



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

February 12, 2013

Imperial Oil (IMO) New Volume Imminent

<i>Symbol</i>	IMO	<i>Ebitda Next Twelve Months ending 12/31/13 (US\$m)</i>	5,400
<i>Rating</i>	Contrarian Buy	<i>North American Natural Gas/Ebitda (%)</i>	2
<i>Price (US\$/sh)</i>	42.39	<i>Natural Gas and Oil Production/Ebitda (%)</i>	78
<i>Pricing Date</i>	2/8/13	<i>Adjusted Reserves/Production NTM</i>	20.3
<i>Shares (mm)</i>	850	<i>EV/Ebitda</i>	7.9
<i>Market Capitalization (US\$m)</i>	36,000	<i>PV/Ebitda</i>	11.0
<i>Debt (US\$m)</i>	7,000	<i>Probable Reserves (%)</i>	45
<i>Enterprise Value (EV) (US\$m)</i>	43,000	<i>Natural Gas and Oil Ebitda (US\$/boe)</i>	38.50
<i>Present Value (PV) (US\$m)</i>	59,700	<i>Present Value Proven and Probable Reserves(US\$/boe)</i>	8.00
<i>Net Present Value (US\$/share)</i>	62	<i>Present Value Proven and Probable Reserves(US\$/mcf)</i>	1.33
<i>Debt/Present Value</i>	0.12	<i>Earnings Next Twelve Months (US\$/sh)</i>	4.11
<i>McDep Ratio - EV/PV</i>	0.72	<i>Price/Earnings Next Twelve Months</i>	10
<i>Dividend Yield (%/year)</i>	1.1	<i>Indicated Annual Dividend (US\$/sh)</i>	0.48
Note: Estimated cash flow and earnings tied to one-year futures prices for oil, natural gas and refinery crack.			
Reported results may vary widely from estimates. Estimated present value per share revised only infrequently.			
Estimated present value presumes a long-term price for oil of US\$100 a barrel and natural gas, \$6 a million btu.			
ExxonMobil (XOM) holds 70% of the outstanding shares of Imperial Oil (IMO).			
For historical research on Imperial Oil since 2004 see http://www.mcdep.com/2imo.htm			

Summary and Recommendation

Contrarian Buy **Imperial Oil (IMO)** will produce its first mined diluted bitumen from the Kearl project in the first quarter of 2013 according to comments by chief executive Bruce March released with earnings on February 1. Estimated Net Present Value (NPV) of \$62 a share includes a beginning contribution from Kearl in the \$33 billion oil and bitumen segment (see table Present Value on page 2). IMO's 71% share of the ultimate investment in the project is estimated to be \$15.5 billion by 2020. Only a portion of ultimate production of 2.3 billion barrels shows in proven reserves that are tied to NPV (see table Reserves on page 2). Initial production at 77 thousand barrels daily (mbd), 31% of ultimate capacity, would increase IMO oil production by more than a third and oil revenue by 30% (see table Oil Production and Revenue on page 3). Nonetheless, startup of Kearl is taking place a quarter later than expected. Bitumen pricing has also weakened as government policies in North America delay the construction of pipelines to world markets. The lower price for bitumen is more than offset by an increase in downstream cash flow to more than half of total in the fourth quarter (table Operating and Financial Estimates on page 4). The discount for bitumen is also recaptured in Syncrude, which accounts for 28% of NPV. As a result, the value in IMO stock is attractive at a McDep Ratio of 0.72, low Debt/Present Value of 0.12 and unlevered cash flow multiple (EV/Ebitda) of 7.9 that is low compared to adjusted reserve life of more than 20 years. Finally, IMO stock is the last of our large cap Buys to retain its Contrarian qualification (see Table 1 through Table 4 on pages 5-8).

Kurt H. Wulff, CFA



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

February 12, 2013

Imperial Oil Limited					
Functional Cash Flow and Present Value					
				<i>Present</i>	
	<i>NTM Ebitda</i>	<i>Adjusted</i>	<i>PV/</i>	<i>Value</i>	
	<i>(US\$mm)</i>	<i>R/P</i>	<i>Ebitda</i>	<i>(US\$mm)</i>	
North American Natural Gas	96	5.6	13.5	1,300	2%
Oil and Bitumen	2,794	20.9	12.0	33,600	56%
Synthetic Oil	1,349	25.6	12.2	16,500	28%
Downstream	1,195		6.9	8,300	14%
	5,434	20.3	11.0	59,700	100%
Debt (US\$mm)					7,000
Net Present Value (US\$mm)					52,700
Shares (mm)					850
Net Present Value - Standard Estimate (US\$/sh)					62
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)					57

Imperial Oil Limited						
Natural Gas and Oil Reserves						
(2011, SEC Basis)						
	<i>Natural Gas</i>	<i>Oil and</i>	<i>Synthetic</i>	<i>Total</i>		
	<i>(bcf)</i>	<i>Bitumen</i>	<i>Oil</i>	<i>Oil</i>	<i>Total</i>	
		<i>(mmb)</i>	<i>(mmb)</i>	<i>(mmb)</i>	<i>(bcf)</i>	<i>(mmb)</i>
<i>Reserves (bcf or mmb)</i>						
Proven (P)	422	2468	653	3121	19148	3191
Proven Developed (PD)	360	574	653	1227	7722	1287
Proven Undeveloped (PUD)	62	1894	0	1894	11426	1904
<i>Production, Next Twelve Months</i>	70	72.8	25.5	98.4	660	110
<i>Reserve Life Index (years)</i>						
R/P P	6.0	33.9	25.6	31.7	29.0	29.0
R/P PD	5.1	7.9	25.6	12.5	11.7	11.7
R/P PUD	0.9	26.0	0.0	19.3	17.3	17.3
R/P PD+.5PUD	5.6	20.9	25.6	22.1	20.3	20.3



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

February 12, 2013

Imperial Oil Limited									
Next Twelve Months Oil Production and Revenue									
(Canadian Dollars)									
	<i>Q4</i>	<i>Q3</i>	<i>Q4</i>	<i>Year</i>	<i>Q1E</i>	<i>Q2E</i>	<i>Q3E</i>	<i>Q4E</i>	<i>Next</i>
	<i>12/31/11</i>	<i>9/30/12</i>	<i>12/31/12</i>	<i>2012</i>	<i>3/31/13</i>	<i>6/30/13</i>	<i>9/30/13</i>	<i>12/31/13</i>	<i>Twelve</i>
									<i>Months</i>
									<i>12/31/13</i>
Volume									
Days	92	92	92	366	90	91	92	92	365
Oil (mmb)									
Syncrude	5.5	6.9	6.9	25	6.5	6.8	5.8	6.5	26
Conventional	1.4	1.4	1.4	5	1.4	1.4	1.4	1.4	5
Cold Lake	11.3	11.6	12.2	45	10.6	10.6	11.6	12.2	45
Kearl					-	7.0	7.1	7.1	21
Natural Gas Liquids	0.4	0.3	0.3	1	0.3	0.3	0.3	0.3	1
Total Oil	18.6	20.1	20.8	77	18.7	26.1	26.1	27.5	98
Oil (mbd)									
Syncrude	60	75	75	69	72	74	63	71	70
Conventional	15	15	15	15	15	15	15	15	15
Cold Lake	123	126	133	124	118	117	126	133	124
Kearl						77	77	77	58
Natural Gas Liquids	4	3	3	3	3	3	3	3	3
Total Oil	202	219	226	211	208	286	284	299	270
Price									
Currency (US\$/C\$)	0.98	1.00	1.01	1.00	1.00	1.00	1.00	1.00	1.00
Oil (C\$/bbl)									
Light, Sweet (US\$/bbl)	94.06	92.22	88.18	94.16	96.29	98.02	98.85	98.33	97.87
Light, Sweet (C\$/bbl)	96.20	91.79	87.41	94.12	96.70	98.43	99.27	98.74	98.29
Syncrude	104.82	90.25	90.90	92.32	96.45	98.17	99.01	98.48	98.01
Conventional	89.06	77.25	76.47	77.20	84.60	86.11	86.85	86.39	85.99
Bitumen (Cold Lake, Kearl)	72.83	59.86	55.90	59.61	61.84	62.95	63.49	63.15	62.88
Natural Gas Liquids	60.15	38.43	37.24	40.74	41.20	41.94	42.29	42.07	41.88
Total Oil	83.29	71.17	68.63	71.25	75.15	73.09	72.35	72.50	73.12
Revenue (C\$mm)									
Syncrude	579	623	627	2,324	624	664	571	644	2,503
Conventional	123	107	106	424	114	118	120	119	471
Cold Lake	824	694	684	2,695	657	670	736	773	2,836
Kearl					-	441	450	447	1,338
Natural Gas Liquids	22	11	10	48	11	11	12	12	46
Total Oil	1,548	1,434	1,427	5,491	1,406	1,904	1,889	1,995	7,194
Ratio of Oil Price to Light Sweet Crude									
Syncrude	1.09	0.98	1.04	0.98	1.00	1.00	1.00	1.00	1.00
Conventional	0.93	0.84	0.87	0.82	0.87	0.87	0.87	0.87	0.87
Bitumen (Cold Lake, Kearl)	0.76	0.65	0.64	0.63	0.64	0.64	0.64	0.64	0.64
Natural Gas Liquids	0.63	0.42	0.43	0.43	0.43	0.43	0.43	0.43	0.43
Weighted Average	0.87	0.78	0.79	0.76	0.78	0.74	0.73	0.73	0.74



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

February 12, 2013

Imperial Oil Limited									
Next Twelve Months Operating and Financial Estimates									
(Canadian Dollars)									
									<i>Next Twelve Months</i>
	<i>Q4</i>	<i>Q3</i>	<i>Q4</i>	<i>Year</i>	<i>Q1E</i>	<i>Q2E</i>	<i>Q3E</i>	<i>Q4E</i>	<i>12/31/13</i>
	<i>12/31/11</i>	<i>9/30/12</i>	<i>12/31/12</i>	<i>2012</i>	<i>3/31/13</i>	<i>6/30/13</i>	<i>9/30/13</i>	<i>12/31/13</i>	<i>12/31/13</i>
Volume									
Natural Gas (mmcf)	226	182	192	195	192	192	192	192	192
Oil (mmb)	19	20	21	77	19	26	26	28	98
Oil (mbd)	202	219	226	211	208	286	284	299	270
Total gas & oil (bcf)	132	138	142	534	130	174	174	183	660
Total gas & oil (mbd)	240	249	258	243	240	318	316	331	302
Price									
Natural gas (\$/mcf)									
Henry Hub (\$/mmbtu)	3.55	2.80	3.40	2.79	3.29	3.42	3.55	3.75	3.50
Currency (US\$/C\$)	0.98	1.00	1.01	1.00	1.00	1.00	1.00	1.00	1.00
Henry Hub (C\$/mmbtu)	3.63	2.79	3.37	2.79	3.30	3.43	3.57	3.77	3.52
Company (C\$/mcf)	3.25	2.18	2.95	2.31	2.89	3.00	3.12	3.29	3.08
Oil (\$/bbl)									
WTI Cushing	94.06	92.22	88.18	94.16	96.29	98.02	98.85	98.33	97.87
WTI Cushing (C\$/bbl)	96.20	91.79	87.41	94.12	96.70	98.43	99.27	98.74	98.29
Company (C\$/bbl)	83.29	71.17	68.63	71.25	75.15	73.09	72.35	72.50	73.12
Total gas & oil (\$/mcf)	12.21	10.68	10.39	10.61	11.24	11.26	11.15	11.23	11.22
NY Harbor 3-2-1 (\$/bbl)	21.79	36.23	33.86	31.29	29.90	36.67	31.15	23.98	30.42
Revenue (\$mm)									
Natural Gas	68	37	52	172	50	52	55	58	216
Oil	1,548	1,434	1,427	5,491	1,406	1,904	1,889	1,995	7,194
Other	6,509	6,866	6,325	25,525	6,325	6,325	6,325	6,325	25,300
Total	8,124	8,336	7,804	31,188	7,781	8,282	8,269	8,378	32,709
Expense (\$mm)									
Interest	1,478	1,588	1,635	5,833	1,113	1,401	1,438	1,506	16,006
Ebitda (\$mm)									
Exploration and Production	1,118	786	751	3,003	836	1,124	1,117	1,180	4,257
Other	359	802	884	2,830	276	276	321	327	1,200
Total Ebitda	1,478	1,588	1,635	5,833	1,113	1,401	1,438	1,506	5,457
Exploration	16	21	16	83	16	16	16	16	64
Deprec., Deplet., & Amort.	194	183	210	761	210	210	210	210	840
Ebit	1,268	1,384	1,409	4,989	887	1,175	1,212	1,280	4,553
Interest	2	(1)	-	(1)	-	-	-	-	-
Ebt	1,266	1,385	1,409	4,990	887	1,175	1,212	1,280	4,553
Income Tax	259	347	338	1,227	204	270	279	294	1,047
Net Income (\$mm)									
Exploration and Production	771	498	488						
Other	283	573	593						
Unallocated	(47)	(33)	(10)						
Total	1,007	1,038	1,071	3,763	683	905	933	986	3,506
Shares (millions)									
Shares	853	851	850	851	850	850	850	850	850
Earnings per share (\$)	1.18	1.22	1.26	4.42	0.80	1.06	1.10	1.16	4.12
Ebitda Margin (E&P)	69%	53%	51%	53%	57%	57%	57%	57%	57%
Tax Rate	20%	25%	24%	25%	23%	23%	23%	23%	23%



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

February 12, 2013

Table 2								
McDep Large Cap Energy Stocks								
Net Present Value and McDep Ratio								
			Price			Net		
	Symbol/Rating		(US\$/sh)	Shares	Market	Present	Debt/	McDep
	B = Buy, CB (see below)		11-Feb	(mm)	Cap	Value	Present	Ratio
			2013		(US\$mm)	(US\$/sh)	Value	
Global Integrated								
Exxon Mobil Corporation	XOM	B	88.28	4,541	401,000	110.00	0.12	0.83
PetroChina Company Ltd (14%)	PTR	H	136.55	256	35,000	210.00	0.21	0.72
Royal Dutch Shell plc	RDS-A	H	67.33	3,145	212,000	102.00	0.16	0.72
Chevron Corporation	CVX	H	115.64	1,953	226,000	170.00	0.08	0.71
Petrobras	PBR	H	15.81	6,522	103,100	35.00	0.29	0.61
Total S.A.	TOT	H	51.23	2,261	116,000	100.00	0.16	0.59
Gazprom (50%)	OGZPY	H	8.87	5,735	50,800	23.00	0.14	0.47
Lukoil Oil Company	LUKOY	B	65.99	775	51,100	150.00	0.01	0.45
<i>Total or Median</i>					<i>1,195,000</i>		<i>0.15</i>	<i>0.66</i>
U.S. Independent								
EOG Resources, Inc.	EOG	H	133.34	271	36,100	145.00	0.14	0.93
Occidental Petroleum Corp.	OXY	H	87.21	808	70,500	120.00	0.09	0.75
Devon Energy Corporation	DVN	B	59.70	405	24,200	102.00	0.18	0.66
Marathon Oil Corporation	MRO	B	34.31	711	24,390	60.00	0.19	0.65
ConocoPhillips	COP	H	57.59	1,221	70,000	105.00	0.23	0.65
<i>Total or Median</i>					<i>225,200</i>		<i>0.18</i>	<i>0.66</i>
Canada/Norway/Australia								
Woodside Petroleum Ltd.	WOPEY	H	37.02	808	29,900	45.00	0.17	0.85
EnCana Corporation	ECA	H	19.38	736	14,300	30.00	0.30	0.75
Cenovus Energy Inc.	CVE	H	32.42	758	24,600	48.00	0.17	0.73
Imperial Oil Limited (30%)	IMO	CB	42.39	255	10,800	62.00	0.12	0.72
Statoil ASA (33%)	STO	H	26.19	1,050	27,500	44.00	0.23	0.69
Suncor Energy	SU	B	32.32	1,529	49,400	64.00	0.13	0.57
Canadian Oil Sands Limited	COSWF	H	21.28	485	10,300	45.00	0.10	0.53
<i>Total or Median</i>					<i>167,000</i>		<i>0.17</i>	<i>0.72</i>
CB=Contrarian Buy, Stock Price may be in downtrend compared to 200-day average. H = Hold								
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								



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

February 12, 2013

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	11-Feb	2013	NTM	NTM	NTM	NTM	(%)	
B = Buy, CB (see below)									
Global Integrated									
	Exxon Mobil Corporation	XOM	B	88.28	13.4	7.5	6.2	11	2.6
	PetroChina Company Ltd (14%)	PTR	H	136.55	12.8	7.4	5.3	10	3.7
	Petrobras	PBR	H	15.81	12.9	7.8	4.8	5	3.0
	Chevron Corporation	CVX	H	115.64	9.0	6.5	4.6	9	3.1
	Royal Dutch Shell plc	RDS-A	H	67.33	9.9	6.4	4.6	8	5.1
	Total S.A.	TOT	H	51.23	10.3	7.6	4.5	8	6.2
	Lukoil Oil Company	LUKOY	B	65.99	16.4	6.0	2.7	5	3.8
	Gazprom (50%)	OGZPY	H	8.87	31.2	4.5	2.1	3	6.7
	<i>Median</i>				12.9	7.0	4.6	8	3.7
U.S. Independent									
	Devon Energy Corporation	DVN	B	59.70	10.7	10.0	6.6	16	1.3
	EOG Resources, Inc.	EOG	H	133.34	8.5	6.9	6.5	21	0.5
	ConocoPhillips	COP	H	57.59	13.1	8.3	5.4	9	4.6
	Occidental Petroleum Corp.	OXY	H	87.21	9.8	7.0	5.3	11	2.5
	Marathon Oil Corporation	MRO	B	34.31	8.9	7.0	4.6	9	2.0
	<i>Median</i>				9.8	7.0	5.4	11	2.0
Canada/Norway/Australia									
	EnCana Corporation	ECA	H	19.38	8.5	12.3	9.3		4.1
	Imperial Oil Limited (30%)	IMO	CB	42.39	20.3	11.0	7.9	10	1.1
	Woodside Petroleum Ltd.	WOPEY	H	37.02	13.4	9.0	7.7	13	3.5
	Cenovus Energy Inc.	CVE	H	32.42	12.4	9.2	6.7	16	2.7
	Canadian Oil Sands Limited	COSWF	H	21.28	22.0	12.2	6.4	10	6.6
	Suncor Energy	SU	B	32.32	16.1	9.2	5.2	10	1.6
	Statoil ASA (33%)	STO	H	26.19	6.3	6.1	4.2	8	4.3
	<i>Median</i>				13.4	9.2	6.7	10	3.5
CB=Contrarian Buy, Stock Price may be in downtrend compared to 200-day average. H = Hold									
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									



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

February 12, 2013

Table 4									
McDep Large Cap Energy Stocks									
Total Return and Enterprise Value Momentum									
				Equity					
			Price	Total					
			(\$/sh)	Return	Enterprise Value/				
	Symbol		11-Feb	YTD	52Wk	52Wk	50 Day	200 Day	McDep
	Rating		2013	(%)	High	Low	Avg.	Avg.	Ratio
Global Integrated									
Lukoil Oil Company	LUKOY	B	65.99	(2)	0.97	1.30	1.00	1.10	0.45
Chevron Corporation	CVX	H	115.64	7	0.98	1.18	1.04	1.06	0.71
Total S.A.	TOT	H	51.23	(1)	0.92	1.15	0.99	1.04	0.59
PetroChina Company Ltd (14%)	PTR	H	136.55	(5)	0.92	1.12	0.98	1.02	0.72
Exxon Mobil Corporation	XOM	B	88.28	3	0.95	1.12	0.99	1.01	0.83
Royal Dutch Shell plc	RDS-A	H	67.33	(2)	0.93	1.08	0.98	0.99	0.72
Gazprom (50%)	OGZPY	H	8.87	(9)	0.73	1.02	0.96	0.94	0.47
Petrobras	PBR	H	15.81	(18)	0.67	1.00	0.90	0.87	0.61
	<i>Median</i>			(2)	0.93	1.12	0.98	1.01	0.66
U.S. Independent									
EOG Resources, Inc.	EOG	H	133.34	11	1.00	1.48	1.07	1.18	0.93
Marathon Oil Corporation	MRO	B	34.31	12	0.98	1.30	1.05	1.13	0.65
Occidental Petroleum Corp.	OXY	H	87.21	14	0.84	1.18	1.08	1.04	0.75
Devon Energy Corporation	DVN	B	59.70	15	0.83	1.12	1.07	1.02	0.66
ConocoPhillips	COP	H	57.59	(1)	0.95	1.08	0.99	1.01	0.65
	<i>Median</i>			12	0.95	1.18	1.07	1.04	0.66
Canada/Norway/Australia									
Woodside Petroleum Ltd.	WOPEY	H	37.02	4	0.92	1.19	1.02	1.05	0.85
Statoil ASA (33%)	STO	H	26.19	5	0.93	1.12	1.02	1.04	0.69
Canadian Oil Sands Limited	COSWF	H	21.19	4	0.89	1.16	1.03	1.03	0.53
Suncor Energy	SU	B	32.32	(2)	0.89	1.18	0.98	1.02	0.57
Cenovus Energy Inc.	CVE	H	32.42	(3)	0.85	1.09	0.97	0.98	0.73
Imperial Oil Limited (30%)	IMO	CB	42.39	(2)	0.87	1.09	0.98	0.97	0.72
EnCana Corporation	ECA	H	19.38	(2)	0.87	1.07	0.98	0.95	0.75
	<i>Median</i>			(2)	0.89	1.12	0.98	1.02	0.72

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



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

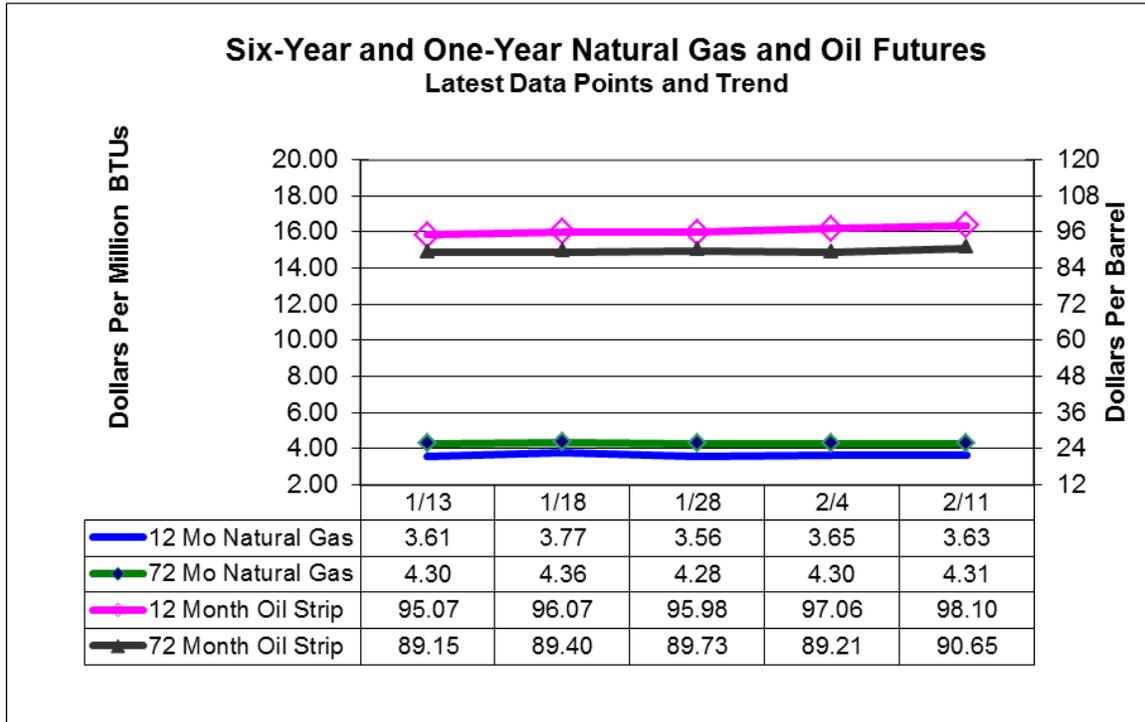
February 12, 2013

Index of Recent Research			
Stock Ideas			
<u>Date</u>	<u>Symbol</u>	<u>Subject</u>	<u>Theme</u>
8-Feb	WLL	Whiting Petroleum	Low McDep Ratio Shale Oil (Inc and Small Cap Wkly)
5-Feb	COP	ConocoPhillips	Raise NPV to \$105 from \$96 on Performance (Meter Reader)
1-Feb	SJT	San Juan Basin Royalty Trust	Horizontal Mancos Well Apparently Successful (ISCW)
25-Jan	CLR	Continental Resources	Bakken Reserves Exceed a Half-Billion Barrels (ISCW)
22-Jan	WOPEY	Woodside Petroleum, Ltd.	Politically-Secure, Clean Fuel Supplier (Meter Reader)
18-Jan	DMLP	Dorchester Minerals, L.P.	Distribution Swings Up (Income and Small Cap Weekly)
17-Jan	SJT	San Juan Basin Royalty Trust	7.7% Holder Disclosed
15-Jan	ECA	Encana Corporation	Eresman Exits (Meter Reader)
11-Jan	PDCE	PDC Energy	Mancos (Niobrara) Winner (Income and Small Cap Weekly)
8-Jan	DVN	Devon Energy	Quality North American Oil and Gas Supplier (Meter Reader)
28-Dec	FRHLF	Freehold Royalties Ltd.	Advantaged Ride on North American Oil Growth (ISCW)
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)
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
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)
16-Oct	RDS	Royal Dutch Shell	Clean Energy for Global Growth (Meter Reader)
9-Oct	IMO	Imperial Oil	Kearl, Downstream and Syncrude (Meter Reader)
2-Oct	CVX	Chevron	Top Performer Shows Further Promise (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)
For historical research by stock, go to mcdep.com , click on Stock Ideas , click on stock by name.			
Meter Reader			
5-Feb	COP	ConocoPhillips	Raise NPV to \$105 from \$96 on Performance
29-Jan			Crude Oil Price - North American Advantage
22-Jan	WOPEY	Woodside Petroleum, Ltd.	Politically-Secure, Clean Fuel Supplier
15-Jan	ECA	Encana Corporation	Eresman Exits
For earlier editions, go to mcdep.com , click on Meter Reader .			
Income and Small Cap Weekly			
8-Feb	WLL	Whiting Petroleum	Low McDep Ratio Shale Oil
1-Feb	SJT	San Juan Basin Royalty Trust	Horizontal Mancos Well Apparently Successful
25-Jan	CLR	Continental Resources	Bakken Reserves Exceed a Half-Billion Barrels
18-Jan	DMLP	Dorchester Minerals, L.P.	Distribution Swings Up
For earlier editions, go to mcdep.com , click on Energy Income .			



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks
February 12, 2013



Disclaimer: This analysis was prepared by Kurt Wulff, Manager of McDep LLC. The firm used sources and data believed to be reliable, but makes no representation as to their accuracy or completeness. This analysis is intended for informational purposes and is not a solicitation to buy or sell a security. Past performance is no guarantee of future results.

McDep or its employees may take positions in stocks the firm covers for research purposes. No trades in a subject stock shall be made within a week before or after a change in recommendation.

Certification: I, Kurt H. Wulff, certify that the views expressed in this research analysis accurately reflect my personal views about the subject securities and issuers. No part of my compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this research analysis.

Research Methodology/Ratings Description: McDep LLC is an independent research originator focused on oil and gas stocks exclusively. The firm applies the forty years of experience of its analyst to estimate a present value of the oil and gas resources and other businesses of covered companies. That value is compared with a company's stock market capitalization and debt. Stocks with low market cap and debt relative to present value tend to outperform stocks with high market cap and debt relative to present value. Buy recommendations are expected to deliver a total return better than 7% per year above inflation. Hold recommendations assume the attributes of the underlying business are reflected in the current price of the stock. Sell recommendations are expected to deliver a total return less than inflation.