

Cimarex Energy (XEC)

Raise NPV to \$125 on Permian Productivity

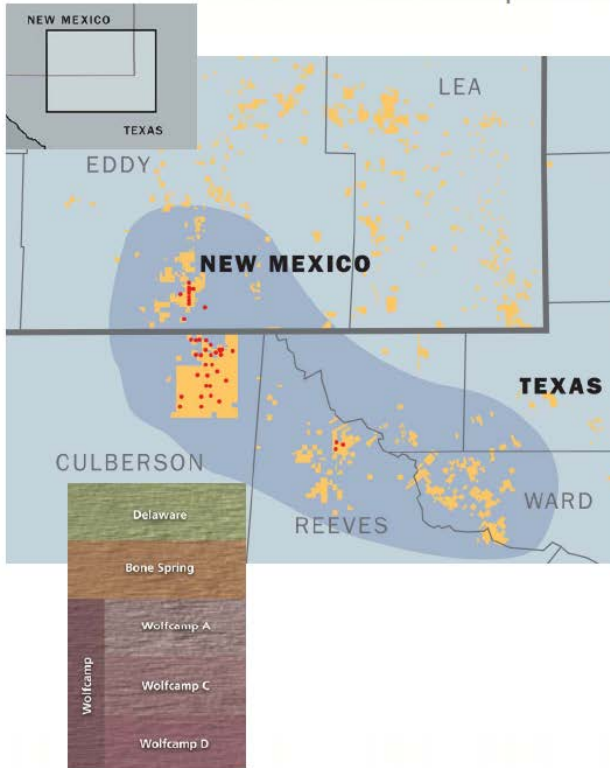
<i>Symbol</i>	XEC	<i>Ebitda Next Twelve Months ending 9/30/14 (US\$m)</i>	1,509
<i>Rating</i>	Buy	<i>North American Natural Gas/Ebitda (%)</i>	24
<i>Price (\$/sh)</i>	105.10	<i>Natural Gas and Oil Production/Ebitda (%)</i>	100
<i>Pricing Date</i>	11/11/13	<i>Adjusted Reserves/Production NTM</i>	7.5
<i>Shares (mm)</i>	87	<i>EV/Ebitda</i>	7.0
<i>Market Capitalization (\$mm)</i>	9,140	<i>PV/Ebitda</i>	8.2
<i>Debt (\$mm)</i>	1,430	<i>Undeveloped Reserves (%)</i>	20
<i>Enterprise Value (EV) (\$mm)</i>	10,580	<i>Natural Gas and Oil Ebitda (\$/boe)</i>	33.20
<i>Present Value (PV) (\$mm)</i>	12,310	<i>Present Value Proven Reserves(\$/boe)</i>	32.70
<i>Net Present Value (\$/share)</i>	125	<i>Oil and Gas Ebitda Margin (%)</i>	72
<i>Debt/Present Value</i>	0.12	<i>Earnings Next Twelve Months (US\$/sh)</i>	6.25
<i>McDep Ratio - EV/PV</i>	0.86	<i>Price/Earnings Next Twelve Months</i>	17
<i>Dividend Yield (%/year)</i>	0.5	<i>Indicated Annual Dividend (US\$/sh)</i>	0.56
Note: Estimated cash flow and earnings tied to one-year futures prices for oil and natural gas.			
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\$90 a barrel and natural gas, \$6 a million btu.			
For historical analysis of XEC since 2003 see www.mcdep.com/4xec.htm			

Summary and Recommendation

Romping Permian oil productivity from “upsized” fracs, two-mile horizontal legs, stacked formations and closer well spacing contribute to higher Net Present Value (NPV) of \$125 a share, up from \$110 for buy-recommended **Cimarex Energy (XEC)**. Enabling greater near-well bore recovery, the latest fracturing innovations “have taken the industry by storm” explains XEC chief executive Tom Jordan. The advantage practically doubles as Cimarex is successfully testing 10,000 foot lateral lengths compared to its 5,000 foot standard until now. The productivity gain is further multiplied as XEC tests the Wolfcamp A section, or bench, after demonstrating high production rates in the C and D benches (see slide [Wolfcamp](#) on page 2). Finally, the upsized fracs allow tighter well spacing down to perhaps 40 acres per well rather than 80 or 160. As a result, the half billion barrel Wolfcamp prize outlined in our XEC analysis five months ago may be several times as large. The good news fits an optimistic outlook for continued rapid growth in U.S. oil production. The main risk to that growth is oil price. We think the long-term price of \$90 a barrel we use for estimating NPV is a reasonable expectation that supports oil growth and investment in XEC (see tables [Present Value](#) on page 2, [Operating and Financial Estimates](#) on page 4 and [Oil Futures](#) on page 9). Meanwhile our buy recommendation of XEC is most suitable for investors who don’t already own a large position. For those investors who have seen their XEC position grow disproportionately, our buy recommendation justifies keeping normal representation after an appropriate rebalancing. In any case, at a McDep Ratio of 0.86, Cimarex offers attractive value in a dynamic small cap independent producer group (see [Tables 1-4](#) on pages 4-7).

Kurt H. Wulff, CFA

Delaware Basin Wolfcamp Fairway



- ~180,000 net acres in the fairway
- Multiple Wolfcamp Targets
 - Culberson/White City Area
 - 100,000+ net acres
 - D & C benches producing
 - A bench being tested
 - Reeves County
 - 40,000+ net acres
 - Two wells producing from A bench; 925 BOE/d (average 30-day IP; 63% oil)
 - 10,000 ft. lateral yields 1,816 BOE/d (average 30-day IP; 56% oil)
 - Ward County
 - 32,000 net acres
 - One rig drilling Wolfcamp A

NYSE: XEC

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Cimarex Energy Company					
Functional Cash Flow and Present Value					
	<i>NTM Ebitda</i>	<i>Adjusted</i>	<i>PV/</i>	<i>Present</i>	
	<i>(US\$mm)</i>	<i>R/P</i>	<i>Ebitda</i>	<i>Value</i>	
				<i>(US\$mm)</i>	
North American Natural Gas	370	8.4	13.8	5,100	41%
Oil	1,139	6.5	6.3	7,230	59%
	1,509	7.5	8.2	12,330	100%
Debt (US\$mm)					1,430
Net Present Value (US\$mm)					10,900
Shares (mm)					87
Net Present Value - Standard Estimate (US\$/sh)					125
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)					132



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Cimarex Energy Company										
Next Twelve Months Operating and Financial Performance										
	Q3	Year	Q2	Q3	Q4E	Year	Q1E	Q2E	Q3E	Next Twelve Months
	9/30/12	2012	6/30/13	9/30/13	12/31/13	2013E	3/31/14	6/30/14	9/30/14	9/30/14
Volume										
Natural Gas (mmcf)	324	324	341	347	347	342	357	368	379	363
Days	92	366	91	92	92	365	90	91	92	365
Oil (mmb)	4.8	18.5	5.2	5.7	5.7	21.5	5.6	5.9	6.3	23.4
Oil (mbd)	51.9	50.5	57.6	61.7	61.7	59.0	61.7	64.8	68.0	64.1
Total (mmcf)	635	627	687	717	717	696	728	757	787	747
Price										
Henry Hub (\$/mmbtu)	2.80	2.79	4.10	3.58	3.87	3.72	3.62	3.64	3.72	3.71
Company (\$/mcf)	2.79	2.88	4.08	3.72	4.03	3.81	3.77	3.78	3.87	3.86
WTI Cushing (\$/bbl)	92.22	94.16	94.22	105.83	96.78	97.81	95.49	94.88	93.34	95.12
Company (\$/bbl)	65.89	67.19	68.09	75.92	69.43	69.54	68.51	68.07	66.96	68.21
Total (\$/bbl)	40.83	41.41	46.43	49.99	47.53	46.58	45.96	46.00	45.88	46.33
Revenue (\$mm)										
Natural Gas	83	341	127	119	129	475	121	127	135	511
Oil	315	1,242	357	431	394	1,497	380	401	419	1,595
Total	398	1,583	484	550	523	1,972	502	528	554	2,106
Expense										
Operating	77	320	91	102						
Production taxes	24	86	28	31						
General and administrative	15	55	23	19						
Expense	116	461	142	152	148	572	142	150	157	598
Ebitda	282	1,121	341	398	374	1,400	359	378	397	1,509
Deprec., Deplet., & Amor	139	527	150	161	161	611	161	161	161	644
Other Non Cash	4	26	4	13		21				-
Ebit	139	568	187	224	213	769	198	217	236	865
Interest	4	12	5	7	7	22	7	7	7	28
Ebt	135	556	182	217	206	747	191	210	229	837
Income Tax	47	195	64	76	72	261	67	74	80	293
Net Income (\$mm)	88	362	119	141	134	485	124	137	149	544
Per Share (\$)	1.01	4.18	1.37	1.62	1.54	5.59	1.43	1.57	1.71	6.25
Shares (millions)										
Shares (millions)	87	87	87	87	87	87	87	87	87	87
Ebitda Margin	71%	71%	71%	72%	72%	71%	72%	72%	72%	72%
Tax rate	35%	35%	35%	35%	35%	35%	35%	35%	35%	35%



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Symbol/Rating B = Buy, CB (see below)	11-Nov 2013	Price (US\$/sh)	EV/ Market Cap	Enterprise Value (\$mm)	Present Value by Segment (%)					Dist. Yield NTM (%)	McDep Ratio
					North Amer.	Rest of World	Oil Prod'n	Down- stream			
					Natural Gas	Natural Gas					
Global Integrated											
Exxon Mobil Corporation	XOM	B	92.96	1.21	494,000	7	19	54	20	2.7	0.93
Chevron Corporation	CVX	H	121.08	1.16	271,000	4	11	72	13	3.3	0.83
Total S.A.	TOT	H	59.05	1.34	179,000		22	61	17	5.4	0.79
Royal Dutch Shell plc	RDS-A	H	66.33	1.36	284,000	4	21	55	19	5.4	0.73
Lukoil Oil Company	LUKOY	B	63.00	1.13	55,400			75	25	4.4	0.50
<i>Total or Median</i>				<i>1.21</i>	<i>1,283,000</i>			<i>61</i>	<i>19</i>	<i>4.4</i>	<i>0.79</i>
U.S. Independent											
EOG Resources, Inc.	EOG	H	171.45	1.14	53,400	22	4	75		0.4	0.96
Occidental Petroleum Corp.	OXY	H	97.01	1.12	87,900	9	1	79	11	2.6	0.91
ConocoPhillips	COP	H	73.56	1.39	125,000	15	13	71		3.8	0.79
Marathon Oil Corporation	MRO	B	36.29	1.43	36,800	9	4	87		2.1	0.79
Devon Energy Corporation	DVN	B	60.71	1.41	34,900	47		53		1.4	0.69
<i>Total or Median</i>				<i>1.39</i>	<i>338,000</i>	<i>15</i>		<i>75</i>		<i>2.1</i>	<i>0.79</i>
Canada/Australia											
Woodside Petroleum Ltd.	WOPEY	H	36.73	1.16	35,000		69	31		4.5	1.02
Imperial Oil Limited (30%)	IMO	H	42.69	1.29	14,100	2		79	18	1.2	0.86
Cenovus Energy Inc.	CVE	H	28.76	1.33	29,000	10		74	15	3.2	0.74
EnCana Corporation	ECA	CB	18.13	1.65	21,900	80		20		4.4	0.71
Canadian Oil Sands Limited	COSWF	CB	19.60	1.26	12,000			100		6.8	0.63
<i>Total or Median</i>				<i>1.29</i>	<i>112,000</i>			<i>74</i>		<i>4.4</i>	<i>0.74</i>
Small Cap Independent Producers											
PDC Energy	PDCE		59.08	1.28	2,700	32		68		-	1.23
Continental Resources (32%)	CLR	B	115.92	1.22	8,400	16		84		-	0.97
Whiting Petroleum Corporation	WLL	B	65.82	1.34	10,600	8		92		-	0.91
Peyto Exploration and Developm	PEYUF		29.66	1.17	5,200	80		20		2.5	0.89
Range Resources	RRC	B	74.85	1.30	15,600	72		28		0.2	0.86
Cimarex Energy Company	XEC	B	105.10	1.16	10,600	41		59		0.5	0.86
Halcón Resources	HK		4.80	2.52	5,600	8		92		-	0.85
WPX Energy Inc.	WPX		18.66	1.60	6,100	68		32		-	0.80
Birchcliff Energy Ltd.	BIREF	CB	6.83	1.43	1,600	69		31		-	0.65
<i>Total or Median</i>				<i>1.30</i>	<i>66,000</i>	<i>41</i>		<i>59</i>		<i>-</i>	<i>0.86</i>
RTF Cash Payers											
Freehold Royalties Ltd.	FRHLF		22.15	1.05	1,550	16		84		7.2	1.05
Dorchester Minerals, L.P.	DMLP	B	24.85	1.00	760	51		49		7.3	0.96
Sabine Royalty Trust	SBR		51.99	1.00	760	52		48		7.9	0.81
Permian Basin RT	PBT		14.32	1.00	670	19		81		8.1	0.80
San Juan Basin Royalty Trust	SJT	B	15.92	1.00	740	100		-		6.1	0.76
Mesa Royalty Trust	MTR		21.79	1.00	40	75		25		8.7	0.73
Enduro Royalty Trust	NDRO		12.15	1.00	400	48		52		12.2	0.71
Cross Timbers Royalty Trust	CRT		29.17	1.00	180	70		30		8.9	0.69
Hugoton Royalty Trust	HGT		7.08	1.00	280	90		10		10.5	0.59
<i>Total or Median</i>				<i>1.00</i>	<i>5,400</i>					<i>8.1</i>	<i>0.76</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\$90 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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			<i>Price (US\$/sh) 11-Nov 2013</i>	<i>Shares (mm)</i>	<i>Market Cap (US\$mm)</i>	<i>Net Present Value (US\$/sh)</i>	<i>Debt/ Present Value</i>	<i>McDep Ratio</i>
		<i>Symbol/Rating</i>						
		<i>B = Buy, CB (see below)</i>						
Global Integrated								
Exxon Mobil Corporation	XOM	B	92.96	4,395	409,000	102.00	0.16	0.93
Chevron Corporation	CVX	H	121.08	1,930	234,000	150.00	0.11	0.83
Total S.A.	TOT	H	59.05	2,275	134,000	80.00	0.20	0.79
Royal Dutch Shell plc	RDS-A	H	66.33	3,137	208,000	100.00	0.19	0.73
Lukoil Oil Company	LUKOY	B	63.00	776	48,900	135.00	0.06	0.50
		<i>Total or Median</i>			<i>1,034,000</i>		<i>0.16</i>	<i>0.79</i>
U.S. Independent								
EOG Resources, Inc.	EOG	H	171.45	274	47,000	180.00	0.12	0.96
Occidental Petroleum Corp.	OXY	H	97.01	806	78,200	108.00	0.10	0.91
ConocoPhillips	COP	H	73.56	1,224	90,000	100.00	0.22	0.79
Marathon Oil Corporation	MRO	B	36.29	711	25,800	50.00	0.24	0.79
Devon Energy Corporation	DVN	B	60.71	407	24,700	100.00	0.20	0.69
		<i>Total or Median</i>			<i>265,700</i>		<i>0.20</i>	<i>0.79</i>
Canada/Australia								
Woodside Petroleum Ltd.	WOPEY	H	36.73	823	30,200	36.00	0.14	1.02
Imperial Oil Limited (30%)	IMO	H	42.69	255	10,900	52.00	0.19	0.86
Cenovus Energy Inc.	CVE	H	28.76	757	21,800	42.00	0.18	0.74
EnCana Corporation	ECA	CB	18.13	736	13,300	30.00	0.28	0.71
Canadian Oil Sands Limited	COSWF	CB	19.60	485	9,500	34.00	0.13	0.63
		<i>Total or Median</i>			<i>86,000</i>		<i>0.18</i>	<i>0.74</i>
Small Cap Independent Producers								
PDC Energy	PDCE		59.08	36	2,100	45.00	0.27	1.23
Continental Resources (32%)	CLR	B	115.92	59	6,900	120.00	0.18	0.97
Whiting Petroleum Corporation	WLL	B	65.82	120	7,900	75.00	0.23	0.91
Peyto Exploration and Development Corp.	PEYUF		29.66	149	4,400	34.00	0.13	0.89
Range Resources	RRC	B	74.85	161	12,100	90.00	0.20	0.86
Cimarex Energy Company	XEC	B	105.10	87	9,100	125.00	0.12	0.86
Halcón Resources	HK		4.80	463	2,200	7.00	0.51	0.85
WPX Energy Inc.	WPX		18.66	204	3,800	26.00	0.30	0.80
Birchcliff Energy Ltd.	BIREF	CB	6.83	166	1,100	12.00	0.20	0.65
		<i>Total or Median</i>			<i>50,000</i>		<i>0.20</i>	<i>0.86</i>
RTF Cash Payers								
Freehold Royalties Ltd.	FRHLF		22.15	67	1,480	21.00	0.05	1.05
Dorchester Minerals, L.P.	DMLP	B	24.85	31	760	26.00	-	0.96
Sabine Royalty Trust	SBR		51.99	15	760	64.00	-	0.81
Permian Basin RT	PBT		14.32	47	670	18.00	-	0.80
San Juan Basin Royalty Trust	SJT	B	15.92	47	740	21.00	-	0.76
Mesa RoyaltyTrust	MTR		21.79	2	40	30.00	-	0.73
Enduro Royalty Trust	NDRO		12.15	33	400	17.00	-	0.71
Cross Timbers Royalty Trust	CRT		29.17	6	180	42.00	-	0.69
Hugoton RoyaltyTrust	HGT		7.08	40	280	12.00	-	0.59
		<i>Total or Median</i>			<i>5,300</i>		<i>-</i>	<i>0.76</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\$90 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 Energy Stocks									
Value Multiples and Dividend									
Ranked by EV/Ebitda									
			Price	Adjustd					
			(US\$/sh)	Resrvs/	PV/	EV/		Dividend	
	Symbol/Rating		11-Nov	Prod	Ebitda	Ebitda	P/E	NTM	
	B = Buy, CB (see below)		2013	NTM	NTM	NTM	NTM	(\$/sh)	
Global Integrated									
	Exxon Mobil Corporation	XOM	B	92.96	13.1	7.5	6.9	12	2.52
	Chevron Corporation	CVX	H	121.08	9.2	6.5	5.4	11	4.00
	Royal Dutch Shell plc	RDS-A	H	66.33	10.0	7.1	5.2	10	3.60
	Total S.A.	TOT	H	59.05	9.9	6.3	5.0	9	3.16
	Lukoil Oil Company	LUKOY	B	63.00	15.8	6.1	3.1	6	2.74
	<i>Median</i>				10.0	6.5	5.2	10	
U.S. Independent									
	EOG Resources, Inc.	EOG	H	171.45	7.4	7.1	6.8	23	2.56
	ConocoPhillips	COP	H	73.56	11.5	8.4	6.7	14	0.75
	Occidental Petroleum Corp.	OXY	H	97.01	10.2	7.2	6.5	16	2.76
	Devon Energy Corporation	DVN	B	60.71	10.1	8.7	5.9	15	0.76
	Marathon Oil Corporation	MRO	B	36.29	9.3	7.1	5.6	14	0.88
	<i>Median</i>				10.1	7.2	6.5	15	
Canada/Australia									
	EnCana Corporation	ECA	CB	18.13	7.0	12.5	8.9	13	0.92
	Woodside Petroleum Ltd.	WOPEY	H	36.73	9.8	8.5	8.6	19	1.66
	Imperial Oil Limited (30%)	IMO	H	42.69	21.0	9.7	8.3	11	0.50
	Cenovus Energy Inc.	CVE	H	28.76	12.8	8.1	6.0	15	0.80
	Canadian Oil Sands Limited	COSWF	CB	19.60	19.7	9.5	6.0	9	1.34
	<i>Median</i>				12.8	9.5	8.3	13	
Small Cap Independent Producers									
	Range Resources	RRC	B	74.85	12.8	15.9	13.7	58	0.16
	PDC Energy	PDCE		59.08	14.9	9.8	12.1	71	-
	Peyto Exploration and Development Corp.	PEYUF		29.66	8.9	11.6	10.3	22	0.74
	Birchcliff Energy Ltd.	BIREF	CB	6.83	18.6	13.6	8.8	32	-
	Continental Resources (32%)	CLR	B	115.92	11.4	8.3	8.1	19	-
	Halcón Resources	HK		4.80	5.4	9.6	8.1	11	-
	WPX Energy Inc.	WPX		18.66	8.0	9.8	7.9		-
	Cimarex Energy Company	XEC	B	105.10	7.5	8.2	7.0	17	0.56
	Whiting Petroleum Corporation	WLL	B	65.82	8.4	5.4	4.9	13	-
	<i>Median</i>				8.9	9.8	8.1	20	
RTF Cash Payers									
	San Juan Basin Royalty Trust	SJT	B	15.92	9.6	17.6	13.3	16	0.97
	Sabine Royalty Trust	SBR		51.99	9.2	15.6	12.6	13	4.11
	Freehold Royalties Ltd.	FRHLF		22.15	4.8	11.3	11.9	27	1.60
	Dorchester Minerals, L.P.	DMLP	B	24.85	7.0	11.4	10.9	18	1.81
	Cross Timbers Royalty Trust	CRT		29.17	12.3	14.8	10.2	11	2.60
	Mesa RoyaltyTrust	MTR		21.79	5.0	12.9	9.4	11	1.90
	Hugoton RoyaltyTrust	HGT		7.08	12.8	13.5	8.0	10	0.74
	Permian Basin RT	PBT		14.32	12.7	10.0	8.0	12	1.15
	Enduro Royalty Trust	NDRO		12.15	6.2	10.5	7.5	8	1.49
	<i>Median</i>				9.2	12.9	10.2	12	
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 September 30, 2014; P/E = Stock Price to									
Earnings; PV = Present Value of oil and gas and other businesses									



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Table 4									
McDep Energy Stocks									
Total Return and Enterprise Value Momentum									
Ranked by EV/200-Day Average									
				Equity					
			Price	Total					
			(\$/sh)	Return	Enterprise Value/				
	Symbol		11-Nov	YTD	52Wk	52Wk	50 Day	200 Day	McDep
	Rating		2013	(%)	High	Low	Avg.	Avg.	Ratio
Global Integrated									
Total S.A.	TOT	H	59.05	21	0.96	1.20	1.01	1.09	0.79
Exxon Mobil Corporation	XOM	B	92.96	8	0.98	1.08	1.05	1.03	0.93
Lukoil Oil Company	LUKOY	B	63.00	2	0.94	1.14	1.00	1.01	0.50
Chevron Corporation	CVX	H	121.08	12	0.95	1.17	1.00	1.00	0.83
Royal Dutch Shell plc	RDS-A	H	66.33	1	0.93	1.04	1.01	1.00	0.73
	<i>Median</i>			8	0.95	1.14	1.01	1.01	0.79
U.S. Independent									
EOG Resources, Inc.	EOG	H	171.45	52	0.92	1.44	1.00	1.17	0.96
ConocoPhillips	COP	H	73.56	32	0.99	1.24	1.03	1.11	0.79
Occidental Petroleum Corp.	OXY	H	97.01	30	0.98	1.29	1.04	1.08	0.91
Devon Energy Corporation	DVN	B	60.71	25	0.93	1.13	1.01	1.04	0.69
Marathon Oil Corporation	MRO	B	36.29	17	0.97	1.16	1.02	1.03	0.79
	<i>Median</i>			30	0.97	1.24	1.02	1.08	0.79
Canada/Australia									
Imperial Oil Limited (30%)	IMO	H	42.69	1	0.94	1.11	0.99	1.02	0.86
Woodside Petroleum Ltd.	WOPEY	H	36.73	10	0.93	1.15	1.01	1.02	1.02
EnCana Corporation	ECA	CB	18.13	(7)	0.87	1.06	1.02	1.00	0.71
Canadian Oil Sands Limited	COSWF	CB	19.60	1	0.92	1.07	1.00	0.99	0.63
Cenovus Energy Inc.	CVE	H	28.76	(11)	0.86	1.04	0.98	0.96	0.74
	<i>Median</i>			1	0.92	1.07	1.00	1.00	0.74
Small Cap Independent Producers									
Cimarex Energy Company	XEC	B	105.10	85	0.94	1.68	1.08	1.29	0.86
Continental Resources (32%)	CLR	B	115.92	62	0.96	1.54	1.07	1.21	0.97
Whiting Petroleum Corporation	WLL	B	65.82	56	0.95	1.41	1.08	1.20	0.91
PDC Energy	PDCE		59.08	96	0.84	1.79	0.95	1.10	1.23
Peyto Exploration and Development	PEYUF		29.66	29	0.94	1.28	1.01	1.06	0.89
WPX Energy Inc.	WPX		18.66	49	0.86	1.18	0.95	1.02	0.80
Range Resources	RRC	B	74.85	21	0.90	1.17	0.98	0.98	0.86
Birchcliff Energy Ltd.	BIREF	CB	6.83	(5)	0.83	1.01	0.99	0.93	0.65
Halcón Resources	HK		4.80	(22)	0.78	1.03	0.99	0.91	0.85
	<i>Median</i>			49	0.90	1.28	0.99	1.06	0.86
RTF Cash Payers									
Permian Basin RT	PBT		14.32	25	0.88	1.20	1.00	1.06	0.80
Dorchester Minerals, L.P.	DMLP	B	24.85	30	0.97	1.25	1.03	1.04	0.96
Sabine Royalty Trust	SBR		51.99	37	0.95	1.34	1.01	1.03	0.81
Cross Timbers Royalty Trust	CRT		29.17	18	0.91	1.24	0.99	1.02	0.69
San Juan Basin Royalty Trust	SJT	B	15.92	23	0.89	1.29	0.97	1.00	0.76
Freehold Royalties Ltd.	FRHLF		22.15	7	0.91	1.09	0.97	0.97	1.05
Mesa RoyaltyTrust	MTR		21.79	20	0.83	1.17	0.97	0.95	0.73
Hugoton RoyaltyTrust	HGT		7.08	5	0.71	1.06	0.93	0.84	0.59
Enduro Royalty Trust	NDRO		12.15	(16)	0.65	1.03	0.87	0.78	0.71
	<i>Median</i>			20	0.89	1.20	0.97	1.00	0.76

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

Source: Bloomberg, Yahoo, McDep LLC



Meter Reader

A Weekly Analysis of Oil and Gas Stocks

November 12, 2013

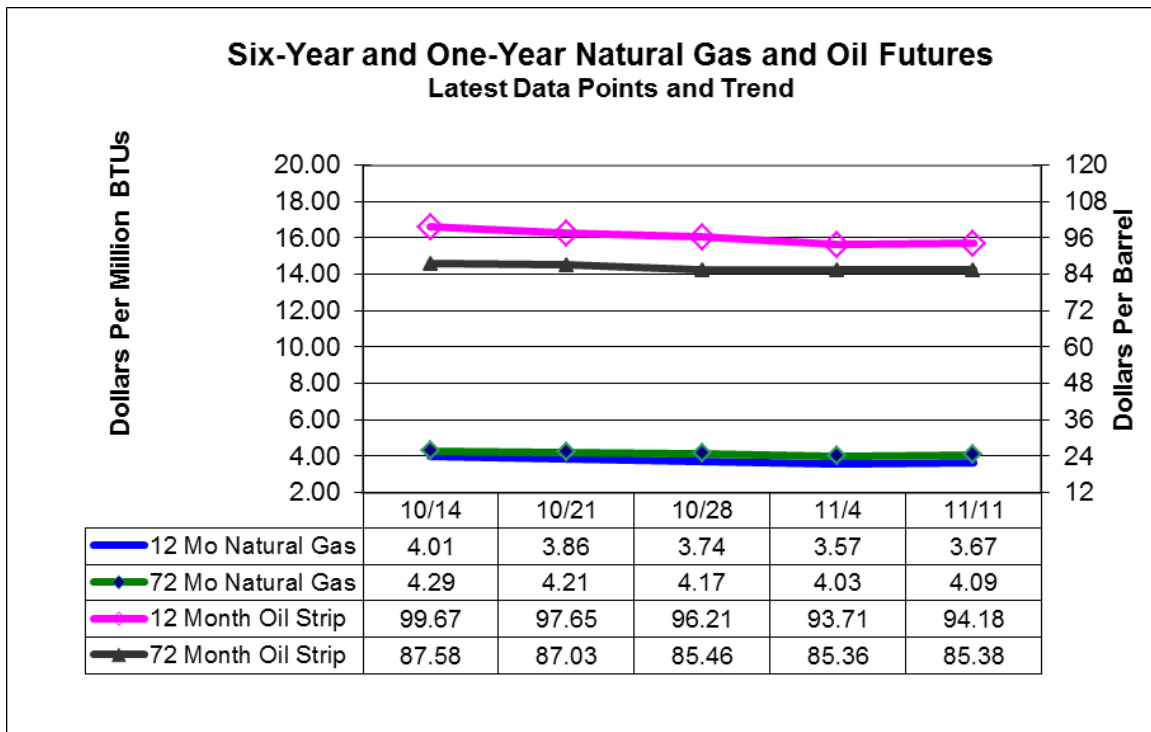
Index of Recent Research			
Stock Ideas			
<u>Date</u>	<u>Symbol</u>	<u>Subject</u>	<u>Theme</u>
8-Nov	DMLP	Dorchester Minerals, L.P.	Oil up 6% a Quarter
5-Nov	COSWF	Canadian Oil Sands Ltd.	Time to Explore New Options (Meter Reader)
31-Oct	RRC	Range Resources	Core Owner in Largest Producing Field
29-Oct	WLL	Whiting Petroleum	Fracking Productivity Leaps 50% (Meter Reader)
25-Oct	ECA	Encana Corporation	San Juan Oil Upgraded to Commercial from Emerging
22-Oct	DVN	Devon Energy	Transaction Doubles Midstream Value (Meter Reader)
4-Oct	NDRO	Enduro Royalty Trust	Worth Another Look after Stock Price Decline
27-Sep	WPX	WPX Energy	San Juan Basin Innovator (Income and Small Cap Weekly)
24-Sep	XOM	Exxon Mobil	Fracking Firms Long-Term Value (Meter Reader)
20-Sep	WLL	Whiting Petroleum	Activity Attracts Attention (Income and Small Cap Weekly)
17-Sep	COP	ConocoPhillips	Fracking Upside in Eagle Ford, Bakken and Permian (Meter Reader)
13-Sep	CRT	Cross Timbers Royalty Trust	Fracking Upside in Permian and Scoop (Income and Small Cap Weekly)
10-Sep	OXY	Occidental Petroleum	Permian Late Bloomer (Meter Reader)
3-Sep	LUKOY	Lukoil	Competitive Trends at Half Price (Meter Reader)
16-Aug	BIREF	Birchcliff Energy	Buy Natural Gas in Summer
16-Aug	CLR	Continental Resources	Raise NPV to \$120 from \$110 on More Oil Growth (ISCW)
13-Aug	DVN	Devon Energy	Raise NPV to \$100 from \$92 on Oil Gains (Meter Reader)
6-Aug	RDSA	Royal Dutch Shell plc	Value Choice after Latest Results (Meter Reader)
30-Jul	ECA, IMO	Encana, Imperial Oil	Buy Encana, Hold Imperial Oil (Meter Reader)
23-Jul	WOPEY	Woodside Petroleum, Ltd.	Distributing LNG Cash (Meter Reader)
19-Jul	SJT	San Juan Basin Royalty Trust	Acreage 75% in Liquids-Rich Shale Zone (Income and Small Cap Weekly)
16-Jul	COSWF, SU	Canadian Oil Sands Ltd, Suncor	Buy Canadian Oil Sands, Hold Suncor (Meter Reader)
12-Jul	PBT	Permian Basin Royalty Trust	Stock Price Recovering from Short-Term Overreaction
9-Jul	MRO	Marathon Oil	Bakken Strengthens (Meter Reader)
5-Jul	LINE	Linn Energy	Stock Undervalued while SEC Probes (Income and Small Stock Weekly)
7-Jun	XEC	Cimarex Energy	Uncovering Culberson Value (Income and Small Cap Weekly)
31-May	HGT	Hugoton Royalty Trust	Beating the Bear (Income and Small Cap Weekly)
14-May	EOG	EOG Resources	Raise NPV to \$180 on More Big Wells (Meter Reader)
30-Apr	TOT	Total	Recovery Potential (Meter Reader)
19-Apr	HK	Halcón Resources	Fourth Core Area - El Halcón ("The Hawk") (Inc. and Small Cap Wkly)
16-Apr	CVX	Chevron	Deflation Resistance (Meter Reader)
12-Apr	MTR	Mesa Royalty Trust	RTF Stealth Play on Long-Life Natural Gas (Income and Small Cap Wkly)
5-Apr	SBR	Sabine Royalty Trust	Accelerating Volume Growth (Income and Small Cap Weekly)
28-Mar	PEYUF	Peyto Exploration and Development	Raise NPV to \$32 for Fracking Winner (Income and Small Cap Weekly)
11-Jan	PDCE	PDC Energy	Mancos (Niobrara) Winner (Income and Small Cap Weekly)
For historical research by stock, go to mcdep.com , click on Stock Ideas , click on stock by name.			
Meter Reader			
5-Nov	COSWF	Canadian Oil Sands Ltd.	Time to Explore New Options
29-Oct	WLL	Whiting Petroleum	Fracking Productivity Leaps 50%
22-Oct	DVN	Devon Energy	Transaction Doubles Midstream Value
15-Oct			U.S. Natural Gas Net Exports by 2018
8-Oct			U.S. Energy Independence Anticipation Advancing
1-Oct			Sharpen Focus to Wider Public Ownership and Lower Debt
For earlier editions, go to mcdep.com , click on Meter Reader .			
Income and Small Cap Weekly (merged into Meter Reader 10/1/13)			
Industry Ideas			
22-Oct		RTF Cash Payers	Oil Rising



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