

Back-to-Back

No sooner had Calpine Corp. committed to sell to California \$4.6 billion of electricity at a fixed price over ten years than the power company acquired a natural gas producer for \$1.2 billion up front. Knowing full well the risk in selling at a fixed price, management of Calpine is attempting to set up a back-to-back arrangement that locks in their major cost, natural gas. We believe the Calpine transactions are an indicator of long-term natural gas prices well in excess of those reflected in current stock prices. In order of decreasing undervaluation we see opportunities in natural gas producers **Energy Partners Ltd., Hugoton Royalty Trust, San Juan Basin Royalty Trust, Cross Timbers Royalty Trust, Burlington Resources, Inc., Dorchester Hugoton, Ltd** and **Exxon Mobil Corporation** (see table below). During the past week present value estimates declined about 1% except for DHULZ where the decline was greater.

| Rank by McDep Ratio | <i>Symbol</i> | <i>Price</i> | <i>Shares</i> | <i>Market</i> | | | <i>Net</i> | <i>McDep Ratio</i> |
|------------------------------|---------------|----------------|---------------|---------------|---------------|----------------|------------|--------------------|
| | | <i>(\$/sh)</i> | | <i>Cap</i> | <i>Debt</i> | <i>Present</i> | | |
| | | <i>9-Feb</i> | | <i>(\$mm)</i> | <i>(\$mm)</i> | <i>Value</i> | | |
| Exxon Mobil Corporation | XOM | 85.86 | 3,517 | 302,000 | 40,000 | 72.40 | 1.16 | |
| Dorchester Hugoton, Ltd. | DHULZ | 13.75 | 10.7 | 148 | - | 12.30 | 1.12 | |
| Burlington Resources | BR | 46.50 | 215 | 10,000 | 2,300 | 57.20 | 0.84 | |
| Cross Timbers Royalty Trust | CRT | 16.86 | 6.0 | 101 | - | 20.30 | 0.83 | |
| San Juan Basin Royalty Trust | SJT | 13.50 | 46.6 | 630 | - | 16.60 | 0.81 | |
| Hugoton RT (42.5%) | HGT | 14.25 | 17.0 | 242 | - | 18.30 | 0.78 | |
| Energy Partners, Ltd. | EPL | 12.10 | 27.1 | 330 | - | 19.60 | 0.62 | |

Cash flow estimates for 2001 increased slightly during the past week except for DHULZ and EPL following disclosure of last year's results below our estimate. Stocks are ranked by the unlevered cash flow multiple, EV/Ebitda, Enterprise Value to Earnings before interest, tax, depletion, amortization and non-operating charges (see table below).

| Rank by Cash Flow Multiple | <i>Symbol</i> | <i>Price</i> | <i>Ebitda 2001</i> | | | <i>Cash</i> | <i>EV/Ebitda</i> |
|-----------------------------------|---------------|----------------|--------------------|------------------|---------------|----------------|------------------|
| | | <i>(\$/sh)</i> | <i>N Am</i> | <i>Oil &</i> | <i>Other</i> | <i>Flow</i> | |
| | | <i>9-Feb</i> | <i>Gas</i> | <i>OS Gas</i> | <i>(\$mm)</i> | <i>(\$/sh)</i> | |
| Exxon Mobil Corporation | XOM | 85.86 | 5,993 | 23,037 | 15,680 | 10.68 | 7.6 |
| Dorchester Hugoton, Ltd. | DHULZ | 13.75 | 25 | - | - | 2.32 | 5.9 |
| Cross Timbers Royalty Trust | CRT | 16.86 | 15 | 2 | - | 2.86 | 5.9 |
| San Juan Basin Royalty Trust | SJT | 13.50 | 135 | - | - | 2.89 | 4.7 |
| Burlington Resources | BR | 46.50 | 2,432 | 429 | - | 11.92 | 4.3 |
| Hugoton RT (42.5%) | HGT | 14.25 | 57 | - | - | 3.36 | 4.2 |
| Energy Partners, Ltd. | EPL | 12.10 | 52 | 78 | - | 4.75 | 2.5 |

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Dynamic Distribution Yields for the royalty trusts cluster near 17% in cash (see table below).

| Rank by Distributions | <i>Symbol</i> | <i>Price (\$/sh)</i> | | <i>Earnings 2001</i> | | <i>Distribution 2001</i> | |
|------------------------------|---------------|----------------------|--------------------|----------------------|------------|--------------------------|------------|
| | | <i>9-Feb 2000</i> | <i>Price/Sales</i> | <i>(\$/sh)</i> | <i>P/E</i> | <i>(\$/sh)</i> | <i>(%)</i> |
| Energy Partners, Ltd. | EPL | 12.10 | 1.8 | 1.59 | 7.6 | - | - |
| Burlington Resources | BR | 46.50 | 3.1 | 5.98 | 7.8 | 0.55 | 1.2 |
| Exxon Mobil Corporation | XOM | 85.86 | 1.5 | 5.13 | 16.7 | 1.76 | 2.0 |
| Dorchester Hugoton, Ltd. | DHULZ | 13.75 | 4.8 | 2.16 | 6.4 | 1.20 | 8.7 |
| San Juan Basin Royalty Trust | SJT | 13.50 | 3.9 | 2.16 | 6.2 | 2.16 | 16.0 |
| Cross Timbers Royalty Trust | CRT | 16.86 | 4.3 | 2.78 | 6.1 | 2.78 | 16.5 |
| Hugoton RT (42.5%) | HGT | 14.25 | 3.3 | 2.52 | 5.7 | 2.52 | 17.7 |

If we can be comfortable with the ranking of stocks by PV/EBITDA, then we can be confident that the ranking by McDep Ratio is a reasonable indication of overall relative valuation (see table below).

| Rank by PV/Ebitda | <i>Reserves/Prod 2001</i> | <i>Prod 2001/</i> | | <i>Ebitda Margin</i> | | <i>Present Value</i> | | <i>PV/Ebitda</i> |
|------------------------------|---------------------------|-------------------|-----------------|----------------------|-----------------|----------------------|-----|------------------|
| | | <i>Prod 2000</i> | <i>(\$/mcf)</i> | <i>(\$/boe)</i> | <i>(\$/mcf)</i> | <i>(\$/boe)</i> | | |
| Cross Timbers Royalty Trust | 12 | 0.95 | 4.09 | 24.52 | 2.50 | 15 | 7.1 | |
| Exxon Mobil Corporation | 11 | 1.00 | 3.09 | 18.54 | 1.30 | 8 | 6.6 | |
| San Juan Basin Royalty Trust | 11 | 0.98 | 4.29 | 25.73 | 2.20 | 13 | 5.8 | |
| Hugoton RT (42.5%) | 11 | 1.01 | 4.26 | 25.57 | 2.10 | 13 | 5.4 | |
| Dorchester Hugoton, Ltd. | 11 | 0.85 | 4.53 | 27.17 | 2.30 | 14 | 5.3 | |
| Burlington Resources | 11 | 0.95 | 3.40 | 20.41 | 1.60 | 10 | 5.1 | |
| Energy Partners, Ltd. | 5 | 1.75 | 3.31 | 19.86 | 2.60 | 16 | 4.1 | |

EPL and DHULZ Report 2000

Our reactions to final disclosures for 2000 by EPL are available separately (see Stock Idea, Energy Partners, Ltd., Strong Volume, Surprising Expenses, February 8, 2001). Our reactions to final disclosures for DHULZ are limited to the summary information in the press release. Lower than expected revenue and earnings imply lower than expected volume. We'll have a separate analysis after we analyze more detailed disclosures.

Calpine Deals Imply Higher Natural Gas Value

The rapidly growing San Jose, CA, power company has committed to sell to the California Department of Water Resources \$4.6 billion of electricity over ten years at

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about \$0.059 per kilowatt-hour (kwh). The company plans to generate the power in efficient plants that consume 7000 Btu's per kwh compared to the industry average near 10,000 btu/kwh.

One day after announcing the power contract, Calpine announced the acquisition of Encal Energy, a Canadian oil and gas producer, for \$1.2 billion in Calpine stock and assumed debt. In rough terms the acquisition appears to be priced at 6 times 2000 ebitda and \$2.60 per mcf equivalent of net proven producing reserves. Counting non-producing, probable and royalty volumes the total acquired quantities may be one trillion cubic feet at a cost of \$1.20 per mcf equivalent.

Management believes that the back-to-back transactions lock in a spark spread, the cost of electricity less the cost of natural gas, of \$30 per megawatt hour. Calpine executives further reckon that their cost of gas delivered to California is \$0.75 per million Btu (mmbtu) less than the forward curve for futures prices of natural gas in their state at around \$5 per mmbtu. Those figures are used to justify the conclusion that natural gas is available at lower cost in the equity market than in the futures market.

Here are the implications we draw from the transactions:

1. Calpine is still taking a large risk. Future long-term electricity contracts with the state, if any, are likely to be at higher prices.
2. More electricity contracts would put upward pressure on a ten-year natural gas price in California of \$5 or better.
3. Except for the politics, we hope, California may be a leading indicator of natural gas trends for the rest of the country.
4. Our present value estimates are likely to increase. We currently presume a ten-year natural gas price around \$4 per mmbtu, changing from week to week depending on market movements.
5. Natural gas producers are among the most important long-term beneficiaries of electricity shortages.

The tables that follow present details of the latest present value and next twelve months estimates for each of seven stocks in the order CRT, DHULZ, HGT, SJT, BR, EPL and XOM.

Kurt H. Wulff, CFA

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Table CRT-1
Cross Timbers Royalty Trust
Present Value

| | | | |
|----------------------------|----|------------------------------------|-----|
| Volume Decline (%/yr): | 10 | Price Escalation post 2007 (%/yr): | 2.5 |
| Volume Enhancement (%/yr): | 10 | Discount Rate (%/yr): | 6.5 |
| | | U.S. TIPS Inflation (%/yr): | 1.7 |
| | | U.S. 10 Year Yield (%/yr): | 5.1 |

| | | | |
|---------------------|------|-----------------|-----|
| PV/Volume (\$/mcf): | 2.56 | PV/EBITDA 2001: | 7.3 |
|---------------------|------|-----------------|-----|

| Year | Natural Gas Volume | | | Price (\$/mcf) | Revenue (\$mm) | Oil | | | Tax Credit (\$/unit) | Disc Factor | Present Value (\$/unit) |
|-------------------------|--------------------|----------------|-------------|----------------|----------------|------------|---------------------|------------------------|----------------------|-------------|-------------------------|
| | Basic (bcf) | Enhanced (bcf) | Total (bcf) | | | Net (\$mm) | Distribution (\$mm) | Distribution (\$/unit) | | | |
| Total 2001 through 2030 | | | | | | | | | | | |
| | 25 | 22 | 48 | 4.39 | 209 | 4 | 213 | 35.47 | 0.24 | 0.57 | 20.30 |
| 2001 | 2.7 | 0.0 | 2.7 | 5.58 | 14.8 | 1.9 | 16.7 | 2.78 | 0.12 | 0.97 | 2.81 |
| 2002 | 2.4 | 0.3 | 2.7 | 4.81 | 12.8 | 1.2 | 14.0 | 2.33 | 0.12 | 0.91 | 2.22 |
| 2003 | 2.2 | 0.5 | 2.7 | 4.15 | 11.0 | 0.7 | 11.8 | 1.96 | | 0.85 | 1.67 |
| 2004 | 1.9 | 0.7 | 2.7 | 3.69 | 9.8 | | 9.8 | 1.64 | | 0.80 | 1.31 |
| 2005 | 1.7 | 0.9 | 2.7 | 3.64 | 9.7 | | 9.7 | 1.61 | | 0.75 | 1.21 |
| 2006 | 1.6 | 1.1 | 2.7 | 3.60 | 9.6 | | 9.6 | 1.59 | | 0.71 | 1.12 |
| 2007 | 1.4 | 1.2 | 2.7 | 3.69 | 9.8 | | 9.8 | 1.63 | | 0.66 | 1.08 |
| 2008 | 1.3 | 1.4 | 2.7 | 3.78 | 10.0 | | 10.0 | 1.67 | | 0.62 | 1.04 |
| 2009 | 1.1 | 1.5 | 2.7 | 3.87 | 10.3 | | 10.3 | 1.72 | | 0.58 | 1.00 |
| 2010 | 1.0 | 1.6 | 2.7 | 3.97 | 10.6 | | 10.6 | 1.76 | | 0.55 | 0.96 |
| 2011 | 0.9 | 1.5 | 2.4 | 4.07 | 9.7 | | 9.7 | 1.62 | | 0.51 | 0.83 |
| 2012 | 0.8 | 1.3 | 2.2 | 4.17 | 9.0 | | 9.0 | 1.50 | | 0.48 | 0.72 |
| 2013 | 0.8 | 1.2 | 1.9 | 4.28 | 8.3 | | 8.3 | 1.38 | | 0.45 | 0.63 |
| 2014 | 0.7 | 1.1 | 1.7 | 4.38 | 7.6 | | 7.6 | 1.27 | | 0.43 | 0.54 |
| 2015 | 0.6 | 1.0 | 1.6 | 4.49 | 7.1 | | 7.1 | 1.18 | | 0.40 | 0.47 |
| 2016 | 0.5 | 0.9 | 1.4 | 4.61 | 6.5 | | 6.5 | 1.08 | | 0.37 | 0.41 |
| 2017 | 0.5 | 0.8 | 1.3 | 4.72 | 6.0 | | 6.0 | 1.00 | | 0.35 | 0.35 |
| 2018 | 0.4 | 0.7 | 1.1 | 4.84 | 5.5 | | 5.5 | 0.92 | | 0.33 | 0.30 |
| 2019 | 0.4 | 0.6 | 1.0 | 4.96 | 5.1 | | 5.1 | 0.85 | | 0.31 | 0.26 |
| 2020 | 0.4 | 0.6 | 0.9 | 5.09 | 4.7 | | 4.7 | 0.79 | | 0.29 | 0.23 |
| 2021 | 0.3 | 0.5 | 0.8 | 5.21 | 4.4 | | 4.4 | 0.73 | | 0.27 | 0.20 |
| 2022 | 0.3 | 0.5 | 0.8 | 5.35 | 4.0 | | 4.0 | 0.67 | | 0.26 | 0.17 |
| 2023 | 0.3 | 0.4 | 0.7 | 5.48 | 3.7 | | 3.7 | 0.62 | | 0.24 | 0.15 |
| 2024 | 0.2 | 0.4 | 0.6 | 5.62 | 3.4 | | 3.4 | 0.57 | | 0.23 | 0.13 |
| 2025 | 0.2 | 0.3 | 0.5 | 5.76 | 3.2 | | 3.2 | 0.53 | | 0.21 | 0.11 |
| 2026 | 0.2 | 0.3 | 0.5 | 5.90 | 2.9 | | 2.9 | 0.48 | | 0.20 | 0.10 |
| 2027 | 0.2 | 0.3 | 0.4 | 6.05 | 2.7 | | 2.7 | 0.45 | | 0.19 | 0.08 |
| 2028 | 0.2 | 0.2 | 0.4 | 6.20 | 2.5 | | 2.5 | 0.41 | | 0.18 | 0.07 |
| 2029 | 0.1 | 0.2 | 0.4 | 6.36 | 2.3 | | 2.3 | 0.38 | | 0.16 | 0.06 |
| 2030 | 0.1 | 0.2 | 0.3 | 6.52 | 2.1 | | 2.1 | 0.35 | | 0.15 | 0.05 |

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Oil and gas investment research by Kurt Wulff is accessible at <http://www.mcdep.com>. Mr. Wulff may acquire, hold, or sell a position in securities mentioned.

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Table CRT-2
Cross Timbers Royalty Trust
Distributable Income

| | <i>Q4</i> | <i>Year</i> | <i>Q1</i> | <i>Q2</i> | <i>Q3</i> | <i>Q4E</i> | <i>Year</i> | <i>Q1E</i> | <i>Q2E</i> | <i>Q3E</i> | <i>Q4E</i> | <i>Year</i> |
|--------------------------------------|-----------------|-------------|----------------|----------------|----------------|-----------------|--------------|----------------|----------------|----------------|-----------------|--------------|
| | <i>12/31/99</i> | <i>1999</i> | <i>3/31/00</i> | <i>6/30/00</i> | <i>9/30/00</i> | <i>12/31/00</i> | <i>2000E</i> | <i>3/31/01</i> | <i>6/30/01</i> | <i>9/30/01</i> | <i>12/31/01</i> | <i>2001E</i> |
| Highlights | | | | | | | | | | | | |
| Tax credit (\$mm) | | | | | | | | | | | | |
| Per unit | 0.03 | 0.16 | 0.03 | 0.03 | 0.03 | 0.03 | 0.13 | 0.03 | 0.03 | 0.03 | 0.03 | 0.12 |
| Distributable Income (\$mm) | 2.28 | 6.55 | 2.30 | 2.42 | 3.35 | 3.43 | 11.50 | 4.52 | 4.46 | 3.93 | 3.77 | 16.68 |
| Per unit | 0.38 | 1.09 | 0.38 | 0.40 | 0.56 | 0.57 | 1.92 | 0.75 | 0.74 | 0.65 | 0.63 | 2.78 |
| Units (millions) | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| Volume | | | | | | | | | | | | |
| Natural Gas (bcf) | 0.97 | 3.64 | 0.80 | 0.77 | 0.83 | 0.76 | 3.16 | 0.76 | 0.72 | 0.74 | 0.73 | 2.95 |
| Natural Gas (mmcf) | 10.6 | 10.0 | 8.7 | 8.5 | 9.1 | 8.3 | 8.6 | 8.2 | 8.1 | 8.1 | 8.0 | 8.1 |
| Days | 92 | 365 | 92 | 91 | 91 | 92 | 366 | 92 | 89 | 92 | 92 | 365 |
| Oil (mb) | 94 | 349 | 88 | 81 | 93 | 91 | 353 | 89 | 84 | 85 | 85 | 343 |
| Oil (mbd) | 1.03 | 0.96 | 0.96 | 0.90 | 1.01 | 0.99 | 0.96 | 0.97 | 0.95 | 0.92 | 0.92 | 0.94 |
| Days | 92 | 365 | 92 | 90 | 92 | 92 | 366 | 92 | 89 | 92 | 92 | 365 |
| Total (bcf) | 1.54 | 5.73 | 1.33 | 1.26 | 1.39 | 1.31 | 5.28 | 1.29 | 1.23 | 1.25 | 1.24 | 5.01 |
| Price | | | | | | | | | | | | |
| Natural Gas (HH lagged three months) | | | | | | | | | | | | |
| Henry Hub (\$/mmbtu) | 2.52 | 2.12 | 2.45 | 2.62 | 3.63 | 4.48 | 3.29 | 6.52 | 6.80 | 5.77 | 5.69 | 6.20 |
| Differential (\$/mmbtu) | 0.13 | 0.13 | (0.27) | (0.26) | 0.16 | - | (0.09) | 0.65 | 0.68 | 0.58 | 0.57 | 0.62 |
| CRT (\$/mcf) | 2.39 | 1.99 | 2.72 | 2.88 | 3.47 | 4.48 | 3.38 | 5.86 | 6.12 | 5.20 | 5.12 | 5.58 |
| Oil (\$/bbl) (WTI lagged two months) | | | | | | | | | | | | |
| WTI Cushing | 22.59 | 17.02 | 26.07 | 28.33 | 30.12 | 32.73 | 29.31 | 30.84 | 30.91 | 29.65 | 28.09 | 29.87 |
| CRT | 20.21 | 14.89 | 24.20 | 26.86 | 27.91 | 30.73 | 27.46 | 28.84 | 28.91 | 27.65 | 26.09 | 27.88 |
| Total (\$/mcf) | 2.75 | 2.17 | 3.25 | 3.50 | 3.94 | 4.75 | 3.86 | 5.43 | 5.59 | 4.96 | 4.81 | 5.20 |
| Revenue (\$mm) | | | | | | | | | | | | |
| Natural Gas | 2.33 | 7.26 | 2.17 | 2.22 | 2.88 | 3.42 | 10.68 | 4.43 | 4.43 | 3.85 | 3.76 | 16.48 |
| Oil | 1.91 | 5.19 | 2.14 | 2.18 | 2.59 | 2.79 | 9.70 | 2.57 | 2.44 | 2.34 | 2.21 | 9.56 |
| Total | 4.23 | 12.45 | 4.31 | 4.40 | 5.47 | 6.21 | 20.38 | 7.00 | 6.87 | 6.19 | 5.97 | 26.04 |
| Cost (\$mm) | | | | | | | | | | | | |
| Tax, transport & other | 0.50 | 1.61 | 0.58 | 0.61 | 0.74 | 0.87 | 2.80 | 0.98 | 0.96 | 0.87 | 0.84 | 3.65 |
| Production | 0.60 | 2.39 | 0.59 | 0.65 | 0.62 | 0.68 | 2.54 | 0.67 | 0.63 | 0.64 | 0.64 | 2.57 |
| Total | 1.09 | 4.00 | 1.17 | 1.26 | 1.36 | 1.55 | 5.34 | 1.65 | 1.60 | 1.50 | 1.47 | 6.22 |
| Cash flow (\$mm) | | | | | | | | | | | | |
| Development | 0.12 | 0.74 | 0.21 | 0.13 | 0.16 | 0.16 | 0.67 | 0.16 | 0.16 | 0.17 | 0.17 | 0.66 |
| Excess | | (0.43) | | | | | - | | | | | - |
| Recovery of excess | 0.40 | 0.63 | 0.24 | 0.15 | | | 0.38 | | | | | - |
| Net proceeds (\$mm) | 2.62 | 7.52 | 2.68 | 2.86 | 3.95 | 4.50 | 13.99 | 5.19 | 5.12 | 4.52 | 4.33 | 19.16 |
| Royalty income (\$mm) | | | | | | | | | | | | |
| Royalty/Net proceeds | 88% | 89% | 88% | 87% | 86% | 86% | 87% | 88% | 88% | 88% | 88% | 88% |
| Administration | 0.02 | 0.14 | 0.05 | 0.05 | 0.05 | 0.46 | 0.61 | 0.04 | 0.04 | 0.04 | 0.04 | 0.16 |
| Distributable income (\$mm) | 2.28 | 6.55 | 2.30 | 2.42 | 3.35 | 3.43 | 11.50 | 4.52 | 4.46 | 3.93 | 3.77 | 16.68 |
| Modeling ratios | | | | | | | | | | | | |
| Tax and other/revenue | 0.12 | 0.13 | 0.13 | 0.14 | 0.13 | 0.14 | 0.14 | 0.14 | 0.14 | 0.14 | 0.14 | 0.14 |
| Production exp (\$/bbl) | 6.31 | 6.86 | 6.71 | 8.00 | 6.69 | 7.50 | 7.20 | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 |
| Accounting items | | | | | | | | | | | | |
| Interest on excess costs | 0.01 | 0.06 | | | | | | | | | | |
| Cumulative excess costs | 0.37 | 0.37 | 0.15 | | | | | | | | | |

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Table DHULZ-1
Dorchester Hugoton, Ltd.
Present Value

| | | | |
|----------------------------|------|------------------------------------|-----|
| Volume Decline (%/yr): | 11 | Price Escalation Post 2006 (%/yr): | 2.5 |
| Volume Enhancement (%/yr): | 8 | Discount rate (%/yr): | 6.5 |
| Capex/Cash Flow (%): | 20 | U.S. TIPS Inflation (%/yr): | 1.7 |
| Variable Cost (%): | 10 | U.S. 10 Year Yield (%/yr): | 5.1 |
| PV/Volume (\$/mcf): | 1.90 | PV/EBITDA 2001: | 5.8 |

| Year | Basic (bcf) | Volume Enhanced (bcf) | Total (bcf) | Price (\$/mcf) | Revenue (\$mm) | Fixed Cost (\$mm) | Var Cost (\$mm) | Cap Ex (\$mm) | Free Cash Flow (\$mm) | (\$/unit) | Disc Factor | Present Value (\$/unit) | |
|-------------------------|----------------|-----------------------------|----------------|-------------------|-------------------|-------------------------|-----------------------|---------------------|--------------------------|-----------|----------------|-------------------------------|------|
| Total 2001 through 2030 | | | | | | | | | | | | | |
| | 48 | 29 | 77 | 4.35 | 334 | 104 | 33 | 28 | 169 | 15.53 | 0.79 | 12.30 | |
| | | | | | | | | | Other assets, net | 22.0 | 2.03 | 1.00 | 2.03 |
| 2001 | 5.5 | 0.0 | 5.5 | 5.90 | 32.5 | 4.0 | 3.3 | 5.1 | 20.2 | 1.86 | 0.97 | 1.81 | |
| 2002 | 4.9 | 0.4 | 5.4 | 4.75 | 25.4 | 4.0 | 2.5 | 3.8 | 15.1 | 1.39 | 0.91 | 1.27 | |
| 2003 | 4.4 | 0.8 | 5.2 | 4.35 | 22.6 | 4.0 | 2.3 | 3.3 | 13.0 | 1.20 | 0.85 | 1.03 | |
| 2004 | 3.9 | 1.1 | 5.0 | 3.69 | 18.6 | 4.0 | 1.9 | 2.5 | 10.2 | 0.94 | 0.80 | 0.75 | |
| 2005 | 3.5 | 1.4 | 4.9 | 3.64 | 17.8 | 4.0 | 1.8 | 2.4 | 9.6 | 0.88 | 0.75 | 0.66 | |
| 2006 | 3.1 | 1.7 | 4.7 | 3.60 | 17.0 | 4.0 | 1.7 | 2.3 | 9.1 | 0.83 | 0.71 | 0.59 | |
| 2007 | 2.7 | 1.9 | 4.6 | 3.69 | 16.9 | 4.0 | 1.7 | 2.2 | 9.0 | 0.83 | 0.66 | 0.55 | |
| 2008 | 2.4 | 2.0 | 4.5 | 3.78 | 16.8 | 4.0 | 1.7 | 2.2 | 8.9 | 0.82 | 0.62 | 0.51 | |
| 2009 | 2.2 | 2.2 | 4.3 | 3.87 | 16.7 | 4.0 | 1.7 | 2.2 | 8.8 | 0.82 | 0.58 | 0.48 | |
| 2010 | 1.9 | 2.3 | 4.2 | 3.97 | 16.6 | 4.0 | 1.7 | 2.2 | 8.8 | 0.81 | 0.55 | 0.44 | |
| 2011 | 1.7 | 2.0 | 3.7 | 4.07 | 15.2 | 4.0 | 1.5 | | 9.7 | 0.89 | 0.51 | 0.46 | |
| 2012 | 1.5 | 1.8 | 3.3 | 4.17 | 13.9 | 4.0 | 1.4 | | 8.5 | 0.78 | 0.48 | 0.38 | |
| 2013 | 1.4 | 1.6 | 3.0 | 4.28 | 12.6 | 4.0 | 1.3 | | 7.4 | 0.68 | 0.45 | 0.31 | |
| 2014 | 1.2 | 1.4 | 2.6 | 4.38 | 11.5 | 4.0 | 1.2 | | 6.4 | 0.59 | 0.43 | 0.25 | |
| 2015 | 1.1 | 1.3 | 2.3 | 4.49 | 10.5 | 4.0 | 1.1 | | 5.5 | 0.50 | 0.40 | 0.20 | |
| 2016 | 1.0 | 1.1 | 2.1 | 4.61 | 9.6 | 4.0 | 1.0 | | 4.6 | 0.43 | 0.37 | 0.16 | |
| 2017 | 0.9 | 1.0 | 1.9 | 4.72 | 8.8 | 4.0 | 0.9 | | 3.9 | 0.36 | 0.35 | 0.13 | |
| 2018 | 0.8 | 0.9 | 1.7 | 4.84 | 8.0 | 4.0 | 0.8 | | 3.2 | 0.29 | 0.33 | 0.10 | |
| 2019 | 0.7 | 0.8 | 1.5 | 4.96 | 7.3 | 4.0 | 0.7 | | 2.5 | 0.24 | 0.31 | 0.07 | |
| 2020 | 0.6 | 0.7 | 1.3 | 5.09 | 6.7 | 4.0 | 0.7 | | 2.0 | 0.18 | 0.29 | 0.05 | |
| 2021 | 0.5 | 0.6 | 1.2 | 5.21 | 6.1 | 4.0 | 0.6 | | 1.4 | 0.13 | 0.27 | 0.04 | |
| 2022 | 0.5 | 0.6 | 1.0 | 5.35 | 5.5 | 4.0 | 0.6 | | 1.0 | 0.09 | 0.26 | 0.02 | |
| 2023 | 0.4 | 0.5 | 0.9 | 5.48 | 5.1 | 4.0 | 0.5 | | 0.5 | 0.05 | 0.24 | 0.01 | |
| 2024 | 0.4 | 0.4 | 0.8 | 5.62 | 4.6 | 4.0 | 0.5 | | 0.1 | 0.01 | 0.23 | 0.00 | |
| 2025 | 0.3 | 0.4 | 0.7 | 5.76 | 4.2 | 4.0 | 0.4 | | -0.2 | -0.02 | 0.21 | 0.00 | |
| 2026 | 0.3 | 0.4 | 0.6 | 5.90 | 3.8 | 4.0 | 0.4 | | -0.6 | -0.05 | 0.20 | -0.01 | |

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Table DHULZ-2
Dorchester Hugoton, Ltd.
Income Model

| | <i>Q4</i> | <i>Year</i> | <i>Q1</i> | <i>Q2</i> | <i>Q3</i> | <i>Q4E</i> | <i>Year</i> | <i>Q1E</i> | <i>Q2E</i> | <i>Q3E</i> | <i>Q4E</i> | <i>Year</i> |
|-----------------------------|-----------------|-------------|----------------|----------------|----------------|-----------------|--------------|----------------|----------------|----------------|-----------------|--------------|
| | <i>12/31/99</i> | <i>1999</i> | <i>3/31/00</i> | <i>6/30/00</i> | <i>9/30/00</i> | <i>12/31/00</i> | <i>2000E</i> | <i>3/31/01</i> | <i>6/30/01</i> | <i>9/30/01</i> | <i>12/31/01</i> | <i>2001E</i> |
| Highlights | | | | | | | | | | | | |
| Revenue (\$mm) | 4.39 | 15.3 | 4.16 | 5.57 | 7.04 | 8.71 | 25.5 | 8.81 | 7.47 | 7.37 | 7.37 | 31.0 |
| Cash flow (\$mm) | 3.25 | 10.9 | 3.09 | 3.87 | 5.69 | 7.12 | 19.8 | 7.20 | 5.99 | 5.90 | 5.89 | 25.0 |
| Per unit | 0.30 | 1.01 | 0.28 | 0.36 | 0.52 | 0.66 | 1.82 | 0.66 | 0.55 | 0.54 | 0.54 | 2.30 |
| Earnings (\$mm) | 2.78 | 9.0 | 2.64 | 3.40 | 5.24 | 6.73 | 18.0 | 6.81 | 5.60 | 5.51 | 5.51 | 23.4 |
| Per unit | 0.26 | 0.83 | 0.24 | 0.32 | 0.48 | 0.62 | 1.66 | 0.63 | 0.52 | 0.51 | 0.51 | 2.16 |
| Distribution (\$mm) | 1.93 | 7.7 | 3.01 | 1.93 | 2.36 | 2.36 | 9.7 | 3.22 | 3.22 | 3.22 | 3.22 | 12.9 |
| Per unit | 0.18 | 0.72 | 0.28 | 0.18 | 0.22 | 0.22 | 0.90 | 0.30 | 0.30 | 0.30 | 0.30 | 1.20 |
| Units (millions) | 10.74 | 10.7 | 10.74 | 10.74 | 10.74 | 10.74 | 10.7 | 10.74 | 10.74 | 10.74 | 10.74 | 10.7 |
| Volume | | | | | | | | | | | | |
| Natural gas (bcf) | | | | | | | | | | | | |
| Oklahoma | 1.43 | 5.6 | 1.39 | 1.37 | 1.43 | 1.17 | 5.4 | 1.13 | 1.14 | 1.15 | 1.14 | 4.6 |
| Kansas | 0.31 | 1.3 | 0.29 | 0.28 | 0.27 | 0.26 | 1.1 | 0.25 | 0.24 | 0.24 | 0.23 | 1.0 |
| Total | 1.74 | 6.9 | 1.68 | 1.66 | 1.70 | 1.43 | 6.5 | 1.38 | 1.38 | 1.38 | 1.37 | 5.5 |
| Natural Gas (mmcf) | 18.9 | 18.9 | 18.5 | 18.2 | 18.4 | 15.5 | 17.7 | 15.3 | 15.2 | 15.0 | 14.9 | 15.1 |
| Days | 92 | 365 | 91 | 91 | 92 | 92 | 366 | 90 | 91 | 92 | 92 | 365 |
| Price | | | | | | | | | | | | |
| Natural gas | | | | | | | | | | | | |
| Henry Hub (\$/mmbtu) | 2.45 | 2.24 | 2.62 | 3.63 | 4.48 | 6.52 | 4.31 | 6.80 | 5.77 | 5.69 | 5.75 | 6.01 |
| Oklahoma (\$/mcf) | 2.60 | 2.28 | 2.53 | 3.50 | 4.33 | 6.39 | 4.10 | 6.68 | 5.65 | 5.57 | 5.63 | 5.88 |
| Kansas (\$/mcf) | 2.70 | 2.36 | 2.72 | 3.58 | 4.41 | 6.52 | 4.25 | 6.76 | 5.73 | 5.65 | 5.71 | 5.97 |
| Total (\$/mcf) | 2.62 | 2.30 | 2.57 | 3.51 | 4.34 | 6.41 | 4.12 | 6.70 | 5.67 | 5.59 | 5.64 | 5.90 |
| Revenue (\$mm) | | | | | | | | | | | | |
| Natural Gas | | | | | | | | | | | | |
| Oklahoma | 3.73 | 12.7 | 3.53 | 4.81 | 6.18 | 7.44 | 22.0 | 7.58 | 6.44 | 6.38 | 6.41 | 26.8 |
| Kansas | 0.83 | 3.1 | 0.79 | 1.01 | 1.19 | 1.70 | 4.7 | 1.67 | 1.39 | 1.35 | 1.32 | 5.7 |
| Other | 0.05 | 0.2 | 0.05 | 0.05 | 0.06 | 0.05 | 0.2 | 0.05 | 0.05 | 0.05 | 0.05 | 0.2 |
| Production payment (ORRI) | (0.23) | (0.8) | (0.21) | (0.30) | (0.39) | (0.48) | (1.4) | (0.49) | (0.42) | (0.41) | (0.41) | (1.7) |
| Total | 4.39 | 15.3 | 4.16 | 5.57 | 7.04 | 8.71 | 25.5 | 8.81 | 7.47 | 7.37 | 7.37 | 31.0 |
| Cost (\$mm) | | | | | | | | | | | | |
| Operating | 0.95 | 3.6 | 0.92 | 1.04 | 1.07 | 1.29 | 4.3 | 1.32 | 1.22 | 1.21 | 1.21 | 5.0 |
| General and administrative | 0.16 | 0.6 | 0.14 | 0.18 | 0.20 | 0.19 | 0.7 | 0.19 | 0.18 | 0.18 | 0.18 | 0.7 |
| Management | 0.13 | 0.5 | 0.13 | 0.14 | 0.16 | 0.17 | 0.6 | 0.18 | 0.16 | 0.16 | 0.16 | 0.7 |
| Other | (0.10) | (0.3) | (0.11) | 0.35 | (0.07) | (0.08) | 0.1 | (0.08) | (0.08) | (0.08) | (0.08) | (0.3) |
| Total | 1.13 | 4.4 | 1.07 | 1.70 | 1.35 | 1.58 | 5.7 | 1.61 | 1.48 | 1.47 | 1.48 | 6.0 |
| Cash flow (\$mm) | | | | | | | | | | | | |
| Depletion, deprec. & amort. | 0.48 | 1.9 | 0.45 | 0.46 | 0.45 | 0.40 | 1.8 | 0.39 | 0.39 | 0.39 | 0.38 | 1.5 |
| Earnings (\$mm) | | | | | | | | | | | | |
| Capital expenditures (\$mm) | 0.10 | 0.4 | 0.04 | 0.13 | 0.23 | 0.15 | 0.6 | 1.08 | 0.90 | 0.88 | 0.88 | 3.7 |
| Cost ratios | | | | | | | | | | | | |
| Prod pay/revenue | 5.0% | 4.7% | 4.8% | 5.1% | 5.3% | 5.3% | 5.2% | 5.3% | 5.3% | 5.3% | 5.3% | 5.3% |
| Operating cost (\$/mcf) | 0.54 | 0.52 | 0.54 | 0.63 | 0.63 | 0.91 | 0.67 | 0.96 | 0.88 | 0.87 | 0.89 | 0.90 |
| Depletion (\$/mcf) | 0.27 | 0.28 | 0.27 | 0.28 | 0.27 | 0.28 | 0.27 | 0.28 | 0.28 | 0.28 | 0.28 | 0.28 |

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Table HGT-1
Hugoton Royalty Trust
Present Value

| | | | |
|----------------------------|----|------------------------------------|-----|
| Volume Decline (%/yr): | 10 | Price Escalation Post 2006 (%/yr): | 2.5 |
| Volume Enhancement (%/yr): | 10 | Discount rate (%/yr): | 6.5 |
| Capex/Cash Flow (%): | 25 | U.S. TIPS Inflation (%/yr): | 1.7 |
| Variable Cost (%): | 11 | U.S. 10 Year Yield (%/yr): | 5.1 |

| | | | |
|---------------------|------|-----------------|-----|
| PV/Volume (\$/mcf): | 1.29 | PV/EBITDA 2001: | 5.4 |
|---------------------|------|-----------------|-----|

| Year | Basic (bcf) | Volume Enhanced (bcf) | Total (bcf) | Price (\$/mcf) | Revenue (\$mm) | Fixed Cost (\$mm) | Var Cost (\$mm) | Cap Ex (\$mm) | Distribution (\$mm) | (\$/unit) | Tax Credit (\$/unit) | Disc Factor | Present Value (\$/unit) |
|------------------------|----------------|-----------------------------|----------------|-------------------|-------------------|-------------------------|-----------------------|---------------------|------------------------|-----------|----------------------------|----------------|-------------------------------|
| Total 200 through 2030 | | | | | | | | | | | | | |
| | 302 | 263 | 565 | 4.07 | 2301 | 574 | 253 | 220 | 1254 | 31.35 | 0.04 | 0.58 | 18.30 |
| 2001 | 31.6 | 0.0 | 31.6 | 5.47 | 172.7 | 19.1 | 19.0 | 33.7 | 100.8 | 2.52 | 0.02 | 0.97 | 2.46 |
| 2002 | 28.4 | 3.2 | 31.6 | 4.52 | 142.6 | 19.1 | 15.7 | 26.9 | 80.8 | 2.02 | 0.02 | 0.91 | 1.86 |
| 2003 | 25.6 | 6.0 | 31.6 | 4.13 | 130.4 | 19.1 | 14.3 | 24.2 | 72.7 | 1.82 | | 0.85 | 1.55 |
| 2004 | 23.0 | 8.6 | 31.6 | 3.39 | 107.1 | 19.1 | 11.8 | 19.0 | 57.1 | 1.43 | | 0.80 | 1.14 |
| 2005 | 20.7 | 10.9 | 31.6 | 3.34 | 105.4 | 19.1 | 11.6 | 18.7 | 56.0 | 1.40 | | 0.75 | 1.05 |
| 2006 | 18.6 | 12.9 | 31.6 | 3.30 | 104.1 | 19.1 | 11.4 | 18.4 | 55.1 | 1.38 | | 0.71 | 0.97 |
| 2007 | 16.8 | 14.8 | 31.6 | 3.38 | 106.7 | 19.1 | 11.7 | 19.0 | 56.9 | 1.42 | | 0.66 | 0.94 |
| 2008 | 15.1 | 16.5 | 31.6 | 3.46 | 109.3 | 19.1 | 12.0 | 19.5 | 58.6 | 1.47 | | 0.62 | 0.91 |
| 2009 | 13.6 | 18.0 | 31.6 | 3.55 | 112.1 | 19.1 | 12.3 | 20.2 | 60.5 | 1.51 | | 0.58 | 0.88 |
| 2010 | 12.2 | 19.3 | 31.6 | 3.64 | 114.9 | 19.1 | 12.6 | 20.8 | 62.4 | 1.56 | | 0.55 | 0.85 |
| 2011 | 11.0 | 17.4 | 28.4 | 3.73 | 106.0 | 19.1 | 11.7 | | 75.2 | 1.88 | | 0.51 | 0.97 |
| 2012 | 9.9 | 15.7 | 25.6 | 3.82 | 97.8 | 19.1 | 10.8 | | 67.9 | 1.70 | | 0.48 | 0.82 |
| 2013 | 8.9 | 14.1 | 23.0 | 3.92 | 90.2 | 19.1 | 9.9 | | 61.2 | 1.53 | | 0.45 | 0.69 |
| 2014 | 8.0 | 12.7 | 20.7 | 4.02 | 83.2 | 19.1 | 9.2 | | 55.0 | 1.37 | | 0.43 | 0.58 |
| 2015 | 7.2 | 11.4 | 18.6 | 4.12 | 76.8 | 19.1 | 8.4 | | 49.2 | 1.23 | | 0.40 | 0.49 |
| 2016 | 6.5 | 10.3 | 16.8 | 4.22 | 70.9 | 19.1 | 7.8 | | 43.9 | 1.10 | | 0.37 | 0.41 |
| 2017 | 5.9 | 9.3 | 15.1 | 4.33 | 65.4 | 19.1 | 7.2 | | 39.1 | 0.98 | | 0.35 | 0.34 |
| 2018 | 5.3 | 8.3 | 13.6 | 4.44 | 60.3 | 19.1 | 6.6 | | 34.6 | 0.86 | | 0.33 | 0.29 |
| 2019 | 4.7 | 7.5 | 12.2 | 4.55 | 55.6 | 19.1 | 6.1 | | 30.4 | 0.76 | | 0.31 | 0.24 |
| 2020 | 4.3 | 6.7 | 11.0 | 4.66 | 51.3 | 19.1 | 5.6 | | 26.6 | 0.66 | | 0.29 | 0.19 |
| 2021 | 3.8 | 6.1 | 9.9 | 4.78 | 47.4 | 19.1 | 5.2 | | 23.0 | 0.58 | | 0.27 | 0.16 |
| 2022 | 3.5 | 5.5 | 8.9 | 4.90 | 43.7 | 19.1 | 4.8 | | 19.8 | 0.49 | | 0.26 | 0.13 |
| 2023 | 3.1 | 4.9 | 8.0 | 5.02 | 40.3 | 19.1 | 4.4 | | 16.8 | 0.42 | | 0.24 | 0.10 |
| 2024 | 2.8 | 4.4 | 7.2 | 5.15 | 37.2 | 19.1 | 4.1 | | 14.0 | 0.35 | | 0.23 | 0.08 |
| 2025 | 2.5 | 4.0 | 6.5 | 5.28 | 34.3 | 19.1 | 3.8 | | 11.4 | 0.29 | | 0.21 | 0.06 |
| 2026 | 2.3 | 3.6 | 5.9 | 5.41 | 31.7 | 19.1 | 3.5 | | 9.1 | 0.23 | | 0.20 | 0.05 |
| 2027 | 2.0 | 3.2 | 5.3 | 5.55 | 29.2 | 19.1 | 3.2 | | 6.9 | 0.17 | | 0.19 | 0.03 |
| 2028 | 1.8 | 2.9 | 4.7 | 5.68 | 26.9 | 19.1 | 3.0 | | 4.9 | 0.12 | | 0.18 | 0.02 |
| 2029 | 1.7 | 2.6 | 4.3 | 5.83 | 24.9 | 19.1 | 2.7 | | 3.0 | 0.08 | | 0.16 | 0.01 |
| 2030 | 1.5 | 2.4 | 3.8 | 5.97 | 22.9 | 19.1 | 2.5 | | 1.3 | 0.03 | | 0.15 | 0.00 |

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Table HGT-2
Hugoton Royalty Trust
Distributable Income

| | Q4 | Year | Q1 | Q2 | Q3 | Q4E | Year | Q1E | Q2E | Q3E | Q4E | Year |
|--|----------|-------|---------|---------|---------|----------|-------|---------|---------|---------|----------|-------|
| | 12/31/99 | 1999 | 3/31/00 | 6/30/00 | 9/30/00 | 12/31/00 | 2000E | 3/31/01 | 6/30/01 | 9/30/01 | 12/31/01 | 2001E |
| Highlights | | | | | | | | | | | | |
| Revenue (\$mm) (80%) | 20.4 | 63.1 | 20.0 | 19.8 | 28.2 | 33.4 | 101.5 | 52.3 | 40.9 | 39.8 | 39.6 | 172.7 |
| Cash flow (\$mm) (80%) | 14.4 | 42.2 | 14.1 | 13.9 | 20.8 | 25.5 | 74.3 | 41.9 | 31.8 | 30.7 | 30.5 | 134.9 |
| Per unit | 0.36 | 1.06 | 0.35 | 0.35 | 0.52 | 0.64 | 1.86 | 1.05 | 0.80 | 0.77 | 0.76 | 3.37 |
| Tax credit (\$mm) | 0.2 | 0.8 | 0.2 | 0.2 | 0.2 | 0.2 | 0.8 | 0.2 | 0.2 | 0.2 | 0.2 | 0.8 |
| Per unit | 0.01 | 0.02 | 0.01 | 0.01 | 0.01 | 0.01 | 0.02 | 0.01 | 0.01 | 0.01 | 0.01 | 0.02 |
| Distributable Income (\$mm) | 12.2 | 33.1 | 10.9 | 11.3 | 16.2 | 18.3 | 56.7 | 31.3 | 23.8 | 22.9 | 22.8 | 100.8 |
| Per unit | 0.30 | 0.83 | 0.27 | 0.28 | 0.40 | 0.46 | 1.42 | 0.78 | 0.60 | 0.57 | 0.57 | 2.52 |
| Units (millions) | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 | 40.0 |
| Volume | | | | | | | | | | | | |
| Natural Gas (bcf) | 9.6 | 34.2 | 9.7 | 8.6 | 9.1 | 9.4 | 36.8 | 9.4 | 9.1 | 9.4 | 9.4 | 37.2 |
| Natural Gas (mmcf) | 104.2 | 102.1 | 105.5 | 96.0 | 98.4 | 102.7 | 100.9 | 102.0 | 102.0 | 102.0 | 102.0 | 102.0 |
| Days | 92 | 335 | 92 | 90 | 92 | 92 | 366 | 92 | 89 | 92 | 92 | 365 |
| Oil (mb) | 103 | 388 | 100 | 105 | 98 | 97 | 399 | 96 | 92 | 94 | 93 | 374 |
| Oil (mbd) | 1.1 | 1.1 | 1.1 | 1.2 | 1.1 | 1.1 | 1.1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Days | 92 | 342 | 92 | 90 | 92 | 92 | 366 | 92 | 89 | 92 | 92 | 365 |
| Total (bcf) | 10.2 | 36.5 | 10.3 | 9.3 | 9.6 | 10.0 | 39.2 | 10.0 | 9.6 | 9.9 | 9.9 | 39.5 |
| Price | | | | | | | | | | | | |
| Natural Gas (HH lagged two months) | | | | | | | | | | | | |
| Henry Hub (\$/mmbtu) | 2.66 | 2.18 | 2.35 | 2.82 | 3.94 | 4.83 | 3.49 | 7.57 | 6.06 | 5.70 | 5.68 | 6.25 |
| Differential (\$/mmbtu) | 0.24 | 0.06 | 0.04 | 0.29 | 0.37 | 0.72 | 0.35 | 0.91 | 0.73 | 0.68 | 0.68 | 0.75 |
| HGT (\$/mcf) | 2.42 | 2.12 | 2.32 | 2.54 | 3.57 | 4.11 | 3.14 | 6.66 | 5.33 | 5.01 | 5.00 | 5.50 |
| Oil (\$/bbl) (WTI Cushing lagged two months) | | | | | | | | | | | | |
| WTI Cushing | 22.59 | 17.39 | 26.07 | 28.33 | 30.12 | 31.56 | 29.02 | 30.84 | 30.91 | 29.65 | 28.09 | 29.87 |
| HGT | 21.72 | 16.53 | 25.19 | 27.63 | 29.71 | 30.56 | 28.24 | 30.34 | 30.41 | 29.15 | 27.59 | 29.37 |
| Total (\$/mcf) | 2.49 | 2.16 | 2.43 | 2.68 | 3.65 | 4.17 | 3.23 | 6.57 | 5.32 | 5.00 | 4.98 | 5.47 |
| Revenue (\$mm) | | | | | | | | | | | | |
| Natural Gas | 23.2 | 72.5 | 22.5 | 21.9 | 32.3 | 38.9 | 115.6 | 62.5 | 48.4 | 47.0 | 46.9 | 204.9 |
| Oil | 2.2 | 6.4 | 2.5 | 2.9 | 2.9 | 3.0 | 11.3 | 2.9 | 2.8 | 2.7 | 2.6 | 11.0 |
| Total | 25.4 | 78.9 | 25.0 | 24.8 | 35.2 | 41.8 | 126.8 | 65.4 | 51.2 | 49.8 | 49.5 | 215.8 |
| Cost (\$mm) | | | | | | | | | | | | |
| Tax, transport & other | 2.6 | 8.3 | 2.4 | 2.4 | 3.4 | 3.5 | 11.7 | 6.5 | 5.1 | 5.0 | 4.9 | 21.6 |
| Production | 3.0 | 11.0 | 3.3 | 3.2 | 3.9 | 4.6 | 15.0 | 4.5 | 4.3 | 4.5 | 4.5 | 17.8 |
| Overhead | 1.7 | 6.9 | 1.7 | 1.8 | 1.9 | 1.8 | 7.2 | 2.0 | 1.9 | 2.0 | 2.0 | 7.9 |
| Total | 7.4 | 26.2 | 7.4 | 7.4 | 9.2 | 9.9 | 34.0 | 13.0 | 11.4 | 11.4 | 11.4 | 47.2 |
| Cash flow (\$mm) | | | | | | | | | | | | |
| Development | 2.8 | 11.3 | 3.9 | 3.3 | 5.8 | 8.9 | 21.8 | 13.1 | 10.0 | 9.6 | 9.5 | 42.1 |
| Net proceeds (\$mm) | 15.2 | 41.4 | 13.7 | 14.1 | 20.3 | 23.0 | 71.1 | 39.3 | 29.9 | 28.7 | 28.6 | 126.4 |
| Royalty income (\$mm) | | | | | | | | | | | | |
| Royalty/Net proceeds | 80% | 80% | 80% | 80% | 80% | 80% | 80% | 80% | 80% | 80% | 80% | 80% |
| Administration | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.1 | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.3 |
| Distributable income (\$mm) | 12.2 | 33.1 | 10.9 | 11.3 | 16.2 | 18.3 | 56.7 | 31.3 | 23.8 | 22.9 | 22.8 | 100.8 |
| Cost ratios | | | | | | | | | | | | |
| Tax and other/revenue | 10% | 10% | 10% | 10% | 10% | 8% | 9% | 10% | 10% | 10% | 10% | 10% |
| Production cost (\$/mcf) | 0.29 | 0.30 | 0.32 | 0.35 | 0.40 | 0.46 | 0.38 | 0.45 | 0.45 | 0.45 | 0.45 | 0.45 |
| Overhead cost (\$/mcf) | 0.17 | 0.19 | 0.17 | 0.19 | 0.20 | 0.18 | 0.18 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 |

Note: The trust was formed on December 1, 1998. Also there is a two month lag between actual and reported production. As a result, the first year of operations includes only eleven months of actual production from December 1998 through October 1999.

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Table SJT-1
San Juan Basin Royalty Trust
Present Value

| | | | |
|----------------------------|----|------------------------------------|-----|
| Volume Decline (%/yr): | 10 | Price Escalation Post 2006 (%/yr): | 2.5 |
| Volume Enhancement (%/yr): | 10 | Discount rate (%/yr): | 6.5 |
| Capex/Cash Flow (%): | 25 | U.S. TIPS Inflation (%/yr): | 1.7 |
| Variable Cost (%): | 9 | U.S. 10 Year Yield (%/yr): | 5.1 |

| | | | |
|---------------------|------|-----------------|-----|
| PV/Volume (\$/mcf): | 1.38 | PV/EBITDA 2001: | 5.8 |
|---------------------|------|-----------------|-----|

| Year | Basic (bcf) | Volume Enhanced (bcf) | Total (bcf) | Price (\$/mcf) | Revenue (\$mm) | Fixed Cost (\$mm) | Var Cost (\$mm) | Cap Ex (\$mm) | Distribution (\$mm) | (\$/unit) | Tax Credit (\$/unit) | Disc Factor | Present Value (\$/unit) |
|-------------------------|----------------|-----------------------------|----------------|-------------------|-------------------|-------------------------|-----------------------|---------------------|------------------------|-----------|----------------------------|----------------|-------------------------------|
| Total 2001 through 2030 | | | | | | | | | | | | | |
| | 300 | 261 | 562 | 3.85 | 2164 | 389 | 195 | 224 | 1357 | 29.11 | 0.32 | 0.56 | 16.60 |
| 2001 | 31.4 | 0.0 | 31.4 | 5.17 | 162.1 | 13.0 | 14.6 | 33.8 | 100.7 | 2.16 | 0.16 | 0.97 | 2.25 |
| 2002 | 28.2 | 3.1 | 31.4 | 4.04 | 126.7 | 13.0 | 11.4 | 25.6 | 76.8 | 1.65 | 0.16 | 0.91 | 1.64 |
| 2003 | 25.4 | 6.0 | 31.4 | 3.69 | 115.9 | 13.0 | 10.4 | 23.1 | 69.4 | 1.49 | | 0.85 | 1.27 |
| 2004 | 22.9 | 8.5 | 31.4 | 3.24 | 101.6 | 13.0 | 9.1 | 19.9 | 59.6 | 1.28 | | 0.80 | 1.03 |
| 2005 | 20.6 | 10.8 | 31.4 | 3.19 | 100.0 | 13.0 | 9.0 | 19.5 | 58.5 | 1.26 | | 0.75 | 0.94 |
| 2006 | 18.5 | 12.8 | 31.4 | 3.15 | 98.7 | 13.0 | 8.9 | 19.2 | 57.6 | 1.24 | | 0.71 | 0.87 |
| 2007 | 16.7 | 14.7 | 31.4 | 3.22 | 101.1 | 13.0 | 9.1 | 19.8 | 59.3 | 1.27 | | 0.66 | 0.84 |
| 2008 | 15.0 | 16.4 | 31.4 | 3.30 | 103.7 | 13.0 | 9.3 | 20.3 | 61.0 | 1.31 | | 0.62 | 0.81 |
| 2009 | 13.5 | 17.9 | 31.4 | 3.39 | 106.3 | 13.0 | 9.6 | 20.9 | 62.8 | 1.35 | | 0.58 | 0.79 |
| 2010 | 12.2 | 19.2 | 31.4 | 3.47 | 108.9 | 13.0 | 9.8 | 21.5 | 64.6 | 1.39 | | 0.55 | 0.76 |
| 2011 | 10.9 | 17.3 | 28.2 | 3.56 | 100.5 | 13.0 | 9.0 | | 78.5 | 1.68 | | 0.51 | 0.87 |
| 2012 | 9.8 | 15.6 | 25.4 | 3.65 | 92.7 | 13.0 | 8.3 | | 71.4 | 1.53 | | 0.48 | 0.74 |
| 2013 | 8.9 | 14.0 | 22.9 | 3.74 | 85.6 | 13.0 | 7.7 | | 64.9 | 1.39 | | 0.45 | 0.63 |
| 2014 | 8.0 | 12.6 | 20.6 | 3.83 | 78.9 | 13.0 | 7.1 | | 58.9 | 1.26 | | 0.43 | 0.54 |
| 2015 | 7.2 | 11.3 | 18.5 | 3.93 | 72.8 | 13.0 | 6.6 | | 53.3 | 1.14 | | 0.40 | 0.46 |
| 2016 | 6.5 | 10.2 | 16.7 | 4.03 | 67.2 | 13.0 | 6.0 | | 48.2 | 1.03 | | 0.37 | 0.39 |
| 2017 | 5.8 | 9.2 | 15.0 | 4.13 | 62.0 | 13.0 | 5.6 | | 43.4 | 0.93 | | 0.35 | 0.33 |
| 2018 | 5.2 | 8.3 | 13.5 | 4.23 | 57.2 | 13.0 | 5.1 | | 39.1 | 0.84 | | 0.33 | 0.28 |
| 2019 | 4.7 | 7.4 | 12.2 | 4.34 | 52.8 | 13.0 | 4.7 | | 35.0 | 0.75 | | 0.31 | 0.23 |
| 2020 | 4.2 | 6.7 | 10.9 | 4.45 | 48.7 | 13.0 | 4.4 | | 31.3 | 0.67 | | 0.29 | 0.20 |
| 2021 | 3.8 | 6.0 | 9.8 | 4.56 | 44.9 | 13.0 | 4.0 | | 27.9 | 0.60 | | 0.27 | 0.16 |
| 2022 | 3.4 | 5.4 | 8.9 | 4.68 | 41.4 | 13.0 | 3.7 | | 24.7 | 0.53 | | 0.26 | 0.14 |
| 2023 | 3.1 | 4.9 | 8.0 | 4.79 | 38.2 | 13.0 | 3.4 | | 21.8 | 0.47 | | 0.24 | 0.11 |
| 2024 | 2.8 | 4.4 | 7.2 | 4.91 | 35.3 | 13.0 | 3.2 | | 19.1 | 0.41 | | 0.23 | 0.09 |
| 2025 | 2.5 | 4.0 | 6.5 | 5.04 | 32.5 | 13.0 | 2.9 | | 16.6 | 0.36 | | 0.21 | 0.08 |
| 2026 | 2.3 | 3.6 | 5.8 | 5.16 | 30.0 | 13.0 | 2.7 | | 14.3 | 0.31 | | 0.20 | 0.06 |
| 2027 | 2.0 | 3.2 | 5.2 | 5.29 | 27.7 | 13.0 | 2.5 | | 12.2 | 0.26 | | 0.19 | 0.05 |
| 2028 | 1.8 | 2.9 | 4.7 | 5.43 | 25.5 | 13.0 | 2.3 | | 10.3 | 0.22 | | 0.18 | 0.04 |
| 2029 | 1.6 | 2.6 | 4.2 | 5.56 | 23.6 | 13.0 | 2.1 | | 8.5 | 0.18 | | 0.16 | 0.03 |
| 2030 | 1.5 | 2.3 | 3.8 | 5.70 | 21.7 | 13.0 | 2.0 | | 6.8 | 0.15 | | 0.15 | 0.02 |

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Table SJT-2
San Juan Basin Royalty Trust
Distributable Income Model

| | Q4 12/31/99 | Year 1999 | Q1 3/31/00 | Q2 6/30/00 | Q3 9/30/00 | Q4E 12/31/00 | Year 2000E | Q1E 3/31/01 | Q2E 6/30/01 | Q3E 9/30/01 | Q4E 12/31/01 | Year 2001E |
|--|----------------|--------------|---------------|---------------|---------------|-----------------|---------------|----------------|----------------|----------------|-----------------|---------------|
| Highlights | | | | | | | | | | | | |
| Revenue (\$mm) (75%) | 17.4 | 53.2 | 17.3 | 19.3 | 29.0 | 29.8 | 95.3 | 49.9 | 38.8 | 37.0 | 36.4 | 162.1 |
| Cash flow (\$mm) (75%) | 13.4 | 39.6 | 13.3 | 13.7 | 23.6 | 24.7 | 75.2 | 42.3 | 32.3 | 30.6 | 30.1 | 135.3 |
| Per unit | 0.29 | 0.85 | 0.28 | 0.29 | 0.51 | 0.53 | 1.61 | 0.91 | 0.69 | 0.66 | 0.65 | 2.90 |
| Tax credit (\$mm) | 2.5 | 7.6 | 1.9 | 1.9 | 1.9 | 1.9 | 7.5 | 1.9 | 1.9 | 1.9 | 1.9 | 7.5 |
| Per unit | 0.05 | 0.16 | 0.04 | 0.04 | 0.04 | 0.04 | 0.16 | 0.04 | 0.04 | 0.04 | 0.04 | 0.16 |
| Distributable Income (\$mm) | 11.3 | 31.8 | 9.9 | 13.2 | 19.7 | 16.5 | 59.2 | 31.5 | 24.1 | 22.8 | 22.4 | 100.7 |
| Per unit | 0.24 | 0.68 | 0.21 | 0.28 | 0.42 | 0.35 | 1.27 | 0.68 | 0.52 | 0.49 | 0.48 | 2.16 |
| Units (millions) | 46.6 | 46.6 | 46.6 | 46.6 | 46.6 | 46.6 | 46.6 | 46.6 | 46.6 | 46.6 | 46.6 | 46.6 |
| Volume | | | | | | | | | | | | |
| Natural gas (mmbtu) | | | | | | | | | | | | |
| Conventional | 6.7 | 26.9 | 7.0 | 7.1 | 8.4 | | | | | | | |
| Coal Seam | 3.5 | 14.4 | 3.6 | 3.9 | 4.0 | | | | | | | |
| Total | 10.3 | 41.3 | 10.6 | 11.0 | 12.4 | 11.2 | 45.1 | 11.2 | 10.9 | 11.0 | 10.9 | 43.9 |
| Heat Content(btu/cf) | 1,045 | 1,035 | 1,053 | 1,028 | 1,104 | 1,084 | 1,068 | 1,061 | 1,061 | 1,061 | 1,061 | 1,061 |
| Natural gas (bcf) | | | | | | | | | | | | |
| Conventional | 5.8 | 23.5 | 5.9 | 6.3 | 6.7 | | | | | | | |
| Coal Seam | 4.0 | 16.4 | 4.1 | 4.4 | 4.5 | | | | | | | |
| Total | 9.8 | 39.9 | 10.1 | 10.7 | 11.2 | 10.3 | 42.2 | 10.6 | 10.2 | 10.4 | 10.2 | 41.4 |
| Natural Gas (mmcf) | 106.7 | 109.4 | 109.6 | 118.5 | 121.6 | 111.8 | 115.4 | 114.8 | 113.7 | 112.5 | 111.4 | 113.1 |
| Days | 92 | 365 | 92 | 90 | 92 | 92 | 366 | 92 | 90 | 92 | 92 | 366 |
| Oil (mb) | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 |
| Oil (mbd) | 0.2 | 0.2 | 0.3 | 0.2 | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| Days | 92 | 365 | 92 | 90 | 92 | 92 | 366 | 92 | 90 | 92 | 92 | 366 |
| Total gas & oil (bcf) | 9.9 | 40.4 | 10.2 | 10.8 | 11.4 | 10.4 | 42.8 | 10.7 | 10.3 | 10.5 | 10.4 | 41.8 |
| Price | | | | | | | | | | | | |
| Natural gas (\$/mmbtu) (Henry Hub lagged two months) | | | | | | | | | | | | |
| Henry Hub (\$/mmbtu) | 2.66 | 2.17 | 2.35 | 2.82 | 3.94 | 4.83 | 3.49 | 7.57 | 6.06 | 5.70 | 5.68 | 6.25 |
| Differential (\$/mmbtu) | 0.44 | 0.48 | 0.23 | 0.52 | 0.87 | 1.31 | 0.72 | 1.66 | 1.33 | 1.25 | 1.25 | 1.37 |
| SJT Conventional | 2.27 | 1.75 | 2.17 | 2.36 | 3.14 | | | | | | | |
| SJT Coal Seam | 2.13 | 1.58 | 2.03 | 2.20 | 2.92 | | | | | | | |
| Total | 2.22 | 1.69 | 2.12 | 2.30 | 3.07 | 3.52 | 2.77 | 5.90 | 4.73 | 4.44 | 4.43 | 4.88 |
| Natural gas (\$/mcf) | | | | | | | | | | | | |
| Conventional | 2.63 | 2.00 | 2.54 | 2.67 | 3.95 | | | | | | | |
| Coal Seam | 1.88 | 1.39 | 1.79 | 1.94 | 2.56 | | | | | | | |
| Total | 2.32 | 1.75 | 2.23 | 2.37 | 3.39 | 3.81 | 2.96 | 5.56 | 4.45 | 4.19 | 4.18 | 5.18 |
| Oil (\$/bbl) (WTI Cushing lagged two months) | | | | | | | | | | | | |
| WTI Cushing | 22.59 | 17.02 | 26.07 | 28.33 | 30.12 | 32.73 | 29.31 | 28.79 | 30.91 | 29.65 | 19.57 | 27.23 |
| SJT | 20.66 | 14.25 | 22.48 | 21.66 | 25.58 | 28.73 | 24.49 | 24.79 | 26.91 | 25.65 | 15.57 | 23.21 |
| Total gas & oil (\$/mcf) | 2.33 | 1.76 | 2.25 | 2.38 | 3.40 | 3.82 | 2.97 | 6.24 | 5.01 | 4.71 | 4.68 | 5.17 |
| Revenue (\$mm) | | | | | | | | | | | | |
| Natural Gas - Conventional | 15.2 | 47.1 | 15.1 | 16.8 | 26.3 | | | | | | | |
| Coal Seam | 7.6 | 22.8 | 7.4 | 8.5 | 11.6 | | | | | | | |
| Total | 22.8 | 69.9 | 22.5 | 25.2 | 37.9 | 39.2 | 124.9 | 66.1 | 51.3 | 48.8 | 48.2 | 214.4 |
| Oil | 0.4 | 1.0 | 0.5 | 0.5 | 0.7 | 0.5 | 2.2 | 0.5 | 0.5 | 0.5 | 0.3 | 1.7 |
| Total | 23.2 | 71.0 | 23.0 | 25.7 | 38.6 | 39.8 | 127.1 | 66.6 | 51.8 | 49.3 | 48.5 | 216.1 |
| Cost (\$mm) | | | | | | | | | | | | |
| Severance tax | 2.4 | 7.3 | 2.2 | 2.3 | 4.2 | 3.7 | 12.4 | 6.7 | 5.2 | 4.9 | 4.8 | 21.6 |
| Operating | 2.9 | 10.8 | 3.1 | 5.2 | 3.1 | 3.2 | 14.5 | 3.6 | 3.5 | 3.5 | 3.5 | 14.1 |
| Total | 5.3 | 18.1 | 5.4 | 7.5 | 7.2 | 6.9 | 26.9 | 10.3 | 8.7 | 8.4 | 8.3 | 35.7 |
| Cash flow (\$mm) | 17.9 | 52.8 | 17.7 | 18.2 | 31.4 | 32.9 | 100.2 | 56.3 | 43.1 | 40.8 | 40.1 | 180.4 |
| Development | 2.6 | 10.6 | 4.6 | 4.8 | 5.0 | 11.2 | 25.6 | 14.1 | 10.8 | 10.2 | 10.0 | 45.1 |
| Net proceeds (\$mm) | 15.3 | 42.3 | 13.1 | 13.5 | 26.4 | 21.7 | 74.6 | 42.3 | 32.3 | 30.6 | 30.1 | 135.3 |
| Royalty income (\$mm) | 11.5 | 31.7 | 9.8 | 10.1 | 19.8 | 16.2 | 56.0 | 31.7 | 24.3 | 23.0 | 22.6 | 101.5 |
| Royalty/Net proceeds | 75% | 75% | 75% | 75% | 75% | 75% | 75% | 75% | 75% | 75% | 75% | 75% |
| Administration | 0.2 | 0.8 | 0.2 | 0.4 | 0.2 | (0.2) | 0.5 | 0.2 | 0.2 | 0.2 | 0.2 | 0.8 |
| One-time | | 0.9 | 0.3 | 3.5 | | | 3.7 | | | | | - |
| Distributable income (\$mm) | 11.3 | 31.8 | 9.9 | 13.2 | 19.7 | 16.5 | 59.2 | 31.5 | 24.1 | 22.8 | 22.4 | 100.7 |
| Modeling ratios | | | | | | | | | | | | |
| Severance tax/revenue | 10.3% | 10.3% | 9.8% | 9.0% | 10.8% | 9.2% | 9.7% | 10.0% | 10.0% | 10.0% | 10.0% | 10.0% |
| Operating cost (\$/mcf) | 0.29 | 0.27 | 0.30 | 0.48 | 0.27 | 0.31 | 0.34 | 0.34 | 0.34 | 0.34 | 0.34 | 0.34 |

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Table BR-1
Burlington Resources
Present Value

| | | | |
|----------------------------|------|------------------------------------|-----|
| Volume Decline (%/yr): | 11 | Price Escalation Post 2006 (%/yr): | 2.5 |
| Volume Enhancement (%/yr): | 11 | Discount rate (%/yr): | 6.5 |
| Capex/Cash Flow (%): | 50 | U.S. TIPS Inflation (%/yr): | 1.7 |
| Variable Cost (%): | 14 | U.S. 10 Year Yield (%/yr): | 5.1 |
| PV/Volume (\$/mcf): | 0.80 | PV/EBITDA 2001: | 5.1 |

| Year | Basic (bcf) | Volume Enhanced (bcf) | Total (bcf) | Price (\$/mcf) | Revenue (\$mm) | Fixed Cost (\$mm) | Var Cost (\$mm) | Cap Ex (\$mm) | Cash Flow (\$mm) | Disc Factor | Present Value (\$mm) |
|-------------------------|----------------|-----------------------------|----------------|-------------------|-------------------|-------------------------|-----------------------|---------------------|------------------------|----------------|----------------------------|
| Total 2001 through 2030 | | | | | | | | | | | |
| | 7417 | 10827 | 18244 | 4.00 | 72922 | 16029 | 10209 | 15966 | 30717 | 0.48 | 14600 |
| 2001 | 841 | 0 | 841 | 4.69 | 3949 | 534 | 553 | 1431 | 1431 | 0.97 | 1386 |
| 2002 | 749 | 93 | 841 | 4.27 | 3590 | 534 | 503 | 1276 | 1276 | 0.91 | 1161 |
| 2003 | 666 | 175 | 841 | 3.38 | 2847 | 534 | 399 | 957 | 957 | 0.85 | 817 |
| 2004 | 593 | 248 | 841 | 3.32 | 2794 | 534 | 391 | 934 | 934 | 0.80 | 749 |
| 2005 | 528 | 313 | 841 | 3.27 | 2755 | 534 | 386 | 918 | 918 | 0.75 | 690 |
| 2006 | 470 | 372 | 841 | 3.24 | 2722 | 534 | 381 | 903 | 903 | 0.71 | 638 |
| 2007 | 418 | 423 | 841 | 3.32 | 2791 | 534 | 391 | 933 | 933 | 0.66 | 618 |
| 2008 | 372 | 469 | 841 | 3.40 | 2861 | 534 | 401 | 963 | 963 | 0.62 | 599 |
| 2009 | 331 | 510 | 841 | 3.49 | 2933 | 534 | 411 | 994 | 994 | 0.58 | 580 |
| 2010 | 295 | 547 | 841 | 3.57 | 3006 | 534 | 421 | 1026 | 1026 | 0.55 | 562 |
| 2011 | 262 | 579 | 841 | 3.66 | 3082 | 534 | 431 | 1058 | 1058 | 0.51 | 544 |
| 2012 | 234 | 608 | 841 | 3.75 | 3159 | 534 | 442 | 1091 | 1091 | 0.48 | 527 |
| 2013 | 208 | 634 | 841 | 3.85 | 3238 | 534 | 453 | 1125 | 1125 | 0.45 | 510 |
| 2014 | 185 | 656 | 841 | 3.95 | 3320 | 534 | 465 | 1160 | 1160 | 0.43 | 493 |
| 2015 | 165 | 677 | 841 | 4.04 | 3403 | 534 | 476 | 1196 | 1196 | 0.40 | 477 |
| 2016 | 147 | 602 | 749 | 4.15 | 3105 | 534 | 435 | | 2136 | 0.37 | 800 |
| 2017 | 130 | 536 | 666 | 4.25 | 2832 | 534 | 397 | | 1902 | 0.35 | 669 |
| 2018 | 116 | 477 | 593 | 4.36 | 2584 | 534 | 362 | | 1688 | 0.33 | 557 |
| 2019 | 103 | 425 | 528 | 4.47 | 2358 | 534 | 330 | | 1493 | 0.31 | 463 |
| 2020 | 92 | 378 | 470 | 4.58 | 2151 | 534 | 301 | | 1316 | 0.29 | 382 |
| 2021 | 82 | 336 | 418 | 4.69 | 1962 | 534 | 275 | | 1153 | 0.27 | 315 |
| 2022 | 73 | 299 | 372 | 4.81 | 1790 | 534 | 251 | | 1005 | 0.26 | 258 |
| 2023 | 65 | 266 | 331 | 4.93 | 1633 | 534 | 229 | | 870 | 0.24 | 209 |
| 2024 | 58 | 237 | 295 | 5.06 | 1490 | 534 | 209 | | 747 | 0.23 | 169 |
| 2025 | 51 | 211 | 262 | 5.18 | 1360 | 534 | 190 | | 635 | 0.21 | 134 |
| 2026 | 46 | 188 | 234 | 5.31 | 1240 | 534 | 174 | | 532 | 0.20 | 106 |
| 2027 | 41 | 167 | 208 | 5.45 | 1132 | 534 | 158 | | 439 | 0.19 | 82 |
| 2028 | 36 | 149 | 185 | 5.58 | 1032 | 534 | 145 | | 354 | 0.18 | 62 |
| 2029 | 32 | 132 | 165 | 5.72 | 942 | 534 | 132 | | 276 | 0.16 | 45 |
| 2030 | 29 | 118 | 147 | 5.87 | 859 | 534 | 120 | | 205 | 0.15 | 32 |

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Table BR-2
Burlington Resources
Income Model

| | <i>Q4</i> | <i>Year</i> | <i>Q1</i> | <i>Q2</i> | <i>Q3</i> | <i>Q4</i> | <i>Year</i> | <i>Q1E</i> | <i>Q2E</i> | <i>Q3E</i> | <i>Q4E</i> | <i>Year</i> |
|----------------------------|-----------------|--------------|----------------|----------------|----------------|-----------------|--------------|----------------|----------------|----------------|-----------------|--------------|
| | <i>12/31/99</i> | <i>1999</i> | <i>3/31/00</i> | <i>6/30/00</i> | <i>9/30/00</i> | <i>12/31/00</i> | <i>2000</i> | <i>3/31/01</i> | <i>6/30/01</i> | <i>9/30/01</i> | <i>12/31/01</i> | <i>2001E</i> |
| Highlights | | | | | | | | | | | | |
| Revenue (\$mm) | 690 | 2,313 | 708 | 680 | 760 | 999 | 3,147 | 1,008 | 942 | 991 | 1,009 | 3,949 |
| Ebitda (\$mm) | 390 | 1,319 | 466 | 413 | 519 | 711 | 2,109 | 735 | 671 | 718 | 737 | 2,862 |
| Cash Flow (\$mm) | 347 | 1,099 | 411 | 335 | 440 | 653 | 1,839 | 659 | 599 | 644 | 662 | 2,563 |
| Per share (\$) | 1.61 | 5.09 | 1.90 | 1.55 | 2.04 | 3.04 | 8.51 | 3.07 | 2.78 | 2.99 | 3.08 | 11.92 |
| Net Income (\$mm) | (84) | 1 | 77 | 94 | 200 | 304 | 675 | 352 | 288 | 317 | 329 | 1,285 |
| Per share (\$) | (0.38) | 0.01 | 0.36 | 0.43 | 0.93 | 1.41 | 3.13 | 1.64 | 1.34 | 1.47 | 1.53 | 5.98 |
| Shares (millions) | 216 | 216 | 216 | 216 | 216 | 215 | 216 | 215 | 215 | 215 | 215 | 215 |
| Volume | | | | | | | | | | | | |
| Natural gas (bcf) | | | | | | | | | | | | |
| U.S. | 141 | 543 | 140 | 134 | 127 | 127 | 528 | 124 | 126 | 127 | 127 | 504 |
| Canada | 38 | 157 | 38 | 34 | 36 | 37 | 145 | 40 | 40 | 40 | 40 | 161 |
| Overseas | 13 | 32 | 15 | 10 | 7 | 12 | 45 | 13 | 13 | 13 | 13 | 51 |
| Total | 192 | 731 | 193 | 179 | 170 | 176 | 718 | 176 | 178 | 180 | 180 | 715 |
| Natural Gas (mmcf) | | | | | | | | | | | | |
| U.S. | 1,536 | 1,487 | 1,535 | 1,470 | 1,382 | 1,380 | 1,441 | 1,380 | 1,380 | 1,380 | 1,380 | 1,376 |
| Canada | 417 | 429 | 419 | 379 | 387 | 403 | 397 | 440 | 440 | 440 | 440 | 439 |
| Overseas | 137 | 88 | 167 | 114 | 80 | 128 | 122 | 140 | 140 | 140 | 140 | 140 |
| Total | 2,090 | 2,004 | 2,121 | 1,963 | 1,849 | 1,911 | 1,961 | 1,960 | 1,960 | 1,960 | 1,960 | 1,955 |
| Days | 92 | 365 | 91 | 91 | 92 | 92 | 366 | 90 | 91 | 92 | 92 | 365 |
| Oil (mb) | 8 | 33 | 8 | 7 | 7 | 6 | 29 | 6 | 5 | 5 | 5 | 21 |
| Oil (mcb) | 89 | 90 | 91 | 79 | 73 | 70 | 78 | 64 | 60 | 55 | 51 | 58 |
| Total gas & oil (bcf) | 241 | 928 | 242 | 222 | 211 | 214 | 889 | 211 | 211 | 211 | 209 | 841 |
| Price | | | | | | | | | | | | |
| Natural gas (\$/mcf) | | | | | | | | | | | | |
| Henry Hub (\$/mmbtu) | 2.45 | 2.24 | 2.62 | 3.63 | 4.48 | 6.52 | 4.31 | 6.80 | 5.77 | 5.69 | 5.75 | 6.01 |
| U.S. | 2.78 | 2.49 | 2.64 | 2.70 | 3.26 | 4.47 | 3.25 | 4.69 | 4.50 | 4.99 | 5.25 | 4.86 |
| Canada | 2.04 | 1.76 | 2.63 | 3.09 | 4.05 | 6.04 | 3.96 | 5.80 | 4.77 | 4.69 | 4.75 | 5.00 |
| Overseas | 1.68 | 1.93 | 1.90 | 2.17 | 2.31 | 2.58 | 2.21 | 2.65 | 2.62 | 2.46 | 2.33 | 2.51 |
| Total | 2.56 | 2.31 | 2.58 | 2.74 | 3.38 | 4.67 | 3.32 | 4.79 | 4.43 | 4.74 | 4.93 | 4.72 |
| Oil (\$/bbl) | | | | | | | | | | | | |
| WTI Cushing | 24.52 | 19.24 | 28.84 | 28.79 | 31.61 | 32.00 | 30.31 | 30.52 | 30.20 | 28.57 | 27.27 | 29.14 |
| Worldwide | 22.52 | 16.85 | 23.36 | 24.38 | 26.81 | 26.39 | 25.11 | 26.52 | 26.20 | 24.57 | 23.27 | 25.23 |
| Total gas & oil (\$/mcf) | 2.86 | 2.49 | 2.92 | 3.06 | 3.61 | 4.66 | 3.54 | 4.78 | 4.47 | 4.70 | 4.83 | 4.69 |
| Revenue (\$mm) | | | | | | | | | | | | |
| Natural Gas | | | | | | | | | | | | |
| U.S. | 393 | 1,351 | 369 | 361 | 414 | 568 | 1,712 | 582 | 565 | 634 | 666 | 2,447 |
| Canada | 78 | 276 | 100 | 107 | 144 | 224 | 575 | 230 | 191 | 190 | 192 | 803 |
| Overseas | 21 | 62 | 29 | 23 | 17 | 30 | 99 | 33 | 33 | 32 | 30 | 128 |
| Total | 492 | 1,689 | 498 | 490 | 576 | 822 | 2,386 | 845 | 790 | 856 | 889 | 3,379 |
| Oil | 184 | 553 | 193 | 176 | 181 | 169 | 719 | 153 | 142 | 125 | 110 | 530 |
| Other | 14 | 71 | 17 | 14 | 3 | 8 | 43 | 10 | 10 | 10 | 10 | 40 |
| Total | 690 | 2,313 | 708 | 680 | 760 | 999 | 3,147 | 1,008 | 942 | 991 | 1,009 | 3,949 |
| Cost (\$mm) | | | | | | | | | | | | |
| Production Taxes | 34 | 109 | 33 | 38 | 31 | 45 | 147 | 47 | 44 | 47 | 47 | 186 |
| Operating | 178 | 703 | 171 | 183 | 175 | 174 | 703 | 171 | 171 | 171 | 169 | 682 |
| Administrative | 33 | 141 | 39 | 39 | 37 | 50 | 165 | 50 | 50 | 50 | 50 | 200 |
| Other | 55 | 41 | (1) | 7 | (2) | 19 | 23 | 5 | 5 | 5 | 5 | 20 |
| Total | 300 | 994 | 242 | 267 | 241 | 288 | 1,038 | 273 | 270 | 272 | 271 | 1,087 |
| Ebitda (\$mm) | 390 | 1,319 | 466 | 413 | 519 | 711 | 2,109 | 735 | 671 | 718 | 737 | 2,862 |
| Interest | 49 | 211 | 50 | 53 | 48 | 46 | 197 | 46 | 46 | 46 | 46 | 184 |
| Current income tax | (6) | 9 | 5 | 25 | 31 | 12 | 73 | 29 | 27 | 29 | 29 | 114 |
| Cash flow (\$mm) | 347 | 1,099 | 411 | 335 | 440 | 653 | 1,839 | 659 | 599 | 644 | 662 | 2,563 |
| Exploration | 76 | 225 | 98 | 48 | 28 | 63 | 237 | 120 | 50 | 50 | 50 | 270 |
| Deprec., Deplet., & Amort. | 166 | 631 | 180 | 171 | 171 | 182 | 704 | 182 | 182 | 182 | 182 | 728 |
| Other non cash | 221 | 229 | 1 | 3 | (1) | 1 | 4 | 1 | 1 | 1 | 1 | 4 |
| Income before deferred tax | (116) | 14 | 132 | 113 | 242 | 407 | 894 | 356 | 366 | 411 | 429 | 1,831 |
| Deferred income tax | (32) | 13 | 55 | 19 | 42 | 103 | 219 | 125 | 128 | 144 | 150 | 546 |
| Net Income (\$mm) | (84) | 1 | 77 | 94 | 200 | 304 | 675 | 352 | 288 | 317 | 329 | 1,285 |
| Production Tax/Revenue | 4.9% | 4.7% | 4.7% | 5.6% | 4.1% | 4.5% | 4.7% | 4.7% | 4.7% | 4.7% | 4.7% | 4.7% |
| Operating Cost (\$/mcf) | 0.74 | 0.76 | 0.71 | 0.82 | 0.83 | 0.81 | 0.79 | 0.81 | 0.81 | 0.81 | 0.81 | 0.81 |
| Margin - relative | 50% | 48% | 58% | 49% | 58% | 65% | 58% | 65% | 64% | 65% | 66% | 65% |
| Margin - absolute (\$/mcf) | 1.44 | 1.18 | 1.69 | 1.51 | 2.09 | 3.05 | 2.07 | 3.13 | 2.84 | 3.05 | 3.17 | 3.05 |
| Tax rate | 31% | 96% | 44% | 32% | 27% | 27% | 30% | 30% | 35% | 35% | 35% | 34% |

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Table EPL-1
Energy Partners, Ltd.
Present Value

| | | | |
|----------------------------|------|------------------------------------|-----|
| Volume Decline (%/yr): | 15 | Price Escalation post 2006 (%/yr): | 1.7 |
| Volume Enhancement (%/yr): | 34 | Discount rate (%/yr): | 6.5 |
| Capex/Cash Flow (%): | 100 | U.S. TIPS Inflation (%/yr): | 1.7 |
| Variable Cost (%): | 16 | U.S. 10 Year Yield (%/yr): | 5.1 |
| PV/Volume (\$/bbl): | 3.70 | PV/EBITDA 2001: | 4.1 |

| Year | Basic (mb) | Volume Enhanced (mb) | Total (mb) | Price (\$/bbl) | Revenue (\$mm) | Fixed Cost (\$mm) | Var Cost (\$mm) | Cap Ex (\$mm) | Pre- Tax (\$mm) | Income Tax (\$mm) | Cash Flow (\$mm) | Disc Factor | Present Value (\$mm) |
|-------------------------|---------------|----------------------------|---------------|-------------------|-------------------|-------------------------|-----------------------|---------------------|-----------------------|-------------------------|------------------------|----------------|----------------------------|
| Total 2001 through 2015 | | | | | | | | | | | | | |
| | 42100 | 101200 | 143300 | 23.22 | 3327 | 587 | 532 | 1064 | 1144 | 163 | 980 | 0.46 | 531 |
| 2001 | 6570 | 0 | 6570 | 28.67 | 188 | 29 | 30 | 129 | 0 | 0 | 0 | 0.97 | 0 |
| 2002 | 5584 | 2234 | 7818 | 26.22 | 205 | 29 | 33 | 143 | 0 | 0 | 0 | 0.91 | 0 |
| 2003 | 4747 | 4557 | 9303 | 24.10 | 224 | 29 | 36 | 159 | 0 | 0 | 0 | 0.85 | 0 |
| 2004 | 4035 | 7036 | 11071 | 21.84 | 242 | 29 | 39 | 174 | 0 | 0 | 0 | 0.80 | 0 |
| 2005 | 3429 | 9745 | 13174 | 21.53 | 284 | 29 | 45 | 209 | 0 | 0 | 0 | 0.75 | 0 |
| 2006 | 2915 | 12763 | 15678 | 21.27 | 333 | 29 | 53 | 251 | 0 | 0 | 0 | 0.71 | 0 |
| 2007 | 2478 | 10848 | 13326 | 21.63 | 288 | 29 | 46 | | 213 | 30 | 182 | 0.66 | 121 |
| 2008 | 2106 | 9221 | 11327 | 22.00 | 249 | 29 | 40 | | 180 | 26 | 154 | 0.62 | 96 |
| 2009 | 1790 | 7838 | 9628 | 22.38 | 215 | 29 | 34 | | 152 | 22 | 130 | 0.58 | 76 |
| 2010 | 1522 | 6662 | 8184 | 22.76 | 186 | 29 | 30 | | 127 | 18 | 109 | 0.55 | 60 |
| 2011 | 1293 | 5663 | 6956 | 23.15 | 161 | 29 | 26 | | 106 | 15 | 91 | 0.51 | 47 |
| 2012 | 1099 | 4813 | 5913 | 23.55 | 139 | 29 | 22 | | 88 | 13 | 75 | 0.48 | 36 |
| 2013 | 934 | 4091 | 5026 | 23.95 | 120 | 29 | 19 | | 72 | 10 | 61 | 0.45 | 28 |
| 2014 | 794 | 3478 | 4272 | 24.36 | 104 | 29 | 17 | | 58 | 8 | 50 | 0.43 | 21 |
| 2015 | 675 | 2956 | 3631 | 24.78 | 90 | 29 | 14 | | 46 | 7 | 40 | 0.40 | 16 |
| 2016 | 574 | 2513 | 3087 | 25.20 | 78 | 29 | 12 | | 36 | 5 | 31 | 0.37 | 12 |
| 2017 | 488 | 2136 | 2624 | 25.63 | 67 | 29 | 11 | | 27 | 4 | 23 | 0.35 | 8 |
| 2018 | 415 | 1815 | 2230 | 26.07 | 58 | 29 | 9 | | 19 | 3 | 17 | 0.33 | 6 |
| 2019 | 352 | 1543 | 1896 | 26.52 | 50 | 29 | 8 | | 13 | 2 | 11 | 0.31 | 3 |
| 2020 | 300 | 1312 | 1611 | 26.97 | 43 | 29 | 7 | | 7 | 1 | 6 | 0.29 | 2 |

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Table EPL-2
Energy Partners, Ltd.
Cash Flow

| | <i>H1</i> | <i>Q3</i> | <i>Q4E</i> | <i>Year</i> | <i>Q1E</i> | <i>Q2E</i> | <i>Q3E</i> | <i>Q4E</i> | <i>Year</i> |
|----------------------------|----------------|----------------|-----------------|--------------|----------------|----------------|----------------|-----------------|--------------|
| | <i>6/30/00</i> | <i>9/30/00</i> | <i>12/31/00</i> | <i>2000E</i> | <i>3/31/01</i> | <i>6/30/01</i> | <i>9/30/01</i> | <i>12/31/01</i> | <i>2001E</i> |
| Highlights | | | | | | | | | |
| Revenue (\$mm) | 30.4 | 30.7 | 42.0 | 103.1 | 45.9 | 44.4 | 46.6 | 51.4 | 188.3 |
| EBITDAX (\$mm) | 18.0 | 19.5 | 24.1 | 61.6 | 31.5 | 30.0 | 32.6 | 36.3 | 130.4 |
| Cash Flow (\$mm) | 15.4 | 17.2 | 23.1 | 55.7 | 31.1 | 29.6 | 32.2 | 35.9 | 128.8 |
| Per share (\$) | | 0.95 | 1.21 | | 1.15 | 1.09 | 1.19 | 1.33 | 4.75 |
| Net Income (\$mm) | 2.3 | 5.2 | (32.9) | (25.4) | 10.4 | 9.5 | 10.8 | 12.3 | 43.1 |
| Per share | | 0.29 | (1.73) | | 0.39 | 0.35 | 0.40 | 0.45 | 1.59 |
| Shares (millions) | | 18.1 | 19.0 | | 27.1 | 27.1 | 27.1 | 27.1 | 27.1 |
| Volume | | | | | | | | | |
| Natural Gas (bcf) | 1.48 | 1.49 | 2.81 | 5.78 | 3.60 | 3.71 | 3.77 | 4.25 | 15.34 |
| Natural Gas (mmcf) | 8.1 | 16.1 | 30.6 | 15.8 | 40.0 | 40.8 | 41.0 | 46.2 | 42.0 |
| Days | 182 | 92 | 92 | 366 | 90 | 91 | 92 | 92 | 365 |
| Oil (mb) | 965 | 899 | 925 | 2,790 | 900 | 956 | 1,012 | 1,146 | 4,014 |
| Oil (mbd) | 5.30 | 9.78 | 10.05 | 7.62 | 10.00 | 10.50 | 11.00 | 12.46 | 11.00 |
| Total (mb) | 1,212 | 1,147 | 1,394 | 3,752 | 1,500 | 1,574 | 1,641 | 1,855 | 6,570 |
| Total (mbd) | 6.7 | 12.5 | 15.1 | 10.3 | 16.7 | 17.3 | 17.8 | 20.2 | 18.0 |
| Price | | | | | | | | | |
| Natural Gas | | | | | | | | | |
| Henry Hub (\$/mmbtu) | 3.13 | 4.48 | 6.52 | 4.31 | 6.80 | 5.77 | 5.69 | 5.75 | 6.01 |
| Differential (\$/mmbtu) | (0.40) | (0.29) | 0.67 | (0.66) | 0.68 | 0.58 | 0.57 | 0.57 | 0.61 |
| EPL (\$/mcf) | 3.52 | 4.77 | 5.85 | 4.98 | 6.12 | 5.20 | 5.12 | 5.17 | 5.39 |
| Oil (\$/bbl) | | | | | | | | | |
| WTI Cushing | 28.81 | 31.61 | 32.00 | 30.31 | 30.52 | 30.20 | 28.57 | 27.27 | 29.14 |
| Differential | 3.12 | 5.43 | 6.46 | 4.51 | 5.14 | 3.91 | 1.60 | 1.60 | 3.06 |
| EPL | 25.69 | 26.18 | 25.54 | 25.80 | 25.39 | 26.29 | 26.97 | 25.67 | 26.08 |
| Total (\$/bbl) | 25.05 | 26.79 | 30.13 | 27.47 | 30.60 | 28.21 | 28.41 | 27.72 | 28.67 |
| Revenue (\$mm) | | | | | | | | | |
| Natural Gas | 5.2 | 7.1 | 16.4 | 28.7 | 22.0 | 19.3 | 19.3 | 22.0 | 82.7 |
| Oil | 24.8 | 23.5 | 23.6 | 72.0 | 22.8 | 25.1 | 27.3 | 29.4 | 104.7 |
| Other | 0.3 | 0.1 | 1.9 | 2.4 | 1.0 | | | | 1.0 |
| Total | 30.4 | 30.7 | 42.0 | 103.1 | 45.9 | 44.4 | 46.6 | 51.4 | 188.3 |
| Cost (\$mm) | | | | | | | | | |
| Lease operating | 6.1 | 6.4 | 11.5 | 24.1 | 8.6 | 8.7 | 8.2 | 9.0 | 34.5 |
| Production taxes | 1.9 | 1.7 | 2.7 | 6.3 | 2.3 | 2.2 | 2.3 | 2.6 | 9.4 |
| General and administrative | 4.3 | 3.0 | 3.7 | 11.1 | 3.5 | 3.5 | 3.5 | 3.5 | 14.0 |
| Total | 12.3 | 11.2 | 17.9 | 41.5 | 14.4 | 14.4 | 14.0 | 15.1 | 57.9 |
| EBITDAX (\$mm) | 18.0 | 19.5 | 24.1 | 61.6 | 31.5 | 30.0 | 32.6 | 36.3 | 130.4 |
| Net cash interest and tax | 2.6 | 2.4 | 1.0 | 5.9 | 0.4 | 0.4 | 0.4 | 0.4 | 1.6 |
| Cash Flow (\$mm) | 15.4 | 17.2 | 23.1 | 55.7 | 31.1 | 29.6 | 32.2 | 35.9 | 128.8 |
| Exploration | 0.8 | 0.3 | 0.6 | 1.7 | 3.0 | 3.0 | 3.0 | 3.0 | 12.0 |
| Deprec., Deplet., & Amort. | 8.3 | 7.5 | 9.8 | 25.6 | 10.5 | 11.0 | 11.5 | 13.0 | 46.0 |
| Amort. Financing Cost | 0.3 | 0.3 | 0.5 | 1.1 | 0.3 | 0.3 | 0.3 | 0.3 | 1.2 |
| Other non cash | (0.7) | 0.7 | 41.7 | 41.7 | 0.8 | 0.3 | 0.3 | 0.3 | 1.7 |
| Income before income tax | 6.8 | 8.4 | (29.6) | (14.5) | 16.5 | 15.0 | 17.1 | 19.4 | 68.0 |
| Deferred income tax | 4.5 | 3.2 | 3.3 | 10.9 | 6.0 | 5.5 | 6.3 | 7.1 | 24.9 |
| Net income (\$mm) | 2.3 | 5.2 | (32.9) | (25.4) | 10.4 | 9.5 | 10.8 | 12.3 | 43.1 |
| <i>Costs (\$/bbl)</i> | | | | | | | | | |
| Lease operating | 5.03 | 5.61 | 8.28 | 6.41 | 5.75 | 5.50 | 5.00 | 4.85 | 5.25 |
| Production taxes | 1.57 | 1.52 | 1.94 | 1.69 | 1.53 | 1.41 | 1.42 | 1.39 | 1.43 |
| General and administrative | 3.57 | 2.65 | 2.65 | 2.95 | 2.33 | 2.22 | 2.13 | 1.89 | 2.13 |
| Deprec., Deplet., & Amort. | 6.84 | 6.54 | 7.04 | 6.82 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 |
| <i>Tax rate</i> | | 38% | | | 37% | 37% | 37% | 37% | 37% |

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Table XOM-1
Exxon Mobil Corporation
Present Value
 (\$billions)

| | | | |
|-----------------------|--------------|-----------------------------|-----|
| Capex/Cash Flow (%): | 35 | U.S. TIPS Inflation (%/yr): | 1.7 |
| Discount rate (%/yr): | 6.5 | U.S. 10 Year Yield (%/yr): | 5.1 |
| Debt: | 40 | | |
| PV Equity (\$/share) | 72.40 | PV/EBITDA 2001: | 6.6 |

| Year | Revenue | | | | Cash Flow | | | | Disc Factor | Present Value |
|-------------------------|---------------|--------|---------|-------|---------------|--------|---------|-------|-------------|---------------|
| | Oil & NAm Gas | OS Gas | Ind Bus | Total | Oil & NAm Gas | OS Gas | Ind Bus | Total | | |
| Total 2001 through 2030 | 122 | 742 | 6285 | 7149 | 54 | 199 | 338 | 591 | 0.50 | 295 |
| 2001 | 7 | 42 | 196 | 245 | 3 | 12 | 7 | 22 | 0.97 | 22 |
| 2002 | 6 | 36 | 199 | 241 | 2 | 10 | 8 | 20 | 0.91 | 18 |
| 2003 | 5 | 33 | 202 | 240 | 2 | 9 | 9 | 19 | 0.85 | 17 |
| 2004 | 5 | 32 | 204 | 241 | 2 | 8 | 9 | 19 | 0.80 | 15 |
| 2005 | 5 | 31 | 207 | 243 | 2 | 8 | 10 | 20 | 0.75 | 15 |
| 2006 | 4 | 31 | 210 | 246 | 2 | 8 | 11 | 20 | 0.71 | 14 |
| 2007 | 5 | 32 | 213 | 249 | 2 | 8 | 12 | 21 | 0.66 | 14 |
| 2008 | 5 | 32 | 216 | 253 | 2 | 8 | 12 | 22 | 0.62 | 14 |
| 2009 | 5 | 33 | 219 | 257 | 2 | 8 | 13 | 23 | 0.58 | 14 |
| 2010 | 5 | 33 | 222 | 260 | 2 | 8 | 14 | 24 | 0.55 | 13 |
| 2011 | 5 | 34 | 225 | 264 | 2 | 9 | 15 | 25 | 0.51 | 13 |
| 2012 | 5 | 34 | 229 | 268 | 2 | 9 | 16 | 26 | 0.48 | 13 |
| 2013 | 5 | 35 | 232 | 272 | 2 | 9 | 16 | 28 | 0.45 | 12 |
| 2014 | 5 | 36 | 235 | 276 | 2 | 9 | 17 | 29 | 0.43 | 12 |
| 2015 | 6 | 36 | 238 | 280 | 2 | 10 | 18 | 30 | 0.40 | 12 |
| 2016 | 5 | 33 | 242 | 280 | 3 | 13 | 19 | 35 | 0.37 | 13 |
| 2017 | 5 | 30 | 245 | 280 | 3 | 11 | 20 | 34 | 0.35 | 12 |
| 2018 | 4 | 28 | 249 | 281 | 3 | 10 | 21 | 33 | 0.33 | 11 |
| 2019 | 4 | 26 | 252 | 282 | 2 | 8 | 21 | 32 | 0.31 | 10 |
| 2020 | 4 | 23 | 256 | 283 | 2 | 7 | 22 | 31 | 0.29 | 9 |
| 2021 | 3 | 22 | 239 | 264 | 2 | 6 | 28 | 35 | 0.27 | 10 |
| 2022 | 3 | 20 | 223 | 246 | 2 | 5 | 22 | 28 | 0.26 | 7 |
| 2023 | 3 | 18 | 209 | 229 | 1 | 4 | 16 | 21 | 0.24 | 5 |
| 2024 | 2 | 17 | 195 | 214 | 1 | 3 | 11 | 15 | 0.23 | 3 |
| 2025 | 2 | 15 | 182 | 200 | 1 | 2 | 6 | 9 | 0.21 | 2 |
| 2026 | 2 | 0 | 170 | 172 | 1 | 0 | 1 | 2 | 0.20 | 0 |
| 2027 | 2 | 0 | 159 | 161 | 1 | 0 | -3 | -2 | 0.19 | 0 |
| 2028 | 2 | 0 | 148 | 150 | 1 | 0 | -7 | -7 | 0.18 | -1 |
| 2029 | 2 | 0 | 139 | 140 | 1 | 0 | -11 | -10 | 0.16 | -2 |
| 2030 | 1 | 0 | 130 | 131 | 0 | 0 | -14 | -14 | 0.15 | -2 |

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Table XOM-2
Exxon Mobil Corporation
Income Model

| | | <i>Year</i> | <i>Q1</i> | <i>Q2</i> | <i>Q3</i> | <i>Q4</i> | <i>Year</i> | <i>Q1E</i> | <i>Q2E</i> | <i>Q3E</i> | <i>Q4E</i> | <i>Year</i> |
|----------------------------|----|----------------|----------------|----------------|----------------|-----------------|----------------|----------------|----------------|----------------|-----------------|----------------|
| | | <i>1999</i> | <i>3/31/00</i> | <i>6/30/00</i> | <i>9/30/00</i> | <i>12/31/00</i> | <i>2000</i> | <i>3/31/01</i> | <i>6/30/01</i> | <i>9/30/01</i> | <i>12/31/01</i> | <i>2001E</i> |
| Highlights | | | | | | | | | | | | |
| Revenue (\$mm) | DP | 185,527 | 55,081 | 55,956 | 58,852 | 64,132 | 232,737 | 59,031 | 58,737 | 58,384 | 58,057 | 234,208 |
| Ebitda (\$mm) | E | 24,147 | 8,988 | 9,918 | 10,090 | 12,208 | 41,203 | 11,548 | 11,312 | 11,048 | 10,803 | 44,710 |
| Cash Flow (\$mm) | E | 21,651 | 7,840 | 8,184 | 8,353 | 10,108 | 34,484 | 9,707 | 9,507 | 9,282 | 9,075 | 37,571 |
| Per share (\$) | E | 6.15 | 2.23 | 2.32 | 2.37 | 2.88 | 9.80 | 2.76 | 2.70 | 2.64 | 2.58 | 10.68 |
| Net Income (\$mm) | DP | 8,339 | 3,350 | 4,150 | 4,290 | 5,120 | 16,910 | 4,730 | 4,590 | 4,434 | 4,289 | 18,043 |
| Per share (\$) | DP | 2.38 | 0.95 | 1.18 | 1.22 | 1.46 | 4.81 | 1.34 | 1.31 | 1.26 | 1.22 | 5.13 |
| Shares (millions) | DP | 3,520 | 3,522 | 3,524 | 3,521 | 3,514 | 3,517 | 3,517 | 3,517 | 3,517 | 3,517 | 3,517 |
| Volume | | | | | | | | | | | | |
| Natural gas (bcf) | | | | | | | | | | | | |
| U.S. | E | 1,051 | 274 | 257 | 264 | 252 | 1,047 | 261 | 264 | 267 | 267 | 1,059 |
| Canada | E | 249 | 69 | 76 | 79 | 85 | 309 | 81 | 82 | 83 | 83 | 329 |
| Overseas | E | 2,473 | 765 | 508 | 458 | 699 | 2,430 | 603 | 610 | 616 | 616 | 2,446 |
| Total | E | 3,773 | 1,109 | 841 | 801 | 1,035 | 3,786 | 945 | 956 | 966 | 966 | 3,833 |
| Natural Gas (mmcf) | | | | | | | | | | | | |
| U.S. | DP | 2,879 | 3,015 | 2,821 | 2,867 | 2,740 | 2,860 | 2,900 | 2,900 | 2,900 | 2,900 | 2,900 |
| Canada | DP | 683 | 763 | 835 | 857 | 919 | 844 | 900 | 900 | 900 | 900 | 900 |
| Overseas | E | 6,776 | 8,407 | 5,582 | 4,982 | 7,593 | 6,639 | 6,700 | 6,700 | 6,700 | 6,700 | 6,700 |
| Total | DP | 10,338 | 12,185 | 9,238 | 8,706 | 11,252 | 10,343 | 10,500 | 10,500 | 10,500 | 10,500 | 10,500 |
| Days | E | 365 | 91 | 91 | 92 | 92 | 366 | 90 | 91 | 92 | 92 | 365 |
| Oil (mmb) | E | 919 | 233 | 228 | 229 | 239 | 929 | 229 | 231 | 234 | 234 | 927 |
| Oil (mbd) | DP | 2,518 | 2,562 | 2,504 | 2,486 | 2,600 | 2,538 | 2,540 | 2,540 | 2,540 | 2,540 | 2,540 |
| Total gas & oil (bcf) | E | 9,288 | 2,508 | 2,208 | 2,173 | 2,470 | 9,359 | 2,317 | 2,342 | 2,368 | 2,368 | 9,395 |
| Price | | | | | | | | | | | | |
| Natural gas (\$/mcf) | | | | | | | | | | | | |
| Henry Hub (\$/mmbtu) | E | 2.24 | 2.62 | 3.63 | 4.48 | 6.52 | 4.31 | 6.80 | 5.77 | 5.69 | 5.75 | 6.01 |
| U.S. | E | 2.02 | 2.36 | 3.27 | 4.03 | 5.86 | 3.85 | 6.12 | 5.20 | 5.12 | 5.17 | 5.40 |
| Canada | E | 2.02 | 2.36 | 3.27 | 4.03 | 5.86 | 3.97 | 6.12 | 5.20 | 5.12 | 5.17 | 5.40 |
| Overseas | E | 1.73 | 2.60 | 2.59 | 2.84 | 2.88 | 2.72 | 2.75 | 2.72 | 2.57 | 2.45 | 2.62 |
| Total | E | 1.83 | 2.52 | 2.86 | 3.35 | 3.85 | 3.14 | 3.97 | 3.62 | 3.49 | 3.44 | 3.63 |
| Oil (\$/bbl) | | | | | | | | | | | | |
| WTI Cushing | E | 19.24 | 28.84 | 28.79 | 31.61 | 32.00 | 30.31 | 30.52 | 30.20 | 28.57 | 27.27 | 29.14 |
| Worldwide | E | 17.32 | 25.95 | 25.91 | 28.45 | 28.80 | 27.29 | 27.47 | 27.18 | 25.71 | 24.54 | 26.22 |
| Total gas & oil (\$/mcf) | E | 19.98 | 21.96 | 25.34 | 27.08 | 25.96 | 24.87 | 25.48 | 25.08 | 24.65 | 24.52 | 24.93 |
| Revenue (\$mm) | | | | | | | | | | | | |
| Natural Gas | | | | | | | | | | | | |
| U.S. | E | 2,122 | 647 | 839 | 1,063 | 1,478 | 4,028 | 1,598 | 1,371 | 1,367 | 1,380 | 5,717 |
| Canada | E | 503 | 164 | 248 | 318 | 496 | 1,226 | 496 | 426 | 424 | 428 | 1,774 |
| Overseas | E | 4,283 | 1,986 | 1,316 | 1,304 | 2,012 | 6,618 | 1,656 | 1,657 | 1,585 | 1,513 | 6,411 |
| Total | E | 6,909 | 2,797 | 2,403 | 2,685 | 3,986 | 11,871 | 3,751 | 3,454 | 3,376 | 3,321 | 13,903 |
| Oil | E | 15,915 | 6,051 | 5,905 | 6,506 | 6,889 | 25,351 | 6,280 | 6,282 | 6,008 | 5,735 | 24,305 |
| Other | E | 162,703 | 46,233 | 47,648 | 49,662 | 53,256 | 195,515 | 49,000 | 49,000 | 49,000 | 49,000 | 196,000 |
| Total | DP | 185,527 | 55,081 | 55,956 | 58,852 | 64,132 | 232,737 | 59,031 | 58,737 | 58,384 | 58,057 | 234,208 |
| Cost (\$mm) | E | 161,380 | 46,093 | 46,038 | 48,762 | 51,924 | 192,818 | 47,483 | 47,424 | 47,336 | 47,254 | 189,497 |
| Ebitda (\$mm) | | | | | | | | | | | | |
| North American NatGas | E | 1,785 | 600 | 891 | 897 | 1,441 | 3,830 | 1,675 | 1,438 | 1,433 | 1,447 | 5,993 |
| Oil and Overseas Gas | E | 13,669 | 5,937 | 5,897 | 5,073 | 6,197 | 23,104 | 5,952 | 5,955 | 5,695 | 5,436 | 23,037 |
| Industrial Businesses | E | 8,693 | 2,450 | 3,129 | 4,120 | 4,570 | 14,269 | 3,920 | 3,920 | 3,920 | 3,920 | 15,680 |
| Total | E | 24,147 | 8,988 | 9,918 | 10,090 | 12,208 | 41,203 | 11,548 | 11,312 | 11,048 | 10,803 | 44,710 |
| Interest | DQ | 695 | 174 | 126 | 108 | 100 | 508 | 100 | 100 | 100 | 100 | 400 |
| Current income tax | DQ | 1,801 | 974 | 1,608 | 1,629 | 2,000 | 6,211 | 1,741 | 1,705 | 1,665 | 1,628 | 6,740 |
| Cash flow (\$mm) | E | 21,651 | 7,840 | 8,184 | 8,353 | 10,108 | 34,484 | 9,707 | 9,507 | 9,282 | 9,075 | 37,571 |
| Exploration | DQ | 1,246 | 210 | 166 | 235 | 200 | 811 | 200 | 200 | 200 | 200 | 800 |
| Deprec., Deplet., & Amort. | DQ | 8,304 | 2,128 | 1,939 | 1,901 | 2,400 | 8,368 | 2,400 | 2,400 | 2,400 | 2,400 | 9,600 |
| Other non cash | E | 2,282 | 885 | 831 | 919 | 1,088 | 3,722 | 1,043 | 1,022 | 998 | 976 | 4,039 |
| Income before deferred tax | E | 9,819 | 4,617 | 5,248 | 5,298 | 6,420 | 21,583 | 6,064 | 5,885 | 5,684 | 5,499 | 23,132 |
| Deferred income tax | E | 1,439 | 1,267 | 1,098 | 1,008 | 1,300 | 4,673 | 1,334 | 1,295 | 1,251 | 1,210 | 5,089 |
| Net Income (\$mm) | | | | | | | | | | | | |
| North American NatGas | E | 893 | 330 | 535 | 583 | 1,009 | 2,457 | 1,173 | 1,006 | 1,003 | 1,013 | 4,195 |
| Oil and Overseas Gas | E | 4,874 | 2,424 | 2,230 | 2,517 | 2,741 | 9,912 | 2,633 | 2,634 | 2,519 | 2,405 | 10,191 |
| Industrial Businesses | E | 3,127 | 808 | 1,487 | 1,305 | 1,530 | 5,130 | 1,100 | 1,100 | 1,100 | 1,100 | 4,400 |
| Unallocated | DP | (514) | (212) | (102) | (115) | (160) | (589) | (176) | (150) | (188) | (229) | (743) |
| Total | DP | 8,380 | 3,350 | 4,150 | 4,290 | 5,120 | 16,910 | 4,730 | 4,590 | 4,434 | 4,289 | 18,043 |

DP = Disclosed in quarterly press release, DQ = Disclosed in quarterly regulatory filing, E = Estimated

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