

## Value Buoyed by Calendar and Chart

### Summary and Recommendation

Low McDep Ratios of 0.77, 0.76 and 0.60 respectively highlight undervaluation in buy recommendations **PetroChina (PTR)**, **Chevron (CVX)** and **Devon Energy (DVN)**. Timing also looks encouraging by both the calendar and the stock price chart. October is the last month to buy before the favorable November to May seasonal cycle. Late 2006 is the last time to buy before the stronger years of the four-year U.S. presidential cycle. On the charts, each of the buy issues trades in a stock price sweet spot with positive momentum above the 200-day average and at a near-term discount below the 60-day average. PTR, CVX and DVN have full, double and double weightings respectively in the McDep Energy Portfolio (see table on page 3, [Portfolio Composite of Buy Recommendations](#)). Meanwhile, in addition to the usual tables of weekly commodity price (p.2), McDep Ratio (p. 4) and unlevered cash flow multiple (p. 5) we explore in greater detail this week the correlation of cash flow with present value, the denominator of the McDep Ratio.

### Present Value Correlates with Unlevered Cash Flow Multiple

Companies will soon be reporting latest quarterly results that give updated input that we use to adjust projected results for the next four quarters, or twelve months. We use that for annual valuation measures like cash flow, earnings and dividends or distributions. Of those measures, cash flow, more specifically unlevered cash flow (Ebitda), is the most useful to compare to estimated present value. We further break down cash flow and present value by four lines of business---North American natural gas, Rest of World natural gas, oil production and downstream. Each line of business has a distinct correlation between cash flow multiple and adjusted reserve life in the case of the natural gas and oil production businesses and to a simple median for downstream.

Because our cash flow projections for the next year take natural gas and oil price from the futures market, the numbers are changing continuously as we input the latest results, usually once or twice a week. Currently North American natural gas is low relative to oil, thus present value as a multiple of cash flow is higher than for oil. Since futures aren't too helpful in projecting downstream cash flow, that projection does not change frequently.

Obviously, there are many factors not captured in a simple correlation. Statistically, the current correlations explain 74%, 61% and 77% respectively of the variation in NA natural gas, ROW natural gas and oil. When all the businesses are combined into a single cash flow multiple, a simple correlation explains 51% of present value.

The logic of the correlation is sound, i.e. cash flow would last longer with a longer reserve life and if cash flow lasts longer, it should have higher present value. Consider that the rate of return we assume in our present value calculation is 7% per year real, the ultimate cash flow multiple would be the reciprocal of that, or 14 times for a cash flow stream that is constant for an indefinite period as for a Canadian oil sands mining and upgrading facility. Natural gas and oil

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fields typically decline steadily unless new wells are drilled or enhanced recovery techniques are applied. The cash flow multiple for declining patterns is less than for flat patterns of cash flow. The multiple is calculated as present value divided by first year's production, an amount that would be higher than average and thus the multiple would be lower.

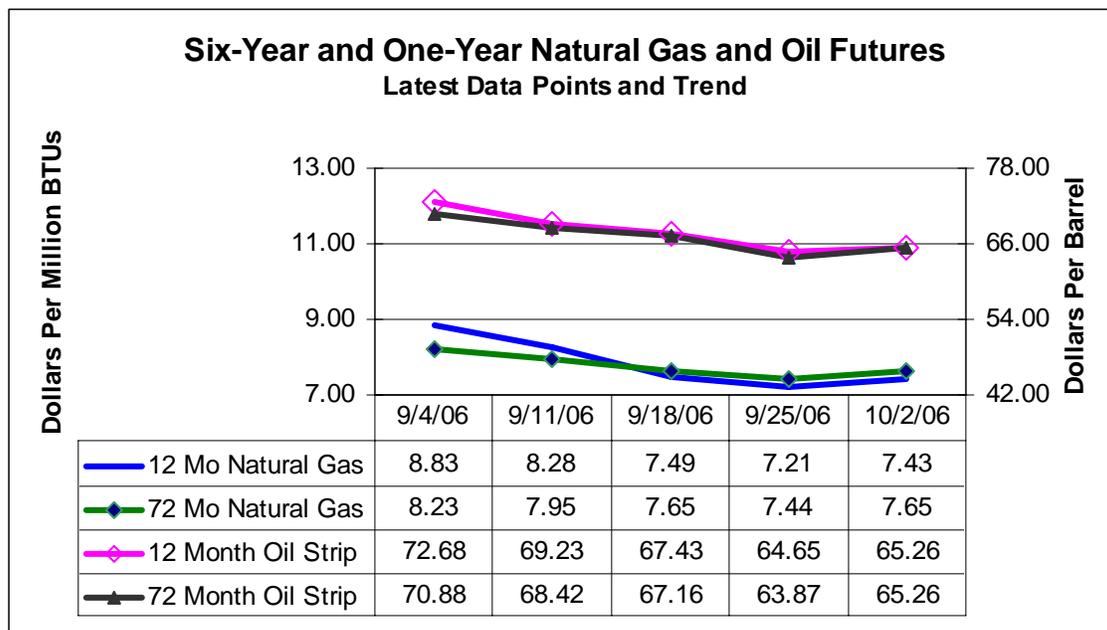
The correlation has a basis in market values. A simple correlation of the market unlevered cash flow multiple, EV/Ebitda, with adjusted reserve life explains 31% of variation in enterprise value. The weaker correlation in the aggregate is justification for the separate line of business analysis.

Charts illustrate how closely the correlations fit (see charts on page 6). The individual points can be traced to companies in the following tables while we leave discussion of the differences for separate analyses. On the final chart for Global Oil Production we display both a straight line and a curved line. The comparisons in the tables to the straight line keep it simple, but the curved, or logarithmic, line is more realistic.

Note that the correlation overstates cash flow multiple for short life. How can a company with a four year life have a six times multiple? One explanation may be that reserves are conservatively stated and the incremental volumes are likely to be produced sooner for a short life company than for a long-life company. Though present value is usually limited to proven reserves it presumes some additional value for short life companies associated with proven reserves.

We list the cash flow multiples, PV/CF, for more than \$2 trillion of value in the public companies in our coverage (see table on page 7, Present Value by Line of Business). Detail is expanded to include reserve life adjusted with undeveloped reserves counted at half the weight for developed reserves (see table on page 8, Reserve Life and Cash Flow Multiple).

Kurt H. Wulff, CFA



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**Oil and Gas Producers  
Portfolio Composite of Buy Recommendations**

Symbol	Price (US\$/sh) 2-Oct 2006	Portfolio Weight		Non- U.S. Home (%)	North Amer. Natural Gas (%)	Rest of World Natural Gas (%)	Oil Prod'n (%)	Down- stream (%)	McDep Ratio	
		Equity (%)	EV (%)							
<b>Mega Cap</b>										
Exxon Mobil Corporation	XOM	67.00	3.3	2.9		0.2	0.7	1.2	0.9	0.86
BP plc	BP	65.38	2.8	2.9	2.9	0.2	0.3	1.4	1.0	0.85
Total S.A.	TOT	65.27	2.9	2.9	2.9		0.9	1.2	0.8	0.84
Royal Dutch Shell plc	RDS-A	65.71	3.0	2.9	2.9	0.1	0.5	1.1	1.2	0.80
Gazprom	OGZPY	43.50	9.6	8.8	8.8		8.8			0.79
Chevron Corporation	CVX	64.51	6.0	5.9		0.4	0.6	3.3	1.6	0.76
ConocoPhillips	COP	58.55	4.8	5.9		0.9	0.5	2.9	1.5	0.67
<b>Producer/Refiners - Large Cap and Mid Cap</b>										
Petro-Canada	PCZ	39.59	1.4	1.5	1.5	0.2	0.0	1.0	0.2	0.84
Marathon Oil Corporation	MRO	75.65	1.4	1.5		0.2	0.1	0.5	0.6	0.80
PetroChina Company Ltd.	PTR	106.41	3.3	2.9	2.9		0.2	2.5	0.2	0.77
Suncor Energy	SU	70.01	1.6	1.5	1.5	0.0		1.3	0.1	0.75
Norsk Hydro ASA	NHY	21.70	1.4	1.5	1.5		0.4	0.6	0.5	0.74
Lukoil Oil Company	LUKOY	75.00	6.8	5.9	5.9			4.4	1.5	0.69
<b>Independent Natural Gas and Oil - Large Cap and Mid Cap</b>										
CNOOC Limited	CEO	82.21	3.5	2.9	2.9		0.3	2.6		0.84
XTO Energy Inc.	XTO	41.49	2.7	2.9		2.2		0.7		0.83
Encana Corporation	ECA	46.41	2.9	2.9	2.9	2.2		0.7		0.80
Anadarko Petroleum Corp.	APC	43.06	1.4	2.9		1.7		1.2		0.76
EOG Resources	EOG	64.55	6.2	5.9		4.6	0.4	0.9		0.72
Occidental Petroleum Corp	OXY	47.21	3.1	2.9		0.4	0.0	2.2	0.3	0.71
Devon Energy Corporation	DVN	61.50	5.4	5.9		3.2		2.7		0.60
<b>Independent Natural Gas and Oil - Small Cap</b>										
Energy Partners Ltd.	EPL	24.45	0.9	1.5		0.8		0.6		0.88
Berry Petroleum Company	BRY	27.35	1.3	1.5		0.2		1.3		0.76
Cimarex Energy Company	XEC	34.34	2.9	2.9		2.0		1.0		0.55
Encore Acquisition Comp	EAC	23.47	2.3	2.9		0.7		2.2		0.54
<b>Income</b>										
Penn West Energy Trust	PWE	35.69	6.0	5.9	5.9	1.8		4.1		0.93
San Juan Basin Royalty Tr	SJT	34.90	6.9	5.9		5.9				0.87
Canadian Oil Sands Trust	COSWF	26.29	6.2	5.9	5.9			5.9		0.77
<b>Portfolio Composite</b>			<b>100</b>	<b>100</b>	<b>49</b>	<b>28</b>	<b>14</b>	<b>48</b>	<b>10</b>	<b>0.75</b>

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**Oil and Gas Producers**  
**Rank by McDep Ratio: Market Cap and Debt to Present Value**

	Symbol/ Rating		Price (US\$/sh) 2-Oct 2006	Shares (mm)	Market Cap (US\$m)	Net Present Value (US\$/sh)	Debt/ Present Value	McDep
<b>Mega Cap</b>								
Exxon Mobil Corporation	XOM	B	67.00	6,030	404,000	78.00	0.04	0.86
BP plc	BP	B	65.38	3,362	220,000	80.00	0.16	0.85
Total S.A.	TOT	B	65.27	2,323	152,000	80.00	0.13	0.84
Royal Dutch Shell plc	RDS-A	B	65.71	3,242	213,000	84.00	0.10	0.80
Gazprom (50%)	OGZPY	B	43.50	2,845	123,800	56.00	0.06	0.79
Chevron Corporation	CVX	B	64.51	2,206	142,000	88.00	0.10	0.76
ConocoPhillips	COP	B	58.55	1,678	98,000	100.00	0.21	0.67
<i>Total or Median</i>					<i>1,353,000</i>		<i>0.10</i>	<i>0.80</i>
<b>Producer/Refiners - Large Cap and Mid Cap</b>								
Kinder Morgan, Inc.	KMI	S2	104.76	135	14,140	33.00	0.75	1.54
Imperial Oil Limited (30%)	IMO	H	32.82	295	9,690	37.00	0.08	0.90
Petro-Canada	PCZ	B	39.59	512	20,270	49.00	0.18	0.84
Marathon Oil Corporation	MRO	B	75.65	367	27,760	98.00	0.14	0.80
PetroChina Company Ltd (10%)	PTR	B	106.41	179	19,050	140.00	0.04	0.77
Suncor Energy	SU	B	70.01	461	32,280	95.00	0.06	0.75
Norsk Hydro ASA	NHY	B	21.70	1,247	27,060	31.00	0.14	0.74
Lukoil Oil Company	LUKOY	B	75.00	830	62,000	110.00	0.01	0.69
<i>Total or Median</i>					<i>212,000</i>		<i>0.11</i>	<i>0.79</i>
<b>Independent Natural Gas and Oil - Large Cap and Mid Cap</b>								
CNOOC Limited (29%)	CEO	B	82.21	119	9,800	98.00	-	0.84
XTO Energy Inc.	XTO	B	41.49	369	15,310	52.00	0.18	0.83
Encana Corporation	ECA	B	46.41	845	39,200	60.00	0.13	0.80
Anadarko Petroleum Corp.	APC	B	43.06	463	19,900	77.00	0.46	0.76
EOG Resources	EOG	B	64.55	246	15,900	92.00	0.07	0.72
Occidental Petroleum Corp.	OXY	B	47.21	868	41,000	69.00	0.08	0.71
Devon Energy Corporation	DVN	B	61.50	446	27,400	115.00	0.13	0.60
<i>Total or Median</i>					<i>169,000</i>		<i>0.13</i>	<i>0.76</i>
<b>Independent Natural Gas and Oil - Small Cap</b>								
Energy Partners Ltd.	EPL	B	24.45	75	1,830	31.00	0.44	0.88
Berry Petroleum Company	BRY	B	27.35	45	1,230	39.00	0.19	0.76
Cimarex Energy Company	XEC	B	34.34	85	2,920	68.00	0.09	0.55
Encore Acquisition Company	EAC	B	23.47	54	1,260	54.00	0.19	0.54
<i>Total or Median</i>					<i>7,200</i>		<i>0.19</i>	<i>0.65</i>
<b>Income</b>								
Kinder Morgan Energy Partners, L.P.	KMP	S3	43.75	165	7,210	15.00	0.56	1.85
Kinder Morgan Management, LLC	KMR	S3	42.10	60	2,500	15.00	0.56	1.80
Enerplus Resources Fund	ERF		49.49	123	6,090	47.00	0.11	1.05
Pengrowth Energy Trust	PGH		19.50	161	3,150	20.00	0.17	0.98
Penn West Energy Trust	PWE	B	35.69	246	8,780	39.00	0.13	0.93
San Juan Basin Royalty Trust	SJT	B	34.90	47	1,630	40.00	-	0.87
Canadian Oil Sands Trust	COSWF	B	26.29	466	12,250	35.00	0.09	0.77
<i>Total or Median</i>					<i>41,600</i>		<i>0.13</i>	<i>0.98</i>

B = Buy, S2 = Short half unlevered position, S3 = Short quarter unlevered position, H = Hold

Present Value = Shares times Net Present Value divided by (1-Debt/Present Value).

Debt = Present Value times Debt/Present Value

McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses

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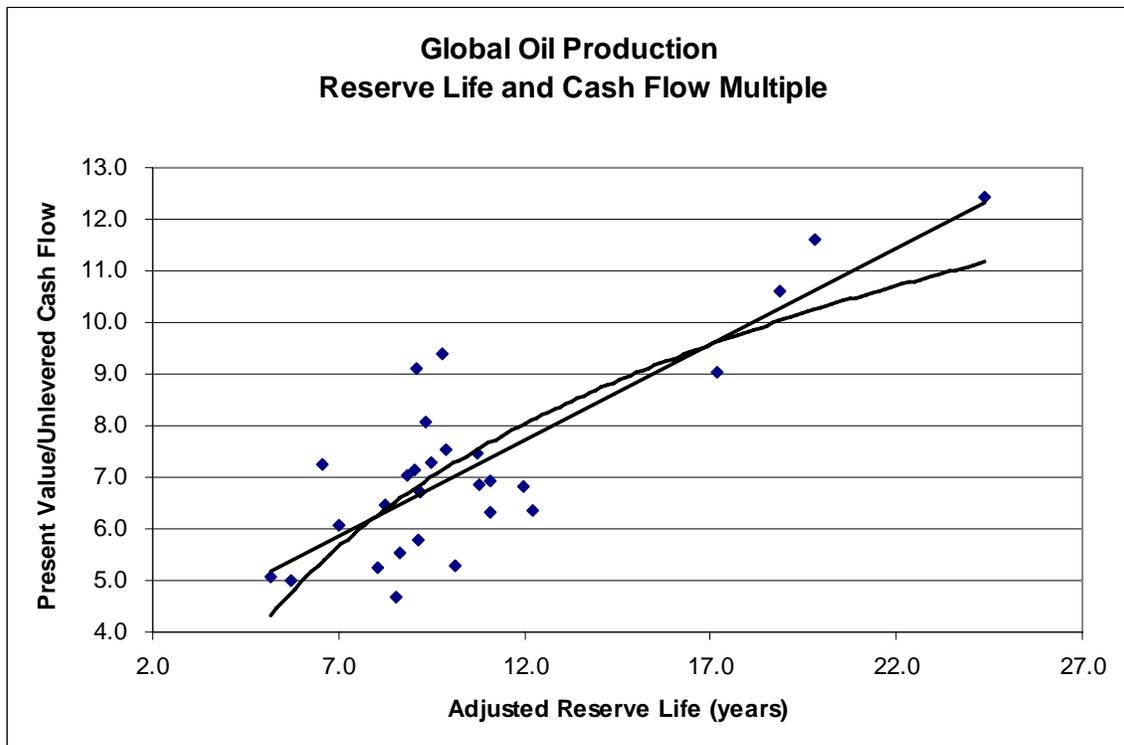
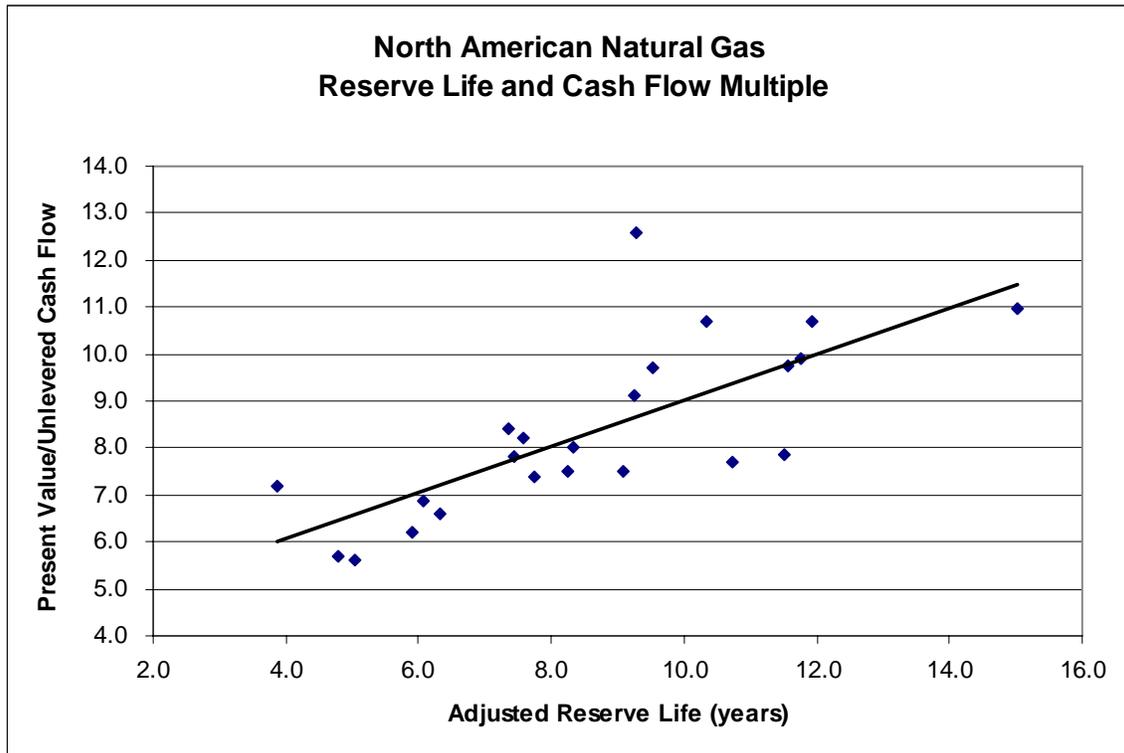
**Oil and Gas Producers**

**Rank by EV/Ebitda: Enterprise Value to Earnings Before Interest, Tax, Deprec.**

	Symbol/ Rating		Price (US\$/sh) 2-Oct 2006	Adjstd Resrvs/ Prod NTM	PV/ Ebitda NTM	EV/ Ebitda NTM	P/E NTM	Divd or Distrib NTM (%)
<b>Mega Cap</b>								
Gazprom (50%)	OGZPY	B	43.50	24.0	9.1	7.2	13	0.5
BP plc	BP	B	65.38	9.3	7.2	6.1	10	3.6
Exxon Mobil Corporation	XOM	B	67.00	11.4	6.7	5.8	10	1.9
Total S.A.	TOT	B	65.27	9.8	6.7	5.6	9	3.2
Royal Dutch Shell plc	RDS-A	B	65.71	7.4	5.8	4.7	9	3.9
Chevron Corporation	CVX	B	64.51	10.9	6.2	4.7	8	3.2
ConocoPhillips	COP	B	58.55	10.9	6.0	4.0	6	2.5
	<i>Median</i>			10.9	6.7	5.6	9	3.2
<b>Producer/Refiners - Large Cap and Mid Cap</b>								
Kinder Morgan, Inc.	KMI	S2	104.76		8.8	13.5	22	3.3
Suncor Energy	SU	B	70.01	18.8	10.7	8.1	15	0.3
Imperial Oil Limited (30%)	IMO	H	32.82	10.5	8.1	7.3	12	0.9
Petro-Canada	PCZ	B	39.59	6.8	7.1	6.0	11	0.9
Lukoil Oil Company	LUKOY	B	75.00	18.9	7.8	5.4	9	1.6
PetroChina Company Ltd (10%)	PTR	B	106.41	14.7	6.4	4.9	10	4.5
Norsk Hydro ASA	NHY	B	21.70	7.9	5.7	4.2	8	3.1
Marathon Oil Corporation	MRO	B	75.65	8.6	4.8	3.9	6	1.7
	<i>Median</i>			10.5	7.5	5.7	10	1.7
<b>Independent Natural Gas and Oil - Large Cap and Mid Cap</b>								
XTO Energy Inc.	XTO	B	41.49	11.6	9.0	7.5	14	0.5
EOG Resources	EOG	B	64.55	9.7	9.5	6.8	16	0.4
Anadarko Petroleum Corp.	APC	B	43.06	11.2	8.3	6.3	10	1.7
Encana Corporation	ECA	B	46.41	8.7	7.2	5.8	14	0.9
Occidental Petroleum Corp.	OXY	B	47.21	10.6	7.4	5.3	10	1.9
Devon Energy Corporation	DVN	B	61.50	8.7	8.0	4.8	9	0.7
CNOOC Limited (29%)	CEO	B	82.21	10.6	5.5	4.6	8	3.4
	<i>Median</i>			10.6	8.0	5.8	10	0.9
<b>Independent Natural Gas and Oil - Small Cap</b>								
Berry Petroleum Company	BRY	B	27.35	9.9	7.5	5.7	14	1.1
Energy Partners Ltd.	EPL	B	24.45	6.2	6.1	5.3		-
Encore Acquisition Company	EAC	B	23.47	14.9	8.6	4.7	10	-
Cimarex Energy Company	XEC	B	34.34	7.8	7.6	4.2	10	0.5
	<i>Median</i>			8.9	7.6	5.0	10	0.2
<b>Income</b>								
Kinder Morgan Energy Partners, L.P.	KMP	S3	43.75		7.9	14.6	24	7.4
Kinder Morgan Management, LLC	KMR	S3	42.10		7.9	14.2	23	7.7
San Juan Basin Royalty Trust	SJT	B	34.90	9.3	12.6	11.0	14	7.1
Canadian Oil Sands Trust	COSWF	B	26.29	24.4	12.4	9.6	13	7.2
Enerplus Resources Fund	ERF		49.49	9.4	8.0	8.4	19	9.1
Penn West Energy Trust	PWE	B	35.69	8.0	8.5	7.9	14	10.2
Pengrowth Energy Trust	PGH		19.50	7.9	7.2	7.0	11	13.8
	<i>Median</i>			9.3	8.0	9.6	14	7.7

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended September 30, 2007; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses

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**Oil and Gas Producers  
Present Value by Line of Business**

		<i>North American</i>		<i>Rest of World</i>		<i>Oil Production</i>		<i>Downstream</i>		<i>Total</i>
		<i>PV/ CF</i>	<i>PV (US\$mm)</i>	<i>PV/ CF</i>	<i>PV (US\$mm)</i>	<i>PV/ CF</i>	<i>PV (US\$mm)</i>	<i>PV/ CF</i>	<i>PV (US\$mm)</i>	<i>(US\$mm)</i>
<b>Mega Cap</b>										
BP plc	BP	10.7	23,000	7.6	36,000	7.0	156,000	6.7	105,000	320,000
ConocoPhillips	COP	7.9	34,000	7.6	18,000	5.3	105,000	6.2	56,000	213,000
Chevron Corporation	CVX	6.6	14,000	7.1	21,000	6.3	123,000	5.6	58,000	216,000
Gazprom	OGZPY			9.1	339,000					339,000
Royal Dutch Shell plc	RDS-A	5.6	10,000	7.4	55,000	5.0	118,000	6.3	120,000	303,000
Total S.A.	TOT			7.7	64,000	5.8	90,000	7.3	60,000	214,000
Exxon Mobil Corporation	XOM	11.0	40,000	9.5	110,000	5.5	193,000	6.3	145,000	488,000
<i>Total or Median</i>										1,773,000
<b>Producer/Refiners - Large Cap and Mid Cap</b>										
Imperial Oil Limited	IMO	7.2	3,500			9.1	27,900	6.1	8,000	39,000
Lukoil Oil Company	LUKOY					10.6	68,900	4.4	23,400	92,300
Marathon Oil Corporation	MRO	6.2	4,600	6.8	3,600	4.7	15,400	4.4	18,000	41,600
Norsk Hydro ASA	NHY			8.9	11,500	5.1	17,000	5.1	16,500	45,000
Petro-Canada	PCZ	8.2	5,000	6.7	1,000	7.2	20,300	5.8	4,500	30,800
PetroChina Company Ltd	PTR			8.8	21,000	6.4	218,000	5.8	22,000	261,000
Suncor Energy	SU	7.5	1,500			11.6	42,600	5.4	2,700	46,800
<i>Total or Median</i>										517,500
<b>Independent Natural Gas and Oil - Large Cap and Mid Cap</b>										
Anadarko Petroleum Corp.	APC	9.8	37,400			6.9	26,700			64,100
CNOOC Limited	CEO			9.3	4,300	5.3	36,000			40,300
Devon Energy Corporation	DVN	8.0	32,500			8.1	26,700			59,200
Encana Corporation	ECA	7.4	44,000			6.8	14,400			58,400
Occidental Petroleum Corp.	OXY	9.7	8,000		500	7.5	49,900	5.4	7,000	65,400
EOG Resources	EOG	10.7	19,000	8.1	1,700	6.1	3,700			24,400
XTO Energy Inc.	XTO	9.9	17,700			6.9	5,600			23,300
<i>Total or Median</i>										271,000
<b>Independent Natural Gas and Oil - Small Cap</b>										
Berry Petroleum Company	BRY	7.5	300			7.5	1,850			2,150
Encore Acquisition Company	EAC	7.7	900			9.0	2,650			3,550
Energy Partners Ltd.	EPL	5.7	2,400			6.7	1,790			4,190
Cimarex Energy Company	XEC	7.8	4,300			7.1	2,070			6,370
<i>Total or Median</i>										16,260
<b>Income</b>										
Canadian Oil Sands Trust	COSWF					12.4	17,900			17,900
Enerplus Resources Fund	ERF	9.1	3,100			7.3	3,420			6,520
Pengrowth Energy Trust	PGH	8.4	1,600			6.5	2,260			3,860
Penn West Energy Trust	PWE	6.9	3,300			9.4	7,700			11,000
San Juan Basin Royalty Trust	SJT	12.6	1,860							1,860
<i>Total or Median</i>										16,720

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**Oil and Gas Producers**  
**Reserve Life and Cash Flow Multiple**

		North American			Rest of World			Oil Production			Total Upstream		
		Adj R/P	PV/CF	versus Correl	Adj R/P	PV/CF	versus Correl	Adj R/P	PV/CF	versus Correl	Adj R/P	PV/CF	versus Correl
<b>Mega Cap</b>													
BP plc	BP	11.9	10.7	0.7	9.6	7.6	(0.0)	8.8	7.0	0.4	9.3	7.4	0.4
ConocoPhillips	COP	11.5	7.9	(1.9)	13.8	7.6	(0.6)	10.2	5.3	(1.8)	10.9	5.9	(1.7)
Chevron Corporation	CVX	6.3	6.6	(0.6)	12.9	7.1	(0.9)	11.1	6.3	(1.2)	10.9	6.4	(1.1)
Gazprom	OGZPY				24.0	9.1	(0.2)				24.0	9.1	-
Royal Dutch Shell plc	RDS-A	5.0	5.6	(1.0)	10.7	7.4	(0.4)	5.7	5.0	(0.4)	7.4	5.6	(0.4)
Total S.A.	TOT				11.0	7.7	(0.1)	9.1	5.8	(1.0)	9.8	6.4	(0.7)
Exxon Mobil Corporation	XOM	15.0	11.0	(0.5)	16.7	9.5	1.0	8.6	5.5	(1.0)	11.4	6.8	(0.5)
<i>Total or Median</i>													
<b>Producer/Refiners - Large Cap and Mid Cap</b>													
Imperial Oil Limited	IMO	3.9	7.2	1.2				9.1	9.1	5.4	10.5	12.4	4.6
Lukoil Oil Company	LUKOY							18.9	10.6	(0.0)	18.9	10.6	(0.0)
Marathon Oil Corporation	MRO	5.9	6.2	(0.8)	13.0	6.8	(1.3)	8.5	4.7	(1.8)	8.6	5.2	(1.6)
Norsk Hydro ASA	NHY				14.0	8.9	0.8	5.2	5.1	(0.1)	7.9	6.1	0.2
Petro-Canada	PCZ	7.6	8.2	0.4	5.6	6.7	(0.5)	6.6	7.2	1.5	6.8	7.4	1.3
PetroChina Company Ltd	PTR				23.1	8.8	(0.4)	12.2	6.4	(1.6)	14.7	6.5	(1.5)
Suncor Energy	SU	8.2	7.5	(0.7)				19.8	11.6	0.6	18.8	11.4	0.5
<i>Total or Median</i>													
<b>Independent Natural Gas and Oil - Large Cap and Mid Cap</b>													
Anadarko Petroleum Corp.	APC	11.6	9.8	(0.0)				10.8	6.9	(0.5)	11.2	8.3	(0.3)
CNOOC Limited	CEO				21.6	9.3	0.3	8.0	5.3	(1.0)	10.6	5.5	(0.9)
Devon Energy Corporation	DVN	8.3	8.0	(0.2)				9.3	8.1	1.3	8.7	8.0	0.5
Encana Corporation	ECA	7.8	7.4	(0.5)				12.0	6.8	(1.0)	8.7	7.2	(0.7)
Occidental Petroleum Corp.	OXY	9.5	9.7	0.9	11.4	9.7	1.8	10.7	7.5	0.1	10.6	7.7	0.2
EOG Resources	EOG	10.3	10.7	1.5	9.5	8.1	0.4	7.0	6.1	0.2	9.7	9.4	-
XTO Energy Inc.	XTO	11.8	9.9	0.0				11.1	6.9	(0.6)	11.6	9.0	(0.2)
<i>Total or Median</i>													
<b>Independent Natural Gas and Oil - Small Cap</b>													
Berry Petroleum Company	BRY	9.1	7.5	(1.1)				9.9	7.5	0.5	9.9	6.6	(0.6)
Encore Acquisition Company	EAC	10.7	7.7	(1.7)				17.2	9.0	(0.9)	14.9	8.7	(1.1)
Energy Partners Ltd.	EPL	4.8	5.7	(0.8)				9.2	6.7	(0.1)	6.2	6.1	(0.5)
Cimarex Energy Company	XEC	7.4	7.8	0.1				9.0	7.1	0.5	7.8	7.6	0.2
<i>Total or Median</i>													
<b>Income</b>													
Canadian Oil Sands Trust	COSWF							24.4	12.4	(0.4)	24.4	12.4	(0.4)
Enerplus Resources Fund	ERF	9.2	9.1	0.5				9.5	7.3	0.4	9.4	8.0	-
Pengrowth Energy Trust	PGH	7.4	8.4	0.7				8.3	6.5	0.1	7.9	7.1	-
Penn West Energy Trust	PWE	6.1	6.9	(0.2)				9.8	9.4	2.4	8.0	8.5	-
San Juan Basin Royalty Trust	SJT	9.3	12.6	3.9							9.3	12.6	3.9
<i>Total or Median</i>													

Historical independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at [www.mcdep.com](http://www.mcdep.com). Analyses are prepared from sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Mr. Wulff is not paid by covered companies. Neither he nor his spouse trade a subject stock within a week before or after a change in rating.

**Index of Recent Research****Stock Ideas**

<u>Date</u>	<u>Symbol</u>	<u>Stock</u>	<u>Theme</u>
19-Sep	IMO	Imperial Oil Limited	Change to Hold on Oil Price Momentum
15-Sep	PTR	PetroChina Company Limited	Future Natural Gas and Downstream Profits
15-Sep	SJT	San Juan Basin Royalty Trust	Sub \$5 Natural Gas and SJT
7-Sep	EPL	Energy Partners, Ltd.	Woodside Offers \$23 a Share
6-Sep	DVN	Devon Energy Corporation	Raise NPV to \$115 a Share
29-Aug	* CEO	CNOOC Ltd	Volume Growth and Commodity Price
23-Aug	* PTR	PetroChina Company Limited	Profits despite Government Limits
15-Aug	* PWTF	Penn West Energy Trust	Marketable High Current Income
10-Aug	* BRZ	Berry Petroleum	Oil Rich
10-Aug	* EPL	Energy Partners, Ltd.	Gulf of Mexico and Natural Gas
7-Aug	* OXY	Occidental Petroleum Corporation	Positive Profit and Volume Trends
4-Aug	* EAC	Encore Acquisition Company	Abundant Appreciation Potential
4-Aug	* SU	Suncor Energy Inc.	Trading Oil Sands Leadership
4-Aug	* TOT	Total S.A.	Positioned to Profit
3-Aug	* XEC	Cimarex Energy Company	Volume Slippage
3-Aug	* DVN	Devon Energy Corporation	Best Value Large Cap Producer
2-Aug	* MRO	Marathon Oil Corporation	Raise NPV to \$98 a Share
2-Aug	* EOG	EOG Resources Inc.	Add Natural Gas to Your Portfolio
28-Jul	* CVX	Chevron Corporation	Lagging a Little Lately
28-Jul	* APC	Anadarko Petroleum Corporation	Favorable Volume Trend
28-Jul	* XOM	Exxon Mobil Corporation	Volume and Cash Advancing
28-Jul	* PCZ	Petro-Canada	Temporary Difficulties
28-Jul	* RDSA	Royal Dutch Shell plc	Share Buyback Enhances Return
26-Jul	* COP	ConocoPhillips	Raise NPV to \$100 a Share
26-Jul	* BP	BP p.l.c.	Cash Flow per Barrel Lags
26-Jul	* COSWF	Canadian Oil Sands Trust	0.7% Opportunity Loss
26-Jul	* XTO	XTO Energy Inc.	Growth Standout
25-Jul	* ECA	EnCana Corporation	Raise NPV to \$60 a Share
25-Jul	* NHY	Norsk Hydro ASA	Commodity Price Beneficiary
20-Jul	* KMX	Kinder Morgan	Focus Sharpens on Limited Partners
10-Jul	* OGZPY	Gazprom	Number One in Global Energy
30-Jun	* LUKOY	Lukoil Oil Company	Russia Stronger than Ever

**Meter Reader - A Weekly Analysis**

3-Oct		Value Buoyed by Calendar and Chart
26-Sep	*	Seasonal Scare
19-Sep	*	Oil Price Breaks Trend
12-Sep	*	A Dip to Buy

**Natural Gas and Oil Royalty Trusts - A Weekly Analysis**

29-Sep		Mesa Royalty Trust Liquidity Opportunity
22-Sep		Sub \$5 Natural Gas and CRT
15-Sep	*	Sub \$5 Natural Gas and SJT
8-Sep	*	HGT Boosts Reinvestment

**Industry Ideas**

27-Jun	*	Presentation Slides	Oil and Gas Investment to 2010
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\* Archived on [www.mcdep.com](http://www.mcdep.com)

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