



# Independent Stock Idea

June 6, 2018

## Royal Dutch Shell (RDS) Bright Future in Integrated Gas

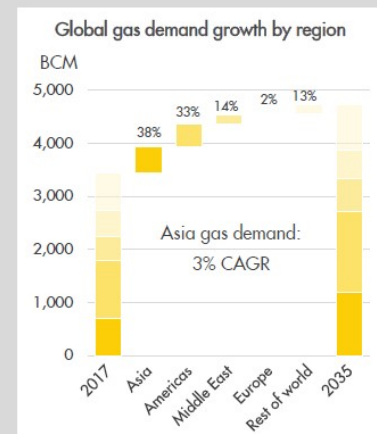
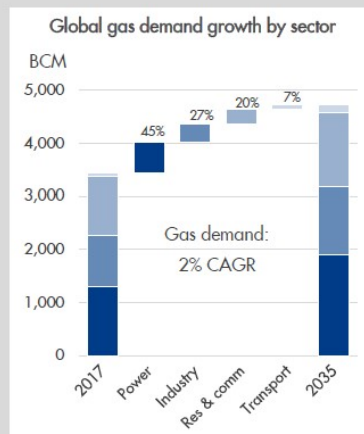
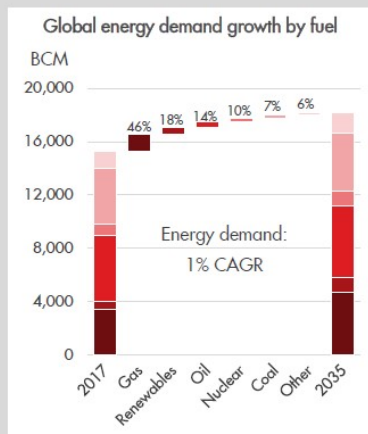
<i>Symbol</i>	RDS-B	<i>Ebitda Next Twelve Months ending 6/30/19 (US\$m)</i>	58,200
<i>Rating</i>		<i>Natural Gas/Ebitda (%)</i>	24
<i>Price (US\$/sh)</i>	71.79	<i>Natural Gas and Oil Production/Ebitda (%)</i>	73
<i>Pricing Date</i>	6/5/18	<i>Developed Reserves/Production NTM</i>	7.2
<i>Shares (mm)</i>	4189	<i>EV/Ebitda</i>	7.2
<i>Market Capitalization (US\$m)</i>	301,000	<i>PV/Ebitda</i>	9.2
<i>Debt (US\$m)</i>	117,000	<i>Undeveloped Reserves (%)</i>	18
<i>Enterprise Value (EV) (US\$m)</i>	417,000	<i>Natural Gas and Oil Ebitda (US\$/boe)</i>	30.80
<i>Present Value (PV) (US\$m)</i>	536,000	<i>Downstream Uplift (US\$/boe)</i>	11.68
<i>Net Present Value (US\$/share)</i>	100	<i>Oil and Gas Ebitda Margin (%)</i>	68
<i>EV/Market Cap</i>	1.39	<i>Top Line/Ebitda (%)</i>	0
<i>McDep Ratio - EV/PV</i>	0.78	<i>Price/Earnings Next Twelve Months</i>	12
<i>Dividend Yield (%/year)</i>	5.2	<i>Indicated Annual Dividend (US\$/sh)</i>	3.76
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\$70 a barrel and natural gas, \$4.00 a million btu.			
For historical analysis of RDS since 2001 see <a href="http://www.mcdep.com/1rd.htm">www.mcdep.com/1rd.htm</a>			

### Summary and Recommendation

The higher growth prospects of LNG (liquefied natural gas), uniquely reported as an operating segment, brighten the outlook for the shares of **Royal Dutch Shell (RDSB)**. At a McDep Ratio of 0.78, the stock has unlevered appreciation potential of 28%, perhaps within a year. The distinctive appeal of LNG starts with 1% a year expected growth of global energy to 18,000 billion cubic meters (bcm) of natural gas equivalent in 2035 (see slide [Gas Plays Growing Role](#) on page 2). Within global energy, natural gas would grow faster at 2% a year to 4,700 bcm, or 26% of total energy in 2035. LNG would grow at twice the rate of natural gas at 4% a year to 800 bcm, or 17% of total natural gas (see slide [LNG the Fastest Growing](#) on page 2). Actual growth of LNG this century has been 7% a year and it looks like a demand/supply gap (shortage) may be opening (see slide [Lack of Supply Investment](#) on page 3). With rising demand and tightening supply, LNG price is strengthening (see slide [Spot Prices](#) on page 3). Meanwhile, actual results for the latest four quarters had the Integrated Gas (IG) segment contributing 20% of cash flow and 35% of earnings to RDS. That surprising amount represents 30% of cash flow and 60% of earnings of oil and gas production. IG includes LNG-related production of natural gas and liquids as well as the liquefaction, transportation and trading of LNG. For now, we have not separated IG from Exploration and Production in our model (see table [Operating and Financial Estimates](#) on page 4). Less predictable trading profits boosted IG in past quarters while higher price may boost oil in the current and future quarters. At the same time, a 5.2% dividend yield is more than competitive. Finally, we are optimistic about making money in RDSB and RDSA among the 22 stocks in our coverage (see [Tables 1-4](#) on pages 5-8).

Kurt H. Wulff, CFA

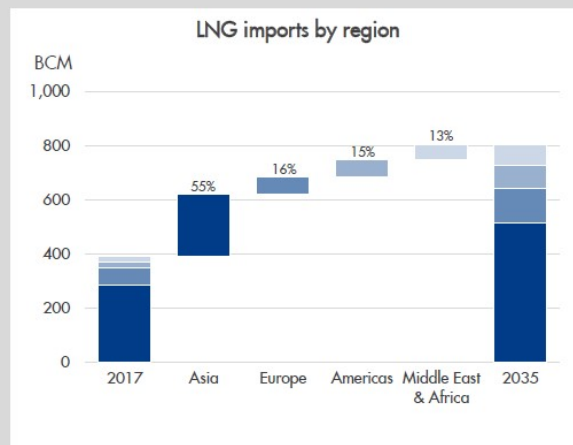
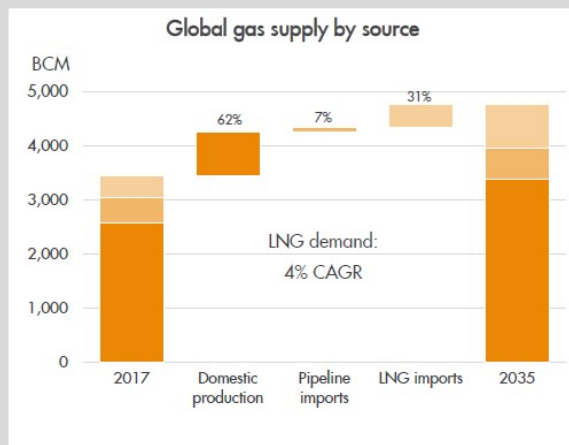
## GAS PLAYS GROWING ROLE TO MEET ENERGY CHALLENGE



Source: Shell interpretation of Wood Mackenzie Q4 2017 data

CAGR - Compound Annual Growth Rate

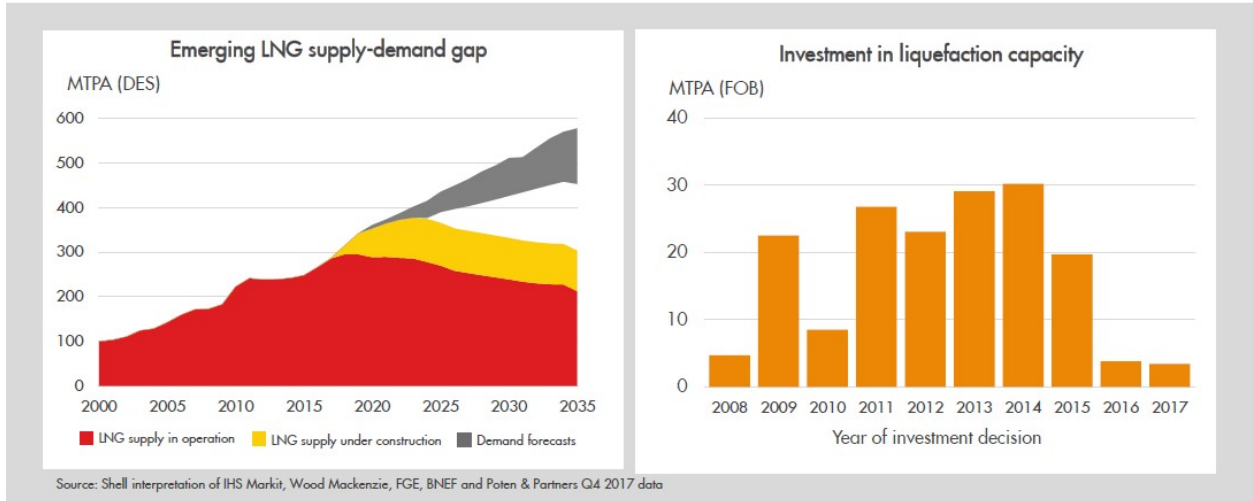
## LNG IS THE FASTEST GROWING GAS SUPPLY SOURCE



Source: Shell interpretation of Wood Mackenzie Q4 2017 data

CAGR - Compound Annual Growth Rate

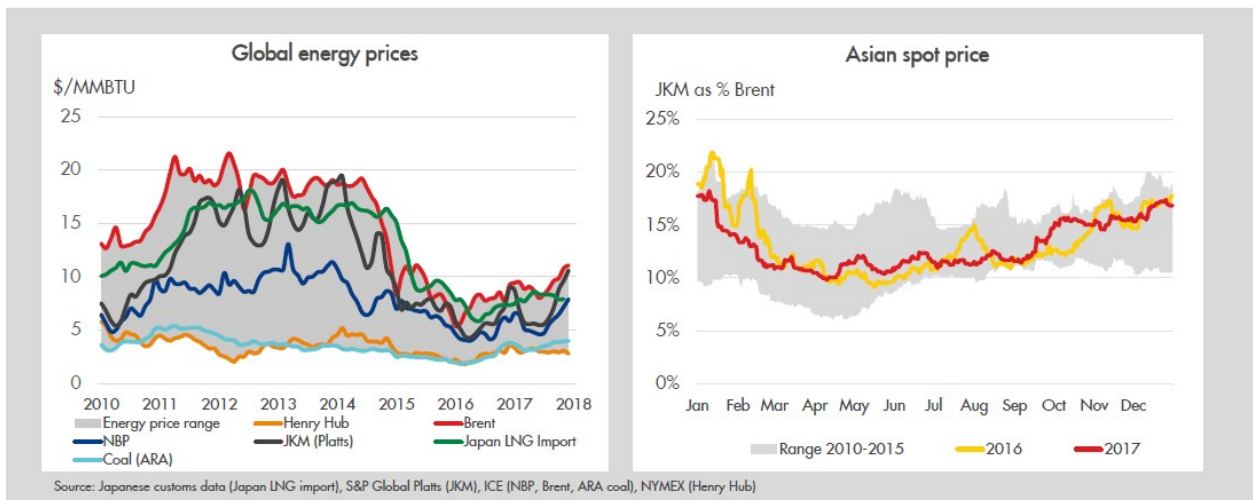
## LACK OF SUPPLY INVESTMENT RISKS FUTURE GLOBAL LNG MARKET GROWTH



Royal Dutch Shell plc

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## SPOT PRICES CONTINUE TO REFLECT STRONG DEMAND FOR LNG



Royal Dutch Shell plc

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Royal Dutch/Shell										
Next Twelve Months Operating and Financial Estimates										
	Q2	Year	Q1	Q2E	Q3E	Q4E	Year	Q1E	Q2E	Next Twelve Months
	6/30/17	2017	3/31/18	6/30/18	9/30/18	12/31/18	2018	3/31/19	6/30/19	6/30/19
<b>Volume</b>										
Natural Gas (mmcf)										
North America	1,261	<b>1,400</b>	1,504	1,518	1,531	1,545	<b>1,525</b>	1,559	1,573	<b>1,552</b>
Rest of World	8,486	<b>9,268</b>	10,408	8,796	9,383	10,405	<b>9,747</b>	10,788	9,117	<b>9,921</b>
Total	9,747	<b>10,669</b>	11,912	10,313	10,915	11,950	<b>11,272</b>	12,347	10,689	<b>11,473</b>
Days	91	<b>365</b>	90	91	92	92	<b>365</b>	90	91	<b>365</b>
Oil (mmb)	165	<b>666</b>	161	164	167	169	<b>660</b>	167	170	<b>672</b>
Oil (mbd)	1,814	<b>1,826</b>	1,785	1,801	1,817	1,834	<b>1,809</b>	1,850	1,867	<b>1,842</b>
Total gas & oil (mmb)	313	<b>1,315</b>	339	320	335	352	<b>1,346</b>	352	332	<b>1,370</b>
Total gas & oil (mbd)	3,439	<b>3,604</b>	3,770	3,520	3,636	3,825	<b>3,688</b>	3,908	3,648	<b>3,754</b>
<b>Price</b>										
Natural gas (\$/mcf)										
Henry Hub (\$/mmbtu)	3.18	<b>3.11</b>	3.01	2.80	2.96	3.02	<b>2.95</b>	3.12	2.65	<b>2.94</b>
North America	2.74	<b>2.54</b>	2.53	2.35	2.49	2.54	<b>2.48</b>	2.63	2.23	<b>2.47</b>
Rest of World	4.44	<b>4.53</b>	5.20	5.20	5.20	5.20	<b>5.20</b>	5.20	5.20	<b>5.20</b>
Total	4.22	<b>4.27</b>	4.86	4.78	4.82	4.85	<b>4.83</b>	4.87	4.76	<b>4.83</b>
Oil (\$/bbl)										
WTI Cushing	48.26	<b>50.94</b>	62.88	67.37	65.70	65.01	<b>65.24</b>	64.24	63.28	<b>64.56</b>
Worldwide	45.62	<b>49.04</b>	60.66	64.99	63.38	62.71	<b>62.95</b>	61.97	61.04	<b>62.27</b>
Total gas & oil (\$/bbl)	36.03	<b>37.48</b>	44.07	47.25	46.13	45.22	<b>45.64</b>	44.73	45.18	<b>45.31</b>
<b>Revenue (\$mm)</b>										
Natural Gas										
North America	314	<b>1,296</b>	342	325	351	361	<b>1,380</b>	368	319	<b>1,400</b>
Rest of World	3,429	<b>15,329</b>	4,868	4,159	4,486	4,975	<b>18,488</b>	5,045	4,311	<b>18,818</b>
Total	3,743	<b>16,625</b>	5,210	4,484	4,838	5,336	<b>19,868</b>	5,414	4,630	<b>20,217</b>
Oil	7,531	<b>32,677</b>	9,745	10,651	10,597	10,579	<b>41,571</b>	10,319	10,370	<b>41,863</b>
Other	60,857	<b>255,877</b>	74,280	74,280	74,280	74,280	<b>297,119</b>	74,280	74,280	<b>297,119</b>
Total	72,131	<b>305,179</b>	89,235	89,415	89,714	90,194	<b>358,558</b>	90,012	89,280	<b>359,199</b>
Expense	59,275	<b>251,147</b>	75,949	74,924	75,131	75,383	<b>301,386</b>	75,379	75,094	<b>300,986</b>
<b>Ebitda (\$mm)</b>										
Exploration and Production	7,850	<b>35,521</b>	10,023	10,491	10,583	10,811	<b>41,908</b>	10,633	10,186	<b>42,213</b>
Other	5,006	<b>18,511</b>	3,264	4,000	4,000	4,000	<b>15,264</b>	4,000	4,000	<b>16,000</b>
Total Ebitda	12,856	<b>54,032</b>	13,286	14,491	14,583	14,811	<b>57,172</b>	14,633	14,186	<b>58,213</b>
Exploration	255	<b>1,945</b>	230	500	500	500	<b>1,730</b>	500	500	<b>2,000</b>
Deprec., Deplet., & Amort.	6,181	<b>23,781</b>	5,334	5,334	5,334	5,334	<b>21,336</b>	5,334	5,334	<b>21,336</b>
Ebit	6,420	<b>28,306</b>	7,722	8,657	8,749	8,977	<b>34,106</b>	8,799	8,352	<b>34,877</b>
Interest	935	<b>4,042</b>	936	936	936	936	<b>3,744</b>	936	936	<b>3,744</b>
Ebt	5,485	<b>24,264</b>	6,786	7,721	7,813	8,041	<b>30,362</b>	7,863	7,416	<b>31,133</b>
Income Tax	1,920	<b>8,492</b>	1,425	1,621	1,641	1,689	<b>6,376</b>	1,651	1,557	<b>6,538</b>
<b>Net Income (\$mm)</b>										
Exploration and Production	1,508	<b>8,359</b>	3,990				<b>3,990</b>			
Other	2,529	<b>9,082</b>	1,687				<b>1,687</b>			
Unallocated	(471)	<b>(1,670)</b>	(316)				<b>(316)</b>			
Total	3,566	<b>15,771</b>	5,361	6,100	6,172	6,352	<b>23,986</b>	6,211	5,859	<b>24,595</b>
Shares (millions)	4,146	<b>4,150</b>	4,189	4,189	4,189	4,189	<b>4,189</b>	4,189	4,189	<b>4,189</b>
Per share (\$)	0.86	<b>3.80</b>	1.28	1.46	1.47	1.52	<b>5.73</b>	1.48	1.40	<b>5.87</b>
Ebitda Margin (E&P)	70%	<b>72%</b>	67%	69%	69%	68%	<b>68%</b>	68%	68%	<b>68%</b>
Tax Rate	35%	<b>35%</b>	21%	21%	21%	21%	<b>21%</b>	21%	21%	<b>21%</b>
Dividend (\$/share)	0.94	<b>3.76</b>	0.94	0.94	0.94	0.94	<b>3.76</b>	0.94	0.94	<b>3.76</b>



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**Table 1**  
**McDep Energy Stocks**  
**Ranked by McDep Ratio**

		Price (US\$/sh)	Market Cap (US\$m)	Enterprise Value (\$mm)	EV/ Market Cap	EV/ Ebitda NTM	PV/ Ebitda NTM	Oil Prod'n/ Ebitda (%)	Dist. Yield NTM (%)	McDep Ratio (EV/PV)	
	Symbol/Rating	5-Jun 2018									
<b>Integrated</b>											
	Exxon Mobil Corporation	XOM	80.68	345,000	435,000	1.26	8.5	9.3	47	4.1	0.92
	Chevron Corporation	CVX	122.73	235,000	297,000	1.27	7.5	8.9	60	3.7	0.85
	Suncor Energy	SU	39.16	64,000	84,000	1.30	7.0	8.5	77	2.8	0.82
	Royal Dutch Shell	RDS-B	71.79	301,000	417,000	1.39	7.2	9.2	49	5.2	0.78
	<i>Total or Median</i>			<i>945,000</i>	<i>1,233,000</i>	<i>1.28</i>	<i>7.4</i>	<i>9.0</i>	<i>55</i>	<i>3.9</i>	<i>0.84</i>
<b>Large Independent</b>											
	Occidental Petroleum Corp.	OXY	85.51	65,600	79,300	1.21	8.9	8.0	78	3.6	1.11
	Pioneer Natural Resources	PXD	191.16	32,700	35,300	1.08	8.5	8.8	93	0.2	0.96
	EOG Resources, Inc.	EOG	116.58	69,700	76,800	1.10	8.3	9.1	90	0.5	0.91
	ConocoPhillips	COP	67.56	80,000	103,000	1.29	7.7	8.8	75	1.7	0.87
	<i>Total or Median</i>			<i>248,000</i>	<i>294,400</i>	<i>1.16</i>	<i>8.4</i>	<i>8.8</i>	<i>84</i>	<i>1.1</i>	<i>0.93</i>
<b>Mid-Size Independent</b>											
	Hess Corporation	HES	61.08	18,900	27,300	1.44	11.2	10.4	89	1.6	1.07
	Continental Resources	CLR	64.21	24,000	30,300	1.26	8.2	8.8	82	-	0.93
	Devon Energy Corporation	DEV	39.32	20,800	28,700	1.38	7.5	10.4	74	0.8	0.73
	Cimarex Energy Company	XEC	83.99	8,000	9,500	1.19	5.4	8.4	81	0.8	0.64
	Marathon Oil Corporation	MRO	20.58	17,530	24,300	1.38	5.2	8.8	90	1.0	0.59
	<i>Total or Median</i>			<i>89,200</i>	<i>120,100</i>	<i>1.38</i>	<i>7.5</i>	<i>8.8</i>	<i>82</i>	<i>0.8</i>	<i>0.73</i>
<b>Small Independent</b>											
	California Resources	CRC	37.78	1,700	8,000	4.6	6.5	8.7	91	-	0.74
	Whiting Petroleum Corporation	WLL	52.14	4,700	8,100	1.71	5.3	8.1	97	-	0.65
	Range Resources	RRC	15.83	3,900	8,600	2.19	6.2	10.5	44	0.5	0.59
	Birchcliff Energy Ltd.	BIREF	3.37	900	1,500	1.70	5.0	9.9	48	2.3	0.50
	<i>Total or Median</i>			<i>11,200</i>	<i>26,200</i>	<i>1.95</i>	<i>5.7</i>	<i>9.3</i>	<i>70</i>	<i>0.3</i>	<i>0.62</i>
<b>Income</b>											
	Sabine Royalty Trust	SBR	48.15	700	700	1.00	13.7	14.2	70	7.3	0.96
	Permian Basin RT	PBT	9.44	440	440	1.00	11.0	11.7	80	8.8	0.94
	Dorchester Minerals, L.P.	DMLP	19.20	620	620	1.00	9.4	11.7	83	9.1	0.80
	San Juan Basin Royalty Trust	SJT	6.53	300	300	1.00	11.3	13.9	-	8.7	0.82
	Cross Timbers Royalty Trust	CRT	14.28	90	90	1.00	7.8	13.6	38	10.6	0.57
	<i>Total or Median</i>			<i>2,200</i>	<i>2,200</i>	<i>1.00</i>	<i>11.0</i>	<i>13.6</i>	<i>70</i>	<i>8.8</i>	<i>0.82</i>

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation, amort.  
 Estimated Ebitda (cash flow) tied to NTM futures prices for oil and natural gas. NTM = Next Twelve Months ending 6/30/19.  
 Estimated Present Value (PV) presumes a long-term price for oil of US\$70 a barrel and natural gas, \$4.00 a million btu.  
 McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses. For historical research see www.mcdep.com



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	Symbol/Rating	Price		Upstream NTM			Down- stream Uplift (\$/boe)	Total Ebitda NTM (\$mm)	Distrib./ Ebitda (%)	Distrib. NTM (\$/sh)	
		(US\$/sh)	Volume (mmboe)	Equiv. Price (\$/boe)	Ebitda Margin (%)	Ebitda (\$/boe)					
		5-Jun 2018									
<b>Integrated</b>											
Royal Dutch Shell	RDS-B	71.79	1371	45.31	68	30.80	11.67	42,213	27	3.76	
Exxon Mobil Corporation	XOM	80.68	1453	48.44	48	23.40	11.67	33,991	27	3.28	
Chevron Corporation	CVX	122.73	1057	49.71	60	30.00	7.29	31,713	22	4.48	
Suncor Energy	SU	39.16	300	56.96	54	30.76	9.27	9,213	15	1.11	
<i>Total or Median</i>				<i>4180</i>	<i>49.08</i>	<i>57</i>	<i>30.38</i>	<i>10.47</i>	<i>117,130</i>	<i>24</i>	
<b>Large Independent</b>											
ConocoPhillips	COP	67.56	457	47.46	62	29.50	0.00	13,482	10	1.14	
EOG Resources, Inc.	EOG	116.58	280	45.63	73	33.13	0.00	9,281	4	0.56	
Occidental Petroleum Corp.	OXY	85.51	263	47.85	58	27.80	6.09	7,299	27	3.08	
Pioneer Natural Resources	PXD	191.16	124	46.17	73	33.50	0.00	4,163	1	0.32	
<i>Total or Median</i>				<i>1124</i>	<i>46.81</i>	<i>67</i>	<i>31.32</i>	<i>0.00</i>	<i>34,225</i>	<i>7</i>	
<b>Mid-Size Independent</b>											
Marathon Oil Corporation	MRO	20.58	167	40.90	68	27.90	0.00	4,655	4	0.20	
Continental Resources	CLR	64.21	109	42.12	80	33.90	0.00	3,680	-	-	
Devon Energy Corporation	DVN	39.32	182	29.31	62	18.30	2.75	3,325	4	0.32	
Hess Corporation	HES	61.08	97	45.06	56	25.10	0.00	2,439	13	1.00	
Cimarex Energy Company	XEC	83.99	86	30.44	67	20.50	0.00	1,769	3	0.64	
<i>Total or Median</i>				<i>641</i>	<i>40.90</i>	<i>67</i>	<i>25.10</i>	<i>0.00</i>	<i>15,869</i>	<i>4</i>	
<b>Small Independent</b>											
Whiting Petroleum Corporation	WLL	52.14	50	46.57	66	30.90	0.00	1,532	-	-	
Range Resources	RRC	15.83	140	19.01	52	9.90	0.00	1,383	1	0.08	
California Resources	CRC	37.78	49	51.73	49	25.20	0.00	1,246	-	-	
Birchcliff Energy Ltd.	BIREF	3.37	22	18.93	72	13.70	0.00	308	7	0.08	
<i>Total or Median</i>				<i>261</i>	<i>32.79</i>	<i>59</i>	<i>19.45</i>	<i>0.00</i>	<i>4,469</i>	<i>1</i>	
<b>Income</b>											
Dorchester Minerals, L.P.	DMLP	19.20	2.34	38.90	73	28.21	0.00	66	86	1.75	
Sabine Royalty Trust	SBR	48.15	1.76	33.96	86	29.17	0.00	51	100	3.52	
Permian Basin RT	PBT	9.44	1.24	46.76	69	32.20	0.00	40	97	0.83	
San Juan Basin Royalty Trust	SJT	6.53	3.45	14.49	54	7.80	0.00	27	98	0.57	
Cross Timbers Royalty Trust	CRT	14.28	0.44	40.16	63	25.15	0.00	11	82	1.51	
<i>Total or Median</i>				<i>9</i>	<i>38.90</i>	<i>69</i>	<i>28.21</i>	<i>0.00</i>	<i>195</i>	<i>97</i>	

For historical research see [www.mcdep.com](http://www.mcdep.com)



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**Table 3**  
**McDep Energy Stocks**  
**Net Present Value Per Share**

		<i>Price</i> <i>(US\$/sh)</i>	<i>Shares</i>	<i>Debt</i>	<i>P/E</i>	<i>Devel.</i> <i>Resrvs/</i> <i>Prod</i>	<i>Undev/</i> <i>Devel.</i>	<i>Nat</i> <i>Gas/</i> <i>Ebitda</i>	<i>Top</i> <i>Line/</i> <i>Ebitda</i>	<i>Net</i> <i>Present</i> <i>Value</i>	
	<i>Symbol/Rating</i>	<i>5-Jun</i> <i>2018</i>	<i>(mm)</i>	<i>(\$mm)</i>	<i>NTM</i>	<i>NTM</i>	<i>(%)</i>	<i>(%)</i>	<i>(%)</i>	<i>(US\$/sh)</i>	
<b>Integrated</b>											
	Chevron Corporation	CVX	122.73	1,913	62,659	17	7.1	57	25	150.00	
	Royal Dutch Shell	RDS-B	71.79	4,189	116,710	12	7.2	22	33	100.00	
	Exxon Mobil Corporation	XOM	80.68	4,270	90,941	14	9.6	52	29	90.00	
	Suncor Energy	SU	39.16	1,644	19,313	11	8.5	87		50.00	
	<i>Median</i>					7.9	55				
<b>Large Independent</b>											
	Pioneer Natural Resources	PXD	191.16	171	2,600	22	7.3	9	7	200.00	
	EOG Resources, Inc.	EOG	116.58	598	7,071	20	4.9	43	10	130.00	
	ConocoPhillips	COP	67.56	1,186	23,143	16	7.7	31	25	80.00	
	Occidental Petroleum Corp.	OXY	85.51	767	13,700	18	7.4	35	4	75.00	
	<i>Median</i>					7.3	33				
<b>Mid-Size Independent</b>											
	Cimarex Energy Company	XEC	83.99	96	1,498	10	4.8	35	19	140.00	
	Continental Resources	CLR	64.21	374	6,333	23	5.6	121	18	70.00	
	Devon Energy Corporation	DVN	39.32	528	7,944	17	8.3	24	15	60.00	
	Hess Corporation	HES	61.08	310	8,399		7.4	59	11	55.00	
	Marathon Oil Corporation	MRO	20.58	852	6,734	11	5.4	60	10	40.00	
	<i>Median</i>					5.6	59				
<b>Small Independent</b>											
	Whiting Petroleum Corporation	WLL	52.14	91	3,367	43	6.8	84	3	100.00	
	California Resources	CRC	37.78	46	6,300		8.9	41	9	100.00	
	Range Resources	RRC	15.83	247	4,657	15	10.0	83	56	40.00	
	Birchcliff Energy Ltd.	BIREF	3.37	268	633	15	7.2	228	52	9.00	
	<i>Median</i>					8.0	83				
<b>Income</b>											
	Sabine Royalty Trust	SBR	48.15	15	-	14	10.1	3	37	100	50.00
	Cross Timbers Royalty Trust	CRT	14.28	6	-	9	11.7	-	69	82	25.00
	Dorchester Minerals, L.P.	DMLP	19.20	32	-	14	6.9	-	21	76	24.00
	Permian Basin RT	PBT	9.44	47	-	11	6.7	-	21	37	10.00
	San Juan Basin Royalty Trust	SJT	6.53	47	-	12	12.1	-	100	-	8.00
	<i>Median</i>					10.1					
P/E = Stock Price to Earnings. For historical research see <a href="http://www.mcdep.com">www.mcdep.com</a> .											



# Independent Stock Idea

June 6, 2018

Table 4										
McDep Energy Stocks										
Total Return Year-to-Date 2018										
Ranked by Unlevered Total Return										
		Price	Price	Price	Cash	Equity	Unlevered			
	Symbol/Rati	(\$/sh)	(\$/sh)	Change	Distrib.	Total	Debt	Return	McDep	
		2018	2017	(%)	(%)	(%)	(\$/sh)	(%)	Ratio	
<b>Integrated</b>										
	Suncor Energy	SU	39.16	36.72	7	1	7	12	6	0.82
	Royal Dutch Shell	RDS-B	71.79	68.29	5	3	8	28	6	0.78
	Chevron Corporation	CVX	122.73	125.19	(2)	2	(0)	33	(0)	0.85
	Exxon Mobil Corporation	XOM	80.68	83.64	(4)	2	(2)	21	(1)	0.92
	<i>Median</i>				2		4		3	0.84
<b>Large Independent</b>										
	ConocoPhillips	COP	67.56	54.89	23	1	24	20	18	0.87
	Occidental Petroleum Corp.	OXY	85.51	73.66	16	1	17	18	14	1.11
	Pioneer Natural Resources	PXD	191.16	172.85	11	0	11	15	10	0.96
	EOG Resources, Inc.	EOG	116.58	107.91	8	0	8	12	8	0.91
	<i>Median</i>				13		14		12	0.93
<b>Mid-Size Independent</b>										
	Hess Corporation	HES	61.08	47.47	29	1	29	27	19	1.07
	Continental Resources	CLR	64.21	52.97	21	-	21	17	16	0.93
	Marathon Oil Corporation	MRO	20.58	16.93	22	1	22	8	15	0.59
	Devon Energy Corporation	DVN	39.32	41.40	(5)	0	(5)	15	(4)	0.73
	Cimarex Energy Company	XEC	83.99	122.01	(31)	0	(31)	16	(27)	0.64
	<i>Median</i>				21		21		15	0.73
<b>Small Independent</b>										
	Whiting Petroleum Corporation	WLL	52.14	26.48	97	-	97	37	40	0.65
	California Resources	CRC	37.78	19.44	94	-	94	137	12	0.74
	Birchcliff Energy Ltd.	BIREF	3.37	3.50	(4)	1	(3)	2	(2)	0.50
	Range Resources	RRC	15.83	17.06	(7)	0	(7)	19	(3)	0.59
	<i>Median</i>				45		46		5	0.62
<b>Income</b>										
	Dorchester Minerals, L.P.	DMLP	19.20	15.20	26	5	32	-	32	0.80
	Sabine Royalty Trust	SBR	48.15	44.60	8	2	10	-	10	0.96
	Permian Basin RT	PBT	9.44	8.87	6	3	10	-	10	0.94
	Cross Timbers Royalty Trust	CRT	14.28	14.69	(3)	4	1	-	1	0.57
	San Juan Basin Royalty Trust	SJT	6.53	8.24	(21)	3	(18)	-	(18)	0.82
	<i>Median</i>				6		10		10	0.82
	<i>Grand Median</i>				7		9		9	0.82
	<b>Natural Gas (\$/mmbtu)</b>		2.89	2.95	(2)					
	<b>Oil - West Texas Intermediate (\$/bbl)</b>		65.35	60.09	9					
	Total Stock Market - U.S.	VTI	142.37	137.25	4	0	4			
	Developed Markets - ex US	VEA	44.65	44.86	(0)	0	(0)			
	Emerging Markets	VWO	45.18	45.91	(2)	0	(1)			
	Total Stock Market - World	VT	75.44	74.26	2	0	2			

Source: McDep LLC, Yahoo, CME Group, Bloomberg

For historical research see [www.mcdep.com](http://www.mcdep.com)





# Independent Stock Idea

June 6, 2018

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