Toward American Energy Liberty Day

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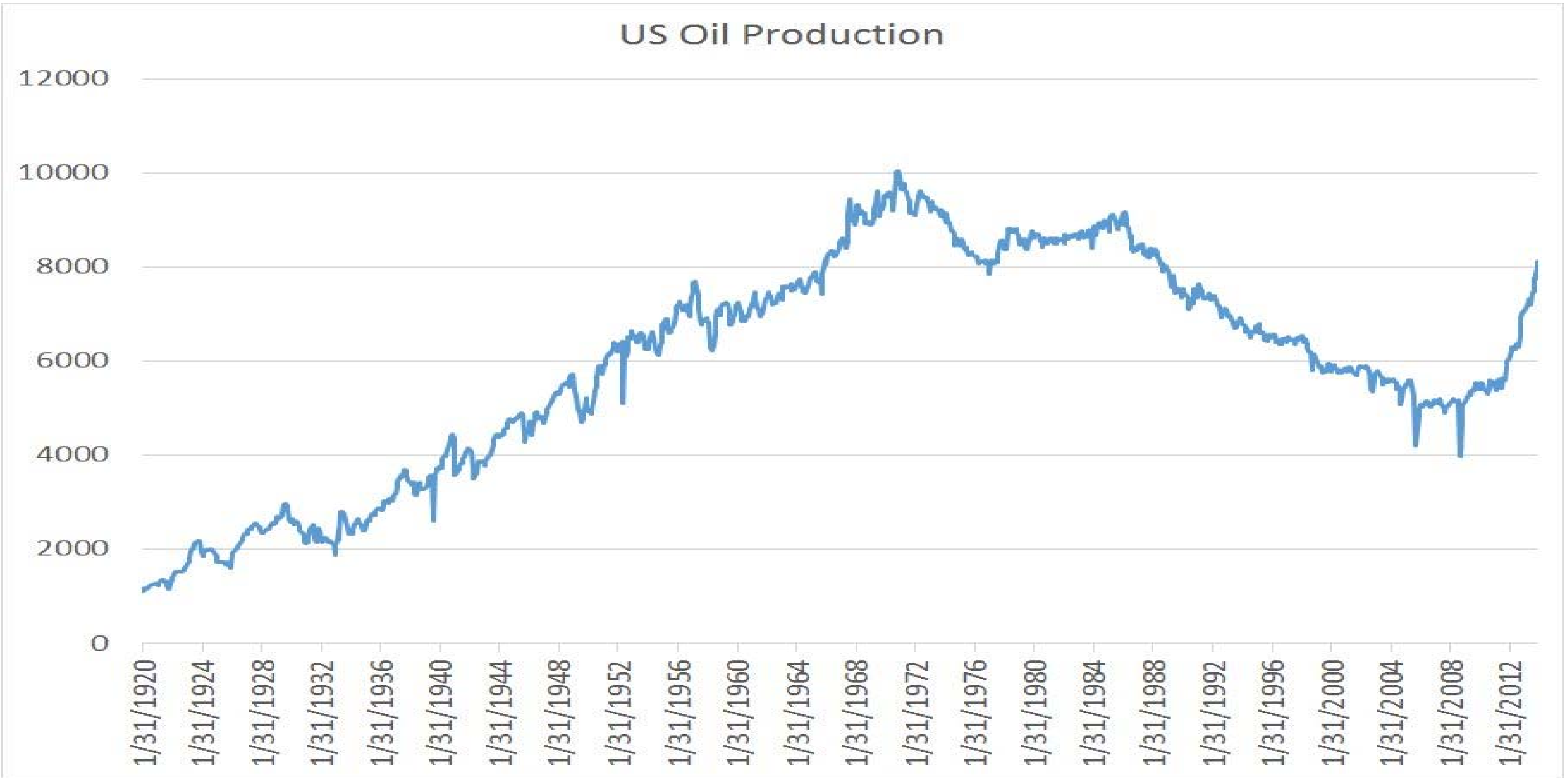
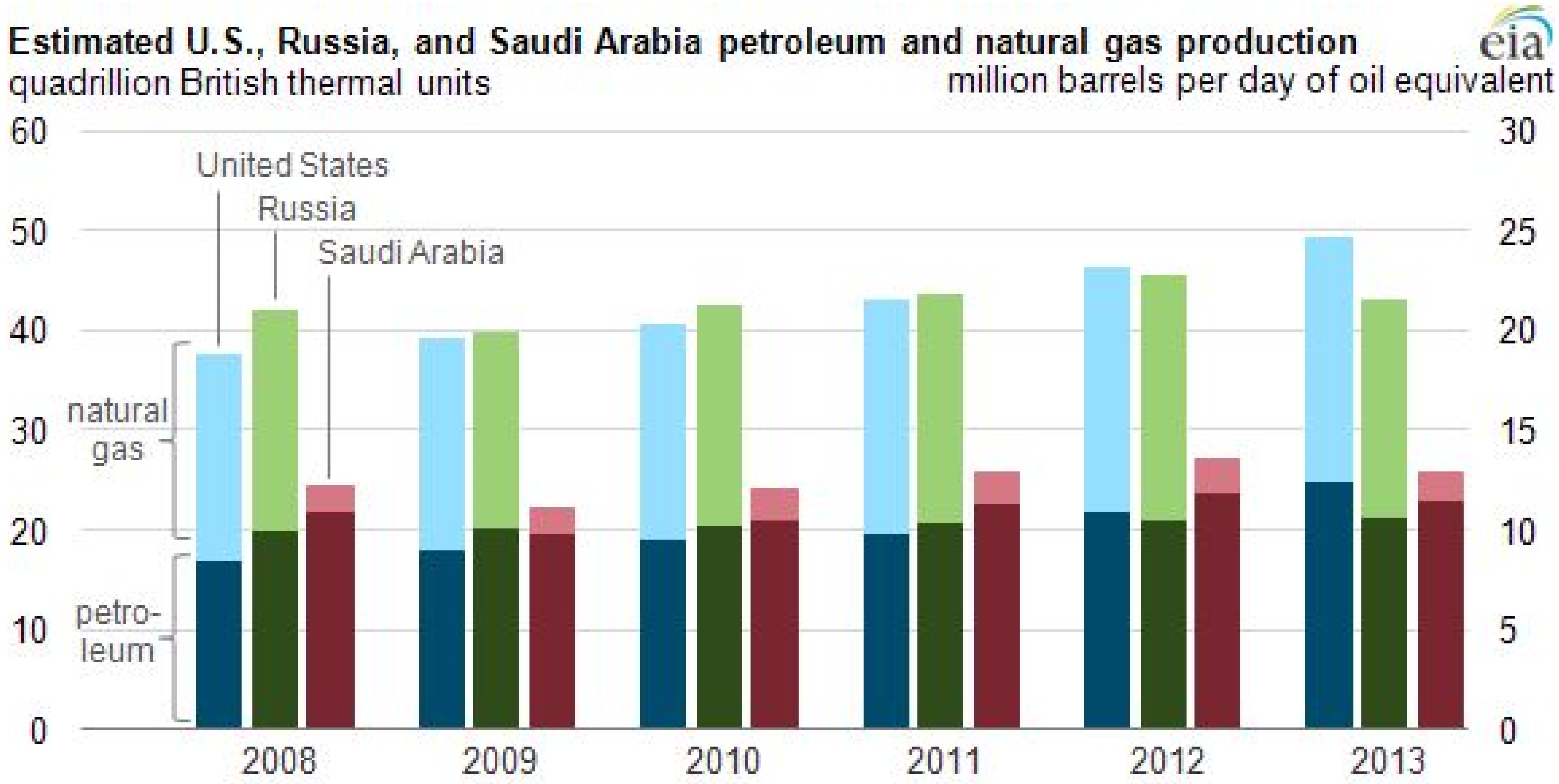
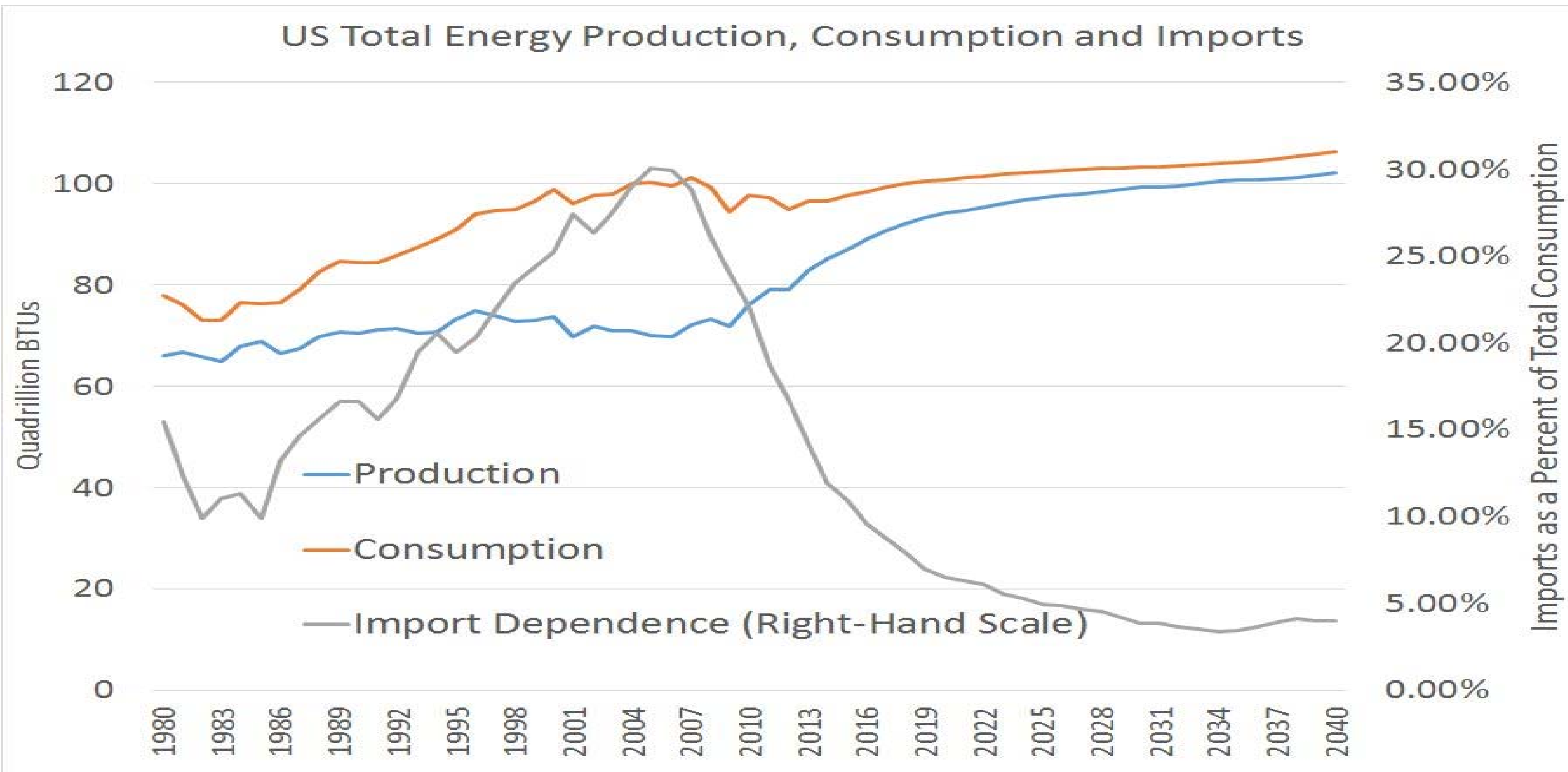
Back to July 1988



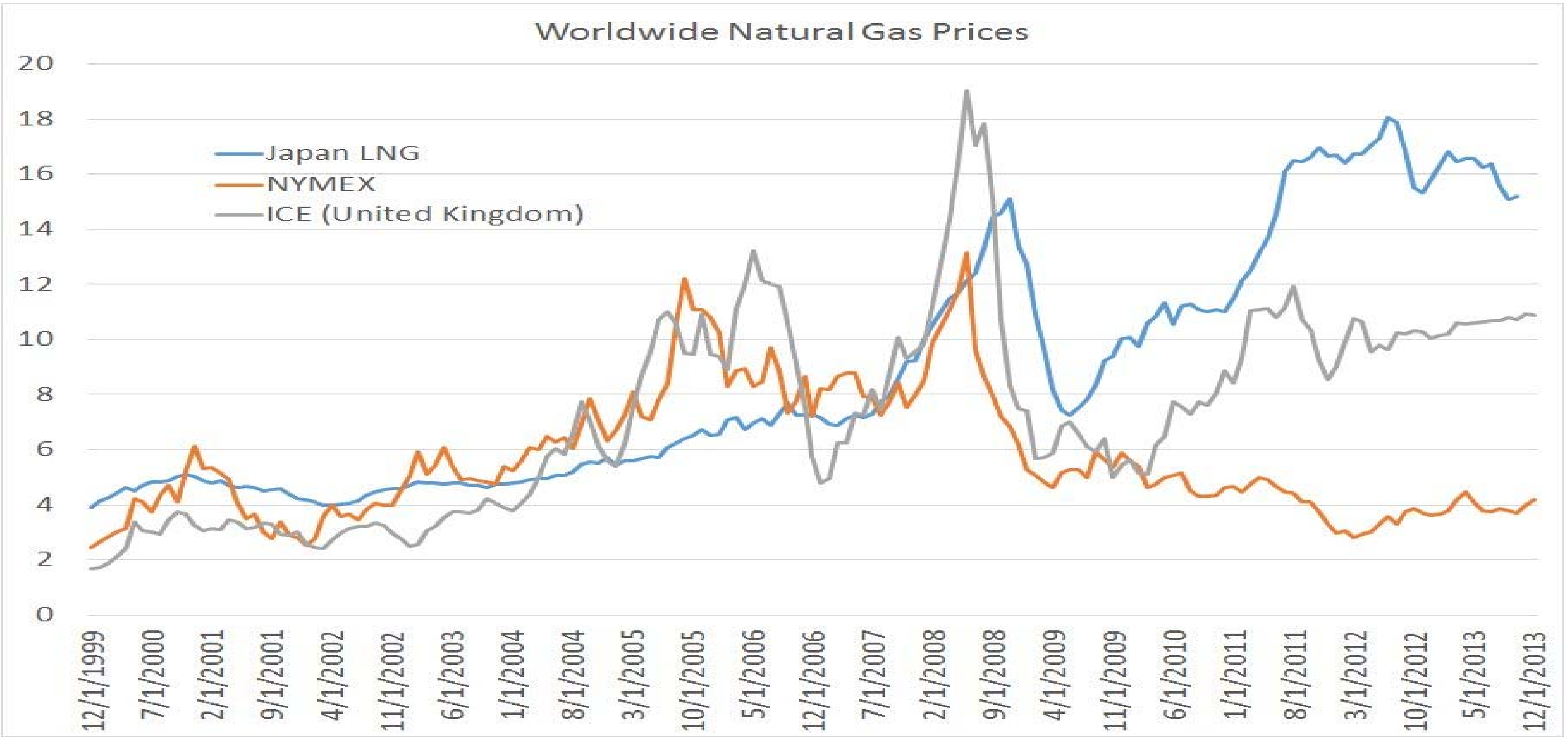
The World's Largest Oil and Gas Producer



US Energy Liberty Day is Approaching



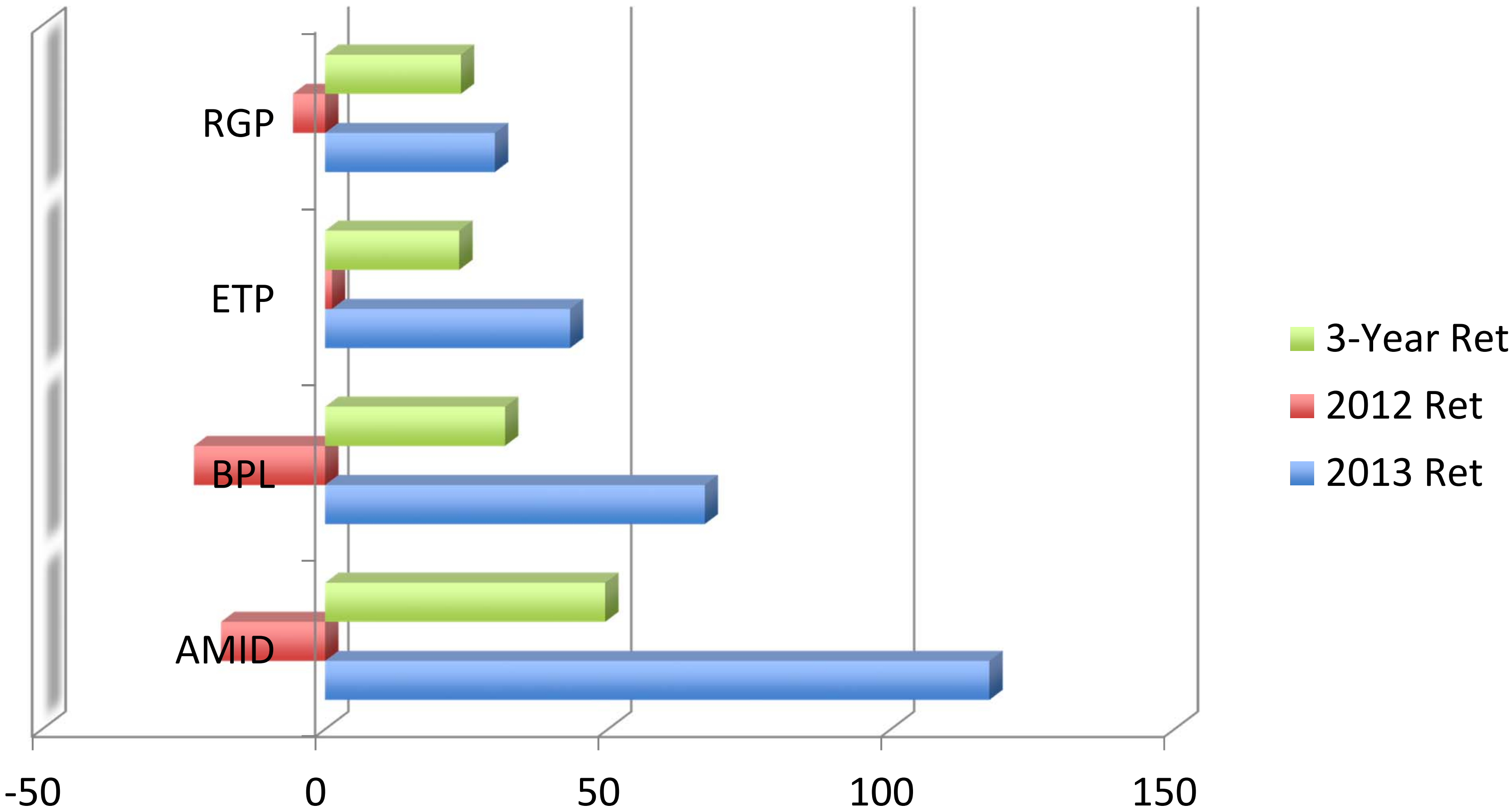
US Enjoys Cheap Gas and Electricity Prices



MLP DIVIDEND DANGER

- DISTRIBUTIONS CONSISTENTLY EXCEED DCF
- RISING COST OF CAPITAL
- HEFTY REFINANCING NEEDS
- CORE REVENUES WEAK
- LONG-TERM PROGRAM OF REGULAR DISTRIBUTION INCREASES SUSPENDED
- DIVIDEND CUTS DISASTROUS (NRP -22% 2014)
- RETURN TO GROWTH EXPLOSIVE

RETURN TO GROWTH



RETURN TO GROWTH #1: ENBRIDGE ENERGY PARTNERS (NYSE: EEP)

LAST DIVIDEND BOOST = JULY 2012

YIELD = 7.6%

DCF COVERAGE = 0.7-TO-1

2-YEAR DEBT/MARKET CAP = 2.16%

GENERAL PARTNER ENBRIDGE INC (TSX: ENB, NYSE: ENB) OWNS 18.3%

Q4 EARNINGS = FEB 13

KEY CATALYSTS:

1. SANDPIPER PROJECT IN BAKKEN LIGHT OIL
2. NGL MARGINS AT GAS GATHERING/PROCESSING
3. MIDCOAST ENERGY SPINOFF G&P
4. IMPROVED PIPELINE PERFORMANCE

KEY RISKS:

1. PIPELINE PERFORMANCE
2. NGL PRICE VOLATILITY
3. CAPEX EXECUTION

RETURN TO GROWTH #2: ATLAS PIPELINE PARTNERS (NYSE: APL)

YIELD = 7.4%

LAST DIVIDEND BOOST = JULY 2013

DCF COVERAGE = 1.05-T0-1

2-YEAR DEBT/CASH FLOW = 0%

ATLAS ENERGY OWNS 7.24%

NEXT EARNINGS FEB 18 (EXPECTED)

MARGIN 89% PROTECTED HEDGING

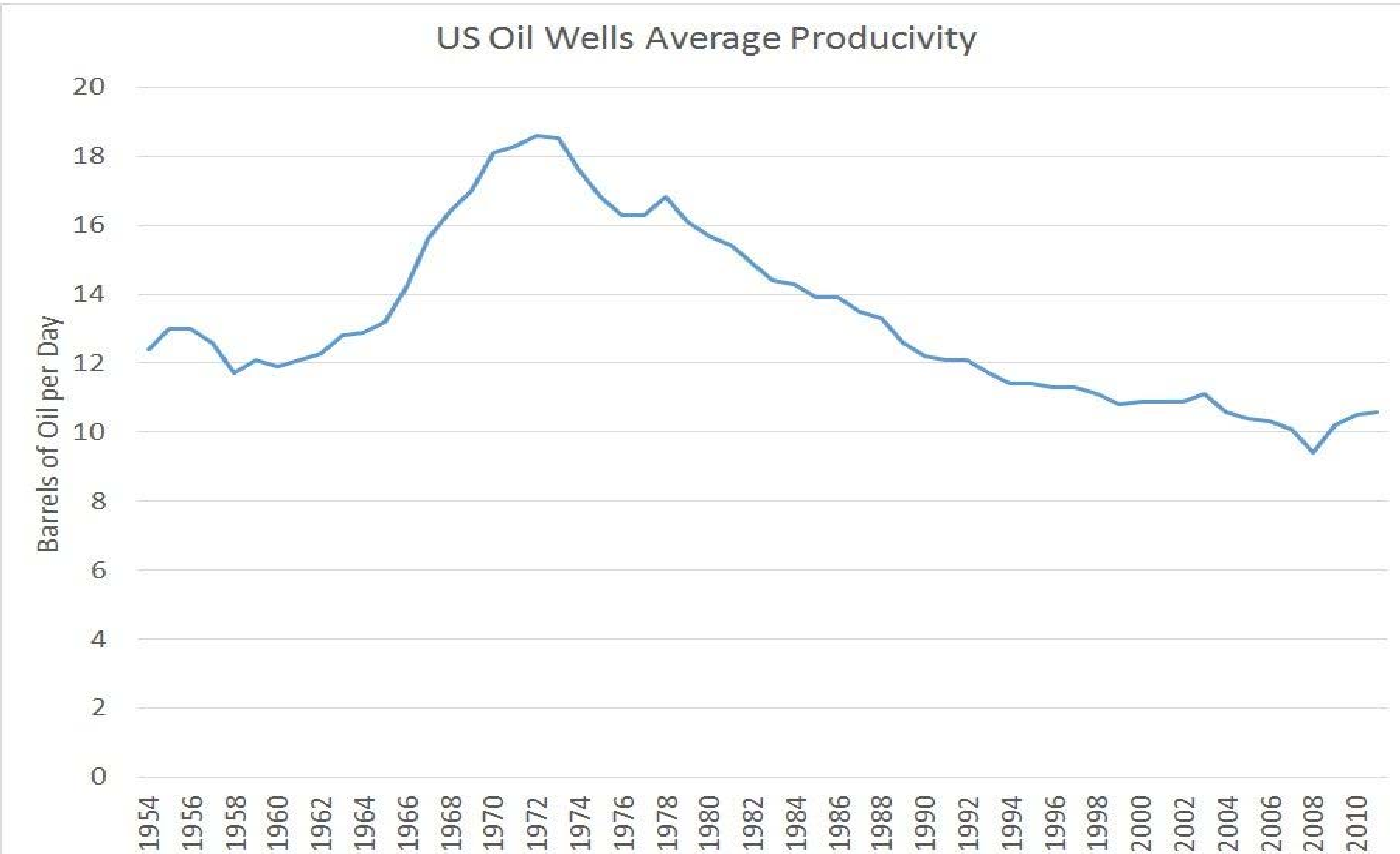
KEY CATALYSTS:

1. NGL SPREADS
2. RISING VOLUMES IN EAGLE FORD, PERMIAN BASIN, WOODFORD SHALE, MISSISSIPPIAN
3. 40% BOOST IN PROCESSING CAPACITY PLANNED IN 2014

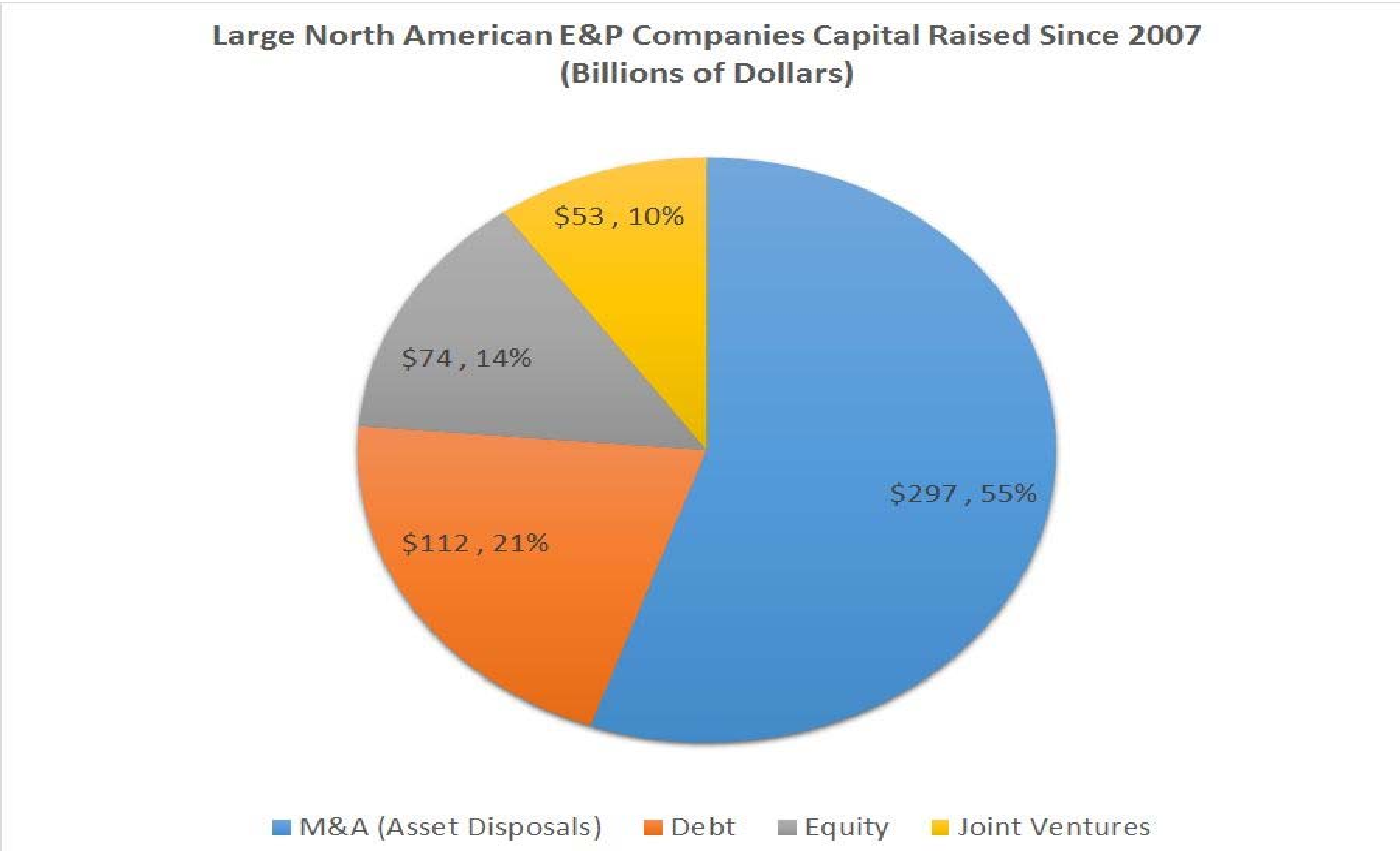
KEY CHALLENGES:

1. PAYING DOWN DEBT
2. ETHANE PRICES
3. 1.1-TO-1 COVERAGE RATIO

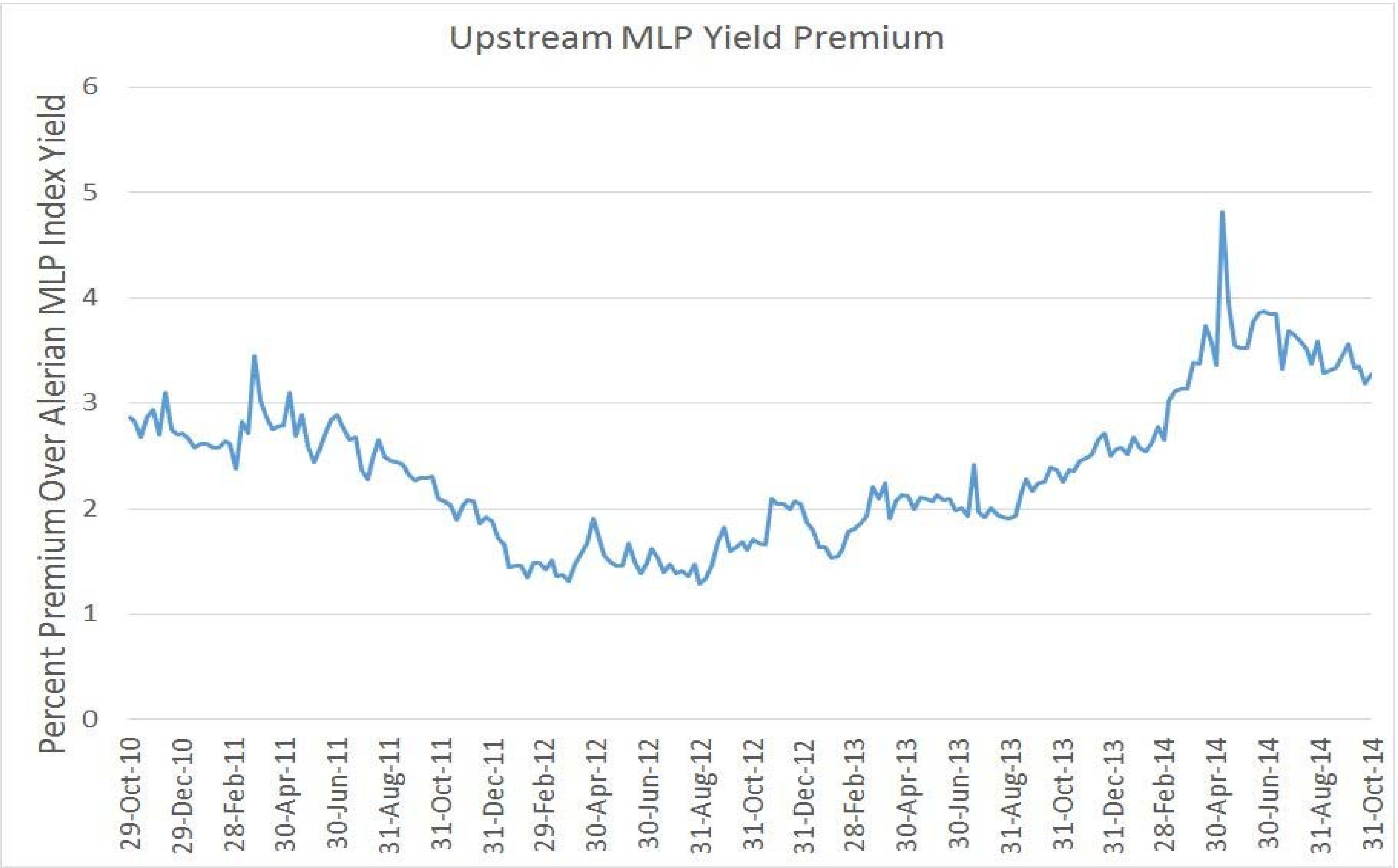
Beauty in Maturity



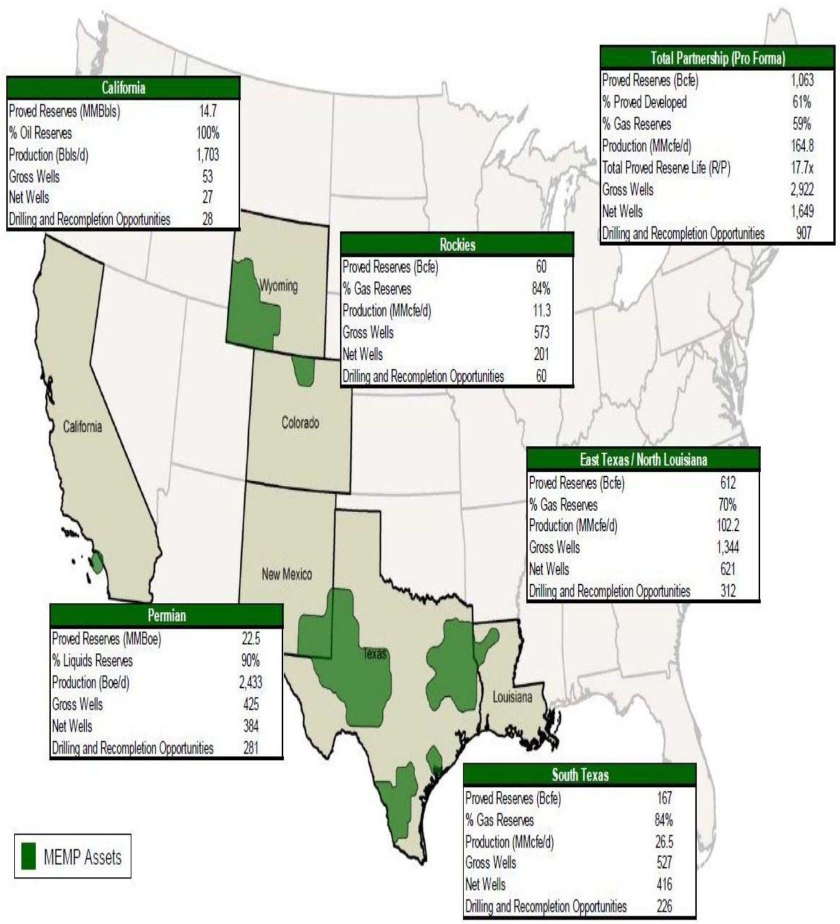
Shale is Expensive



Upstream MLPs are Cheap



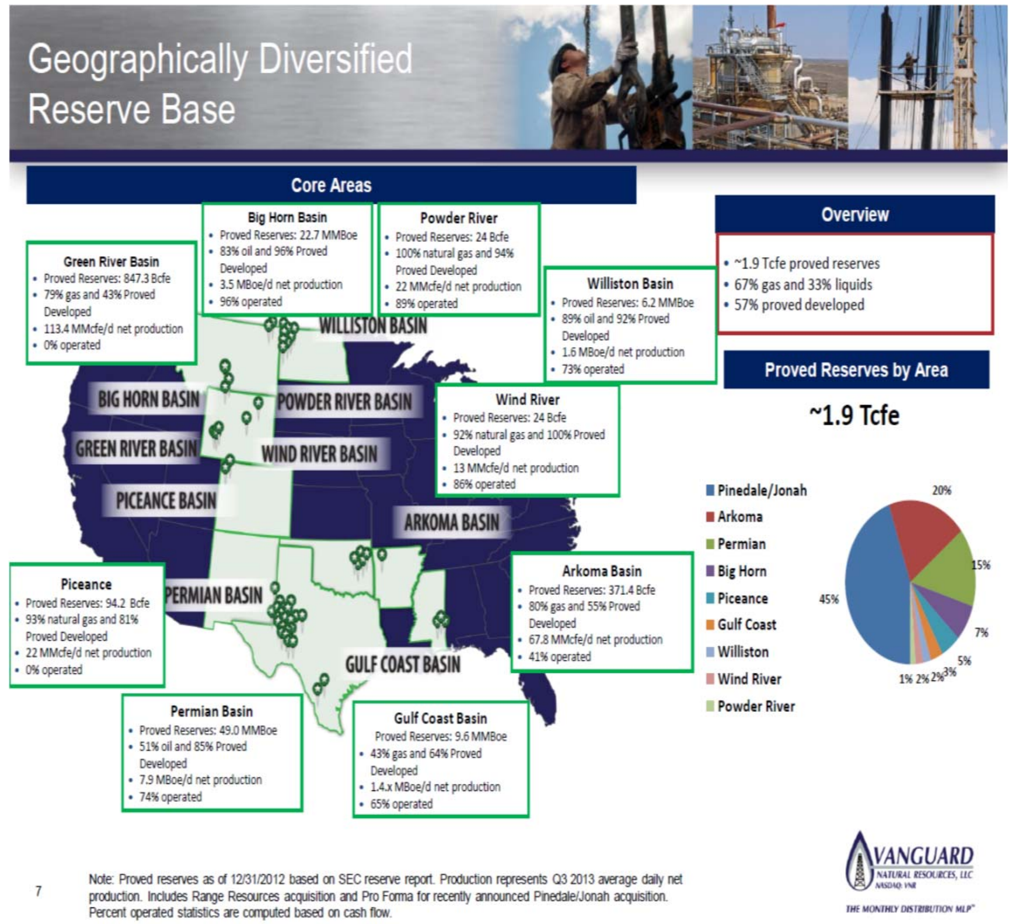
Memorial Production Partners (MEMP)



- Enterprise Value of $1.9 billion, one of the smaller upstream MLPs.
- Heavy hedge book: 83% of 2014 production, 79% ’15, 62% ‘16, 50% ’17 and ‘18, 33% in ’19
- Memorial Resource Development 1TCFE of Drop-Down Potential
- 10% Yield

Vanguard Natural Resources (NYSE: VNR)

- Recently acquired 87,000 Gross Acres in Pinedale and Jonah fields WY at$0.69/MCF
- 80% NatGas, 16% NGLs
- Historically Hedges 85% of Gas production through 1H 2017 and 75% of Oil through 2015
- Opportunity for more acquisitions as producers need to fund shale.
- Yields 8.4%, Paid Monthly



THE ICARUS SYNDROME

SMART SOLAR: NRG ENERGY (NYSE: NRG)

YIELD 1.8%

12-MO DIVIDEND GROWTH = 25%

2 YR DEBT/MRKT CAP = 2.81%

ASSET AGGREGATOR:

1. 3-YEAR REV GRTH = 47.3%
2. 47 GW CAPACITY
3. MISSION ENERGY TAKEOVER CLOSE IN Q1
4. INNOVATIVE FINANCING NYLD

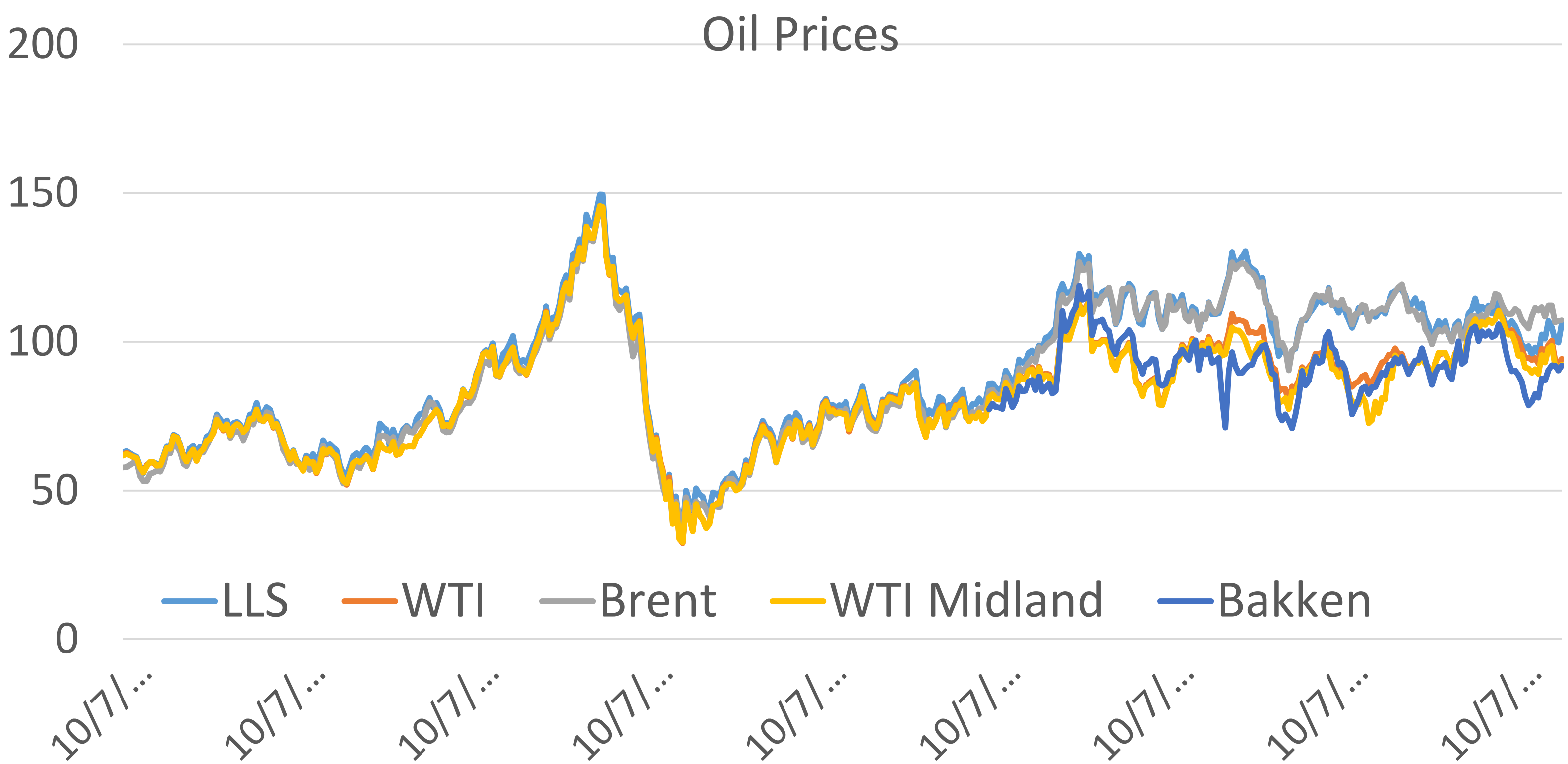
RETAIL BASE PRIME FOR SOLAR:

1. 2.259 MIL CUSTOMERS
2. EXPERTISE IN UTILITY-SCALE AND DISTRIBUTED SOLAR
3. REGULATORY EXPERIENCE

RISKS AND CATALYSTS:

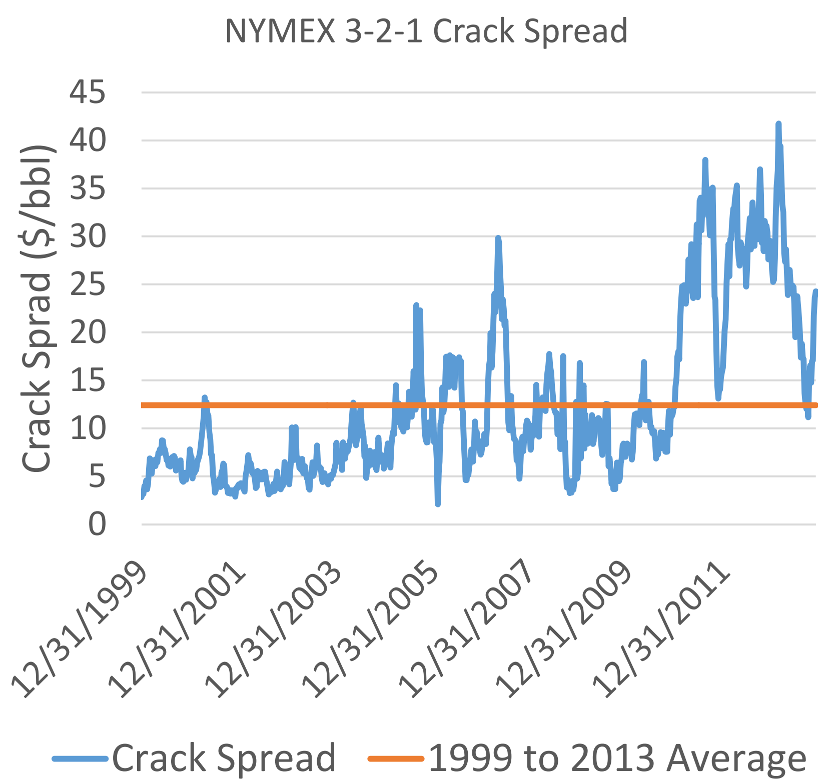
1. LARGE ENOUGH TO TACK
2. MASSIVE SAVINGS/SYNERGIES MANAGING LOW COST COAL FLEET
3. WHOLESALE POWER PRICES

Where's Oil Trading?

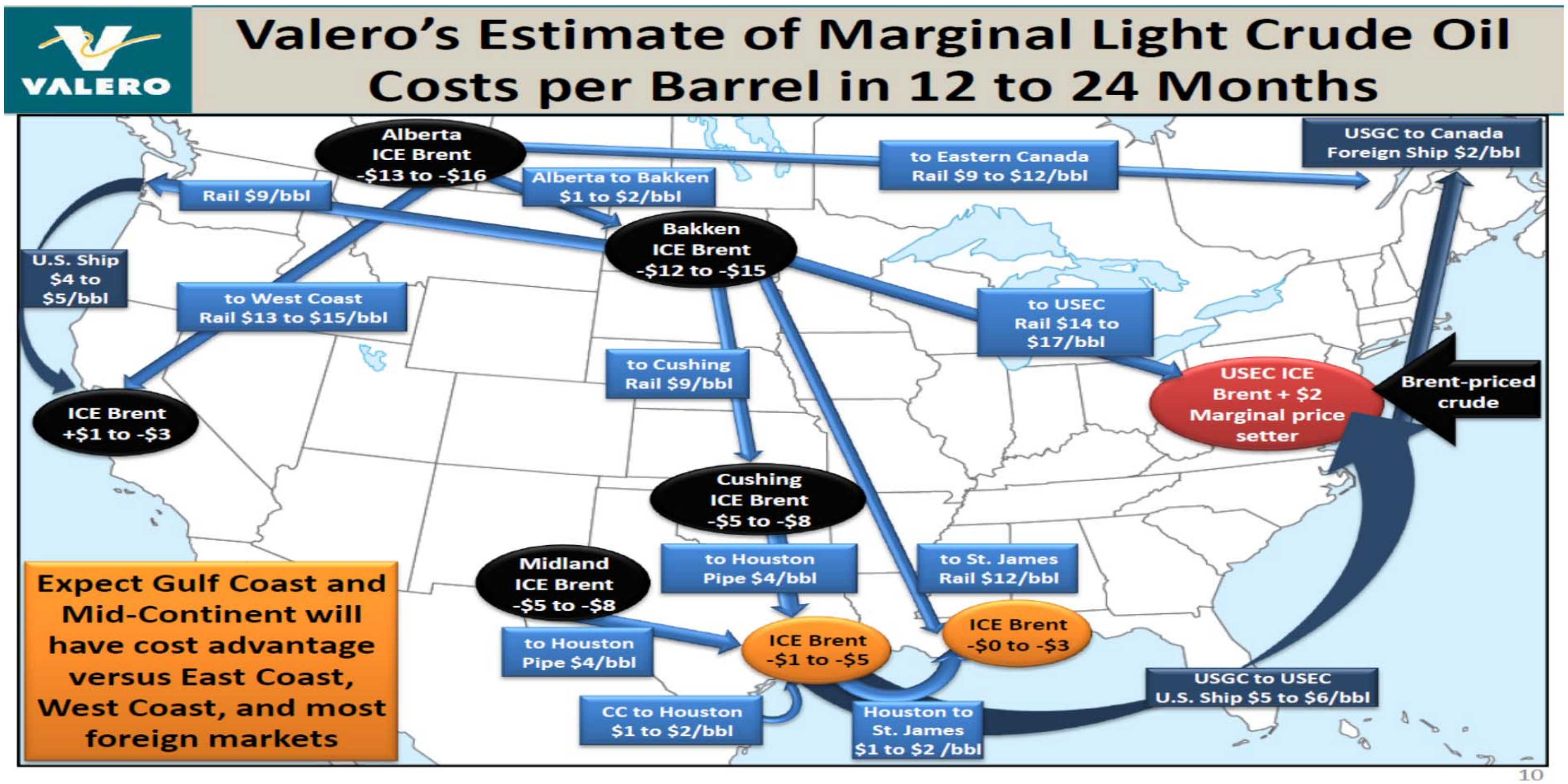


Refining: As Easy as 3-2-1

- Refiners are manufacturing firms: convert oil to gasoline, diesel, jet fuel, other products.
- 3 Barrels of oil ($93.82/bbl x 3) = $281.46
- 2 Barrels of Gasoline ($2.68/ gallon x 42 x 2) = $225.12
- 1 Barrel of Diesel ($3.05/gallon x 42 x 1) = $128.1
- 3-2-1 Spread: $225.12 + $128.1 - $281.46 = $70.76 divided by 3 = **$23.58 per Barrel.**



Valero Energy (NYSE: VLO)



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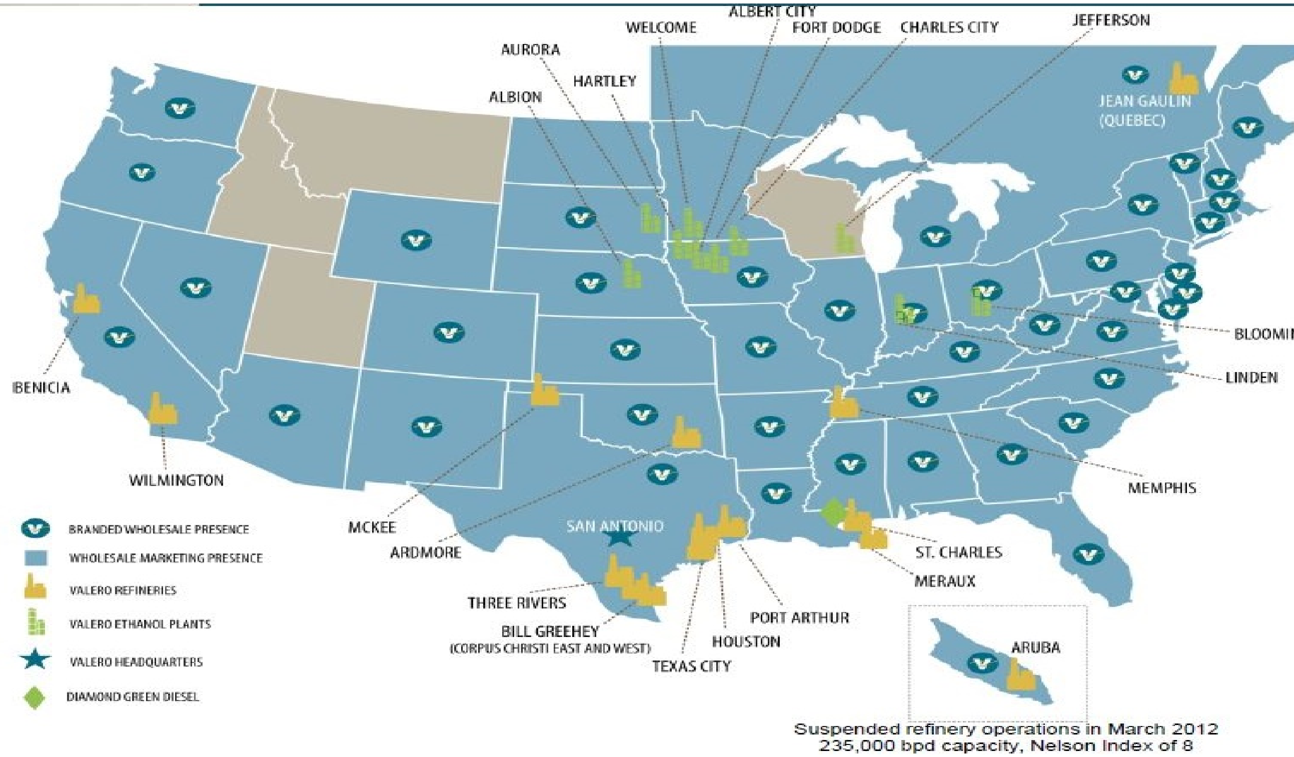


Refinery	Capacities (000 bpd) Total Through-put	Crude Oil	Nelson Index
Corpus Christi	325	205	20.6
Houston	160	90	15.1
Meraux	135	135	10.2
Port Arthur	310	290	14.2
St. Charles	270	190	15.9
Texas City	245	225	11.1
Three Rivers	100	95	12.4
Gulf Coast	1,545	1,230	14.3
Ardmore	90	86	12.0
McKee	170	168	9.5
Memphis	195	180	7.5
Mid-Con	455	434	9.2
Pembroke	270	220	11.8
Quebec City	235	230	7.7
North Atlantic	505	450	9.7
Benicia	170	145	15.0
Wilmington	135	85	15.8
West Coast	305	230	15.3
Total or Avg.	2,810	2,344	12.5

TAPER TRADE VICTIM

CANADIAN VALUES

- US DOLLAR 10% MORE BUYING POWER
- IT’S NOT ARGENTINA
- EQUAL POTENTIAL FROM SHALE BOOM
- TAR SANDS
- FAVORABLE REGULATION
- TRANSPORTATION SHORTAGE

TRANSCANADA CORP (TSX: TRP, NYSE: TRP): MORE THAN KEYSTONE

DIVERSIFIED GAS TRANSMISSION AND POWER GENERATION

YIELD 3.9%, PAID QUARTERLY

12- MO DIVIDEND GROWTH = 4.6%

PAYOUT RATIO = 34.1% FFO

CREDIT RATINGS: S&P A-(STABLE), MOODY'S BAA1(STABLE)

NEXT EARNINGS FEB 20

KEY CATALYSTS:

1. $13 BIL CAPEX NEXT THREE YEARS
2. KEYSTONE XL APPROVAL
3. ENERGY EAST PIPELINE

KEY RISKS:

1. FAILURE OF KEYSTONE XL
2. SLOWER TRAFFIC
3. CAPEX EXECUTION

12 BUYS, 5 HOLDS, NO SELLS

PIPELINES NEEDED

CRESCENT POINT ENERGY CORP (TSX: CPG, NYSE; CPG)

LISTED NYSE STARTING JANUARY 22

YIELD = 7.2%

PAYOUT RATIO = 52.7%

ALL-IN PAYOUT = 135.2%

2-YR DEBT/MRKT CAP = 0.606%

EXPECTED EARNINGS = MAR 14

2013 EXIT PROD = 126,500 BOE/DAY

2014 EXIT TARGET = 135,000 BOE/DAY

2014 CAPEX = CD1.75 BIL

LIGHT OIL = 90.9%

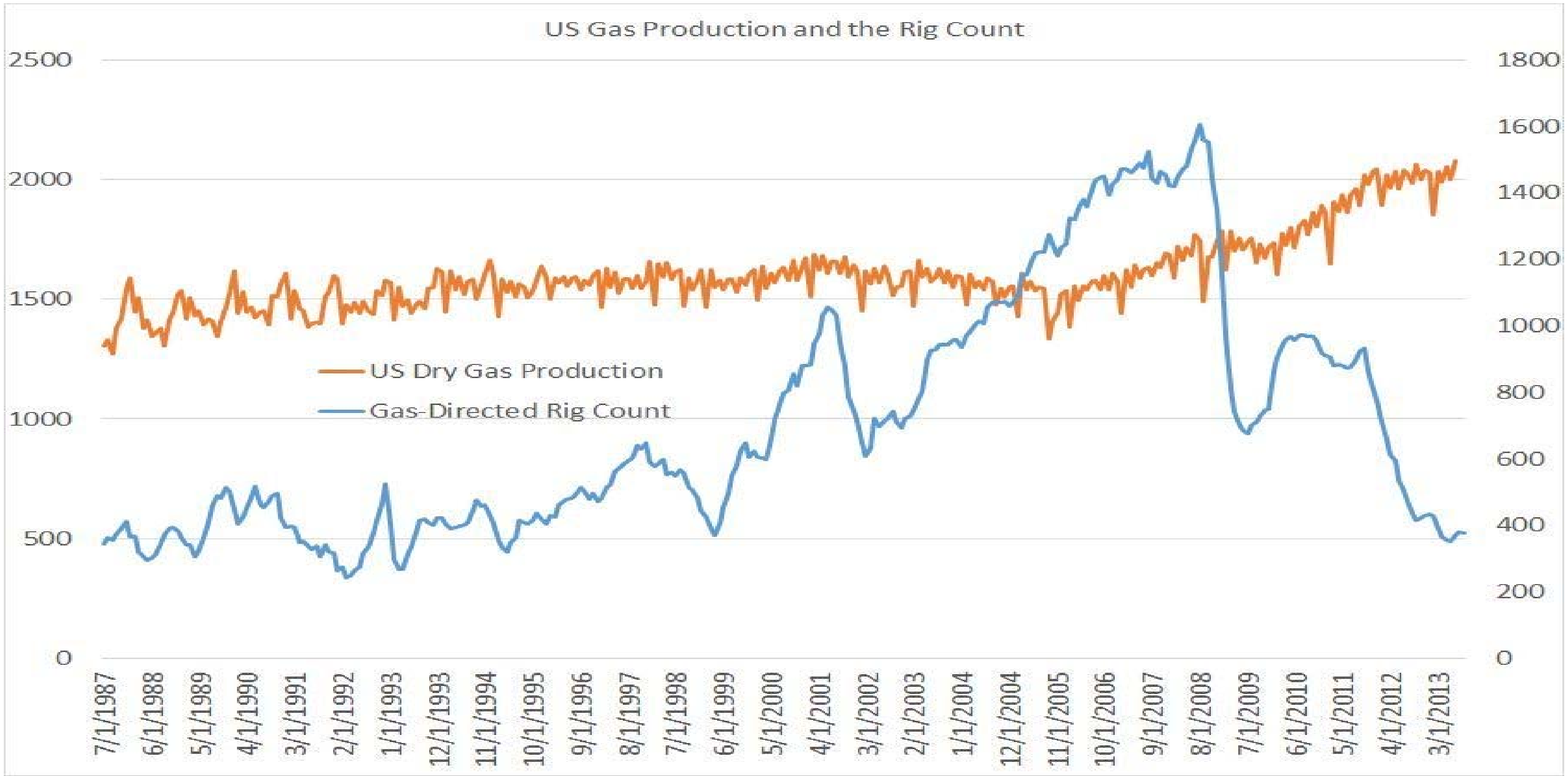
KEY CATALYSTS

1. USD GAINS CUT COSTS RELATIVE TO REVENUE
2. WATERFLOOD DRILLING
3. NARROWING DIFFERENTIALS

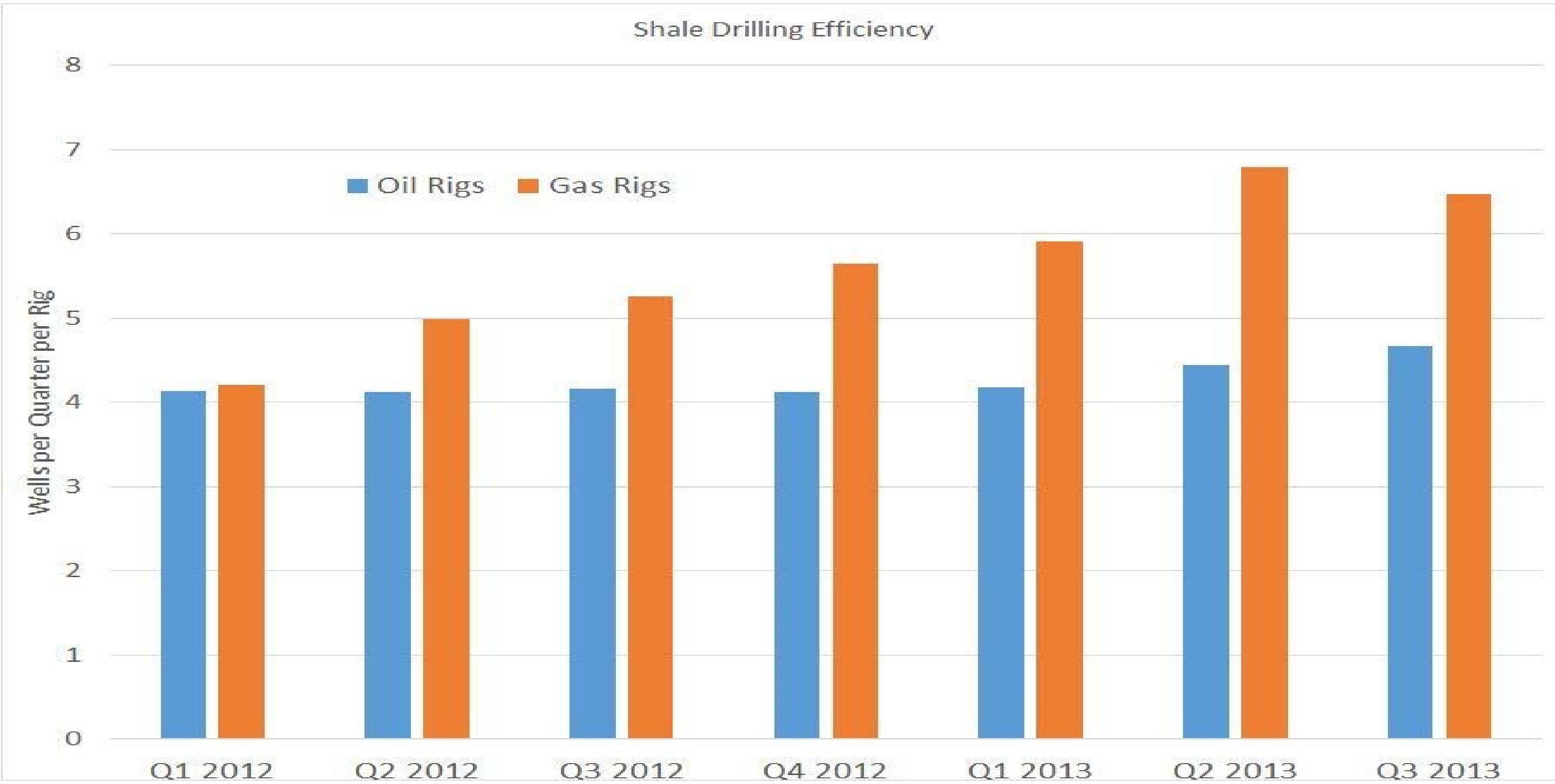
HEDGING = 58% 2014, 26% 2O15

22 BUYS, 1 HOLD, 1 SELL

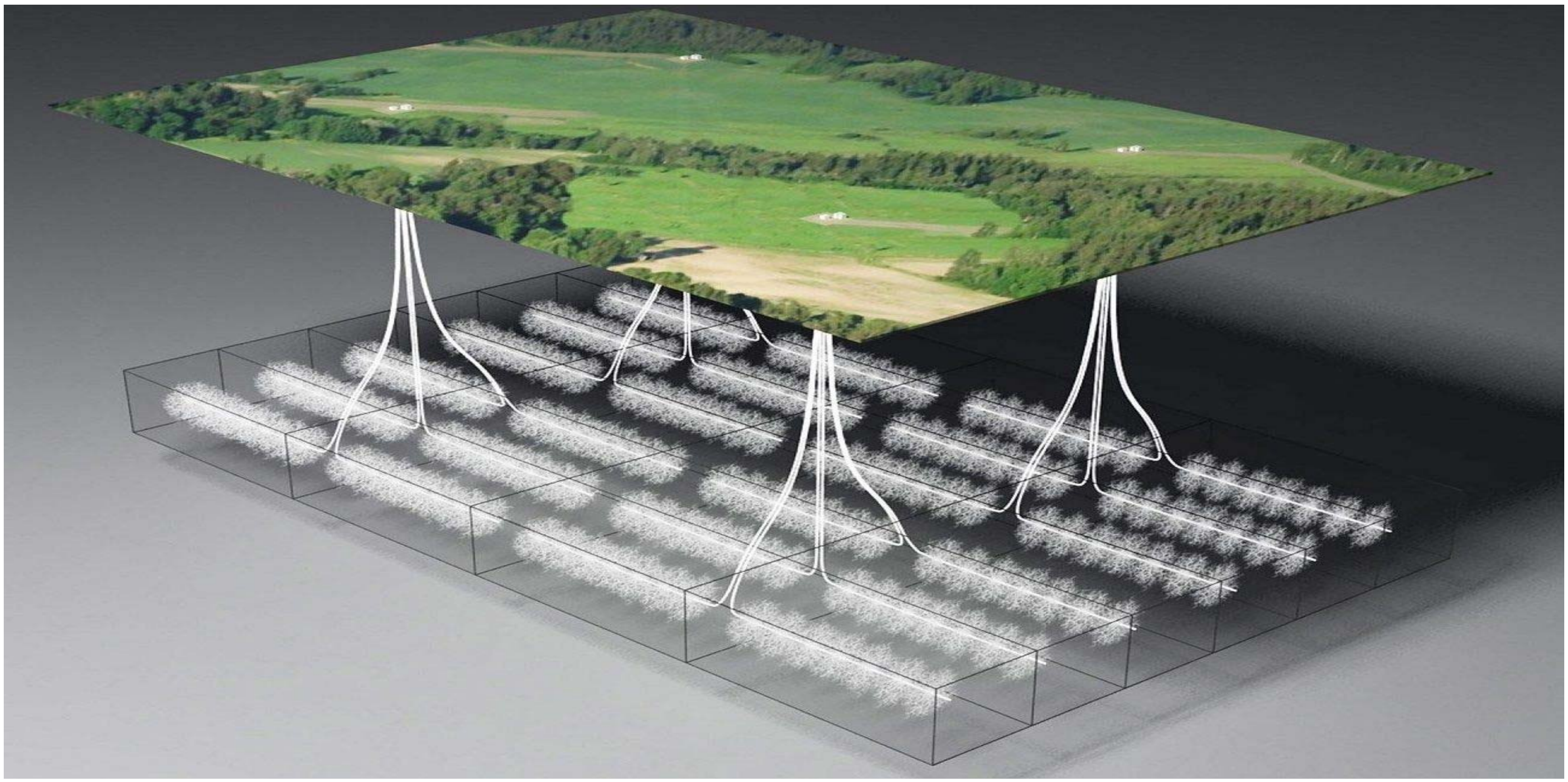
More Gas With Fewer Rigs



Drilling Efficiency Gas and Oil

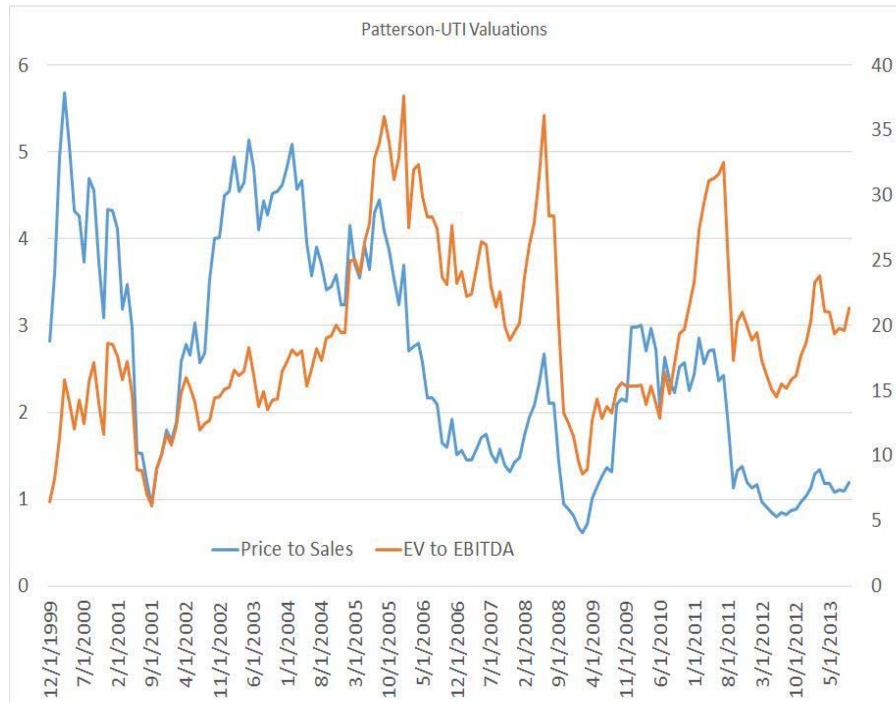


Launch Pad for Growth

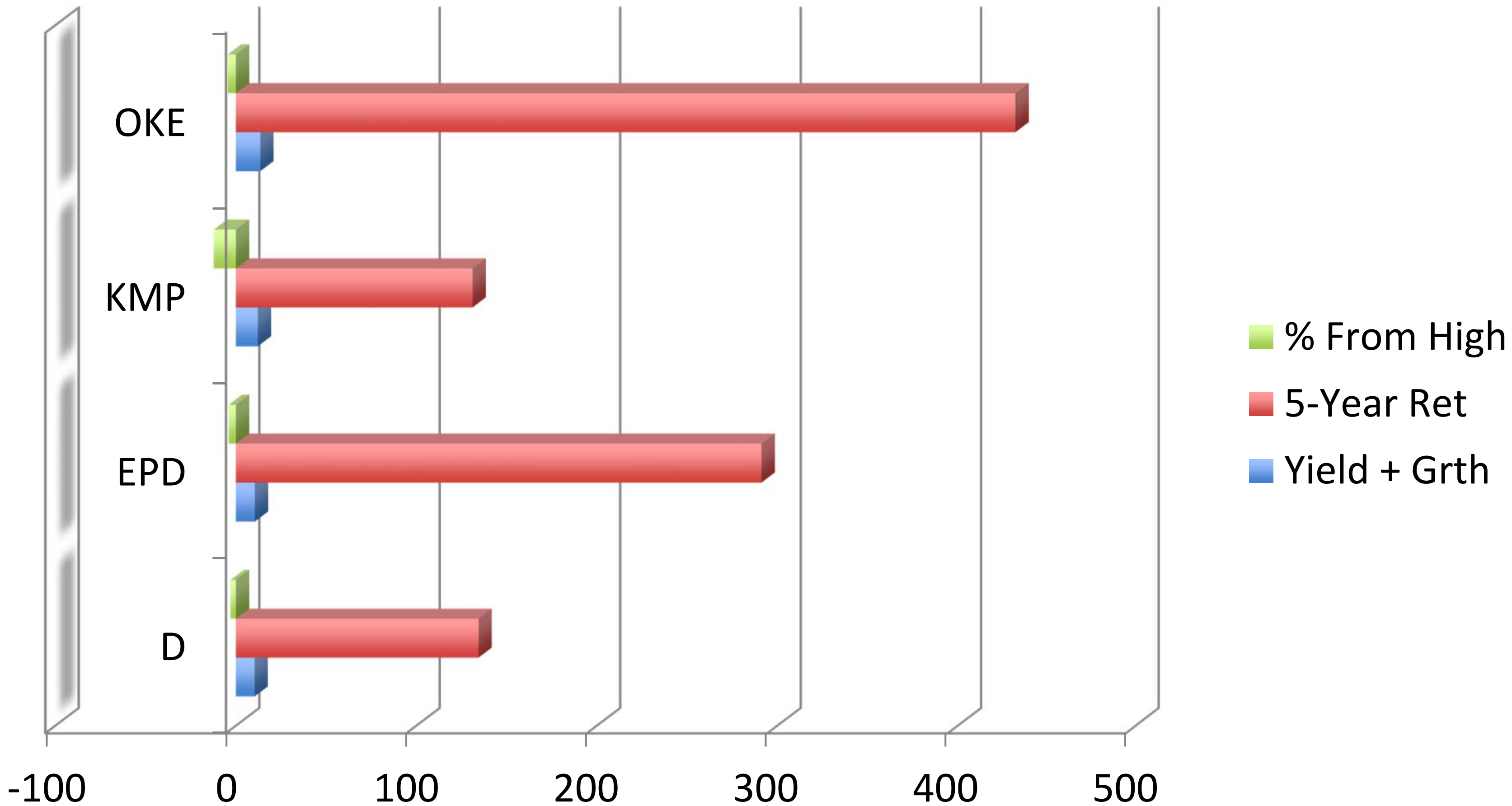


Patterson-UTI (NSDQ: PTEN)

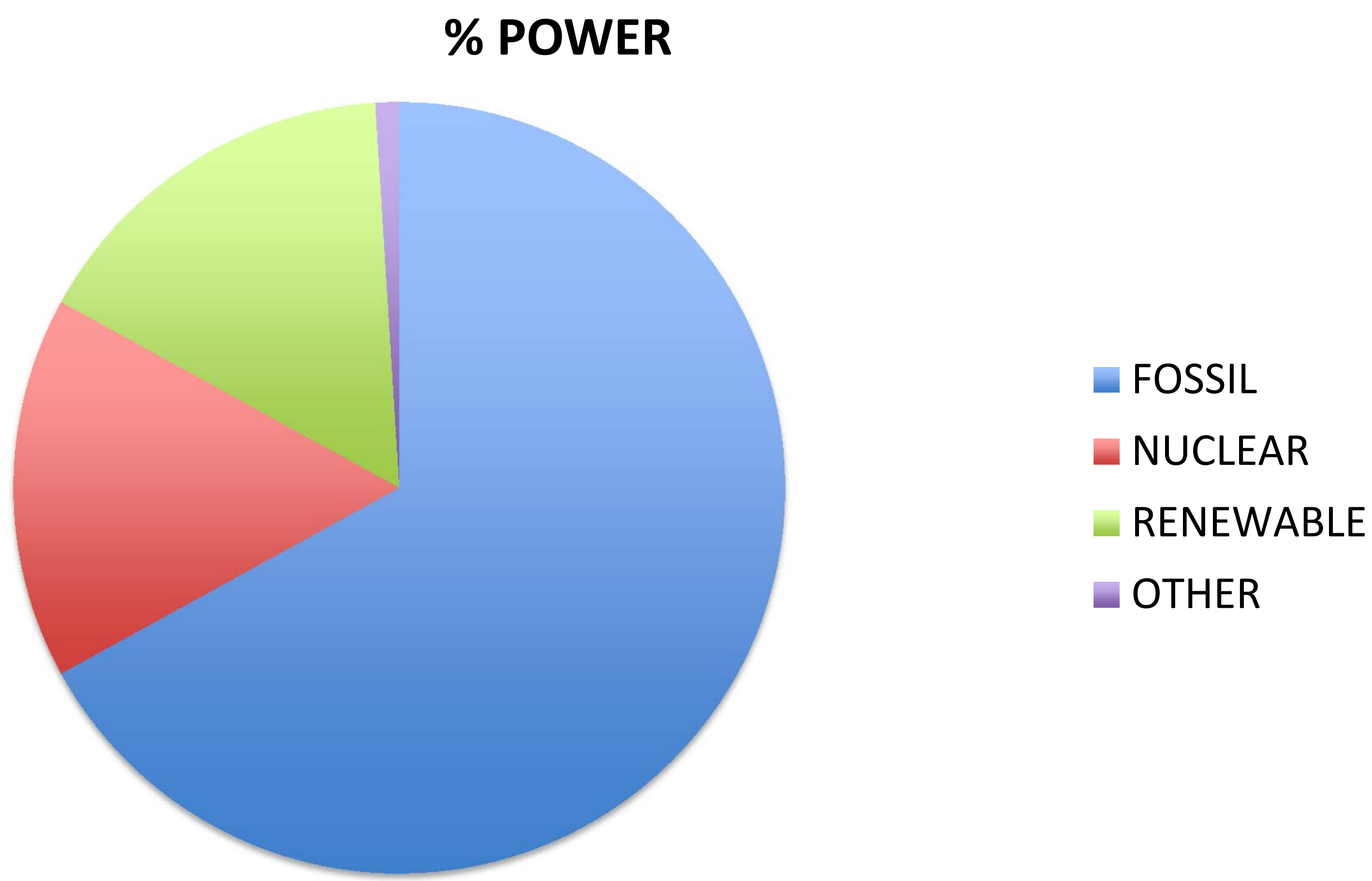
- 60% of revenues from contract drilling, 40% from pressure pumping
- 300 working rigs
- 2009: 75% of rigs mechanical, 2013: more than 50% electric, 126 rigs APEX.
- 6 New APEX Rigs (all “Walking”) in 2H 2013, 12 in 1H 2014



BEST IN CLASS



NUCLEAR: STILL A POWER



SOUTHERN COMPANY (NYSE: SO): CAPEX IS GOOD

BUSINESS = REGULATED ELECTRICITY

KEY STATES = GA, AL, FL, MS

YIELD = 4.9%

5 YEAR DIV GROWTH = 20.8%

CAPEX PAST THREE YEARS = $14.4 BIL

PROJECTED 3 YEAR CAPEX = $17.5 BIL

PAYOUT RATIO = 74.5%

FUEL SOURCES = NAT GAS (42%), COAL (38%), NUCLEAR (18%), HYDRO (2%)

KEY RISKS:

1. KEMPER PLANT COST OVERRUNS NOW ACCOUNTED FOR
2. VOGTLE PLANT ON TRACK AND PAID FOR AS WORK COMPLETED
3. SUPPORT IN GEORGIA = RATE DECISION PROVIDED CLARITY

INSIDERS RAISE HOLDINGS 11.05%

EARNINGS REPORTED JAN 29

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