



# Independent Stock Idea

August 30, 2017

## Suncor Energy Inc. (SU) Returning Cash to Shareholders

<i>Symbol</i>	SU	<i>Ebitda Next Twelve Months ending 9/30/18 (US\$mm)</i>	8,100
<i>Rating</i>	Buy	<i>North American Natural Gas/Ebitda (%)</i>	0
<i>Price (US\$/sh)</i>	31.53	<i>Natural Gas and Oil Production/Ebitda (%)</i>	72
<i>Pricing Date</i>	8/29/17	<i>Adjusted Reserves/Production NTM</i>	13.6
<i>Shares (mm)</i>	1665	<i>EV/Ebitda</i>	8.7
<i>Market Capitalization (US\$mm)</i>	52,500	<i>PV/Ebitda</i>	11.3
<i>Debt (US\$mm)</i>	18,400	<i>Undeveloped Reserves (%)</i>	44
<i>Enterprise Value (EV) (US\$mm)</i>	70,900	<i>Natural Gas and Oil Ebitda (US\$/boe)</i>	20.80
<i>Present Value (PV) (US\$mm)</i>	91,600	<i>Present Value Proven Reserves(US\$/boe)</i>	13.44
<i>Net Present Value (US\$/share)</i>	44	<i>Ebitda Margin NTM (%)</i>	46
<i>Debt/Present Value</i>	0.20	<i>Earnings Next Twelve Months (US\$/sh)</i>	1.45
<i>McDep Ratio - EV/PV</i>	0.77	<i>Price/Earnings Next Twelve Months</i>	22
<i>Dividend Yield (%/year)</i>	3.2	<i>Indicated Annual Dividend (US\$/sh)</i>	1.02
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 SU since 2004 see <a href="http://www.mcdep.com/2su.htm">www.mcdep.com/2su.htm</a>			

### Summary and Recommendation

Buy-recommended **Suncor (SU)** generates free cash flow from oil production to pay a growing dividend, currently yielding 3.2% and to buy back stock, which we estimate has Net Present Value (NPV) of US\$44 compared to current price of US\$31 a share. Cash flow (Ebitda) of US\$8.1 billion for the next twelve months would amply cover about US\$2 billion of maintenance capital, US\$1.7 billion of dividends and US\$1.0 billion for repurchase of 2% of shares outstanding (see table Operating and Financial Estimates on page 2). Future dividends would grow in line with production (see slide Returning Cash on page 3). Growth would be 10% a year through 2019 (see slide Growing Production on page 3). After 2019, growth would depend on oil price (see slide Flexible Capital Allocation on page 4). Volume would be stable at US\$40 a barrel and grow with increasing price. Suncor's confidence in maintaining a stable volume base is high because of its two-thirds concentration on Mining, which has zero decline rate and low sustaining capital cost (see slide Attributes of North American Oil Plays on page 4). About a sixth of the company's volume is from In situ and the remaining sixth from Offshore. Further strengthening the outlook for dividend growth and stock repurchase, Suncor is a low cost producer among the Canadian companies we analyze regularly (see chart Operating Expense on page 5). Oil price volatility is also dampened by downstream operations accounting for 16% of NPV (see table Present Value on page 5). Finally, a McDep Ratio of 0.77 highlights appreciation potential for Suncor along with other stocks in our research coverage (see Tables 1-4 on pages 6-9).

Kurt H. Wulff, CFA



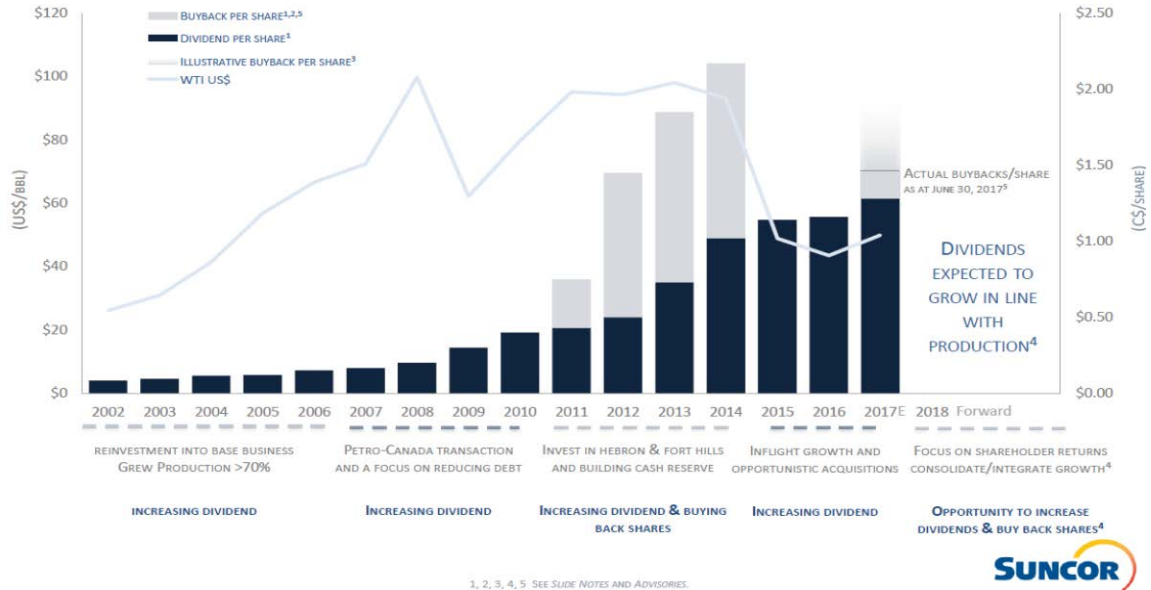
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Suncor										
Next Twelve Months Operating and Financial Estimates										
(Canadian Dollars)										
	Q3	Year	Q2	Q3E	Q4E	Year	Q1E	Q2E	Q3E	Next Twelve Months
	9/30/16	2016	6/30/17	9/30/17	12/31/17	2017	3/31/18	6/30/18	9/30/18	9/30/18
<b>Volume</b>										
Oil Sands (mmb)	39.9	<b>137</b>	32.1	42.3	46.0	<b>161</b>	45.9	46.4	46.9	<b>185</b>
Syncrude	16.9	<b>48</b>	5.6	16.1	16.6	<b>51</b>	15.3	15.5	15.6	<b>63</b>
E&P Canada	4.9	<b>19</b>	5.1	4.6	4.6	<b>20</b>	3.6	3.6	3.7	<b>16</b>
E&P International	5.3	<b>24</b>	6.4	5.5	5.5	<b>24</b>	4.5	4.6	4.6	<b>19</b>
Total Oil (mmb)	67.0	<b>228</b>	49.1	68.5	72.7	<b>256</b>	69.3	70.1	70.8	<b>283</b>
Days	92	<b>366</b>	91	92	92	<b>365</b>	90	91	92	<b>365</b>
Oil Sands (mbd)	434	<b>375</b>	353	460	500	<b>440</b>	510	510	510	<b>507</b>
Syncrude	184	<b>130</b>	61	175	180	<b>140</b>	170	170	170	<b>173</b>
E&P Canada	53	<b>53</b>	56	50	50	<b>54</b>	40	40	40	<b>43</b>
E&P International	58	<b>65</b>	70	60	60	<b>66</b>	50	50	50	<b>53</b>
Total Oil (mbd)	728	<b>623</b>	539	745	790	<b>700</b>	770	770	770	<b>775</b>
<b>Price</b>										
Currency (US\$/C\$)	0.77	<b>0.76</b>	0.74	0.80	0.80	<b>0.78</b>	0.80	0.80	0.80	<b>0.80</b>
WTI Cushing (\$US/bbl)	44.91	<b>43.31</b>	48.26	47.63	48.11	<b>48.98</b>	48.69	49.01	49.13	<b>48.74</b>
WTI Cushing (C\$/bbl)	58.32	<b>57.08</b>	65.21	59.45	60.05	<b>63.26</b>	60.77	61.18	61.33	<b>60.83</b>
Oil Sands	47.75	<b>44.60</b>	58.18	53.04	53.58	<b>55.68</b>	54.22	54.58	54.71	<b>54.28</b>
Syncrude	58.62	<b>57.76</b>	62.27	56.77	57.34	<b>59.96</b>	58.03	58.42	58.56	<b>58.08</b>
E&P Canada	61.63	<b>59.74</b>	66.26	60.41	61.02	<b>64.64</b>	61.75	62.16	62.31	<b>61.76</b>
E&P International	56.96	<b>53.96</b>	63.46	57.85	58.44	<b>62.15</b>	59.14	59.54	59.68	<b>59.16</b>
Total Oil (C\$/bbl)	52.23	<b>49.61</b>	60.16	54.80	55.28	<b>57.83</b>	55.77	56.15	56.28	<b>55.86</b>
<b>Revenue (\$mm)</b>										
Oil Sands	1,905	<b>6,117</b>	1,867	2,245	2,465	<b>8,951</b>	2,489	2,533	2,567	<b>10,054</b>
Syncrude	991	<b>2,751</b>	346	914	950	<b>3,058</b>	888	904	916	<b>3,657</b>
E&P Canada	301	<b>1,157</b>	336	278	281	<b>1,277</b>	222	226	229	<b>959</b>
E&P International	301	<b>1,284</b>	403	319	323	<b>1,492</b>	266	271	275	<b>1,134</b>
Total Oil	3,499	<b>11,309</b>	2,951	3,756	4,017	<b>14,778</b>	3,865	3,934	3,987	<b>15,804</b>
Other	4,192	<b>45,546</b>	45,546	45,546	45,546	<b>155,220</b>	45,546	45,546	45,546	<b>182,185</b>
Total	7,992	<b>58,139</b>	48,901	49,621	49,886	<b>171,490</b>	49,677	49,751	49,808	<b>199,123</b>
<b>Expense (\$mm)</b>										
Upstream	1,913	<b>7,209</b>	1,817	2,056	2,180	<b>8,107</b>	2,079	2,102	2,125	<b>8,487</b>
Downstream	3,603	<b>42,952</b>	44,981	44,846	44,846	<b>152,531</b>	44,846	44,846	44,846	<b>179,385</b>
<b>Ebitda (\$mm)</b>										
Upstream	1,586	<b>4,100</b>	1,134	1,700	1,837	<b>6,671</b>	1,786	1,832	1,862	<b>7,320</b>
Downstream	589	<b>2,594</b>	565	700	700	<b>2,689</b>	700	700	700	<b>2,800</b>
Total Ebitda	2,175	<b>6,694</b>	1,700	2,400	2,537	<b>9,360</b>	2,486	2,532	2,562	<b>10,120</b>
Exploration	146	<b>289</b>	13	13	13	<b>91</b>	13	13	13	<b>52</b>
Deprec., Deplet., & Amort.	1,439	<b>6,117</b>	1,410	1,410	1,410	<b>5,652</b>	1,410	1,410	1,410	<b>5,640</b>
Other	-	<b>-</b>	-	-	-	<b>-</b>	-	-	-	<b>-</b>
<b>Ebit</b>	590	<b>288</b>	277	977	1,114	<b>3,617</b>	1,063	1,109	1,139	<b>4,425</b>
Interest	90	<b>415</b>	38	38	38	<b>192</b>	38	38	38	<b>152</b>
<b>Ebt</b>	500	<b>(127)</b>	239	939	1,076	<b>3,425</b>	1,025	1,071	1,101	<b>4,273</b>
Income Tax	150	<b>(38)</b>	72	282	323	<b>1,027</b>	308	321	330	<b>1,282</b>
<b>Net Income (\$mm)</b>										
Upstream	306	<b>(919)</b>	(95)	-	-	<b>379</b>	-	-	-	<b>-</b>
Downstream	436	<b>1,890</b>	346	-	-	<b>821</b>	-	-	-	<b>-</b>
Unallocated	(392)	<b>(1,060)</b>	(84)	-	-	<b>(213)</b>	-	-	-	<b>-</b>
Total	350	<b>(89)</b>	167	657	753	<b>2,397</b>	718	750	770	<b>2,991</b>
<b>Shares (millions)</b>	1,666	<b>889</b>	1,672	1,665	1,665	<b>1,668</b>	1,665	1,665	1,665	<b>1,665</b>
Per share (\$)	0.21	<b>(0.10)</b>	0.10	0.39	0.45	<b>1.44</b>	0.43	0.45	0.46	<b>1.80</b>
Ebitda Margin Upstream	45%	<b>36%</b>	38%	45%	46%	<b>45%</b>	46%	47%	47%	<b>46%</b>
Tax Rate	30%	<b>30%</b>	30%	30%	30%	<b>30%</b>	30%	30%	30%	<b>30%</b>

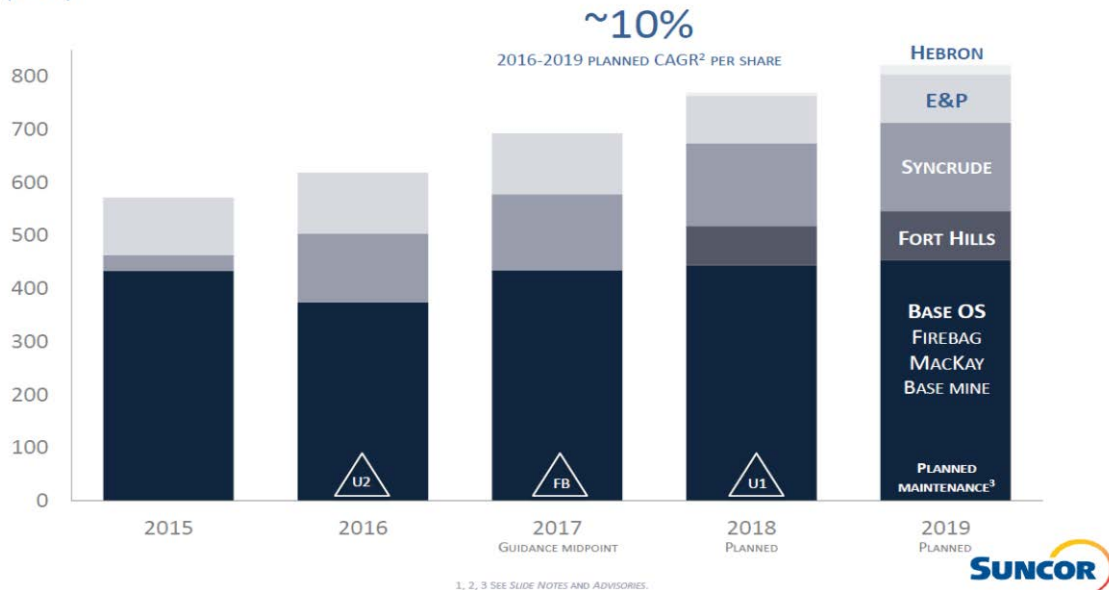
## RETURNING CASH TO SHAREHOLDERS

15 YEARS OF CONSECUTIVE ANNUAL DIVIDEND INCREASES ACROSS PRICE AND BUSINESS CYCLES



## GROWING PRODUCTION

SUNCOR'S PRODUCTION GROWTH FORECAST<sup>1</sup>  
(MBPD)





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## NEAR TERM FLEXIBLE CAPITAL ALLOCATION PLAN<sup>1</sup>

	CAPITAL <sup>1</sup>	PRODUCTION GROWTH TO 2019 <sup>2</sup>	PRODUCTION GROWTH POST 2019	BALANCE SHEET	DIVIDEND <sup>3</sup>	BUYBACKS <sup>3</sup>
\$40 WTI	\$4.0B	10% CAGR PER SHARE	DEFER DEBOTTLENECKING AND PRE-ENGINEERING ON REPLICATION	UPPER END OF LEVERAGE METRICS	GROW WITH PRODUCTION	NONE
\$50-\$55 WTI	\$5.0B	10% CAGR PER SHARE	INVEST IN DEBOTTLENECKING AND PRE-ENGINEERING ON REPLICATION	MID RANGE OF LEVERAGE METRICS	GROW WITH PRODUCTION	\$1-\$2B ANNUALLY
\$65 WTI	\$5.5B	10% CAGR PER SHARE	ADVANCE DEBOTTLENECKING AND DEVELOPMENT ON REPLICATION	LOW RANGE OF LEVERAGE METRICS	GROW WITH PRODUCTION	EXTEND BUYBACK PROGRAM

COMMITTED TO NEAR TERM PRODUCTION AND DIVIDEND, WHILE DISCRETIONARY CAPITAL INVESTMENTS AND SHARE BUYBACKS ARE TAILORED TO THE BUSINESS ENVIRONMENT

1, 2, 3 SEE SLIDE NOTES AND ADVISORIES.

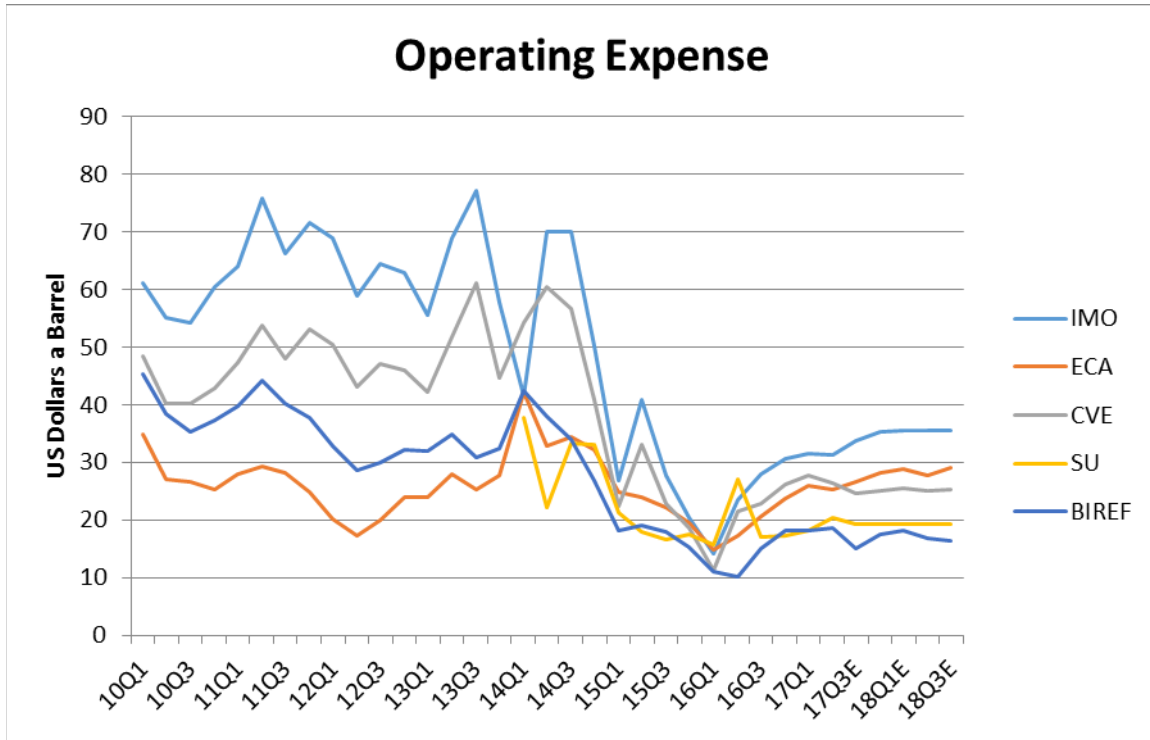


## TYPICAL ATTRIBUTES<sup>1</sup> OF NORTH AMERICAN OIL PLAYS



1, 2 SEE SLIDE NOTES AND ADVISORIES.





<b>Suncor</b>					
<b>Functional Cash Flow and Present Value</b>					
	<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>	
Oil Sands	3,730	14.9	13.9	52,000	57%
Syncrude	1,360	14.9	13.2	18,000	20%
Conventional Oil	780	4.3	9.4	7,300	8%
Downstream	2,240		6.4	14,400	16%
	8,110	13.6	11.3	91,700	100%
Debt (US\$mm)					18,400
Net Present Value (US\$mm)					73,300
Shares (mm)					1,665
Net Present Value - Standard Estimate (US\$/sh)					44
NPV Approximation by Cash Flow Multiple Depending on Reserve Life (US\$/sh)					44



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

			Price (US\$/sh)	Market Cap (US\$mm)	Enterprise Value (\$mm)	EV/ Market Cap	EV/ Ebitda NTM	PV/ Ebitda NTM	Oil Prod'n/ PV (%)	Dist. Yield NTM (%)	McDep Ratio (EV/PV)
	Symbol/Rating		29-Aug 2017								
<b>Global Integrated</b>											
	Chevron Corporation	CVX	107.86	204,000	271,000	1.33	8.8	10.4	60	4.0	0.84
	Exxon Mobil Corporation	XOM	76.45	327,000	418,000	1.28	9.6	12.0	49	4.0	0.81
	Royal Dutch Shell	RDS-A B	55.44	230,000	357,000	1.55	7.2	9.2	51	6.8	0.78
	Total S.A.	TOT B	51.83	129,000	183,000	1.42	6.4	9.7	53	5.6	0.66
	<i>Total or Median</i>			<i>890,000</i>	<i>1,229,000</i>	<i>1.38</i>	<i>8.0</i>	<i>10.0</i>	<i>52</i>	<i>4.8</i>	<i>0.79</i>
<b>Large Independent</b>											
	EOG Resources, Inc.	EOG	83.15	48,100	55,400	1.15	11.0	11.2	86	0.8	0.98
	Pioneer Natural Resources	PXD	127.96	21,800	23,500	1.08	9.4	11.0	87	0.1	0.86
	Occidental Petroleum Corp.	OXY	59.08	45,300	58,100	1.28	10.5	12.8	80	5.1	0.83
	Devon Energy Corporation	DVN	30.99	16,400	24,400	1.49	8.2	10.7	62	0.8	0.77
	ConocoPhillips	COP B	42.85	53,000	77,000	1.46	8.8	12.3	69	2.5	0.71
	Marathon Oil Corporation	MRO B	10.88	9,250	16,400	1.77	9.1	13.0	79	1.8	0.70
	<i>Total or Median</i>			<i>193,900</i>	<i>255,000</i>	<i>1.37</i>	<i>9.3</i>	<i>11.7</i>	<i>80</i>	<i>1.3</i>	<i>0.80</i>
<b>Small Independent</b>											
	Cimarex Energy Company	XEC	98.37	9,400	10,800	1.15	10.0	11.9	63	0.3	0.84
	California Resources	CRC	7.17	300	6,300	21.0	11.5	14.8	89	-	0.78
	Continental Resources (32%)	CLR B	33.01	3,900	6,000	1.54	8.1	11.8	74	-	0.69
	Whiting Petroleum Corporation	WLL	4.36	1,600	5,200	3.27	6.4	12.6	92	-	0.51
	Range Resources	RRC B	17.40	4,300	8,700	2.03	8.4	17.6	31	0.5	0.48
	<i>Total or Median</i>			<i>20,000</i>	<i>37,000</i>	<i>2.03</i>	<i>8.4</i>	<i>12.6</i>	<i>74</i>	<i>-</i>	<i>0.69</i>
<b>Income</b>											
	San Juan Basin Royalty Trust	SJT	6.75	320	320	1.00	13.4	15.8	-	7.4	0.84
	Permian Basin RT	PBT	8.18	380	380	1.00	14.2	19.1	78	6.5	0.74
	Sabine Royalty Trust	SBR	39.40	570	570	1.00	18.8	28.6	59	5.3	0.66
	Dorchester Minerals, L.P.	DMLP B	14.10	460	460	1.00	10.7	18.3	72	8.9	0.59
	Cross Timbers Royalty Trust	CRT B	14.50	90	90	1.00	9.9	19.9	28	7.8	0.50
	<i>Total or Median</i>			<i>1,800</i>	<i>1,800</i>	<i>1.00</i>	<i>13.4</i>	<i>19.1</i>	<i>59</i>	<i>7.4</i>	<i>0.66</i>
<b>Canada</b>											
	EnCana Corporation	ECA	8.95	8,700	15,200	1.74	8.7	10.4	56	0.7	0.84
	Imperial Oil Limited (30%)	IMO	29.16	7,400	9,500	1.27	8.3	10.3	67	1.7	0.81
	Suncor Energy	SU B	31.53	52,500	70,900	1.35	8.7	11.3	84	3.2	0.77
	Birchcliff Energy Ltd.	BIREF B	4.54	1,200	1,800	1.49	6.7	12.1	30	1.8	0.55
	Cenovus Energy Inc.	CVE	7.50	9,200	19,400	2.11	6.2	12.0	83	2.1	0.52
	<i>Total or Median</i>			<i>79,000</i>	<i>117,000</i>	<i>1.49</i>	<i>8.3</i>	<i>11.3</i>	<i>67</i>	<i>1.8</i>	<i>0.77</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 9/30/18.  
 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](http://www.mcdep.com)



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Table 2											
McDep Energy Stocks											
Production Operating Leverage											
Ranked by McDep Ratio											
			Price		Oil	Operating					
			(US\$/sh)		Equiv.	Expense		Ebitda	Ebitda	Oper Lev	
Symbol/Rating		29-Aug	Volume	Price	Fixed	Var.	NTM	NTM	Ebitda chg/	McDep	
B = Buy		2017	(mnboe)	(\$/boe)	(\$/boe)	(%)	(\$/boe)	(\$mm)	Price chg	Ratio	
<b>Global Integrated (excl. Downstream)</b>											
Chevron Corporation	CVX		107.86	889	36.97	11	14	20.80	18,499	1.53	0.84
Exxon Mobil Corporation	XOM		76.45	1,464	37.32	4	43	17.30	25,319	1.23	0.81
Royal Dutch Shell	RDS-A	B	55.44	1,292	36.13	6	14	25.10	32,428	1.24	0.78
Total S.A.	TOT	B	51.83	920	35.90	0	42	20.90	19,224	1.00	0.66
<i>Total or Median</i>										1.24	0.79
<b>Large Independent (excl. Downstream)</b>											
EOG Resources, Inc.	EOG		83.15	233	33.72	11	3	21.60	5,040	1.51	0.98
Pioneer Natural Resources	PXD		127.96	117	33.11	11	3	21.20	2,483	1.52	0.86
Occidental Petroleum Corp.	OXY		59.08	230	34.44	12	11	18.70	4,307	1.64	0.83
Devon Energy Corporation	DVN		30.99	182	25.43	10	6	14.00	2,545	1.71	0.77
ConocoPhillips	COP	B	42.85	439	33.89	8	17	20.10	8,826	1.40	0.71
Marathon Oil Corporation	MRO	B	10.88	130	26.87	11	8	13.80	1,797	1.80	0.70
<i>Total or Median</i>										1.58	0.80
<b>Small Independent</b>											
Cimarex Energy Company	XEC		98.37	72	25.01	6	16	15.00	1,077	1.40	0.84
California Resources	CRC		7.17	47	37.73	15	29	11.60	548	2.29	0.78
Continental Resources (32%)	CLR	B	33.01	33	30.13	3	14	22.80	742	1.13	0.69
Whiting Petroleum Corporation	WLL		4.36	47	31.17	9	17	16.90	802	1.53	0.51
Range Resources	RRC	B	17.40	132	16.84	8	6	7.80	1,032	2.03	0.48
<i>Total or Median</i>										1.53	0.69
<b>Income</b>											
San Juan Basin Royalty Trust	SJT		6.75	3	15.84	5	19	7.89	24	1.63	0.84
Permian Basin RT	PBT		8.18	1	31.00	10	6	19.28	27	1.52	0.74
Sabine Royalty Trust	SBR		39.40	1	27.70	2	11	22.58	31	1.09	0.66
Dorchester Minerals, L.P.	DMLP	B	14.10	2	31.09	7	10	21.08	42	1.33	0.59
Cross Timbers Royalty Trust	CRT	B	14.50	0	33.59	8	10	22.36	9	1.36	0.50
<i>Total or Median</i>										1.36	0.66
<b>Canada (excl. Downstream)</b>											
EnCana Corporation	ECA		8.95	113	28.39	12	4	15.39	1,739	1.78	0.84
Imperial Oil Limited (30%)	IMO		29.16	70	35.52	17	6	16.40	1,142	2.04	0.81
Suncor Energy	SU	B	31.53	283	44.75	22	4	20.78	5,879	2.06	0.77
Birchcliff Energy Ltd.	BIREF	B	4.54	23	17.20	4	9	11.70	271	1.34	0.55
Cenovus Energy Inc.	CVE		7.50	212	25.23	11	3	13.47	2,854	1.82	0.52
<i>Total or Median</i>										1.82	0.77

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											
Ranked by Reserve Life (Adjustd Resrvs/Prod NTM)											
			Price (US\$/sh)				Dividend	Down- stream/ PV	Proven Undev. Resrvs	Adjustd Resrvs/ Prod NTM	Net Present Value (US\$/sh)
	Symbol/Rating		29-Aug 2017	Shares (mm)	Debt (\$mm)	NTM (\$/sh)	P/E NTM	(%)	(%)		
	B = Buy										
<b>Global Integrated</b>											
Exxon Mobil Corporation	XOM		76.45	4,271	91,152	3.08	23	27	31	11.5	100.00
Total S.A.	TOT	B	51.83	2,485	54,515	2.92	13	23	42	9.4	90.00
Chevron Corporation	CVX		107.86	1,893	66,793	4.32	29	20	32	8.9	135.00
Royal Dutch Shell	RDS-A	B	55.44	4,146	126,975	3.76	18	24	25	8.8	80.00
	<i>Median</i>									9.1	
<b>Large Independent</b>											
ConocoPhillips	COP	B	42.85	1,237	24,405	1.06		-	20	10.3	68.00
Occidental Petroleum Corp.	OXY		59.08	766	12,800	3.04	64	14	23	9.2	75.00
Devon Energy Corporation	DVN		30.99	529	8,019	0.24	61	9	20	8.8	45.00
Marathon Oil Corporation	MRO	B	10.88	850	7,129	0.20		-	39	8.6	19.00
EOG Resources, Inc.	EOG		83.15	579	7,250	0.67		-	30	7.0	85.00
Pioneer Natural Resources	PXD		127.96	170	1,700	0.08	69	-	7	6.0	150.00
	<i>Median</i>									8.7	
<b>Small Independent</b>											
Range Resources	RRC	B	17.40	245	4,392	0.08	47	-	44	11.8	56.00
Whiting Petroleum Corporation	WLL		4.36	363	3,589	-		-	53	11.7	18.00
Continental Resources (32%)	CLR	B	33.01	119	2,124	-		-	59	11.4	56.00
California Resources	CRC		7.17	42	6,000	-		-	29	10.3	50.00
Cimarex Energy Company	XEC		98.37	95	1,442	0.32	27	-	21	6.1	120.00
	<i>Median</i>									11.4	
<b>Income</b>											
Sabine Royalty Trust	SBR		39.40	15	-	2.10	19	-	4	12.4	60.00
San Juan Basin Royalty Trust	SJT		6.75	47	-	0.50	14	-	-	10.3	8.00
Permian Basin RT	PBT		8.18	47	-	0.53	15	-	12	9.4	11.00
Cross Timbers Royalty Trust	CRT	B	14.50	6	-	1.13	13	-	-	8.7	29.00
Dorchester Minerals, L.P.	DMLP	B	14.10	32	-	1.25	14	-	-	6.9	24.00
	<i>Median</i>									9.4	
<b>Canada</b>											
Suncor Energy	SU	B	31.53	1,665	18,359	1.02	22	16	44	13.6	44.00
Cenovus Energy Inc.	CVE		7.50	1,229	10,218	0.16		4	55	12.8	22.00
Birchcliff Energy Ltd.	BIREF	B	4.54	268	597	0.08	26	-	69	12.4	10.00
Imperial Oil Limited (30%)	IMO		29.16	255	2,028	0.51	12	32	23	9.2	38.00
EnCana Corporation	ECA		8.95	973	6,457	0.06		-	43	5.5	12.00
	<i>Median</i>									12.4	
P/E = Stock Price to Earnings. For historical research see <a href="http://www.mcdep.com">www.mcdep.com</a> .											





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<b>Table 4</b>											
<b>McDep Energy Stocks</b>											
<b>Total Return Year-to-Date 2017</b>											
<b>Ranked by Unlevered Total Return</b>											
			Price	Price	Price	Cash	Equity	Unlevered			
			(\$/sh)	(\$/sh)	Change	Distrib.	Total	Debt	Return	McDep	
	Symbol/Rati		29-Aug	30-Dec	(%)	(%)	(%)	(\$/sh)	(%)	Ratio	
			2017	2016							
<b>Global Integrated</b>											
	Royal Dutch Shell	RDS-A B	55.44	54.38	2	3	5	31	3	0.78	
	Total S.A.	TOT B	51.83	50.97	2	3	4	22	3	0.66	
	Chevron Corporation	CVX	107.86	117.70	(8)	2	(7)	35	(5)	0.84	
	Exxon Mobil Corporation	XOM	76.45	90.26	(15)	2	(14)	21	(11)	0.81	
	<i>Median</i>				(3)		(1)		(1)	0.79	
<b>Large Independent</b>											
	ConocoPhillips	COP B	42.85	50.14	(15)	1	(13)	20	(10)	0.71	
	Occidental Petroleum Corp.	OXY	59.08	71.23	(17)	2	(15)	17	(12)	0.83	
	EOG Resources, Inc.	EOG	83.15	101.10	(18)	0	(17)	13	(15)	0.98	
	Devon Energy Corporation	DVN	30.99	45.67	(32)	0	(32)	15	(24)	0.77	
	Marathon Oil Corporation	MRO B	10.88	17.31	(37)	1	(37)	8	(25)	0.70	
	Pioneer Natural Resources	PXD	127.96	180.00	(29)	0	(29)	10	(27)	0.86	
	<i>Median</i>				(23)		(23)		(20)	0.80	
<b>Small Independent</b>											
	California Resources	CRC	7.17	21.29	(66)	-	(66)	142	(9)	0.78	
	Cimarex Energy Company	XEC	98.37	135.90	(28)	0	(27)	15	(25)	0.84	
	Continental Resources (32%)	CLR B	33.01	51.54	(36)	-	(36)	18	(27)	0.69	
	Range Resources	RRR B	17.40	34.36	(49)	0	(49)	18	(32)	0.48	
	Whiting Petroleum Corporation	WLL	4.36	12.02	(64)	-	(64)	10	(35)	0.51	
	<i>Median</i>				(49)		(49)		(27)	0.69	
<b>Income</b>											
	Sabine Royalty Trust	SBR	39.40	35.15	12	4	16	-	16	0.66	
	Permian Basin RT	PBT	8.18	7.71	6	5	11	-	11	0.74	
	San Juan Basin Royalty Trust	SJT	6.75	6.62	2	5	7	-	7	0.84	
	Dorchester Minerals, L.P.	DMLP B	14.10	17.55	(20)	5	(15)	-	(15)	0.59	
	Cross Timbers Royalty Trust	CRT B	14.50	17.97	(19)	3	(16)	-	(16)	0.50	
	<i>Median</i>				2		7		7	0.66	
<b>Canada</b>											
	Suncor Energy	SU B	31.53	32.69	(4)	1	(2)	11	(2)	0.77	
	Imperial Oil Limited (30%)	IMO	29.16	34.76	(16)	1	(15)	8	(13)	0.81	
	EnCana Corporation	ECA	8.95	11.74	(24)	0	(24)	7	(15)	0.84	
	Birchcliff Energy Ltd.	BIREF B	4.54	7.01	(35)	1	(35)	2	(26)	0.55	
	Cenovus Energy Inc.	CVE	7.50	15.13	(50)	1	(50)	8	(32)	0.52	
	<i>Median</i>				(24)		(24)		(15)	0.77	
	<i>Grand Median</i>				(19)		(16)		(15)	0.77	
	<b>Natural Gas (\$/mmbtu)</b>		2.96	3.74	(21)						
	<b>Oil - West Texas Intermediate (\$/bbl)</b>		46.38	53.72	(14)						
	Total Stock Market - U.S.	VTI	125.46	115.32	9						
	Developed Markets - ex US	VEA	42.22	36.54	16						
	Emerging Markets	VWO	44.10	35.78	23						

Source: McDep LLC, Yahoo, CME Group, Bloomberg

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