



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

December 25, 2012

Table 2								
McDep Large Cap Energy Stocks								
Net Present Value and McDep Ratio								
			Price (US\$/sh)	Shares	Market Cap (US\$mm)	Net Present Value (US\$/sh)	Debt/ Present Value	McDep Ratio
	Symbol/Rating		24-Dec 2012	(mm)				
	B = Buy, CB (see below)							
Global Integrated								
Exxon Mobil Corporation	XOM	B	86.92	4,597	400,000	110.00	0.12	0.82
PetroChina Company Ltd (14%)	PTR	B	139.97	256	35,900	210.00	0.21	0.74
Royal Dutch Shell plc	RDS-A	B	68.74	3,137	216,000	102.00	0.16	0.73
Chevron Corporation	CVX	B	108.63	1,960	213,000	170.00	0.08	0.67
Total S.A.	TOT	B	51.63	2,261	117,000	100.00	0.16	0.59
Petrobras	PBR	CB	19.79	6,522	129,100	45.00	0.21	0.56
Lukoil Oil Company	LUKOY	B	65.20	775	50,500	150.00	0.01	0.44
Gazprom (50%)	OGZPY	CB	9.41	5,735	54,000	28.00	0.12	0.41
	<i>Total or Median</i>				<i>1,216,000</i>		<i>0.14</i>	<i>0.63</i>
U.S. Independent								
EOG Resources, Inc.	EOG	B	122.77	271	33,300	145.00	0.14	0.87
ConocoPhillips	COP	B	58.44	1,207	71,000	96.00	0.25	0.71
Occidental Petroleum Corp.	OXY	CB	77.52	810	62,800	120.00	0.09	0.68
Marathon Oil Corporation	MRO	B	30.69	709	21,760	60.00	0.19	0.61
Devon Energy Corporation	DVN	CB	52.87	405	21,400	102.00	0.18	0.60
	<i>Total or Median</i>				<i>210,300</i>		<i>0.18</i>	<i>0.68</i>
Canada/Norway/Australia								
Woodside Petroleum Ltd.	WOPEY		35.10	808	28,400	45.00	0.17	0.82
Cenovus Energy Inc.	CVE	CB	33.35	758	25,300	48.00	0.17	0.75
Imperial Oil Limited (30%)	IMO	CB	43.04	255	11,000	62.00	0.12	0.73
Statoil ASA (33%)	STO	CB	24.75	1,050	26,000	44.00	0.23	0.66
EnCana Corporation	ECA	CB	19.82	736	14,600	37.00	0.26	0.66
Suncor Energy	SU	B	32.70	1,538	50,300	64.00	0.13	0.57
Canadian Oil Sands Limited	COSWF	CB	20.09	485	9,700	45.00	0.10	0.50
	<i>Total or Median</i>				<i>165,000</i>		<i>0.17</i>	<i>0.66</i>
CB=Contrarian Buy, Stock Price may be in downtrend compared to 200-day average.								
Estimated present value presumes a long-term price for oil of US\$100 a barrel and natural gas, \$6 a million btu.								
McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses								



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Table 3									
McDep Large Cap Energy Stocks									
Value Multiples and Dividend Yield									
			Price (US\$/sh)	Adjustd Resrvs/ Prod	PV/ Ebitda	EV/ Ebitda	P/E	Dividend NTM	
	Symbol/Rating	24-Dec	2012	NTM	NTM	NTM	NTM	(%)	
	B = Buy, CB (see below)								
Global Integrated									
	Exxon Mobil Corporation	XOM	B	86.92	13.6	8.2	6.7	12	2.6
	PetroChina Company Ltd (14%)	PTR	B	139.97	12.8	7.8	5.7	11	3.6
	Chevron Corporation	CVX	B	108.63	9.5	7.7	5.1	10	3.3
	Petrobras	PBR	CB	19.79	13.4	9.1	5.1	6	5.3
	Royal Dutch Shell plc	RDS-A	B	68.74	10.1	6.8	5.0	9	5.0
	Total S.A.	TOT	B	51.63	10.3	7.9	4.7	8	6.0
	Lukoil Oil Company	LUKOY	B	65.20	16.4	6.4	2.8	5	3.8
	Gazprom (50%)	OGZPY	CB	9.41	31.2	6.1	2.5	3	6.2
	<i>Median</i>				13.1	7.7	5.0	9	4.4
U.S. Independent									
	EOG Resources, Inc.	EOG	B	122.77	8.5	7.4	6.4	21	0.6
	Devon Energy Corporation	DVN	CB	52.87	10.7	10.5	6.3	15	1.5
	ConocoPhillips	COP	B	58.44	12.7	8.5	6.0	11	4.5
	Occidental Petroleum Corp.	OXY	CB	77.52	9.9	8.1	5.5	12	2.8
	Marathon Oil Corporation	MRO	B	30.69	8.7	7.6	4.6	9	2.2
	<i>Median</i>				9.9	8.1	6.0	12	2.2
Canada/Norway/Australia									
	EnCana Corporation	ECA	CB	19.82	8.6	19.1	12.6		4.0
	Imperial Oil Limited (30%)	IMO	CB	43.04	18.5	11.0	8.0	10	1.1
	Woodside Petroleum Ltd.	WOPEY		35.10	13.0	9.4	7.7	12	3.7
	Cenovus Energy Inc.	CVE	CB	33.35	12.4	9.7	7.3	18	2.7
	Canadian Oil Sands Limited	COSWF	CB	20.09	20.7	12.4	6.2	9	7.0
	Suncor Energy	SU	B	32.70	17.3	10.3	5.9	11	1.6
	Statoil ASA (33%)	STO	CB	24.75	6.3	6.5	4.3	8	4.5
	<i>Median</i>				13.0	10.3	7.3	10	3.7
CB=Contrarian Buy, Stock Price may be in downtrend compared to 200-day average.									
EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended December 31, 2013; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses									



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Table 4									
McDep Large Cap Energy Stocks									
Total Return and Enterprise Value Momentum									
				Equity					
			Price	Total					
			(\$/sh)	Return	Enterprise Value/				
	Symbol		24-Dec	YTD	52Wk	52Wk	50 Day	200 Day	McDep
		Rating	2012	(%)	High	Low	Avg.	Avg.	Ratio
Global Integrated									
Lukoil Oil Company	LUKOY	B	65.20	28	0.97	1.29	1.04	1.10	0.44
Total S.A.	TOT	B	51.63	7	0.93	1.16	1.02	1.05	0.59
PetroChina Company Ltd (14%)	PTR	B	139.97	17	0.94	1.14	1.02	1.04	0.74
Chevron Corporation	CVX	B	108.63	5	0.93	1.12	1.00	1.01	0.67
Royal Dutch Shell plc	RDS-A	B	68.74	(1)	0.94	1.10	1.01	1.00	0.73
Exxon Mobil Corporation	XOM	B	86.92	5	0.94	1.11	0.98	1.00	0.82
Gazprom (50%)	OGZPY	CB	9.41	(7)	0.76	1.07	1.01	0.95	0.41
Petrobras	PBR	CB	19.79	(19)	0.71	1.09	0.98	0.95	0.56
	<i>Median</i>			5	0.93	1.11	1.01	1.01	0.63
U.S. Independent									
EOG Resources, Inc.	EOG	B	122.77	26	0.99	1.38	1.05	1.12	0.87
Marathon Oil Corporation	MRO	B	30.69	7	0.90	1.20	1.00	1.05	0.61
ConocoPhillips	COP	B	58.44	10	0.99	1.09	1.01	1.03	0.71
Occidental Petroleum Corp.	OXY	CB	77.52	(15)	0.75	1.06	1.00	0.92	0.68
Devon Energy Corporation	DVN	CB	52.87	(14)	0.76	1.02	0.96	0.91	0.60
	<i>Median</i>			7	0.90	1.09	1.00	1.03	0.68
Canada/Norway/Australia									
Suncor Energy	SU	B	32.70	15	0.90	1.19	0.99	1.03	0.57
Woodside Petroleum Ltd.	WOPEY		35.10	15	0.88	1.14	0.99	1.01	0.82
Cenovus Energy Inc.	CVE	CB	33.35	3	0.87	1.12	0.99	1.00	0.75
Statoil ASA (33%)	STO	CB	24.75	1	0.90	1.08	1.00	0.99	0.66
Imperial Oil Limited (30%)	IMO	CB	43.04	(2)	0.88	1.11	0.98	0.98	0.73
Canadian Oil Sands Limited	COSWF	CB	20.12	(6)	0.83	1.11	0.98	0.98	0.50
EnCana Corporation	ECA	CB	19.82	11	0.88	1.09	0.95	0.97	0.66
	<i>Median</i>			3	0.88	1.11	0.99	0.99	0.66

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



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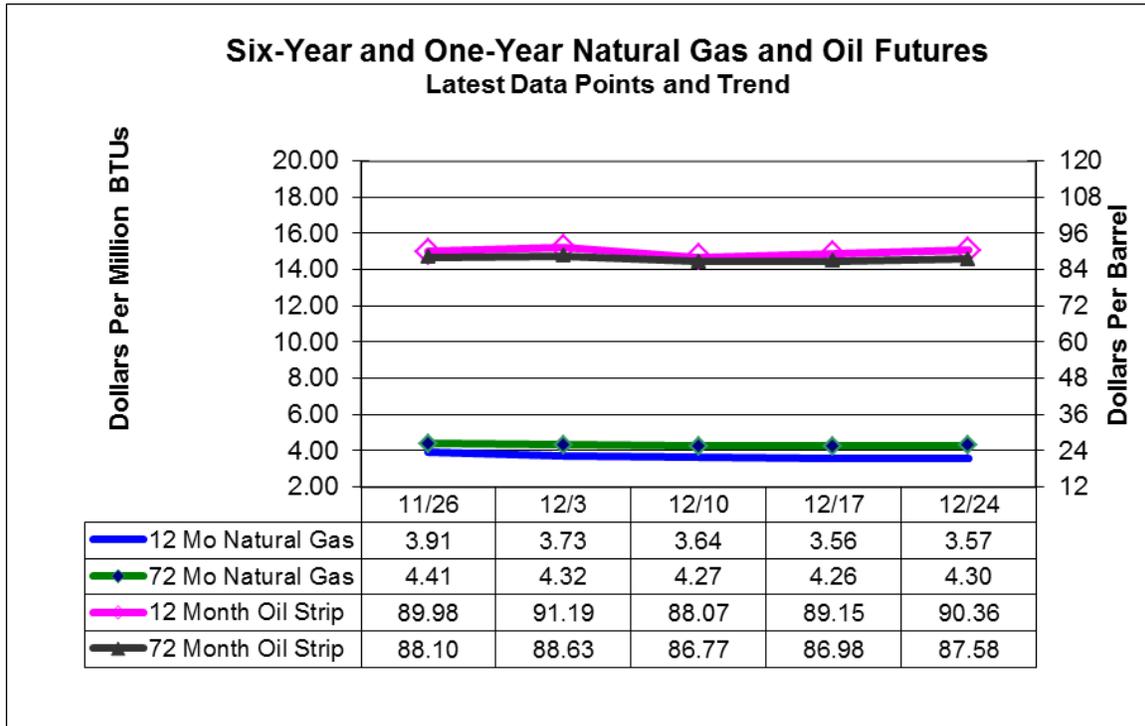
Index of Recent Research			
Stock Ideas			
<i>Date</i>	<i>Symbol</i>	<i>Subject</i>	<i>Theme</i>
18-Dec	STO	Statoil	Profitable Reinvestment (Meter Reader)
11-Dec	CVE	Cenovus	Canada Approves CNOOC and Petronas Deals (Meter Reader)
7-Dec	PBT	Permian Basin Royalty Trust	New Volume from Horizontal Fracking (ISCW)
30-Nov	SJT	San Juan Basin Royalty Trust	Unlocking the Mancos Shale (Income and Small Cap Weekly)
27-Nov	XOM	Exxon Mobil	Making Money One Way or Another (Meter Reader)
20-Nov	MRO	Marathon Oil	Raise NPV to \$60 from \$54 on Volume (Meter Reader)
16-Nov	ERF	Enerplus Corporation	Bakken Sleeper (Income and Small Cap Weekly)
15-Nov	BIREF	Birchcliff Energy	Record Production, Raise Guidance
13-Nov	EOG	EOG Resources	Raise NPV to \$145 from \$130 on Eagle Ford Monster Wells (MR)
9-Nov	HK	Halcón Resources	Growing at Hawk Speed (Income and Small Cap Weekly)
6-Nov	HGT	Hugoton Royalty Trust	Interim Legal Ruling in Favor of Trust
6-Nov	ECA	Encana Corporation	Stock Trending with Natural Gas Price (Meter Reader)
2-Nov	RRC	Range Resources	Natural Gas Comeback Amplifies Volume Growth (ISCW)
30-Oct	COSWF	Canadian Oil Sands Limited	Discounted Pure Play on North American Oil with Income (MR)
23-Oct	PBR	Petrobras	Stock Price Recovering (Meter Reader)
19-Oct	DMLP	Dorchester Minerals, L.P.	Top Line Core (Income and Small Cap Weekly)
16-Oct	RDS	Royal Dutch Shell	Clean Energy for Global Growth (Meter Reader)
12-Oct	CLR	Continental Resources	New Buy on Bakken Growth (ISCW)
9-Oct	IMO	Imperial Oil	Kearl, Downstream and Syncrude (Meter Reader)
2-Oct	CVX	Chevron	Top Performer Shows Further Promise (Meter Reader)
25-Sep	COP	ConocoPhillips	Thriving Shale Oil, Potential Shale Gas (Meter Reader)
21-Sep	WLL	Whiting Petroleum	Growing, Secure, Price-Sensitive, Light Oil (Inc and Small Cap Wkly)
18-Sep	DVN	Devon Energy	Barnett Shale to Permian and Beyond (Meter Reader)
7-Sep	PEYUF	Peyto Exploration and Development	Canada Deep Basin Fracker (Income and Small Cap Weekly)
4-Sep	LUKOY	Lukoil	Proven Competitor, Uncommon Value (Meter Reader)
28-Aug	PTR	PetroChina	Pent-Up Profits (Meter Reader)
21-Aug	TOT	Total	Buy \$100 NPV for \$50 Stock Price (Meter Reader)
14-Aug	APC	Anadarko Petroleum	Raise NPV to \$100 as Growth Trumps Legal Issues (Meter Reader)
7-Aug	SU	Suncor Energy	New CEO, New Focus on Shareholder Return (Meter Reader)
3-Aug	XEC	Cimarex Energy	West Texas Wolfcamp Shale Oil (ISCW)
31-Jul	OXY	Occidental Petroleum	California Oil Growth Accelerates (Meter Reader)
24-Jul	CEO	CNOOC Ltd.	60% Premium in \$21 Billion Deal (Meter Reader)
20-Jul	BRY	Berry Petroleum	Momentum Resuming (Income and Small Cap Weekly)
3-Jul	OGZPY	Gazprom	Dividend Double Approved (Meter Reader)
5-Jun	WOPEY	Woodside Petroleum Ltd.	Pluto LNG Delivering (Meter Reader)
For historical research by stock, go to mcdep.com , click on Stock Ideas , click on stock by name.			
Meter Reader			
18-Dec	STO	Statoil	Profitable Reinvestment
11-Dec	CVE	Cenovus	Canada Approves CNOOC and Petronas Deals
4-Dec			Bigger Bakken Shale Oil
27-Nov	XOM	Exxon Mobil	Making Money One Way or Another
For earlier editions, go to mcdep.com , click on Meter Reader .			
Income and Small Cap Weekly			
21-Dec	CRT, PBT, SJT		Last Chance for Opportunistic Year-End Buys
14-Dec	Cash Payers: Leveraged and RTF		
7-Dec	PBT	Permian Basin Royalty Trust	New Volume from Horizontal Fracking
30-Nov	SJT	San Juan Basin Royalty Trust	Unlocking the Mancos Shale
For earlier editions, go to mcdep.com , click on Energy Income .			



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