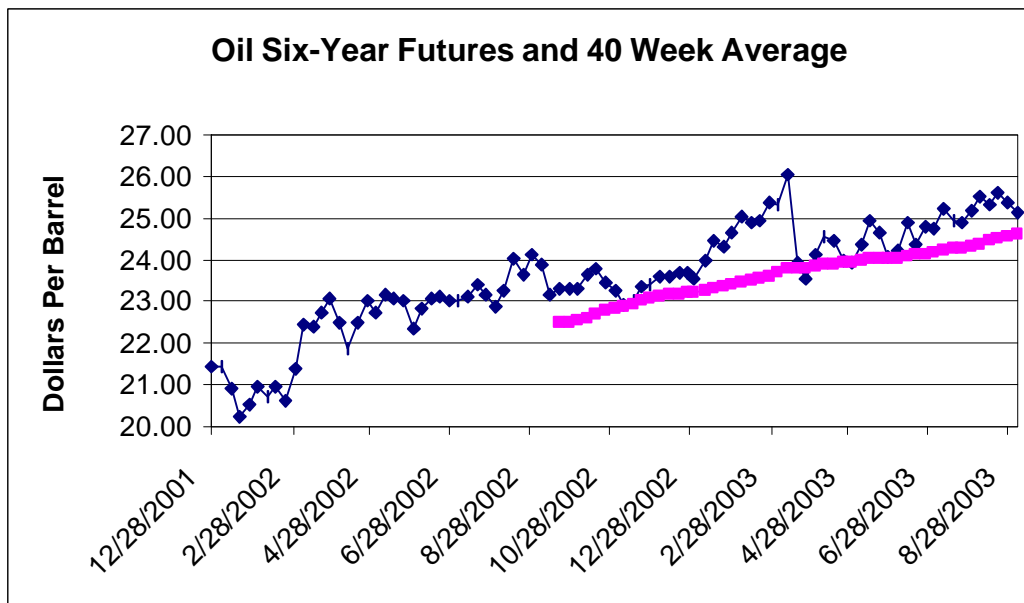
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There are limitations to our data. During 2003, the trading of gasoline futures on the New York Mercantile Exchange appears to have been curtailed to less than twelve months forward. We have filled in the remaining months using historical seasonal adjustments. Current Nymex quotes run through June 2004 rather than September that would round out a full year ahead. Another complication is that daily quotes may not be strictly comparable to futures quotes. We calculate daily crack spread using the quote for regular unleaded oxygenated grade that may not be exactly the same as the grade of gasoline that forms the basis for Nymex futures.

Even if the data were more complete we would still want to add our interpretation. We think the surprisingly good margins in August are indicative of a tight supply/demand balance that may persist for a while. At the same time economic recovery appears to be underway at least through the presidential election next year. Better than expected economic activity is likely to lead to upside surprises in energy. As a result we think that the one-year refining crack futures understate the likely outcome. Should that be the case, our recommended mega cap energy companies and producer/refiners are likely to be more rewarding as investments than generally perceived.

Finally, refining/marketing and related businesses account for about 30% of the value of integrated companies, but probably have an exaggerated impact on stock price volatility. Some 60% or more of value is sensitive to crude oil price that is in a strong uptrend (see Chart).

Kurt H. Wulff, CFA



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

	Symbol/ Rating	Price (\$/sh) 3-Sep 2003	Shares (mm)	Market Cap (\$mm)	Net Present Value (\$/sh)	Debt/ Present Value	McDep Ratio	
Mega Cap								
Exxon Mobil Corporation	XOM	38.08	6,687	255,000	35.00	0.10	1.08	
Total S.A.	TOT	77.60	1,276	99,000	85.00	0.19	0.93	
BP plc	BP	42.88	3,694	158,000	50.00	0.15	0.88	
Royal Dutch/Shell	RD	B	45.50	3,473	158,000	55.00	0.18	0.86
ChevronTexaco Corporation	CVX	B	73.94	1,064	78,700	95.00	0.22	0.83
<i>Total or Median</i>				<i>749,000</i>		<i>0.18</i>	<i>0.88</i>	
Producer/Refiners - Large Cap and Mid Cap								
Murphy Oil Corporation	MUR	57.43	92	5,310	41.00	0.26	1.30	
Imperial Oil Limited (30%)	IMO	37.41	113	4,240	36.00	0.12	1.03	
Petro-Canada	PCZ	40.38	265	10,700	45.00	0.19	0.92	
Norsk Hydro ASA (49%)	NHY	51.79	126	6,550	60.00	0.27	0.90	
PetroChina Company Ltd (10%)	PTR	B	35.00	176	6,150	40.00	0.14	0.89
OAo Lukoil	LUKOY	78.88	206	16,000	90.00	0.12	0.89	
Valero Energy Corporation	VLO	38.25	114	4,360	50.00	0.50	0.88	
ConocoPhillips	COP	B	56.75	682	38,700	70.00	0.38	0.88
ENI S.p.A.	E	75.49	750	56,600	90.00	0.14	0.86	
Petroleo Brasileiro S. A.	PBR	22.73	1,096	24,900	30.00	0.25	0.82	
Marathon Oil Corporation	MRO	B	28.64	310	8,880	40.00	0.31	0.80
Suncor Energy	SU	18.90	476	9,000	25.00	0.14	0.79	
<i>Total or Median</i>				<i>186,000</i>		<i>0.19</i>	<i>0.88</i>	
Independent Natural Gas and Oil								
Pogo Producing Company	PPP	44.59	65	2,880	38.00	0.22	1.14	
CNOOC Limited (19%)	CEO	B	36.55	78	2,850	35.00	-	1.04
Occidental Petroleum Corp.	OXY	35.20	383	13,500	35.00	0.38	1.00	
Apache Corporation	APA	68.75	159	10,900	70.00	0.20	0.98	
Encana Corporation	ECA	B	37.31	472	17,600	40.00	0.20	0.95
XTO Energy Inc.	XTO	B	20.66	185	3,830	24.00	0.24	0.89
Devon Energy	DVN	51.50	163	8,400	65.00	0.42	0.88	
Burlington Resources	BR	B	48.70	202	9,800	60.00	0.27	0.86
Unocal Corporation	UCL	31.05	255	7,900	40.00	0.35	0.85	
Anadarko Petroleum Corp.	APC	B	43.69	252	11,000	60.00	0.32	0.82
Pioneer Natural Resources Company	PXD	25.01	119	2,980	35.00	0.33	0.81	
Canadian Natural Resources Limited	CNQ	39.35	139	5,470	55.00	0.29	0.80	
<i>Total or Median</i>				<i>97,000</i>		<i>0.28</i>	<i>0.89</i>	
Service								
Baker Hughes Inc.	BHI	32.86	339	11,100	25.00	0.09	1.28	
Halliburton Company	HAL	24.60	434	10,700	22.00	0.25	1.09	
Schlumberger Ltd.	SLB	48.83	581	28,400	44.00	0.22	1.09	

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

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

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September 4, 2003

Table 1-2
Energy Producers
Rank by EV/Ebitda: Enterprise Value to Earnings Before Interest, Tax, Deprec.

	Symbol/ Rating	Price (\$/sh) 3-Sep 2003	EV/ Sales NTM	EV/ Ebitda NTM	P/E NTM	Dividend or Distribution NTM (%)	PV/ Ebitda NTM	
Mega Cap								
Exxon Mobil Corporation	XOM	38.08	1.2	7.6	15	2.6	7.1	
BP plc	BP	42.88	0.8	6.5	14	3.6	7.4	
Total S.A.	TOT	77.60	1.1	6.5	12	4.5	7.0	
ChevronTexaco Corporation	CVX	B	73.94	0.9	6.5	12	3.9	7.8
Royal Dutch/Shell	RD	B	45.50	1.0	6.1	12	4.4	7.1
	<i>Median</i>			1.0	6.5	12	3.9	7.1
Producer/Refiners - Large Cap and Mid Cap								
Murphy Oil Corporation	MUR	57.43	1.6	10.0	33	1.4	7.7	
Imperial Oil Limited (30%)	IMO	37.41	1.1	7.2	13	1.5	7.0	
Suncor Energy	SU	18.90	2.3	6.1	11	0.7	7.7	
ConocoPhillips	COP	B	56.75	0.7	5.7	8	2.8	6.4
Marathon Oil Corporation	MRO	B	28.64	0.4	4.9	10	3.5	6.1
Valero Energy Corporation	VLO	38.25	0.3	4.6	5	1.0	5.2	
Petro-Canada	PCZ	40.38	1.4	4.4	11	0.7	4.8	
ENI S.p.A.	E	75.49	1.6	3.9	8	5.7	4.5	
PetroChina Company Ltd (10%)	PTR	B	35.00	2.1	3.8	7	4.2	4.3
Petroleo Brasileiro S. A.	PBR	22.73	1.4	3.6	5	3.7	4.4	
Norsk Hydro ASA (49%)	NHY	51.79	0.8	3.5	9	2.9	3.8	
OAOLukoil	LUKOY	78.88	1.1	3.4	6	2.4	3.8	
	<i>Median</i>			1.3	4.5	9	2.6	5.0
Independent Natural Gas and Oil								
XTO Energy Inc.	XTO	B	20.66	5.8	8.7	20	0.2	9.8
Pioneer Natural Resources Company	PXD	25.01	5.0	6.9	22	-	8.5	
Occidental Petroleum Corp.	OXY	35.20	2.5	6.5	11	3.0	6.5	
CNOOC Limited (19%)	CEO	B	36.55	4.4	6.3	15	2.9	6.1
Apache Corporation	APA	68.75	4.5	6.2	14	0.6	6.3	
Pogo Producing Company	PPP	44.59	3.7	5.8	16	0.3	5.1	
Burlington Resources	BR	B	48.70	3.8	5.5	12	1.2	6.4
Anadarko Petroleum Corp.	APC	B	43.69	3.7	5.5	10	0.9	6.8
Unocal Corporation	UCL	31.05	2.1	5.3	13	2.6	6.2	
Encana Corporation	ECA	B	37.31	2.4	5.0	13	0.8	5.3
Devon Energy	DVN	51.50	3.0	4.6	7	-	5.2	
Canadian Natural Resources Limited	CNQ	39.35	2.2	3.6	7	1.1	4.5	
	<i>Median</i>			3.7	5.7	13	0.8	6.3
Service								
Baker Hughes Inc.	BHI	32.86	2.3	13.8	39	1.4	10.8	
Halliburton Company	HAL	24.60	1.2	9.8	22	2.0	9.0	
Schlumberger Ltd.	SLB	48.83	2.6	9.7	36	1.5	8.9	

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended June 30, 2004; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses

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Table 2-1
Energy Pipeline and Power Companies
Rank by McDep Ratio: Market Cap and Debt to Present Value

	Symbol/ Rating	Price (\$/sh) 3-Sep 2003	Shares (mm)	Market Cap (\$mm)	Net Present Value (\$/sh)	Debt/ Present Value	McDep Ratio
Large Cap Power							
Duke Energy Corporation	DUK	17.76	832	14,800	16.00	0.69	1.03
Southern Company	SO	28.88	696	20,100	28.00	0.43	1.02
Exelon Corporation	EXC	60.30	325	19,600	65.00	0.51	0.96
American Electric Power Co. Inc.	AEP	29.28	348	10,200	35.00	0.60	0.93
Dominion Resources	D	61.25	294	18,000	76.00	0.44	0.89
Enel S.p.a. (32%)	EN	29.99	388	11,600	37.00	0.40	0.89
<i>Total or Median</i>				94,300		0.47	0.95
Mid Cap Pipeline and Power							
Kinder Morgan Energy Partners, L.P.	KMP S	40.61	138	5,590	14.00	0.47	2.01
Kinder Morgan Management, LLC	KMR S	37.18	46	1,710	14.00	0.47	1.88
Kinder Morgan, Inc.	KMI S	53.40	123	6,570	14.00	0.80	1.55
Williams Companies	WMB	9.19	518	4,760	1.00	0.97	1.26
Constellation Energy Group	CEG	37.10	164	6,080	25.00	0.61	1.19
AES Corporation	AES	6.69	558	3,730	1.00	0.98	1.11
Calpine Corporation	CPN	5.59	381	2,130	1.00	0.98	1.11
Dynegy Inc.	DYN	3.38	418	1,410	1.00	0.97	1.07
CMS Energy Corporation	CMS	6.67	139	930	5.00	0.93	1.02
Sempra Energy	SRE	30.14	206	6,210	30.00	0.59	1.00
El Paso Corporation	EP	7.80	589	4,600	10.00	0.79	0.95
<i>Total or Median</i>				43,720		0.80	1.11
Small Cap Pipeline							
Enterprise Products Part (44%)	EPD	22.50	96	2,160	8.50	0.49	1.85
Enbridge Energy Partners, L.P.	EEP S	49.65	39	1,940	19.00	0.57	1.70
Gulfterra Energy Partners	GTM S	39.72	55	2,180	15.70	0.56	1.66
Enbridge Energy Management, L.L.C	EEQ S	46.30	9	440	19.00	0.57	1.63
Plains All Amer. Pipeline, L.P.	PAA	31.44	50	1,570	15.00	0.44	1.61
TEPPCO Partners, L.P.	TPP	35.04	58	2,030	18.00	0.52	1.45
Northern Border Partners	NBP	43.75	47	2,030	20.00	0.62	1.45
Magellan Midstream Partners, L.P.	MMP	45.31	27	1,240	29.00	0.38	1.35
AmeriGas Partners, L.P.	APU	24.28	52	1,270	20.00	0.46	1.12
Western Gas Resources	WGR	39.05	37	1,440	40.00	0.27	0.98
<i>Total or Median</i>				64,620		0.54	1.45
Coal							
Penn Virginia Res. Part, L.P.	PVR	28.77	15	440	18.00	-	1.60
Consol Energy Inc.	CNX	19.65	79	1,550	5.00	0.88	1.34
Alliance Res. Part, L.P.	ARLP	28.65	16	460	20.00	0.45	1.24
Peabody Energy	BTU	30.88	55	1,700	18.00	0.75	1.18
Arch Coal	ACI	22.15	48	1,050	18.00	0.61	1.09
Massey Energy	MEE	12.67	75	950	18.00	0.37	0.81
<i>Total or Median</i>				6,200		0.53	1.21

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

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Table 2-2

Energy Pipeline and Power Companies

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

	Symbol/ Rating	Price (\$/sh) 3-Sep 2003	EV/ Sales NTM	EV/ Ebitda NTM	P/E NTM	Dividend or Distribution NTM (%)	PV/ Ebitda NTM
Large Cap Power							
Duke Energy Corporation	DUK	17.76	2.3	9.3	13	6.2	9.0
Southern Company	SO	28.88	3.3	9.3	16	4.7	9.1
Exelon Corporation	EXC	60.30	2.7	8.7	12	3.1	9.0
Dominion Resources	D	61.25	3.5	8.0	13	4.2	9.0
American Electric Power Co. Inc.	AEP	29.28	0.8	7.9	11	4.8	8.5
Enel S.p.a. (32%)	EN	29.99	2.1	7.9	23	4.6	8.9
	<i>Median</i>		2.5	8.4	13	4.7	9.0
Mid Cap Pipeline and Power							
Kinder Morgan Energy Partners, L.P.	KMP S	40.61	2.8	17.5	21	6.4	8.7
Kinder Morgan Management, LLC	KMR S	37.18	2.6	16.3	19	7.0	8.7
Calpine Corporation	CPN	5.59	2.4	13.5	7	-	12.2
Kinder Morgan, Inc.	KMI S	53.40	2.6	12.2	16	1.1	7.9
Dynegy Inc.	DYN	3.38	2.9	12.1	27	-	11.3
AES Corporation	AES	6.69	3.7	11.2	20	-	10.1
Williams Companies	WMB	9.19	3.7	10.4		0.4	8.3
Constellation Energy Group	CEG	37.10	2.7	9.6	17	2.8	8.1
CMS Energy Corporation	CMS	6.67	1.1	9.0	8	-	8.7
Sempra Energy	SRE	30.14	2.2	8.8	12	3.3	8.7
El Paso Corporation	EP	7.80	2.4	6.6	5	2.1	6.9
	<i>Median</i>		2.6	11.2	17	1.1	8.7
Small Cap Pipeline							
Enterprise Products Part (44%)	EPD	22.50	1.3	16.6		6.4	9.0
Gulfterra Energy Partners	GTM S	39.72	5.5	14.9	25	6.8	9.0
Enbridge Energy Partners, L.P.	EEP S	49.65	1.2	13.7	21	7.5	8.0
Northern Border Partners	NBP	43.75	6.9	13.6	18	7.3	9.4
TEPPCO Partners, L.P.	TPP	35.04	1.0	13.1	20	7.1	9.0
Enbridge Energy Management, L.L.C	EEQ S	46.30	1.1	13.1	19	8.0	8.0
Plains All Amer. Pipeline, L.P.	PAA	31.44	0.2	12.9	17	7.0	8.0
Magellan Midstream Partners, L.P.	MMP	45.31	3.9	10.9	14	6.6	8.1
AmeriGas Partners, L.P.	APU	24.28	1.5	8.9	15	9.1	8.0
Western Gas Resources	WGR	39.05	0.6	6.4	11	-	6.6
	<i>Median</i>		1.2	13.1	18	7.1	8.1
Coal							
Penn Virginia Res. Part, L.P.	PVR	28.77	10.6	13.7	16	7.0	8.6
Consol Energy Inc.	CNX	19.65	2.1	13.1	45	2.8	9.7
Peabody Energy	BTU	30.88	1.7	10.6	26	1.3	9.0
Arch Coal	ACI	22.15	1.6	9.8		1.0	9.0
Alliance Res. Part, L.P.	ARLP	28.65	1.4	8.7	24	7.0	7.0
Massey Energy	MEE	12.67	1.3	7.3		1.3	8.9
	<i>Median</i>		1.6	10.2	25	2.1	8.9

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended June 30, 2004; P/E = Stock Price to

Earnings; PV = Present Value of oil and gas and other businesses

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Table 3-1
Independent Natural Gas and Oil Producers - Small Cap
Rank by McDep Ratio: Market Cap and Debt to Present Value

	<i>Symbol/ Rating</i>	<i>Price (\$/sh) 3-Sep 2003</i>	<i>Shares (mm)</i>	<i>Market Cap (\$mm)</i>	<i>Net Present Value (\$/sh)</i>	<i>Debt/ Present Value</i>	<i>McDep Ratio</i>	
Short Life								
Dorchester Minerals, L.P.	DMLP	17.60	27.0	480	13.00	-	1.35	
Southwestern Energy Company	SWN	17.32	36.0	620	17.00	0.30	1.01	
Newfield Exploration Company	NFX	38.70	51.7	2,000	40.00	0.31	0.98	
Energy Partners Ltd.	EPL	B	11.15	36.9	411	12.00	0.22	0.94
Cimarex Energy Company	XEC	22.60	41.0	930	24.00	0.03	0.94	
Denbury Resources Inc.	DNR	12.94	55.0	710	15.00	0.29	0.90	
Stone Energy Company	SGY	38.75	26.5	1,030	46.00	0.27	0.88	
Spinnaker Exploration Company	SKE	21.85	33.8	740	25.00	-	0.87	
Chesapeake Energy Corporation	CHK	10.68	220	2,350	14.00	0.38	0.85	
Wesport Resources Corporation	WRC	23.50	68.0	1,600	30.00	0.29	0.85	
St. Mary Land and Exploration Company	SM	28.09	29.0	820	35.00	0.11	0.82	
The Houston Exploration Company	THX	34.10	31.0	1,060	45.00	0.16	0.80	
Forest Oil Corporation	FST	23.11	48.2	1,110	35.00	0.33	0.77	
<i>Total or Median</i>				<i>13,900</i>	<i>0.27</i>	<i>0.88</i>		
Long Life								
Ultra Petroleum Corp.	UPL	14.51	78.0	1,130	7.00	0.15	1.92	
Unit Corporation	UNT	22.00	43.6	960	18.00	0.04	1.21	
Quicksilver Resources Inc.	KWK	24.60	20.4	500	25.00	0.35	0.99	
Penn Virginia Corporation	PVA	43.84	9.0	400	45.00	0.06	0.98	
Evergreen Resources, Inc.	EVG	54.95	22.0	1,210	60.00	0.10	0.92	
Swift Energy Company	SFY	12.99	27.2	350	16.00	0.43	0.89	
Encore Acquisition Corp. (40%)	EAC	B	19.75	11.2	221	24.00	0.18	0.85
Magnum Hunter Resources, Inc.	MHR	7.95	69.0	550	11.00	0.45	0.85	
Vintage Petroleum, Inc.	VPI	11.45	63.0	720	20.00	0.40	0.74	
<i>Total or Median</i>				<i>6,000</i>	<i>0.18</i>	<i>0.92</i>		
Canadian Royalty Trusts								
Enerplus Resources Fund	ERF	26.60	75.0	2,000	20.00	0.16	1.28	
Provident Energy Trust	PVX	8.03	63.5	510	6.00	0.24	1.26	
Pengrowth Energy Trust	PGH	12.36	110.0	1,360	11.00	0.18	1.10	
Canadian Oil Sands Trust (US\$)	COSWF	B	28.09	86.3	2,420	45.00	0.19	0.70
<i>Total or Median</i>				<i>6,300</i>	<i>0.19</i>	<i>1.18</i>		
Natural Gas Royalty Trusts								
Hugoton Royalty Trust (46%)	HGT	18.61	18.4	340	15.40	-	1.21	
Cross Timbers Royalty Trust	CRT	21.39	6.0	128	19.70	-	1.08	
San Juan Basin Royalty Trust	SJT	B	17.76	46.6	830	17.60	-	1.01
Micro Cap								
Abraxas Petroleum Corporation	ABP	1.00	30.0	30	1.00	0.85	1.00	
Purcell Energy, Ltd. (US\$)	PEL.TO	1.85	28.2	52	2.80	0.31	0.77	

Buy/Sell rating after symbol: B - Buy, 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

September 4, 2003

Table 3-2
Independent Natural Gas and Oil Producers - Small Cap
Rank by EV/Ebitda: Enterprise Value to Earnings Before Interest, Tax, Deprec.

	Symbol/ Rating	Price (\$/sh) 3-Sep 2003	EV/ Sales NTM	EV/ Ebitda NTM	P/E NTM	Dividend or Distribution NTM (%)	PV/ Ebitda NTM
Short Life							
Dorchester Minerals, L.P.	DMLP	17.60	8.0	9.9	13	9.1	7.3
Forest Oil Corporation	FST	23.11	3.5	5.6	18	-	7.3
Southwestern Energy Company	SWN	17.32	2.8	5.5	10	-	5.5
Chesapeake Energy Corporation	CHK	10.68	3.5	5.2	11	1.1	6.1
Energy Partners Ltd.	EPL	B	11.15	2.9	4.8	-	5.1
Wesport Resources Corporation	WRC	23.50	3.4	4.7	13	-	5.6
Cimarex Energy Company	XEC	22.60	3.2	4.5	11	-	4.8
Denbury Resources Inc.	DNR	12.94	3.1	4.4	10	-	4.9
St. Mary Land and Exploration Company	SM	28.09	2.9	4.4	11	0.4	5.3
Stone Energy Company	SGY	38.75	2.8	3.7	8	-	4.2
The Houston Exploraton Company	THX	34.10	2.9	3.5	9	-	4.3
Newfield Exploration Company	NFX	38.70	2.6	3.4	6	-	3.5
Spinnaker Exploration Company	SKE	21.85	2.9	3.3	12	-	3.8
	<i>Median</i>		2.9	4.5	11	-	5.1
Long Life							
Ultra Petroleum Corp.	UPL	14.51	13.4	21.7	43	-	11.3
Evergreen Resources, Inc.	EVG	54.95	7.2	10.3	18	-	11.2
Unit Corporation	UNT	22.00	3.8	8.5	20	-	7.0
Quicksilver Resources Inc.	KWK	24.60	4.3	6.1	10	-	6.2
Swift Energy Company	SFY	12.99	4.0	6.1	20	-	6.9
Magnum Hunter Resources, Inc.	MHR	7.95	3.3	5.7	14	-	6.7
Penn Virginia Corporation	PVA	43.84	2.8	5.2	13	2.1	5.4
Encore Acquisition Corp. (40%)	EAC	B	19.75	3.5	5.1	-	5.9
Vintage Petroleum, Inc.	VPI	11.45	2.4	4.4	27	1.4	5.8
	<i>Median</i>		3.8	6.1	18	-	6.7
Canadian Royalty Trusts							
Enerplus Resources Fund	ERF	26.60	5.7	7.4	12	11.4	5.8
Pengrowth Energy Trust	PGH	12.36	4.0	6.1	14	17.5	5.6
Canadian Oil Sands Trust (US\$)	COSWF	B	28.09	3.4	6.0	5.1	8.7
Provident Energy Trust	PVX	8.03	3.6	5.2	11	20.4	4.1
Natural Gas Royalty Trusts							
Cross Timbers Royalty Trust	CRT	21.39	7.2	10.3	11	9.4	9.5
Hugoton RoyaltyTrust (46%)	HGT	18.61	6.6	8.9	10	9.6	7.4
San Juan Basin Royalty Trust	SJT	B	17.76	6.8	8.4	10.1	8.4
Micro Cap							
Abraxas Petroleum Corporation	ABP	1.00	6.8	12.9		-	12.9
Purcell Energy, Ltd. (US\$)	PEL.TO	1.85	3.8	5.5	15	-	7.2

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended June 30, 2004; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses

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