



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

May 31, 2011

Occidental Petroleum (OXY) Triple California Oil Production by 2020

<i>Symbol</i>	OXY	<i>Ebitda Next Twelve Months ending 3/31/12 (US\$mm)</i>	13,800
<i>Rating</i>	Buy	<i>North American Natural Gas/Ebitda (%)</i>	6
<i>Price (US\$/sh)</i>	107.85	<i>Natural Gas and Oil Production/Ebitda (%)</i>	91
<i>Pricing Date</i>	5/31/11	<i>Adjusted Reserves/Production NTM</i>	11.3
<i>Shares (mm)</i>	813	<i>EV/Ebitda</i>	6.9
<i>Market Capitalization (US\$mm)</i>	87,700	<i>PV/Ebitda</i>	7.8
<i>Debt (US\$mm)</i>	7,900	<i>Undeveloped Reserves (%)</i>	25
<i>Enterprise Value (EV) (US\$mm)</i>	95,600	<i>Natural Gas and Oil Ebitda (US\$/boe)</i>	46.90
<i>Present Value (PV) (US\$mm)</i>	108,000	<i>Present Value Proven Reserves(US\$/boe)</i>	28.60
<i>Net Present Value (US\$/share)</i>	123	<i>Present Value Proven Reserves(US\$/mcf)</i>	4.77
<i>Debt/Present Value</i>	0.07	<i>Earnings Next Twelve Months (US\$/sh)</i>	7.73
<i>McDep Ratio - EV/PV</i>	0.89	<i>Price/Earnings Next Twelve Months</i>	14
<i>Dividend Yield (%/year)</i>	1.7	<i>Indicated Annual Dividend (US\$/sh)</i>	1.84
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, \$8 a million btu.			
For historical analysis of OXY since 2000 see www.mcdep.com/3oxy.htm			

Summary and Recommendation

Surprising shale oil and conventional oil potential in California outweigh the actual and potential loss of oil production in Libya and Yemen in our positive outlook for buy-recommended **Occidental Petroleum (OXY)**. Management expectations of 200 thousand barrels equivalent daily (mboed) from unconventional shale formations under OXY land in California may make the new play the company's largest business unit in ten years (see slide Shale on page 2). A "back of the envelope" calculation leads to 10 billion barrels of ultimate recovery presuming 200,000 acres, one well for each ten acres and a half million barrels from each well. The company's total global reserves today are 3.4 billion barrels equivalent. Also, spurred by a major discovery two years ago, California conventional oil production is expected to reach 200 mboed by 2014 compared to 139 mboed last year. Outside California, OXY is the top oil producer in Texas where yet another oil boom is under way in the Permian Basin, the company's largest business unit with 197 boed production from 1.2 billion barrels of reserves. Little if any of the CA Shale is included in estimated Net Present Value (NPV) of \$123 a share (see table Functional Cash Flow and Present Value on page 2). NPV is tied primarily to proven reserves and near-term cash flow (see tables Production and Reserves 2010 on page 3 and Next Twelve Months Operating and Financial Estimates on page 4). Meanwhile, the industry outlook is strengthened with both oil and natural gas in price uptrends (see tables Six-Year Commodity Price Meter on page 3 and Six-Year and One-Year Natural Gas and Oil Futures on page 10). Among large cap stocks, OXY is the largest and most oil-concentrated of U.S. Independents as well as having low debt, low cash flow multiple (EV/Ebitda) and a stock price uptrend (see Tables 1-4 on pages 5-8).

Kurt H. Wulff, CFA

California Unconventional “Shale” Program



- We have a multi-year inventory of drill sites in California, many of which are both outside of Elk Hills proper and the Kern County Discovery Area.
- The program pace is limited by permitting and general infrastructure issues.
- Based on a conservative view of the permitting process, we expect to drill at least 107 shale wells outside Elk Hills proper in 2011.



Occidental Petroleum Corporation					
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>	
U.S. Natural Gas	796	10.9	11.3	9,000	8%
Rest of World Natural Gas	108	12.9	9.3	1,000	1%
Oil	11,637	11.1	7.9	91,900	85%
Downstream	1,252		4.8	6,000	6%
	13,792	11.3	7.8	107,900	100%
Debt (US\$mm)					7,900
Net Present Value (US\$mm)					100,000
Shares (mm)					813
Net Present Value - Standard Estimate (US\$/sh)					123
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)					115

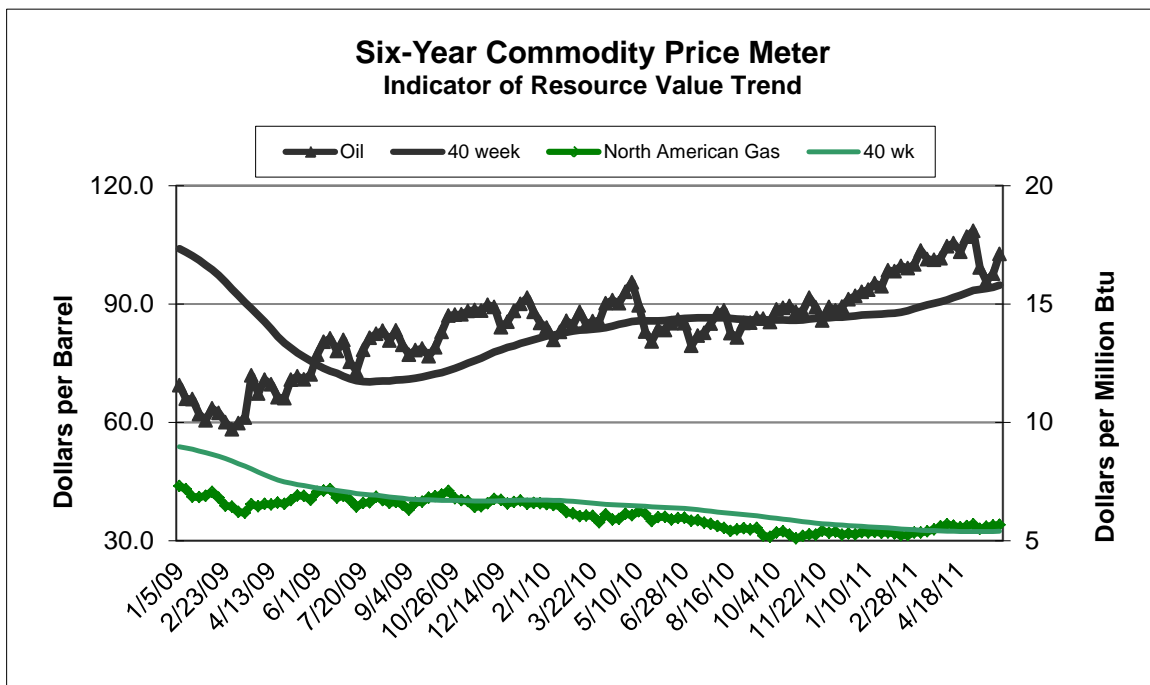


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Occidental Petroleum								
Production and Reserves, 2010								
	12/31/2010 Proven Reserves					Weighted	NTM	
	2010 Production	Developed	Undeveloped	Weighted	Life Index	Adjusted		
	(daily)	(annual)	(bcf or mmb)	(bcf or mmb)	(bcf or mmb)	(years)	R/P	
							(years)	
North American Natural Gas								
U.S.	677	247	2,407	1,027	2,921	11.8	10.9	
Rest of World Natural Gas								
Latin America	49	18	158	80	198	11.0		
Middle East/North Africa	455	166	1,665	383	1,857	11.2		
Total	504	184	1,823	463	2,055	11.2	12.9	
Oil								
U.S.	271	99	1,289	408	1,493	15.1		
Latin America	74	27	160	96	208	7.7		
Middle East/North Africa	205	75	427	96	475	6.3		
Total	551	201	1,876	600	2,176	10.8	11.1	
Total Oil Equivalent	747	273	2,581	848	3,005	11.0	11.3	

Weighted Life Index counts undeveloped reserves at half stated value and is computed on latest calendar year volume.
 NTM Adjusted R/P also counts undeveloped reserves at half and is computed on next twelve months production.





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Occidental Petroleum									
Next Twelve Months Operating and Financial Estimates									
									<i>Next</i>
	<i>Q2</i>	<i>Year</i>	<i>Q1</i>	<i>Q2E</i>	<i>Q3E</i>	<i>Q4E</i>	<i>Year</i>	<i>Q1E</i>	<i>Months</i>
	<i>6/30/10</i>	<i>2010</i>	<i>3/31/11</i>	<i>6/30/11</i>	<i>9/30/11</i>	<i>12/31/11</i>	<i>2011E</i>	<i>3/31/12</i>	<i>3/31/12</i>
Volume									
Natural Gas (mmcf)									
U.S. (or North America)	681	678	734	734	734	734	734	734	736
Overseas (or Int'l)	491	495	435	435	435	435	435	435	436
Total	1,172	1,173	1,169	1,169	1,169	1,169	1,169	1,169	1,172
Oil (mbd)	548	542	535	535	535	535	535	535	535
Total gas & oil (mmb)	68	269	66	66	67	67	266	66	267
Total gas & oil (mbd)	743	738	730	730	730	730	730	730	730
Price									
Natural gas (\$/mcf)									
Henry Hub (\$/mmbtu)	4.09	4.40	4.11	4.42	4.68	4.88	4.52	4.66	4.66
U.S. (or North America)	4.19	4.53	4.21	4.53	4.79	5.00	4.64	4.78	4.77
Overseas (or Int'l)	1.11	1.09	1.09	1.09	1.09	1.09	1.09	1.09	1.09
Total	2.90	3.08	3.05	3.25	3.41	3.55	3.32	3.41	3.40
Oil (\$/bbl)									
WTI Cushing	77.85	79.43	94.10	104.64	103.07	104.14	101.49	102.74	103.65
Worldwide	72.13	73.59	87.03	96.77	95.32	96.31	93.89	95.02	95.86
Total gas & oil (\$/bbl)	57.74	58.99	68.68	76.15	75.34	76.28	74.14	75.11	75.72
Revenue (\$mm)									
Natural Gas									
U.S. (or North America)	260	1,120	278	303	323	338	1,242	319	1,283
Overseas (or Int'l)	50	196	43	43	44	44	173	43	174
Total	309	1,316	321	346	367	381	1,415	362	1,457
Oil	3,595	14,567	4,190	4,711	4,692	4,740	18,334	4,626	18,769
Ebitda (\$mm)									
Exploration and Production	2,403	9,631	3,230	3,135	3,137	3,175	12,677	3,093	12,540
Other	209	1,251	213	209	438	393	1,252	213	1,252
Total Ebitda	2,611	10,882	3,443	3,344	3,574	3,568	13,929	3,306	13,792
Exploration	73	267	49	85	85	85	304	100	355
Deprec., Deplet., & Amort.	876	3,407	890	890	890	890	3,560	890	3,560
Ebit	1,662	7,208	2,504	2,369	2,599	2,593	10,065	2,316	9,877
Interest	22	97	51	51	51	51	204	51	204
Ebt	1,640	7,111	2,453	2,318	2,548	2,542	9,861	2,265	9,673
Income Tax	574	2,489	858	811	892	890	3,452	793	3,386
Net Income (\$mm)									
Exploration and Production	1,853	7,358	2,510						
Other	121	910	124						
Unallocated	(908)	(3,646)	(1,040)						
Total	1,066	4,622	1,594	1,507	1,656	1,653	6,410	1,472	6,288
Shares (millions)									
Per share (\$)	1.31	5.68	1.96	1.85	2.04	2.03	7.88	1.81	7.73
Ebitda Margin (E&P)	62%	61%	72%	62%	62%	62%	64%	62%	62%
Tax Rate	35%	35%	35%	35%	35%	35%	35%	35%	35%



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Table 1										
McDep Large Cap Energy Portfolio										
Geographic Domicile and Business Segments										
Symbol/Rating B = Buy, CB (see below)	Price (US\$/sh)	EV/ Market Cap	Enterprise Value (\$mm)	Present Value by Segment (%)			Oil Prod'n	Down- stream	McDep Ratio	
				North Amer. Natural Gas	Rest of World Natural Gas					
U.S. Integrated										
Marathon Oil Corporation	MRO	B	54.17	1.28	49,500	6	3	69	22	0.83
Exxon Mobil Corporation	XOM	B	83.47	1.16	482,000	9	19	56	16	0.77
Chevron Corporation	CVX	B	104.91	1.13	238,000	3	10	77	10	0.71
ConocoPhillips	COP	B	73.22	1.39	147,000	14	10	63	13	0.69
<i>Total or Median</i>					<i>917,000</i>			<i>66</i>		<i>0.74</i>
Europe										
BG Group	BRGXF		23.24	1.16	91,500		26	46	28	0.94
Royal Dutch Shell plc	RDS-A	B	71.49	1.30	286,000	3	22	54	21	0.79
Statoil ASA (33%)	STO	B	26.33	1.45	40,200		36	64	-	0.68
BP plc	BP		46.24	1.62	237,000	5	9	67	19	0.62
Total S.A.	TOT	B	57.63	1.29	167,000		18	68	14	0.58
<i>Total or Median</i>					<i>822,000</i>			<i>64</i>		<i>0.68</i>
Brazil/Russia/Australia/China										
CNOOC Limited (34%)	CEO		250.41	1.04	39,600		8	92	-	1.13
Woodside Petroleum Ltd.	WOPEY	B	50.00	1.16	45,000		67	33	-	1.02
PetroChina Company Ltd (14%)	PTR	B	144.15	1.25	46,200		13	69	18	0.73
Petrobras	PBR	CB	34.63	1.26	285,000		2	83	15	0.61
Gazprom (50%)	OGZPY	B	14.75	1.24	105,000		80	20	-	0.58
Lukoil Oil Company	LUKOY	B	64.30	1.12	56,000			67	33	0.46
<i>Total or Median</i>					<i>577,000</i>			<i>67</i>		<i>0.67</i>
U.S. Independent										
Southwestern Energy Company	SWN		43.77	1.09	16,700	100			-	1.04
Anadarko Petroleum Corp.	APC		79.52	1.53	60,600	37		60	3	1.01
Chesapeake Energy Corp.	CHK		31.34	1.69	39,500	83		17	-	0.97
Occidental Petroleum Corp.	OXY	B	107.85	1.09	95,600	8	1	85	6	0.89
EOG Resources, Inc.	EOG	B	109.14	1.19	32,500	45	5	50	-	0.86
Devon Energy Corporation	DVN	B	84.07	1.11	40,200	54		46	-	0.77
<i>Total or Median</i>					<i>285,000</i>			<i>50</i>		<i>0.93</i>
Canada										
Penn West Exploration	PWE		25.95	1.34	15,300	17		83	-	0.87
Imperial Oil Limited (30%)	IMO	B	49.58	1.09	13,900	3		86	11	0.81
Cenovus Energy Inc.	CVE	B	37.09	1.28	35,700	19		75	6	0.80
EnCana Corporation	ECA	B	34.12	1.42	35,900	91		9	-	0.74
Suncor Energy	SU	B	41.90	1.25	82,200	4		88	9	0.70
Canadian Natural Resources Lin	CNQ		43.61	1.25	59,300	13		87	-	0.70
Canadian Oil Sands Limited	COSWF	B	31.30	1.11	16,900			100	-	0.63
<i>Total or Median</i>					<i>259,000</i>			<i>87</i>		<i>0.74</i>
Composite					2,860,000	9	14	63	13	0.71

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



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Table 2								
McDep Large Cap Energy Portfolio								
Net Present Value and McDep Ratio								
			Price (US\$/sh)	Shares	Market Cap (US\$mm)	Net Present Value (US\$/sh)	Debt/ Present Value	McDep Ratio
	Symbol/Rating		31-May 2011	(mm)				
B = Buy, CB (see below)								
U.S. Integrated								
Marathon Oil Corporation	MRO	B	54.17	715	38,730	68.00	0.18	0.83
Exxon Mobil Corporation	XOM	B	83.47	4,971	415,000	112.00	0.11	0.77
Chevron Corporation	CVX	B	104.91	2,009	211,000	154.00	0.08	0.71
ConocoPhillips	COP	B	73.22	1,445	106,000	119.00	0.19	0.69
<i>Total or Median</i>					<i>771,000</i>		<i>0.14</i>	<i>0.74</i>
Europe								
BG Group plc	BRGXF		23.24	3,407	79,200	25.00	0.13	0.94
Royal Dutch Shell plc	RDS-A	B	71.49	3,087	221,000	96.00	0.18	0.79
Statoil ASA (33%)	STO	B	26.33	1,050	27,700	44.00	0.21	0.68
BP plc	BP		46.24	3,168	147,000	93.00	0.24	0.62
Total S.A.	TOT	B	57.63	2,251	130,000	111.00	0.13	0.58
<i>Total or Median</i>					<i>605,000</i>		<i>0.18</i>	<i>0.68</i>
Brazil/Russia/Australia/China								
CNOOC Limited (34%)	CEO		250.41	152	38,200	220.00	0.04	1.13
Woodside Petroleum Ltd.	WOPEY	B	50.00	774	38,700	49.00	0.14	1.02
PetroChina Company Ltd (14%)	PTR	B	144.15	256	36,900	210.00	0.15	0.73
Petrobras	PBR	CB	34.63	6,539	226,400	62.00	0.13	0.61
Gazprom (50%)	OGZPY	B	14.75	5,750	84,800	28.00	0.11	0.58
Lukoil Oil Company	LUKOY	B	64.30	781	50,200	150.00	0.05	0.46
<i>Total or Median</i>					<i>475,000</i>		<i>0.12</i>	<i>0.67</i>
U.S. Independent								
Southwestern Energy Company	SWN		43.77	349	15,300	42.00	0.09	1.04
Anadarko Petroleum Corp.	APC		79.52	498	39,600	78.00	0.35	1.01
Chesapeake Energy Corp.	CHK		31.34	746	23,400	33.00	0.40	0.97
Occidental Petroleum Corp.	OXY	B	107.85	813	87,700	123.00	0.07	0.89
EOG Resources, Inc.	EOG	B	109.14	251	27,400	130.00	0.13	0.86
Devon Energy Corporation	DVN	B	84.07	430	36,200	112.00	0.08	0.77
<i>Total or Median</i>					<i>229,600</i>		<i>0.11</i>	<i>0.93</i>
Canada								
Penn West Exploration	PWE		25.95	440	11,400	31.00	0.22	0.87
Imperial Oil Limited (30%)	IMO	B	49.58	256	12,700	62.00	0.07	0.81
Cenovus Energy Inc.	CVE	B	37.09	753	27,900	49.00	0.17	0.80
EnCana Corporation	ECA	B	34.12	738	25,200	51.00	0.22	0.74
Suncor Energy	SU	B	41.90	1,575	66,000	64.00	0.14	0.70
Canadian Natural Resources Limited	CNQ		43.61	1,089	47,500	67.00	0.14	0.70
Canadian Oil Sands Limited	COSWF	B	31.30	485	15,200	52.00	0.06	0.63
<i>Total or Median</i>					<i>206,000</i>		<i>0.14</i>	<i>0.74</i>
CB=Contrarian Buy, Stock Price may in downtrend compared to 200-day average.								
McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses								
Estimated present value presumes a long-term price for oil of US\$100 a barrel and natural gas, \$8 a million btu.								



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			<i>Price (US\$/sh)</i>	<i>Adjustd Resrvs/ Prod</i>	<i>PV/ Ebitda</i>	<i>EV/ Ebitda</i>	<i>P/E</i>	<i>Divd or Distrib NTM</i>
	<i>Symbol/Rating</i>	<i>31-May 2011</i>		<i>NTM</i>	<i>NTM</i>	<i>NTM</i>	<i>NTM</i>	<i>(%)</i>
	<i>B = Buy, CB (see below)</i>							
U.S. Integrated								
Exxon Mobil Corporation	XOM	B	83.47	13.8	7.0	5.4	9	2.1
ConocoPhillips	COP	B	73.22	11.9	7.4	5.1	9	3.6
Marathon Oil Corporation	MRO	B	54.17	9.0	5.9	4.9	11	1.8
Chevron Corporation	CVX	B	104.91	8.4	5.9	4.2	7	2.7
	<i>Total or Median</i>			<i>10.4</i>	<i>6.5</i>	<i>5.0</i>	<i>9</i>	<i>2.4</i>
Europe								
BG Group plc	BRGXF		23.24	13.8	8.8	8.3	15	0.9
Royal Dutch Shell plc	RDS-A	B	71.49	8.9	6.4	5.0	9	4.7
BP plc	BP		46.24	10.4	7.1	4.4	6	3.6
Total S.A.	TOT	B	57.63	9.6	6.6	3.8	6	5.7
Statoil ASA (33%)	STO	B	26.33	6.6	5.5	3.8	8	4.4
	<i>Total or Median</i>			<i>9.6</i>	<i>6.6</i>	<i>4.4</i>	<i>8</i>	<i>4.4</i>
Brazil/Russia/Australia/China								
Woodside Petroleum Ltd.	WOPEY	B	50.00	15.1	10.5	10.7	18	2.1
Petrobras	PBR	CB	34.63	13.3	10.3	6.3	10	3.4
CNOOC Limited (34%)	CEO		250.41	5.6	5.1	5.8	10	2.2
PetroChina Company Ltd (14%)	PTR	B	144.15	13.4	7.0	5.1	10	3.7
Gazprom (50%)	OGZPY	B	14.75	30.2	6.9	4.0	7	2.3
Lukoil Oil Company	LUKOY	B	64.30	15.9	6.1	2.8	4	2.9
	<i>Total or Median</i>			<i>14.2</i>	<i>7.0</i>	<i>5.5</i>	<i>10</i>	<i>2.6</i>
U.S. Independent								
Southwestern Energy Company	SWN		43.77	8.3	11.2	11.6	24	-
Chesapeake Energy Corp.	CHK		31.34	12.3	11.4	11.1	20	1.0
Anadarko Petroleum Corp.	APC		79.52	8.8	7.9	8.0		0.5
Devon Energy Corporation	DVN	B	84.07	10.7	9.0	7.0	13	0.8
Occidental Petroleum Corp.	OXY	B	107.85	11.3	7.8	6.9	14	1.7
EOG Resources, Inc.	EOG	B	109.14	9.2	7.6	6.6	21	0.6
	<i>Total or Median</i>			<i>9.9</i>	<i>8.5</i>	<i>7.5</i>	<i>20</i>	<i>0.7</i>
Canada								
EnCana Corporation	ECA	B	34.12	12.7	12.8	9.5	39	2.3
Cenovus Energy Inc.	CVE	B	37.09	21.0	11.8	9.4	28	2.2
Imperial Oil Limited (30%)	IMO	B	49.58	21.4	11.5	9.3	16	0.9
Penn West Exploration	PWE		25.95	8.8	9.8	8.6	31	4.3
Canadian Natural Resources Limited	CNQ		43.61	21.0	11.1	7.8	18	0.9
Suncor Energy	SU	B	41.90	21.1	10.0	7.0	14	1.0
Canadian Oil Sands Limited	COSWF	B	31.30	29.8	10.7	6.7	10	4.0
	<i>Total or Median</i>			<i>21.0</i>	<i>11.1</i>	<i>8.6</i>	<i>18</i>	<i>2.2</i>
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 March 31, 2012; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses								



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Table 4									
McDep Large Cap Energy Portfolio									
Rank by Enterprise Value to 200 Day Average									
			Price						
			(\$/sh)	Enterprise Value/					
	Symbol		31-May	52Wk	52Wk	50 Day	200 Day	McDep	
	Rating		2011	High	Low	Avg.	Avg.	Ratio	
U.S. Integrated									
	Marathon Oil Corporation	MRO	B	54.17	1.00	1.53	1.03	1.22	0.83
	Chevron Corporation	CVX	B	104.91	0.96	1.47	1.00	1.12	0.71
	Exxon Mobil Corporation	XOM	B	83.47	0.95	1.40	1.00	1.10	0.77
	ConocoPhillips	COP	B	73.22	0.92	1.33	0.97	1.06	0.69
	<i>Median</i>			<i>0.96</i>	<i>1.44</i>	<i>1.00</i>	<i>1.11</i>	<i>0.74</i>	
Europe									
	BG Group plc	BRGXF		116.22	0.91	1.45	0.97	1.09	0.94
	Statoil ASA (33%)	STO	B	26.33	0.92	1.26	0.98	1.07	0.68
	Royal Dutch Shell plc	RDS-A	B	71.49	0.93	1.32	0.99	1.06	0.79
	BP plc	BP		46.24	0.96	1.35	1.01	1.04	0.62
	Total S.A.	TOT	B	57.63	0.92	1.22	0.97	1.03	0.58
	<i>Median</i>			<i>0.93</i>	<i>1.33</i>	<i>0.98</i>	<i>1.07</i>	<i>0.71</i>	
Brazil/Russia/Australia/China									
	CNOOC Limited (34%)	CEO		250.41	0.92	1.61	1.02	1.12	1.13
	Woodside Petroleum Ltd.	WOPEY	B	50.00	0.96	1.37	1.02	1.12	1.02
	Gazprom (50%)	OGZPY	B	14.75	0.87	1.44	0.95	1.10	0.58
	PetroChina Company Ltd (14%)	PTR	B	144.15	0.92	1.29	1.00	1.08	0.73
	Lukoil Oil Company	LUKOY	B	64.30	0.86	1.31	0.96	1.04	0.46
	Petrobras	PBR	CB	34.63	0.84	1.08	0.94	0.97	0.61
	<i>Median</i>			<i>0.90</i>	<i>1.34</i>	<i>0.98</i>	<i>1.09</i>	<i>0.67</i>	
U.S. Independent									
	Southwestern Energy Company	SWN		47.84	0.97	1.38	1.04	1.15	1.04
	Occidental Petroleum Corp.	OXY	B	107.85	0.92	1.44	1.05	1.15	0.89
	Anadarko Petroleum Corp.	APC		79.52	0.95	1.59	1.01	1.09	1.01
	Chesapeake Energy Corp.	CHK		31.34	0.92	1.28	0.98	1.09	0.97
	Devon Energy Corporation	DVN	B	84.07	0.91	1.37	0.97	1.08	0.77
	EOG Resources, Inc.	EOG	B	109.14	0.91	1.22	0.99	1.07	0.86
	<i>Median</i>			<i>0.92</i>	<i>1.37</i>	<i>1.00</i>	<i>1.09</i>	<i>0.93</i>	
Canada									
	Imperial Oil Limited (30%)	IMO	B	49.58	0.90	1.35	0.98	1.13	0.81
	Cenovus Energy Inc.	CVE	B	37.09	0.93	1.36	1.00	1.10	0.80
	Canadian Oil Sands Limited	COSWF	B	31.18	0.89	1.33	0.96	1.10	0.63
	EnCana Corporation	ECA	B	34.12	0.98	1.20	1.02	1.08	0.74
	Suncor Energy	SU	B	41.90	0.89	1.34	0.97	1.07	0.70
	Penn West Exploration	PWE		25.95	0.92	1.31	0.99	1.06	0.87
	Canadian Natural Resources	CNQ		43.61	0.87	1.33	0.97	1.04	0.70
	<i>Median</i>			<i>0.90</i>	<i>1.33</i>	<i>0.98</i>	<i>1.08</i>	<i>0.74</i>	
CB=Contrarian Buy, Stock Price may be in downtrend compared to 200-day average.									



Meter Reader

A Weekly Analysis of Large Cap Oil and Gas Stocks

May 31, 2011

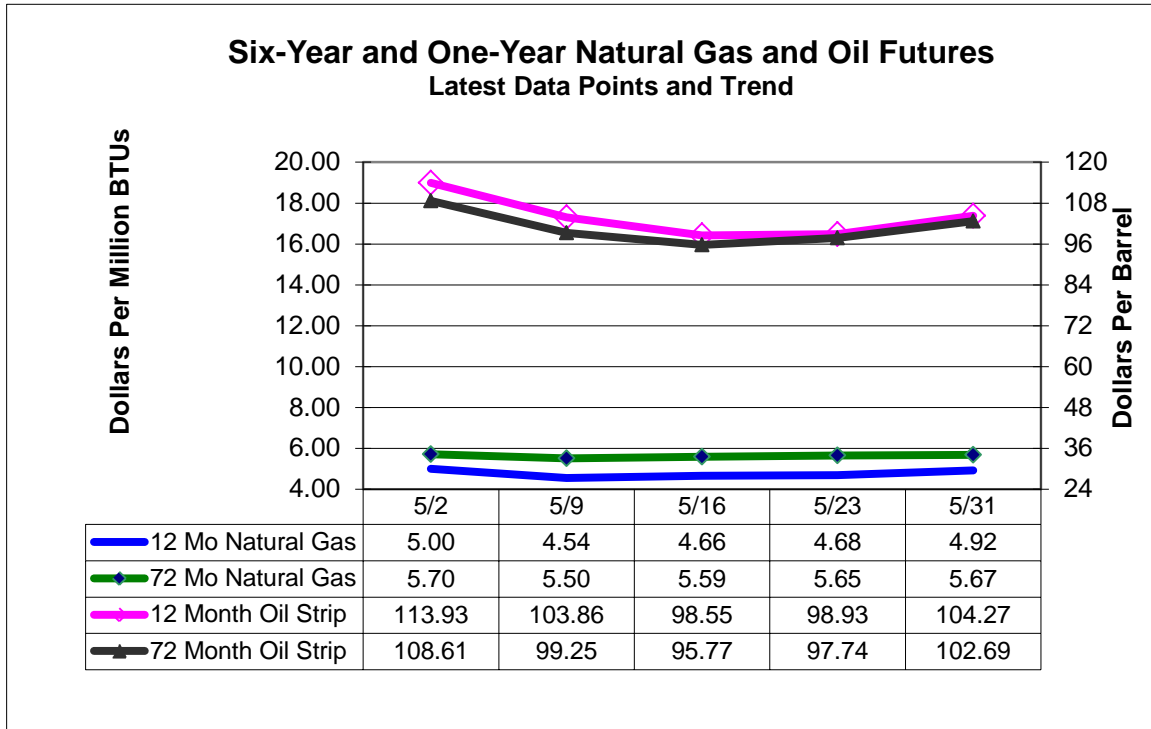
Index of Recent Research			
Stock Ideas			
<i>Date</i>	<i>Symbol</i>	<i>Subject</i>	<i>Theme</i>
27-May	XEC	Cimarex Energy	Timely Buy on Stock Price Underperformance (ISCW)
24-May	STO	Statoil	Nordic Oil and Gas Stalwart (Meter Reader)
20-May	SBR	Sabine Royalty Trust	Raise NPV to \$70 from \$59 on Rising Volume (ISCW)
17-May	PBR	Petrobras	Out-of-Favor Oil Growth (Meter Reader)
13-May	DMLP	Dorchester Minerals, L.P.	Fayetteville and Bakken Growth (Income and Small Cap Weekly)
10-May	EOG	EOG Resources	High-Profit Light Sweet North American Oil (Meter Reader)
3-May	TOT	Total	Profiting Outside U.S. (Meter Reader)
29-Apr	BIREF	Birchcliff Energy	Independent Engineer Confirms Natural Gas Upside (ISCW)
29-Apr	COSWF	Canadian Oil Sands Limited	Dividend Increased 50%
22-Apr	ERF	Enerplus Corporation	New Buy - Bakken and Marcellus with 7% Income (ISCW)
21-Apr	ECA	Encana	North America's Natural Gas Pure Play
19-Apr	DVN	Devon Energy	Rich Resources, Low McDep, Low Debt (Meter Reader)
15-Apr	WLL	Whiting Petroleum	New Buy on Chairman Volker's Prudhoe Bay (ISCW)
12-Apr	COP	ConocoPhillips	Bad Government Actions Good for Oil Profits (Meter Reader)
8-Apr	RRC	Range Resources	Raise NPV to \$60 from \$50 a Share (Income and Small Cap)
5-Apr	CVX	Chevron	Raise NPV to \$154 a Share from \$146 (Meter Reader)
1-Apr	SJT	San Juan Basin Royalty Trust	Remove Buy at McDep Ratio of 1.10 (ISCW)
29-Mar	XOM	Exxon Mobil	Natural Gas Enhanced by Nuclear (Meter Reader)
22-Mar	PTR	PetroChina	Overlooked Oil in PTR Stock (Meter Reader)
15-Mar	LUKOY	Lukoil	Lukoil and Russia Ride the Rise of Oil (Meter Reader)
11-Mar	HGT	Hugoton Royalty Trust	Contrarian Commodity Income (Income and SC Weekly)
8-Mar	CNQ	Canadian Natural Resources	End Buy (Meter Reader)
1-Mar	CVE	Cenovus Energy	High Growth in Deep Oil Sands (Meter Reader)
23-Feb	WOPEY	Woodside Petroleum Ltd.	Double LNG Late 2011
22-Feb	OGZPY	Gazprom	Nearer Accord on Natural Gas to China (Meter Reader)
18-Feb	PEYUF	Peyto Exploration	Raise NPV to \$24 a Share from \$20 (Income and Small Cap)
4-Feb	HK	Petrohawk	Raise NPV to \$24 a Share from \$20 (Income and Small Cap)
26-Jan	OXY	Occidental Petroleum	Growing U.S. Oil Production
18-Jan	MRO	Marathon Oil	Refining/Marketing Spinoff May Boost Value 27% (MR)
For historical research by stock, go to mcdep.com , click on Stock Ideas , click on stock by name.			
Meter Reader			
24-May	STO	Statoil	Nordic Oil and Gas Stalwart
17-May	PBR	Petrobras	Out-of-Favor Oil Growth
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For earlier editions, go to mcdep.com , click on Meter Reader .			
Income and Small Cap Weekly			
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6-May	BRY, DNR, LINE	Berry, Denbury, Linn	Raise NPV as Oil Price Swings
For earlier editions, go to mcdep.com , click on Energy Income .			



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