Energy Partners Ltd. Remove Buy on Cold Weather

	Price			Net							
	(US\$/sh)		Market	Present	Debt/		EV/	EV/		Div'd	PV/
	15-Jan	Shares	Cap	Value	Present	McDep	Sales	Ebitda	P/E	NTM	Ebitda
Symbol	2004	(mm)	(\$mm)	(\$/sh)	Value	Ratio	NTM	NTM	NTM	(%)	NTM
EPL	14.25	36.9	530	15.00	0.19	0.96	2.7	4.2	15.1	-	4.4
McDep Ratio = \mathbf{M} arket \mathbf{c} ap and $\mathbf{D}\mathbf{e}$ bt to present value of oil and gas and other businesses											
EV = Enterprise Value = Market Cap and Debt:									US\$mm		650
Ebitda = Earnings before interest, tax, depreciation and amortization:								I	US\$mm	154	
NTM = Next Twelve Months Ended December 31, 2004; P/E = Stock Price to Earnings											
PV = Present Value of energy businesses:									US\$mm		680

Summary and Recommendation

We remove our buy recommendation on Energy Partners Ltd. on the coldest day of the year in the U.S. Northeast when the natural gas pricing news may be the best temporarily. The stock has the highest McDep Ratio among recommended operating companies, but the ratio is still reasonable at 0.96.

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