

## EOG Resources (EOG) Mr. Shale

<i>Symbol</i>	EOG	<i>Ebitda Next Twelve Months ending 6/30/15 (US\$mm)</i>	9,100
<i>Rating</i>		<i>North American Natural Gas/Ebitda (%)</i>	10
<i>Price (\$/sh)</i>	101.41	<i>Natural Gas and Oil Production/Ebitda (%)</i>	100
<i>Pricing Date</i>	9/8/14	<i>Adjusted Reserves/Production NTM</i>	7.5
<i>Shares (mm)</i>	549	<i>EV/Ebitda</i>	6.8
<i>Market Capitalization (\$mm)</i>	55,700	<i>PV/Ebitda</i>	7.3
<i>Debt (\$mm)</i>	6,400	<i>Undeveloped Reserves (%)</i>	47
<i>Enterprise Value (EV) (\$mm)</i>	62,000	<i>Natural Gas and Oil Ebitda (\$/mcfe)</i>	7.00
<i>Present Value (PV) (\$mm)</i>	66,800	<i>Present Value Proven Reserves(\$/boe)</i>	31.50
<i>Net Present Value (\$/share)</i>	110	<i>Present Value Proven Reserves(\$/mcfe)</i>	5.30
<i>Debt/Present Value</i>	0.10	<i>Earnings Next Twelve Months (US\$/sh)</i>	4.99
<i>McDep Ratio - EV/PV</i>	0.93	<i>Price/Earnings Next Twelve Months</i>	20
<i>Dividend Yield (%/year)</i>	0.7	<i>Indicated Annual Dividend (US\$/sh)</i>	0.67
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 research on EOG since 2006 see <a href="http://www.mcdep.com/3eog.htm">http://www.mcdep.com/3eog.htm</a>			

### Summary and Recommendation

Our confidence is high in the outlook for **EOG Resources (EOG)**, the large cap shale oil leader, as its McDep Ratio has dropped to 0.93 from 1.06 in our weekly pricing as of June 23. Amid an abundance of industry potential, the company invests in the highest profit projects. EOG chief executive William Thomas, “Mr. Shale” as he was introduced at the Barclays conference on September 4, sees expanded opportunity with shale frac technology extending to sandstones and carbonates, the most productive rock historically. In the Permian Basin of West Texas, EOG has achieved breakthrough high volume wells in the Bone Spring sandstone sandwiched between the Leonard (Avalon) shale above and the Wolfcamp shale below. We think that the Permian will eclipse Eagle Ford and Bakken in volume of new oil, but Mr. Thomas cautions that the growth rate will be slower. A recent discount of some \$8 a barrel for crude oil in West Texas quoted by *Bloomberg* attests to transportation bottlenecks that often limit growth. Meanwhile, EOG’s early leadership in new fracing gives it the ability to invest selectively in projects that appear to earn at least 60% a year (see slide High ATROR Plays on page 2). Though Net Present Value (NPV) remains \$110 a share, the passage of a few more quarters of extended growth would drive next twelve months cash flow higher and with it NPV (see tables Present Value on page 2 and Operating and Financial Estimates on page 3). Nonetheless there are enough uncertainties in volume, price, and costs for us to wait before counting volume gains beyond twelve months. Finally, we like the company’s low 0.10 ratio of debt to present value, low 6.7 unlevered multiple of cash flow (EV/Ebitda) and positive stock price momentum (see Tables 1-4 on pages 4-7).

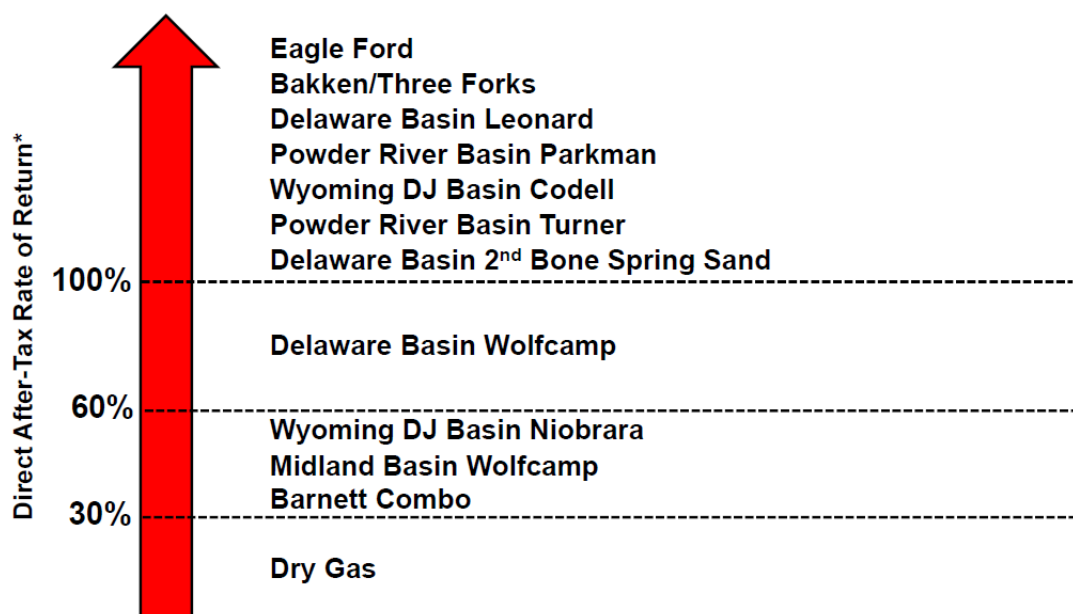
Kurt H. Wulff, CFA



# Meter Reader

A Weekly Analysis of Oil and Gas Stocks  
September 9, 2014

## EOG Resources Growing Inventory of High ATROR Plays



EOG Resources Inc.						
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	880	9.6	12.5	11,000		16%
Rest of World Natural Gas	330	6.5	7.3	2,400		4%
Oil	7,890	6.8	6.8	53,400		80%
	9,100	7.5	7.3	66,800		100%
Debt (US\$mm)						6,400
Net Present Value (US\$mm)						60,400
Shares (mm)						549
Net Present Value - Standard Estimate (US\$/sh)						110
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)						107



# Meter Reader

A Weekly Analysis of Oil and Gas Stocks

September 9, 2014

EOG Resources Inc.										
Next Twelve Months Operating and Financial Estimates										
	Q3	Year	Q1	Q2	Q3E	Q4E	Year	Q1E	Q2E	Next Twelve Months
	9/30/13	2013	3/31/14	6/30/14	9/30/14	12/31/14	2014E	3/31/15	6/30/15	6/30/15
<b>Volume</b>										
Natural Gas (mmcf)										
U.S.	899	<b>908</b>	894	925	889	889	<b>899</b>	889	889	<b>889</b>
Canada	76	<b>76</b>	64	67	60	60	<b>63</b>	60	60	<b>60</b>
Overseas	352	<b>359</b>	394	391	345	345	<b>369</b>	345	345	<b>345</b>
Total	1,327	<b>1,343</b>	1,352	1,383	1,294	1,294	<b>1,330</b>	1,294	1,294	<b>1,294</b>
Days	92	<b>365</b>	90	91	92	92	<b>365</b>	90	91	<b>365</b>
Oil (mb)	28	<b>104</b>	30	33	34	35	<b>132</b>	34	36	<b>138</b>
Oil (mbd)	304	<b>285</b>	338	360	368	375	<b>360</b>	383	391	<b>379</b>
Total gas & oil (bcf)	290	<b>1,115</b>	304	322	322	326	<b>1,275</b>	323	331	<b>1,303</b>
Total gas & oil (mmcf)	3,151	<b>3,056</b>	3,380	3,543	3,502	3,546	<b>3,493</b>	3,591	3,637	<b>3,569</b>
<b>Price</b>										
Natural gas (\$/mcf)										
Henry Hub (\$/mmbtu)	3.58	<b>3.65</b>	4.95	4.67	4.07	3.94	<b>4.41</b>	4.06	3.80	<b>3.97</b>
U.S.	3.19	<b>3.32</b>	4.96	4.14	3.61	3.49	<b>4.05</b>	3.60	3.37	<b>3.51</b>
Canada	2.61	<b>3.09</b>	4.70	4.72	4.11	3.49	<b>4.27</b>	3.80	3.55	<b>3.74</b>
Overseas	3.47	<b>3.73</b>	3.70	3.69	3.69	3.69	<b>3.69</b>	3.69	3.69	<b>3.69</b>
Total	3.23	<b>3.42</b>	4.58	4.04	3.65	3.54	<b>3.96</b>	3.63	3.46	<b>3.57</b>
Oil (\$/bbl)										
WTI Cushing	105.83	<b>97.98</b>	98.74	102.98	97.09	92.17	<b>97.75</b>	91.57	91.27	<b>93.02</b>
Worldwide	91.07	<b>87.09</b>	87.03	87.53	82.53	78.35	<b>83.72</b>	77.83	77.58	<b>79.04</b>
Total gas & oil (\$/mcf)	10.15	<b>9.64</b>	10.54	10.47	10.02	9.59	<b>10.15</b>	9.61	9.56	<b>9.69</b>
<b>Revenue (\$mm)</b>										
Natural Gas										
U.S.	264	<b>1,101</b>	399	348	295	285	<b>1,328</b>	288	272	<b>1,140</b>
Canada	18	<b>85</b>	27	29	23	19	<b>98</b>	20	19	<b>82</b>
Overseas	112	<b>489</b>	131	131	117	117	<b>496</b>	114	116	<b>464</b>
Total	394	<b>1,676</b>	557	508	435	422	<b>1,922</b>	423	407	<b>1,686</b>
Oil	2,547	<b>9,074</b>	2,648	2,868	2,794	2,706	<b>11,015</b>	2,682	2,757	<b>10,939</b>
Total	2,941	<b>10,750</b>	3,205	3,376	3,229	3,127	<b>12,937</b>	3,105	3,165	<b>12,625</b>
<b>Expense (\$mm)</b>										
Expense	824	<b>3,038</b>	873	931	902	874	<b>3,580</b>	867	884	<b>3,527</b>
<b>Ebitda (\$mm)</b>										
Ebitda	2,117	<b>7,712</b>	2,332	2,445	2,327	2,254	<b>9,357</b>	2,237	2,280	<b>9,098</b>
Exploration	59	<b>235</b>	56	48	48	48	<b>200</b>	50	50	<b>196</b>
Deprec., Deplet., & Amort.	929	<b>3,601</b>	946	997	997	997	<b>3,937</b>	997	997	<b>3,988</b>
Hedging and other	92	<b>184</b>	100	123	152	113	<b>488</b>	102	125	<b>493</b>
<b>Ebit</b>										
Ebit	1,037	<b>3,692</b>	1,230	1,277	1,130	1,096	<b>4,732</b>	1,088	1,108	<b>4,421</b>
Interest	59	<b>236</b>	50	52	52	52	<b>206</b>	52	52	<b>208</b>
<b>Ebt</b>										
Ebt	978	<b>3,456</b>	1,180	1,225	1,078	1,044	<b>4,526</b>	1,036	1,056	<b>4,213</b>
Income Tax	342	<b>1,210</b>	413	429	377	365	<b>1,584</b>	363	370	<b>1,475</b>
<b>Net Income (\$mm)</b>										
Net Income	636	<b>2,247</b>	767	796	700	678	<b>2,942</b>	673	686	<b>2,739</b>
<b>Shares (millions)</b>										
Shares	548	<b>547</b>	548	549	549	549	<b>549</b>	549	549	<b>549</b>
Per Share (\$)	1.16	<b>4.11</b>	1.40	1.45	1.28	1.24	<b>5.36</b>	1.23	1.25	<b>4.99</b>
Ebitda Margin	72%	<b>72%</b>	73%	72%	72%	72%	<b>72%</b>	72%	72%	<b>72%</b>



# Meter Reader

A Weekly Analysis of Oil and Gas Stocks  
September 9, 2014

						Present Value by Segment (%)					
		Price (US\$/sh)	EV/ Market	Enterprise Value	North Amer. Natural Gas	Rest of World Natural Gas	Oil Prod'n	Down- stream	Dist. Yield NTM (%)	McDep Ratio	
Symbol/Rating	8-Sep 2014	8-Sep 2014	Cap	(\$mm)							
B = Buy, CB (see below)											
<b>Global Integrated</b>											
Exxon Mobil Corporation	XOM CB	97.77	1.18	495,000	7	16	61	17	2.8	0.96	
Chevron Corporation	CVX	126.21	1.18	284,000	3	11	73	13	3.4	0.86	
Royal Dutch Shell plc	RDS-A	78.31	1.33	329,000	4	22	57	17	4.8	0.86	
Total S.A.	TOT	65.40	1.38	205,000		22	59	18	4.8	0.86	
Lukoil Oil Company	LUKOY B	58.11	1.18	53,100			76	24	5.6	0.47	
<i>Total or Median</i>			<i>1.18</i>	<i>1,366,000</i>			<i>61</i>	<i>17</i>	<i>4.8</i>	<i>0.86</i>	
<b>U.S. Independent</b>											
EOG Resources, Inc.	EOG	101.41	1.11	62,000	16	4	80		0.7	0.93	
Marathon Oil Corporation	MRO B	40.21	1.28	35,000	9	3	88		2.1	0.84	
Occidental Petroleum Corp.	OXY	98.55	1.14	87,800	7	1	84	9	2.9	0.84	
ConocoPhillips	COP	79.03	1.34	132,000	13	14	72		3.7	0.84	
Devon Energy Corporation	DVN B	71.22	1.60	46,700	27		65	8	1.3	0.80	
<i>Total or Median</i>			<i>1.28</i>	<i>364,000</i>	<i>13</i>		<i>80</i>		<i>2.1</i>	<i>0.84</i>	
<b>Canada/Australia</b>											
Woodside Petroleum Ltd.	WOPEY	39.58	1.14	37,000		70	30		5.6	1.09	
Imperial Oil Limited (30%)	IMO	50.93	1.23	16,000	2		79	18	0.9	0.98	
EnCana Corporation	ECA B	22.50	1.48	24,500	80		20		1.2	0.82	
Cenovus Energy Inc.	CVE	30.63	1.30	30,100	9		78	13	3.2	0.78	
Canadian Oil Sands Limited	COSWF CB	19.95	1.27	12,300			100		7.8	0.64	
<i>Total or Median</i>			<i>1.27</i>	<i>120,000</i>			<i>78</i>		<i>3.2</i>	<i>0.82</i>	
<b>Small Cap Independent Producers</b>											
Continental Resources (32%)	CLR B	152.96	1.22	11,000	16		84		-	1.02	
Cimarex Energy Company	XEC B	135.30	1.16	13,600	41		59		0.5	0.97	
Whiting Petroleum Corporation	WLL B	84.73	1.30	13,300	9		91		-	0.95	
WPX Energy Inc.	WPX	26.00	1.47	7,700	61		39		-	0.95	
Halcón Resources	HK	5.24	2.75	6,000	6		94		-	0.89	
Birchcliff Energy Ltd.	BIREF B	11.21	1.32	2,300	73		27		-	0.84	
Peyto Exploration and Developr	PEYUF	32.98	1.18	6,000	83		17		3.3	0.81	
PDC Energy	PDCE	54.84	1.41	2,800	26		74		-	0.79	
Range Resources	RRC CB	74.61	1.29	15,700	61		39		0.2	0.79	
<i>Total or Median</i>			<i>1.30</i>	<i>78,000</i>	<i>41</i>		<i>59</i>		<i>-</i>	<i>0.89</i>	
<b>RIF Cash Payers</b>											
Mesa RoyaltyTrust	MTR	32.16	1.00	60	71		29		7.6	1.15	
Dorchester Minerals, L.P.	DMLP B	33.20	1.00	1,020	40		60		5.5	1.04	
San Juan Basin Royalty Trust	SJT B	19.08	1.00	890	100		-		6.2	0.91	
Sabine Royalty Trust	SBR	56.00	1.00	820	44		56		7.2	0.87	
Freehold Royalties Ltd.	FRHLF	22.33	1.10	1,800	18		82		6.9	0.87	
Enduro Royalty Trust	NDRO	12.16	1.00	400	37		63		6.6	0.87	
Permian Basin RT	PBT	13.91	1.00	650	20		80		8.3	0.77	
Cross Timbers Royalty Trust	CRT	31.55	1.00	190	64		36		7.5	0.75	
Hugoton RoyaltyTrust	HGT	9.54	1.00	380	87		13		7.6	0.73	
<i>Total or Median</i>			<i>1.00</i>	<i>6,200</i>	<i>44</i>		<i>56</i>		<i>7.2</i>	<i>0.87</i>	

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



# Meter Reader

A Weekly Analysis of Oil and Gas Stocks

September 9, 2014

			<i>Price (US\$/sh) 8-Sep 2014</i>	<i>Shares (mm)</i>	<i>Market Cap (US\$m)</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>						
<b>Global Integrated</b>								
Exxon Mobil Corporation	XOM	CB	97.77	4,297	420,000	102.00	0.15	0.96
Chevron Corporation	CVX		126.21	1,902	240,000	150.00	0.13	0.86
Royal Dutch Shell plc	RDS-A		78.31	3,162	248,000	95.00	0.21	0.86
Total S.A.	TOT		65.40	2,281	149,000	80.00	0.24	0.86
Lukoil Oil Company	LUKOY	B	58.11	776	45,100	135.00	0.07	0.47
		<i>Total or Median</i>			<i>1,102,000</i>		<i>0.15</i>	<i>0.86</i>
<b>U.S. Independent</b>								
EOG Resources, Inc.	EOG		101.41	549	55,700	110.00	0.10	0.93
Marathon Oil Corporation	MRO	B	40.21	679	27,300	50.00	0.18	0.84
Occidental Petroleum Corp.	OXY		98.55	783	77,200	120.00	0.10	0.84
ConocoPhillips	COP		79.03	1,245	98,000	100.00	0.21	0.84
Devon Energy Corporation	DVN	B	71.22	411	29,300	100.00	0.30	0.80
		<i>Total or Median</i>			<i>287,500</i>		<i>0.18</i>	<i>0.84</i>
<b>Canada/Australia</b>								
Woodside Petroleum Ltd.	WOPEY		39.58	823	32,600	36.00	0.13	1.09
Imperial Oil Limited (30%)	IMO		50.93	255	13,000	52.00	0.18	0.98
EnCana Corporation	ECA	B	22.50	736	16,600	30.00	0.26	0.82
Cenovus Energy Inc.	CVE		30.63	758	23,200	42.00	0.18	0.78
Canadian Oil Sands Limited	COSWF	CB	19.95	485	9,700	34.00	0.14	0.64
		<i>Total or Median</i>			<i>95,000</i>		<i>0.18</i>	<i>0.82</i>
<b>Small Cap Independent Producers</b>								
Continental Resources (32%)	CLR	B	152.96	59	9,100	150.00	0.18	1.02
Cimarex Energy Company	XEC	B	135.30	87	11,800	140.00	0.13	0.97
Whiting Petroleum Corporation	WLL	B	84.73	120	10,200	90.00	0.22	0.95
WPX Energy Inc.	WPX		26.00	203	5,300	28.00	0.30	0.95
Halcón Resources	HK		5.24	415	2,200	7.00	0.57	0.89
Birchcliff Energy Ltd.	BIREF	B	11.21	158	1,800	14.00	0.20	0.84
Peyto Exploration and Development Corp.	PEYUF		32.98	154	5,100	42.00	0.12	0.81
PDC Energy	PDCE		54.84	36	2,000	75.00	0.23	0.79
Range Resources	RRC	CB	74.61	163	12,200	100.00	0.18	0.79
		<i>Total or Median</i>			<i>60,000</i>		<i>0.20</i>	<i>0.89</i>
<b>RTF Cash Payers</b>								
Mesa RoyaltyTrust	MTR		32.16	2	60	28.00	-	1.15
Dorchester Minerals, L.P.	DMLP	B	33.20	31	1,020	32.00	-	1.04
San Juan Basin Royalty Trust	SJT	B	19.08	47	890	21.00	-	0.91
Sabine Royalty Trust	SBR		56.00	15	820	64.00	-	0.87
Freehold Royalties Ltd.	FRHLF		22.33	73	1,640	26.00	0.08	0.87
Enduro Royalty Trust	NDRO		12.16	33	400	14.00	-	0.87
Permian Basin RT	PBT		13.91	47	650	18.00	-	0.77
Cross Timbers Royalty Trust	CRT		31.55	6	190	42.00	-	0.75
Hugoton RoyaltyTrust	HGT		9.54	40	380	13.00	-	0.73
		<i>Total or Median</i>			<i>6,100</i>		<i>-</i>	<i>0.87</i>

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



# Meter Reader

A Weekly Analysis of Oil and Gas Stocks

September 9, 2014

Table 3									
McDep Energy Stocks									
Value Multiples and Dividend									
Ranked by EV/Ebitda									
			Price (US\$/sh)	Adjustd Resrvs/ Prod	PV/ Ebitda	EV/ Ebitda	P/E	Dividend	
	Symbol/Rating		8-Sep 2014	NTM	NTM	NTM	NTM	NTM	
	B = Buy, CB (see below)							(\$/sh)	
<b>Global Integrated</b>									
	Exxon Mobil Corporation	XOM	CB	97.77	14.5	7.7	7.4	14	2.76
	Total S.A.	TOT		65.40	11.0	7.4	6.3	12	3.16
	Chevron Corporation	CVX		126.21	9.3	7.0	6.1	13	4.28
	Royal Dutch Shell plc	RDS-A		78.31	10.2	7.0	6.0	13	3.76
	Lukoil Oil Company	LUKOY	B	58.11	14.6	5.6	2.6	6	3.24
	<i>Median</i>				11.0	7.0	6.1	13	
<b>U.S. Independent</b>									
	Devon Energy Corporation	DVN	B	71.22	10.2	9.0	7.2	17	0.96
	EOG Resources, Inc.	EOG		101.41	7.5	7.3	6.8	20	0.67
	Occidental Petroleum Corp.	OXY		98.55	10.6	7.6	6.4	15	2.88
	ConocoPhillips	COP		79.03	11.3	7.6	6.3	14	2.92
	Marathon Oil Corporation	MRO	B	40.21	11.5	6.6	5.5	15	0.84
	<i>Median</i>				10.6	7.6	6.4	15	
<b>Canada/Australia</b>									
	Imperial Oil Limited (30%)	IMO		50.93	24.7	10.6	10.4	14	0.48
	EnCana Corporation	ECA	B	22.50	7.6	9.8	8.0	15	0.28
	Woodside Petroleum Ltd.	WOPEY		39.58	9.9	6.8	7.3	16	2.22
	Cenovus Energy Inc.	CVE		30.63	14.3	8.7	6.8	15	0.98
	Canadian Oil Sands Limited	COSWF	CB	19.95	17.2	9.8	6.3	9	1.56
	<i>Median</i>				14.3	9.8	7.3	15	
<b>Small Cap Independent Producers</b>									
	Range Resources	RRC	CB	74.61	12.4	14.7	11.6	70	0.16
	Peyto Exploration and Development Corp.	PEYUF		32.98	10.0	11.2	9.1	23	1.10
	Continental Resources (32%)	CLR	B	152.96	11.4	8.5	8.7	20	-
	PDC Energy	PDCE		54.84	16.0	10.3	8.2	47	-
	WPX Energy Inc.	WPX		26.00	8.4	8.5	8.1		-
	Birchcliff Energy Ltd.	BIREF	B	11.21	13.8	9.5	8.0	23	-
	Cimarex Energy Company	XEC	B	135.30	6.4	7.8	7.6	22	0.64
	Halcón Resources	HK		5.24	5.9	8.1	7.3	15	-
	Whiting Petroleum Corporation	WLL	B	84.73	7.4	5.6	5.3	17	-
	<i>Median</i>				10.0	8.5	8.1	22	
<b>RTF Cash Payers</b>									
	San Juan Basin Royalty Trust	SJT	B	19.08	10.5	16.3	14.8	16	1.18
	Dorchester Minerals, L.P.	DMLP	B	33.20	7.5	14.1	14.6	23	1.82
	Sabine Royalty Trust	SBR		56.00	10.0	15.9	13.9	14	4.02
	Mesa Royalty Trust	MTR		32.16	6.7	10.3	11.8	13	2.44
	Hugoton Royalty Trust	HGT		9.54	14.3	15.3	11.3	13	0.72
	Cross Timbers Royalty Trust	CRT		31.55	12.2	14.9	11.1	13	2.38
	Freehold Royalties Ltd.	FRHLF		22.33	5.2	12.0	10.5	20	1.54
	Permian Basin RT	PBT		13.91	9.8	11.3	8.7	12	1.16
	Enduro Royalty Trust	NDRO		12.16	8.4	9.2	7.9	15	0.80
	<i>Median</i>				9.8	14.1	11.3	14	

CB=Contrarian Buy, Stock Price may be 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, 2015; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses



# Meter Reader

A Weekly Analysis of Oil and Gas Stocks

September 9, 2014

Table 4									
McDep Energy Stocks									
Total Return and Enterprise Value Momentum									
Ranked by EV/200-Day Average									
			Price	Equity					
			(\$/sh)	Total					
	Symbol		8-Sep	Return	Enterprise Value/				McDep
	Rating		2014	YTD	52Wk	52Wk	50 Day	200 Day	Ratio
				(%)	High	Low	Avg.	Avg.	
<b>Global Integrated</b>									
	RDS-A		78.31	14	0.95	1.17	0.97	1.03	0.86
	CVX		126.21	4	0.94	1.13	0.98	1.02	0.86
	LUKOY	B	58.11	(5)	0.89	1.15	1.01	1.01	0.47
	TOT		65.40	9	0.91	1.12	0.98	1.00	0.86
	XOM	CB	97.77	(1)	0.94	1.13	0.97	0.99	0.96
	<i>Median</i>			4	0.94	1.13	0.98	1.01	0.86
<b>U.S. Independent</b>									
	MRO	B	40.21	16	0.97	1.20	1.01	1.08	0.84
	COP		79.03	15	0.93	1.18	0.96	1.04	0.84
	EOG		101.41	21	0.87	1.26	0.92	1.03	0.93
	DVN	B	71.22	16	0.92	1.14	0.96	1.03	0.80
	OXY		98.55	6	0.94	1.13	0.98	1.02	0.84
	<i>Median</i>			16	0.93	1.18	0.96	1.03	0.84
<b>Canada/Australia</b>									
	WOPEY		39.58	21	0.96	1.19	1.00	1.07	1.09
	IMO		50.93	16	0.95	1.21	0.98	1.06	0.98
	ECA	B	22.50	25	0.94	1.20	1.01	1.05	0.82
	CVE		30.63	9	0.95	1.15	0.99	1.04	0.78
	COSWF	CB	19.95	11	0.89	1.09	0.94	0.99	0.64
	<i>Median</i>			16	0.95	1.19	0.99	1.05	0.82
<b>Small Cap Independent Producers</b>									
	WPX		26.00	28	0.98	1.32	1.08	1.17	0.95
	CLR	B	152.96	36	0.95	1.42	1.01	1.14	1.02
	WLL	B	84.73	37	0.93	1.44	0.99	1.14	0.95
	XEC	B	135.30	29	0.91	1.45	0.97	1.11	0.97
	BIREF	B	11.21	64	0.85	1.45	1.00	1.10	0.84
	HK		5.24	36	0.86	1.17	0.94	1.02	0.89
	PEYUF		32.98	10	0.87	1.14	0.96	0.99	0.81
	PDCE		54.84	3	0.80	1.15	0.97	0.96	0.79
	RRC	CB	74.61	(11)	0.82	1.02	0.96	0.91	0.79
	<i>Median</i>			29	0.87	1.32	0.97	1.10	0.89
<b>RTF Cash Payers</b>									
	MTR		32.16	65	0.86	1.60	1.10	1.22	1.15
	DMLP	B	33.20	35	0.93	1.41	1.01	1.19	1.04
	SJT	B	19.08	20	0.94	1.23	1.03	1.06	0.91
	SBR		56.00	16	0.88	1.17	0.97	1.04	0.87
	HGT		9.54	38	0.79	1.37	0.95	1.04	0.73
	PBT		13.91	14	0.85	1.15	0.99	1.02	0.77
	FRHLF		22.33	12	0.87	1.13	0.93	1.01	0.87
	CRT		31.55	13	0.83	1.11	0.98	1.00	0.75
	NDRO		12.16	5	0.78	1.07	0.89	0.94	0.87
	<i>Median</i>			16	0.86	1.17	0.98	1.04	0.87

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

Source: Bloomberg, Yahoo, McDep LLC



# Meter Reader

A Weekly Analysis of Oil and Gas Stocks  
September 9, 2014

Index of Recent Research			
<b>Stock Ideas</b>			
<u>Date</u>	<u>Symbol</u>	<u>Subject</u>	<u>Theme</u>
2-Sep	LUKOY	Lukoil	Oil under Uncertainty (Meter Reader)
26-Aug	SJT	San Juan Basin Royalty Trust	Income and Shale (Meter Reader)
19-Aug	TOT	Total	Diversified Political Risk (Meter Reader)
14-Aug	BIREF	Birchcliff Energy	Healthy Volume, Seasonal Price
12-Aug	CLR	Continental Resources	Raise NPV to \$150 on Fracching Growth (Meter Reader)
8-Aug	DMLP	Dorchester Minerals, L.P.	Robust Bakken and Permian Oil Growth
5-Aug	XOM	Exxon Mobil	Shale Oil Minerals (Meter Reader)
30-Jul	RRC	Range Resources	Transportation and Processing Lagging Fracching
22-Jul	MRO	Marathon Oil	Frac Shale Oil, Sell Norway (Meter Reader)
15-Jul	WLL	Whiting Petroleum	Agrees to Acquire Kodiak Oil & Gas (Meter Reader)
8-Jul	DVN	Devon Energy	Five Core Focus (Meter Reader)
1-Jul	COSWF	Canadian Oil Sands Ltd.	Returning to Favor (Meter Reader)
24-Jun	FRHLF	Freehold Royalties Ltd	Raise NPV to \$26 on Minerals (Meter Reader)
17-Jun	PEYUF	Peyto Exploration	Raise NPV to \$42 on More Energy Growth (Meter Reader)
10-Jun	OXY	Occidental Petroleum	Raise NPV to \$120, Spinoff Filed (Meter Reader)
3-Jun	ECA	Encana Corporation	Hidden Value Surfaces (Meter Reader)
27-May	CVX	Chewron	Oil Price Turns Up (Meter Reader)
13-May	XEC	Cimarex Energy	Raise NPV to \$140 on Cana Double (Meter Reader)
23-Apr	HGT	Hugoton Royalty Trust	Positive Arbitration Ruling
21-Apr	MTR	Mesa Royalty Trust	Underpayment Uncovered, Upside Commodity Leverage
15-Apr	COP	ConocoPhillips	Shale Upside, Exploration Promise, Dividend Strength (Meter Reader)
25-Mar	CVE	Cenovus Energy	Oil Growth Slowed by Transit States (Meter Reader)
18-Mar	PBT	Permian Basin Royalty Trust	Rising Oil Production, Understated Income (Meter Reader)
4-Mar	EOG	EOG Resources	Raise NPV to \$220 on Shale Oil Leadership (Meter Reader)
21-Feb	PDCE	PDC Energy	Raise NPV to \$75 on More Shale Oil
21-Jan	RDSA	Royal Dutch Shell plc	Lower NPV to \$95 on Profit Warning (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)
13-Sep	CRT	Cross Timbers Royalty Trust	Fracking Upside in Permian and Scoop (Income and Small Cap Weekly)
For historical research by stock, go to <a href="http://mcdep.com">mcdep.com</a> , click on <a href="#">Stock Ideas</a> , click on stock by name.			
<b>Meter Reader</b>			
2-Sep	LUKOY	Lukoil	Oil under Uncertainty
26-Aug	SJT	San Juan Basin Royalty Trust	Income and Shale
19-Aug	TOT	Total	Diversified Political Risk
12-Aug	CLR	Continental Resources	Raise NPV to \$150 on Fracching Growth
5-Aug	XOM	Exxon Mobil	Shale Oil Minerals
29-Jul			Investment Strategy August 2014 - Oil and Gas in Safe Areas
22-Jul	MRO	Marathon Oil	Frac Shale Oil, Sell Norway
15-Jul	WLL	Whiting Petroleum	Agrees to Acquire Kodiak Oil & Gas
8-Jul	DVN	Devon Energy	Five Core Focus
1-Jul	COSWF	Canadian Oil Sands Ltd.	Returning to Favor
24-Jun	DMLP, FRHLF		Raise NPV to \$32 for Dorchester, \$26 for Freehold
For earlier editions, go to <a href="http://mcdep.com">mcdep.com</a> , click on <a href="#">Meter Reader</a> .			
<b>Industry Ideas</b>			
July			Oil and Gas Investor: In Royalty We Trust
24-Jun	DMLP, FRHLF, PBT, CRT, NDRO		Raise NPV, Trustee Approved, Permian Wells
4-Jun	PBT, CRT	Permian BRT, Cross Timbers RT	Vote Your Proxy
17-Apr	PBT, SBR, CRT, HGT		Proxy Voting Underway

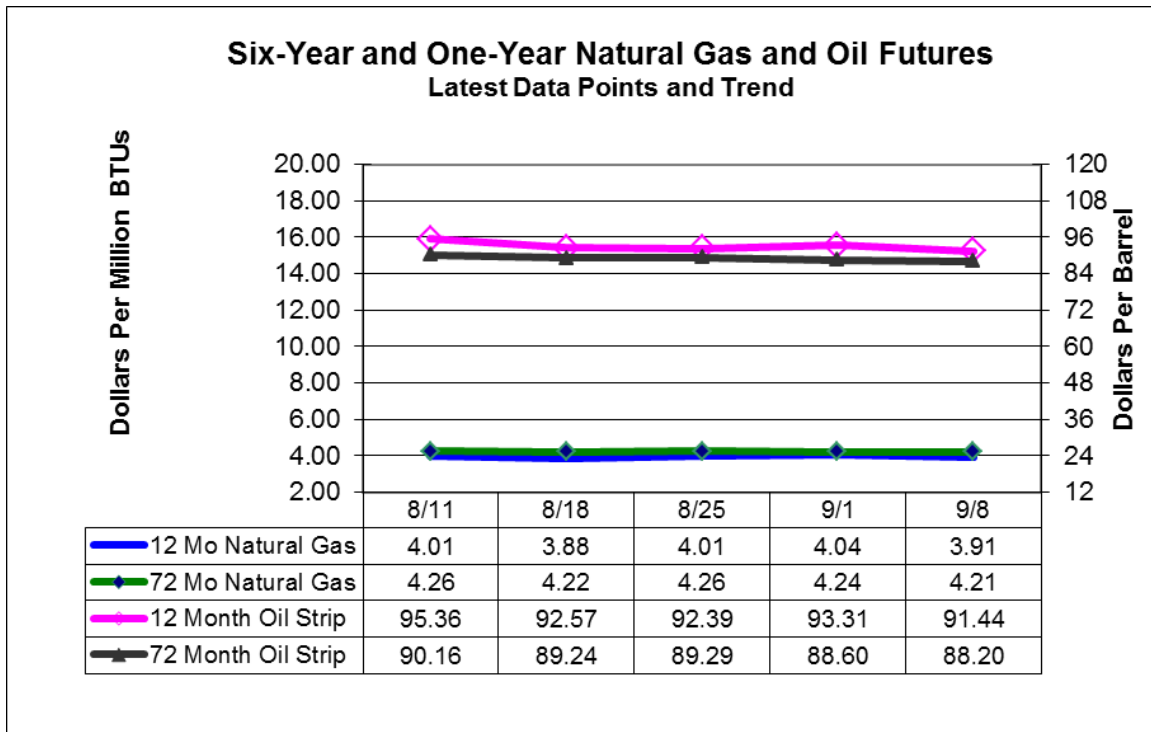




# Meter Reader

A Weekly Analysis of Oil and Gas Stocks

September 9, 2014



**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.