



Income and Small Cap Weekly

Analysis of Oil & Gas Stocks

August 24, 2012

Hugoton Royalty Trust (HGT) Highest Return for the Next Year

<i>Symbol</i>	HGT	<i>Ebitda Next Twelve Months ending 6/30/13 (US\$m)</i>	40
<i>Rating</i>		<i>North American Natural Gas/Ebitda (%)</i>	76
<i>Price (US\$/sh)</i>	6.51	<i>Natural Gas and Oil Production/Ebitda (%)</i>	100
<i>Pricing Date</i>	8/23/12	<i>Adjusted Reserves/Production NTM</i>	13.4
<i>Shares (mm)</i>	40.0	<i>EV/Ebitda</i>	6.5
<i>Market Capitalization (US\$m)</i>	260	<i>PV/Ebitda</i>	14.0
<i>Debt (US\$m)</i>	0	<i>Undeveloped Reserves (%)</i>	13
<i>Enterprise Value (EV) (US\$m)</i>	260	<i>Natural Gas and Oil Ebitda (US\$/mcf)</i>	2.35
<i>Present Value (PV) (US\$m)</i>	560	<i>Present Value Proven Reserves(US\$/boe)</i>	13.70
<i>Net Present Value (US\$/unit)</i>	14.0	<i>Oil and Gas Ebitda Margin (%)</i>	53
<i>Debt/Present Value</i>	0.00	<i>Earnings Next Twelve Months (US\$/un)</i>	0.19
<i>McDep Ratio - EV/PV</i>	0.47	<i>Price/Earnings Next Twelve Months</i>	35
<i>Distribution Yield (%/year)</i>	2.9	<i>Distribution Next Twelve Months (US\$/sh)</i>	0.19
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\$100 a barrel and natural gas, \$6 a million btu.			
For historical analysis of HGT since 2000 see www.mcdep.com/4hgt.htm			

Summary and Recommendation

Units of **Hugoton Royalty Trust (HGT)** offer the highest return potential over the next year among royalty trusts on the basis of recovery from a steep stock price decline associated with an adverse proposed legal settlement. Relying on public disclosures from the trustee regarding progress of the legal dispute, we reaffirm Net Present Value (NPV) of \$14 a unit, double current stock price (see tables Functional Cash Flow and Present Value on page 2 and Next Twelve Months Operating and Financial Results on page 3). Latest disclosures suggest the negative impact may be less than initially described. First, the trust's share of a prospective legal settlement of \$29.6 million (\$0.74 a unit) announced in May has been reduced to \$28.5 (\$0.71 a unit) to eliminate claims that predate the formation of the trust in late 1998. Second, the estimate of the time period for withholding payments from the monthly distribution has been reduced from 18 months to 13 months for 82% of the possible assessment. Third, the trustee for the unit holders will seek a court order to prohibit withholding of distributions by the operator until arbitration now under way is completed. Fourth, the arbitrator may agree that all or some of the responsibility for payment may rest with the operator who contributed the properties that form the trust. Since total claims, current and future, may be less than \$1.22 a unit, we conclude that a \$6 decline in stock price in the past four months presents unusual chance for rebound.

Total Claims May be Less than \$1.22 a Unit

The net settlement amounts to about 3.5% of the total distributions paid during the trust's 13-year history of public trading. That may be an indication that NPV could be reduced by 3.5% (\$0.49 a unit) if the terms of the settlement are applied to the same degree in the future as in the past.



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Meanwhile, the trustee has reserved \$0.7 million (\$.0175 a unit) from the monthly distribution declared on August 20 to take legal action to prevent withholding by the operator until arbitration is complete (see table [Monthly Declarations](#) on page 4). As a result, total claims could be \$1.22 a unit (\$0.71 + \$0.49 + \$0.02), a fraction of the decline in stock price.

Distributions May Rebound in Less Than a Year

When the indicated charge was disclosed in May, the operator estimated there would be no distributions from the properties in Oklahoma (79% of future revenue) and Kansas (8% of future revenue) for 18 months until the settlement amount was recovered from cash flow. Disclosed on August 20, the latest estimate from the operator is 13 months for the Oklahoma properties and 8 years for the Kansas properties. Our projections that take account of natural gas futures prices would have the hypothetical Oklahoma liability extinguished in the second quarter of 2013. The extreme estimate for the Kansas properties suggests narrow cash flow margin that could widen rapidly at higher natural gas price.

Valuation Opportunity

While the impact on near-term distributions remains quite dramatic because of the royalty trust requirement to pay liabilities out of current cash flow, the impact on underlying resource value is far less than the decline in stock price. As a result, HGT stock has opened a gap in McDep Ratio at 0.46 compared to 0.70 for the next lowest in rank, unusual for royalty trusts in our experience (see [Tables ISC-1 to ISC-2](#) on pages 5-6). Unlevered cash flow multiple (EV/Ebitda) of 6.5 times looks too low for the long 13.4 year adjusted life index (see [Table ISC-3](#) on page 7). Further measures of exaggerated stock price action are the lowest ratio of enterprise value to 52-week high at just 0.28, lowest ratio to 52-week low at 1.06, lowest ratio to 50-day average at 0.89 and lowest ratio to 200-day average at 0.49 (see [Table ISC-4](#) on page 8).

Kurt H. Wulff, CFA

Hugoton Royalty Trust					
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	30	13.7	16.2	490	88%
Oil	10	10.2	7.2	70	13%
	40	13.4	14.0	560	100%
Debt (US\$mm)					-
Net Present Value (US\$mm)					560
Units (mm)					40
Net Present Value - Standard Estimate (US\$/un)					14
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/un)					15



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Hugoton Royalty Trust									
Next Twelve Months Operating and Financial Estimates									
	Q2	Year	Q1	Q2	Q3E	Q4E	Year	Q2E	Next
	6/30/12	2011	3/31/12	6/30/12	9/30/12	12/31/12	2012E	6/30/13	Twelve
									Months
									6/30/13
Highlights									
Revenue (\$mm) (80%)	25.5	100.0	20.5	16.9	15.9	18.4	71.7	20.5	74.9
Cash flow (\$mm) (80%)	16.7	63.7	11.3	8.1	7.4	9.6	36.4	11.6	40.0
Per unit	0.42	1.59	0.28	0.20	0.19	0.24	0.91	0.29	1.00
Distributable Income (\$mm)	14.4	55.8	9.8	6.6	1.9	1.1	19.4	3.2	7.5
Per unit	0.36	1.39	0.25	0.16	0.05	0.03	0.48	0.08	0.19
Units (millions)	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Volume									
Natural Gas (bcf)	5.3	21.7	5.2	4.9	5.0	5.0	20.1	4.8	19.8
Natural Gas (mmcf)	59.6	59.4	56.4	54.6	54.3	54.0	54.8	53.8	54.0
Days	89	365	92	90	92	92	366	90	366
Oil (mb)	64	249	52	62	63	63	240	60	250
Oil (mbd)	0.7	0.7	0.6	0.7	0.7	0.7	0.7	0.7	0.7
Days	89	365	92	89	92	92	365	89	365
Total (bcf)	5.7	23.2	5.5	5.3	5.4	5.4	21.5	5.2	21.3
Price									
Natural Gas (HH lagged two months)									
Henry Hub (\$/mmbtu)	4.12	4.10	3.32	2.43	2.41	2.87	2.76	3.43	2.99
Differential (%)	(18)	(15)	(20)	(25)	(20)	(20)	(22)	(20)	(20)
HGT (\$/mcf)	4.86	4.73	4.00	3.05	2.89	3.44	3.35	4.11	3.58
Oil (\$/bbl) (WTI Cushing lagged two months)									
WTI Cushing	100.91	93.25	98.69	103.93	88.19	95.41	96.55	97.76	94.57
HGT	96.92	90.07	95.36	100.63	85.38	92.38	93.29	94.45	91.43
Total (\$/mcf)	5.62	5.39	4.67	4.01	3.69	4.29	4.17	4.92	4.40
Revenue (\$mm)									
Natural Gas	25.7	102.6	20.8	15.0	14.4	17.1	67.3	19.9	70.8
Oil	6.2	22.4	4.9	6.2	5.4	5.8	22.4	5.7	22.8
Total	31.9	125.0	25.7	21.2	19.8	22.9	89.7	25.6	93.6
Cost (\$mm)									
Tax, transport & other	3.4	13.6	3.0	2.6	2.2	2.5	10.3	2.8	10.3
Production	4.9	21.1	6.0	5.7	5.7	5.7	22.9	5.5	22.3
Overhead	2.7	10.8	2.7	2.8	2.8	2.8	11.0	2.8	11.0
Total	11.1	45.5	11.6	11.0	10.6	10.9	44.1	11.1	43.6
Cash flow (\$mm)									
Development	2.6	8.8	1.5	1.5	1.5	1.5	6.0	1.5	6.0
Excess costs	-	-	-	-	-	8.9	8.9	8.8	28.5
Net proceeds (\$mm)	18.3	70.8	12.6	8.7	7.8	1.6	39.5	4.2	44.0
Royalty income (\$mm)	14.7	56.6	10.1	7.0	6.2	1.3	31.6	3.4	35.2
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%	80%	80%
Administration	0.3	0.8	0.2	0.4	0.9	0.2	1.7	0.2	1.5
Distributable income (\$mm)	14.4	55.8	9.8	6.6	1.9	1.1	19.4	3.2	7.5



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Monthly Declarations									
	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12
Distribution (\$/unit)									
Declared	0.09	0.08	0.09	0.08	0.06	0.05	0.05	0.03	0.01
Projected									
Volume									
Natural Gas (bcf)	1.62	1.73	1.73	1.73	1.61	1.64	1.66	1.67	1.66
Natural Gas (mmcf)	52	58	56	56	56	53	55	54	55
Days	31	30	31	31	29	31	30	31	30
Price									
Natural gas industry quotes lagged two months (\$/mmbtu)									
Henry Hub Index/Futures	3.76	3.52	3.37	3.08	2.67	2.44	2.19	2.03	2.42
HGT/Henry Hub	1.20	1.18	1.22	1.21	1.24	1.30	1.23	1.27	1.14
HGT (\$/mcf)	4.52	4.16	4.11	3.73	3.30	3.16	2.69	2.57	2.76
Revenue (\$mm)									
Natural Gas	7.3	7.2	7.1	6.5	5.3	5.2	4.5	4.3	4.6
Other	0.3	0.3	0.4	1.0	1.0	0.9	1.2	0.9	(0.5)
Total	7.6	7.4	7.6	7.4	6.3	6.1	5.6	5.2	4.0
Cost (\$mm)									
Production	1.7	1.9	1.9	2.1	1.9	2.1	1.7	2.0	1.9
Overhead	0.9	0.9	0.9	0.9	0.9	0.9	1.0	0.9	1.0
Total	2.6	2.8	2.8	3.0	2.8	3.0	2.6	2.9	2.9
Cash flow (\$mm)									
Development	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Net proceeds (\$mm)									
	4.5	4.1	4.3	3.9	3.1	2.6	2.5	1.7	0.7
Royalty income (\$mm)									
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%	80%	80%
Distributable income (\$mm)									
	3.6	3.3	3.4	3.1	2.5	2.1	2.0	1.4	0.5
Units (millions)									
	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Distribution (\$/unit)									
	0.09	0.08	0.09	0.08	0.06	0.05	0.05	0.03	0.01



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Table ISC-1

McDep Income and Small Cap Energy Portfolio											
Debt, Segments, Cash Flow, Income and McDep Ratio											
			Price								
	Symbol/Rating		(US\$/sh)	EV/	Enterprise	PV(%)		EV/	Dist.	Dist.	
	B = Buy	23-Aug	Market	Value	Nat	Oil	Ebitda	NTM	Yield	McDep	
	CB (see below)	2012	Cap	(\$mm)	Gas		NTM	(\$/un)	(%)	Ratio	
Small Cap Independent Producers											
Range Resources	RRC	B	65.66	1.30	13,680	74	26	15.9	0.16	0.2	0.95
PDC Energy	PDCE		26.08	1.87	1,520	54	46	9.4	-	-	0.93
Continental Resources (32%)	CLR		72.50	1.20	5,030	25	75	7.8	-	-	0.92
Peyto Exploration and Developmen	PEYUF		20.91	1.19	3,440	75	25	11.9	0.72	3.5	0.89
Halcón Resources	HK		7.85	1.33	3,020	12	88	9.1	-	-	0.83
Birchcliff Energy Ltd.	BIREF	CB	7.14	1.49	1,550	62	38	10.2	-	-	0.69
Berry Petroleum Company	BRY		37.77	1.78	3,690	13	87	5.3	-	-	0.68
Denbury Resources Inc.	DNR		15.37	1.45	8,730	6	94	5.2	-	-	0.64
Cimarex Energy Company	XEC	CB	57.99	1.25	6,250	45	55	5.3	0.48	0.8	0.58
Whiting Petroleum Corporation	WLL	CB	43.75	1.37	7,130	8	92	4.6	-	-	0.58
<i>Total or Median</i>					54,000			8.4			0.76
Top Line Cash Payers											
Freehold Royalties Ltd.	FRHLF		19.40	1.04	1,310	16	84		1.69	8.7	0.93
Permian Basin RT	PBT		17.90	1.00	830	37	63		1.38	7.7	0.89
Cross Timbers Royalty Trust	CRT		38.28	1.00	230	70	30		2.45	6.4	0.87
Sabine Royalty Trust	SBR		53.23	1.00	780	55	45		3.59	6.7	0.82
Dorchester Minerals, L.P.	DMLP	CB	21.91	1.00	670	57	43		1.92	8.7	0.81
<i>Total or Median</i>					3,800					7.7	0.87
Bottom Line Cash Payers											
Linn Energy, LLC	LINE		39.00	1.78	13,760	40	60	13.1	2.90	7.4	1.15
Vanguard Natural Resources, LLC	VNR		28.28	1.70	2,510	23	77	10.5	2.40	8.5	1.07
Legacy Reserves L.P.	LGCY		27.10	1.34	1,720	24	76	8.5	2.24	8.3	0.93
Enduro Royalty Trust (40%)	NDRO		18.94	1.00	250	42	58	8.0	1.73	9.1	0.90
Enerplus Corporation	ERF	CB	15.85	1.59	4,900	30	70	6.6	1.36	8.6	0.83
San Juan Basin Royalty Trust	SJT	CB	15.04	1.00	700	100	-	11.4	1.00	6.7	0.72
Mesa RoyaltyTrust	MTR		27.99	1.00	52	75	25	11.5	1.97	7.0	0.70
Hugoton RoyaltyTrust	HGT		6.51	1.00	260	88	13	6.5	0.19	2.9	0.46
<i>Total or Median</i>					24,200			9.5		7.9	0.87
Composite											
<i>Enterprise Value Weighting</i>					82,000	38	62				0.81
<i>Equal Weighting</i>						45	55				0.82
<i>Equal Weighted Buys</i>						49	51				0.74

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

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

Present Value (PV) presumes long-term prices of \$100 a barrel for oil and \$6 a million btu for natural gas.

Dist. = Income distribution. NTM = Next Twelve Months Ended June 30, 2013. Enterprise Value = Market Cap and Debt.



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Table ISC-2

McDep Income and Small Cap Energy Portfolio Net Present Value and McDep Ratio

			Price (\$/sh)	Shares	Market Cap (\$mm)	Net Present Value (\$/un)	Debt/ Present Value	McDep Ratio
	Symbol/ Rating		23-Aug 2012	(mm)				
Small Cap Independent Producers								
Range Resources	RRC	B	65.66	160.0	10,510	70.00	0.22	0.95
PDC Energy	PDCE		26.08	31.0	810	30.00	0.43	0.93
Continental Resources (32%)	CLR		72.50	57.6	4,180	80.00	0.16	0.92
Peyto Exploration and Development Cor	PEYUF		20.91	138.5	2,900	24.00	0.14	0.89
Halcón Resources	HK		7.85	290.0	2,280	10.00	0.20	0.83
Birchcliff Energy Ltd.	BIREF	CB	7.14	144.9	1,040	12.00	0.23	0.69
Berry Petroleum Company	BRY		37.77	54.7	2,070	70.00	0.30	0.68
Denbury Resources Inc.	DNR		15.37	391.0	6,010	28.00	0.20	0.64
Cimarex Energy Company	XEC	CB	57.99	86.4	5,010	110.00	0.12	0.58
Whiting Petroleum Corporation	WLL	CB	43.75	119.0	5,210	88.00	0.16	0.58
<i>Total or Median</i>					40,020		0.20	0.76
Top Line Cash Payers								
Freehold Royalties Ltd.	FRHLF		19.40	64.7	1,260	21.00	0.03	0.93
Permian Basin RT	PBT		17.90	46.6	830	20.00	-	0.89
Cross Timbers Royalty Trust	CRT		38.28	6.0	230	44.00	-	0.87
Sabine Royalty Trust	SBR		53.23	14.6	780	65.00	-	0.82
Dorchester Minerals, L.P.	DMLP	CB	21.91	30.7	670	27.00	-	0.81
<i>Total or Median</i>					3,770			0.87
Bottom Line Cash Payers								
Linn Energy, LLC	LINE		39.00	198.0	7,720	30.00	0.50	1.15
Vanguard Natural Resources, LLC	VNR		28.28	52.2	1,480	25.00	0.44	1.07
Legacy Reserves L.P.	LGCY		27.10	47.5	1,290	30.00	0.23	0.93
Enduro Royalty Trust (40%)	NDRO		18.94	13.2	250	21.00	-	0.90
Enerplus Corporation	ERF	CB	15.85	196.0	3,110	21.00	0.31	0.83
San Juan Basin Royalty Trust	SJT	CB	15.04	46.6	700	21.00	-	0.72
Mesa RoyaltyTrust	MTR		27.99	1.9	52	40.00	-	0.70
Hugoton RoyaltyTrust	HGT		6.51	40.0	260	14.00	-	0.46
<i>Total or Median</i>					14,860			0.87
B=Buy, CB=Contrarian Buy, Stock Price apparently in downtrend compared to 200-day average.								
McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses								
Present Value presumes long-term prices of \$100 a barrel for oil and \$6 a million btu for natural gas.								



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Table ISC-3

McDep Income and Small Cap Energy Portfolio

Value Multiples - Rank by EV/Ebitda

			Price (\$/sh)	Revenue	Dist/ Equity	Adjstd Resrvs/ Prod	PV/ Ebitda	EV/ Ebitda
	Symbol/ Rating		23-Aug 2012	Royalty (%)	Ebitda	NTM	NTM	NTM
Small Cap Independent Producers								
Range Resources	RRC	B	65.66		-	15.1	16.7	15.9
Peyto Exploration and Development Corp	PEYUF		20.91		0.40	10.4	13.4	11.9
Birchcliff Energy Ltd.	BIREF	CB	7.14		-	22.0	14.8	10.2
PDC Energy	PDCE		26.08		-	8.9	10.1	9.4
Halcón Resources	HK		7.85		-	7.2	10.9	9.1
Continental Resources (32%)	CLR		72.50		-	10.7	8.5	7.8
Berry Petroleum Company	BRY		37.77		-	11.8	7.8	5.3
Cimarex Energy Company	XEC	CB	57.99		-	7.9	9.1	5.3
Denbury Resources Inc.	DNR		15.37		-	13.2	8.2	5.2
Whiting Petroleum Corporation	WLL	CB	43.75		-	9.5	8.0	4.6
	<i>Median</i>					<i>10.5</i>	<i>9.6</i>	<i>8.4</i>
Top Line Cash Payers								
Cross Timbers Royalty Trust	CRT		38.28	78	0.96	17.8	17.2	15.0
Sabine Royalty Trust	SBR		53.23	100	1.00	8.7	18.1	14.8
Permian Basin RT	PBT		17.90	32	0.89	9.7	12.8	11.5
Dorchester Minerals, L.P.	DMLP	CB	21.91	77	0.98	6.4	13.8	11.2
Freehold Royalties Ltd.	FRHLF		19.40	71	0.83	5.4	10.4	9.6
	<i>Median</i>					<i>8.7</i>	<i>13.8</i>	<i>11.5</i>
Bottom Line Cash Payers								
Linn Energy, LLC	LINE		39.00		1.10	15.1	11.4	13.1
Mesa RoyaltyTrust	MTR		27.99		0.81	8.0	16.5	11.5
San Juan Basin Royalty Trust	SJT	CB	15.04		0.76	8.6	16.0	11.4
Vanguard Natural Resources, LLC	VNR		28.28		0.94	14.0	9.8	10.5
Legacy Reserves L.P.	LGCY		27.10		0.69	11.4	9.2	8.5
Enduro Royalty Trust (40%)	NDRO		18.94		0.73	7.2	8.9	8.0
Enerplus Corporation	ERF	CB	15.85		0.51	6.3	7.9	6.6
Hugoton RoyaltyTrust	HGT		6.51		0.19	13.4	14.0	6.5
	<i>Median</i>					<i>10.0</i>	<i>10.6</i>	<i>9.5</i>

B=Buy; CB=Contrarian Buy, Stock Price apparently 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 June 30, 2013; P/E = Stock Price to
 Earnings; PV = Present Value of oil and gas and other businesses
 Top Line Cash Payers defined as those having Revenue Royalty (see fifth column from right).



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Table ISC-4								
Oil and Gas Income and Small Cap Stocks								
Rank by Enterprise Value to 200 Day Average								
			Price (\$/sh)	Enterprise Value/				
	Symbol/ Rating		23-Aug 2012	52Wk High	52Wk Low	50 Day Avg.	200 Day Avg.	McDep Ratio
Small Cap Independent Producers								
Peyto Exploration and Development C	PEYUF		20.91	0.84	1.34	1.04	1.06	0.89
Range Resources	RRC	B	65.66	0.88	1.19	1.04	1.04	0.95
Continental Resources (32%)	CLR		72.50	0.78	1.53	1.04	0.97	0.92
Denbury Resources Inc.	DNR		15.37	0.79	1.30	1.02	0.94	0.64
Berry Petroleum Company	BRY		37.77	0.78	1.12	1.00	0.93	0.68
Whiting Petroleum Corporation	WLL	CB	43.75	0.75	1.33	1.04	0.93	0.58
Cimarex Energy Company	XEC	CB	57.99	0.71	1.19	1.04	0.93	0.58
PDC Energy	PDCE		26.08	0.78	1.29	1.02	0.91	0.93
Birchcliff Energy Ltd.	BIREF	CB	7.14	0.56	1.27	1.09	0.82	0.69
Halcón Resources	HK		7.85	0.66		0.93		0.83
	<i>Median</i>			<i>0.78</i>	<i>1.29</i>	<i>1.04</i>	<i>0.93</i>	<i>0.76</i>
Top Line Cash Payers								
Freehold Royalties Ltd.	FRHLF		19.40	0.92	1.40	1.06	1.02	0.93
Dorchester Minerals, L.P.	DMLP	CB	21.91	0.82	1.10	1.00	0.95	0.81
Sabine Royalty Trust	SBR		53.23	0.79	1.17	1.01	0.91	0.82
Cross Timbers Royalty Trust	CRT		38.28	0.75	1.21	1.04	0.91	0.87
Permian Basin RT	PBT		17.90	0.77	1.09	0.99	0.90	0.89
	<i>Median</i>			<i>0.79</i>	<i>1.17</i>	<i>1.01</i>	<i>0.91</i>	<i>0.87</i>
Bottom Line Cash Payers								
Vanguard Natural Resources, LLC	VNR		28.28	0.97	1.15	1.02	1.02	1.07
Linn Energy, LLC	LINE		39.00	0.97	1.13	1.01	1.02	1.15
Legacy Reserves L.P.	LGCY		27.10	0.91	1.12	1.02	0.99	0.93
Enerplus Corporation	ERF	CB	15.85	0.65	1.22	1.10	0.87	0.83
San Juan Basin Royalty Trust	SJT	CB	15.04	0.60	1.25	0.99	0.81	0.72
Mesa RoyaltyTrust	MTR		27.99	0.60	1.12	0.94	0.76	0.70
Hugoton RoyaltyTrust	HGT		6.51	0.28	1.06	0.89	0.49	0.46
	<i>Median</i>			<i>0.65</i>	<i>1.13</i>	<i>1.01</i>	<i>0.87</i>	<i>0.83</i>

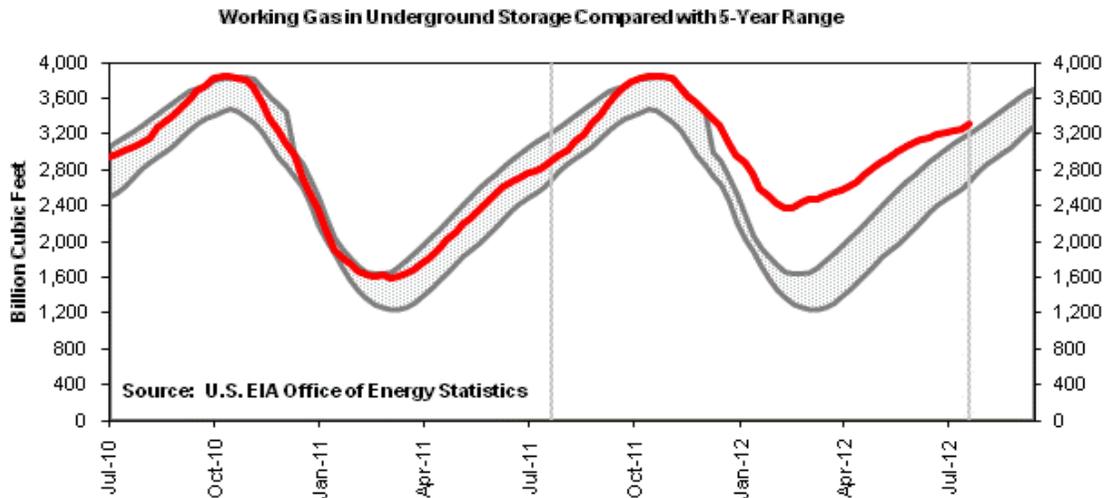
CB=Contrarian Buy, Stock Price apparently in downtrend compared to 200-day average.



Income and Small Cap Weekly

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August 24, 2012



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