

# PickensPlan

## T. Boone Pickens Media Coverage 11.17.09

### Total of 9 Placements

- Print: 1
- Blog/Online: 3
- Broadcast: 5

### Coverage Summary:

Pickens' support for natural gas along with his increased investments in U.S. natural-gas producers were mentioned on several business news outlets, including *Bloomberg*, *CNBC*, and *Business News Network* in Canada. Pickens' prediction that oil prices will hit \$100 a barrel was also mentioned.

### Print Placements (Full Articles Below)

- **Pickens Increases Holdings in Natural Gas Producers** – *Tulsa World* – 11/17/09

### Blog/Online Placements (Full Articles Below)

- **Pickens Predicts \$100 crude in 2010, \$300 by 2020** – *HeatingOil.com* – 11/16/09
- **MARKET WATCH: Economic Gains, Weak Dollar Boost Energy Prices** – *Oil & Gas Journal Online* – 11/17/09
- **Exxon Chief: Weak Dollar Drives Oil Higher** – *MoneyNews.com* – 11/17/09

## **PRINT COVERAGE**

### **Pickens Increases Holdings in Natural Gas Producers** – *Tulsa World* – 11/17/09

T. Boone Pickens, the billionaire energy investor, increased stakes in U.S. natural-gas producers and added companies such as McMoRan Exploration Co. and SandRidge Energy Inc. to his portfolio.

Pickens' BP Capital Management LP said its holdings now include at least 1 million shares each of SandRidge and McMoRan, according to a public filing. Pickens also reported stakes in Gstar Exploration Ltd., Hess Corp. and Weatherford International Ltd.

BP Capital increased stakes in such companies as Anadarko Petroleum Corp., Cabot Oil & Gas Corp., Chesapeake Energy Corp., Devon Energy Corp. and Forest Oil Corp. during the three-month period that ended Sept. 30, according to the filing. Anadarko, Chesapeake and Devon were among the top five producers of gas in the U.S. in the first half of this year, according to the Natural Gas Supply Association.

The value of Pickens' equity holdings climbed to \$185.5 million as of Sept. 30, from \$85.5 million on June 30, according to Monday's filing.

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## **BLOG/ONLINE COVERAGE**

### **Pickens Predicts \$100 crude in 2010, \$300 by 2020 – *HeatingOil.com* – 11/16/09**

By Rachel Deahl

As reported by bnet.com on Friday, oilman-turned-natural-gas-entrepreneur T. Boone Pickens is talking about oil prices spiking...again. The outspoken Texan predicted in October that oil would reach over \$75 a barrel before the end of 2009. Now he's claiming that 2010 will see even higher oil prices, with crude potentially reaching \$100 per barrel. Pickens doesn't see the buck stopping there either—he thinks that, within a decade, oil could go as high as \$300 per barrel.

Pickens, through his company BP Capital Management, is invested heavily in natural gas and wind power, which may be why he continues to shout, from the rafters, about oil prices sky-rocketing. His stance is in conflict with a number of other experts, including oil expert and former U.S. government advisor Philip Verleger, who predicted in July that oil could go as low as \$20 per barrel this year. Although crude has recently been hovering at \$80 per barrel, it slipped to its lowest position since October on Friday. This dip could be the start of a price reckoning for crude, which many in the Verleger camp say has been overvalued for months now, as optimism about the country's economic recovery on Wall Street has not been falling in line with the realities of what's still happening on Main Street, where the recession hasn't abated and unemployment continues to rise.

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### **MARKET WATCH: Economic Gains, Weak Dollar Boost Energy Prices – *Oil & Gas Journal Online* – 11/17/09**

By Sam Fletcher

HOUSTON, Nov. 17 -- Energy prices rebounded Nov. 16 from a two-session decline with crude up 3.3% with larger than expected US retail sales and growth in Japan's gross national product.

"Crude also piggybacked on a weak dollar, which was at its lowest since August 2008," said analysts in the Houston office of Raymond James & Associates Inc.

In New Orleans, analysts at Pritchard Capital Partners LLC reported, "The dollar fell following comments from the Asian-Pacific Economic Cooperation group that they will continue with stimulus programs in order to ensure economic growth and comments from Federal Reserve Chairman Ben Bernanke that 'significant economic challenges remain.' Both comments imply the governments across the globe will keep the stimulus spigot wide open."

They said, "At the close of the equity market, the US Dollar Index was trading below the 75 support level. The low for the dollar index was 70.7 on Mar. 17, 2008, and this could be the next level the index tests. If the dollar continues to weaken and tests this level, then crude and commodities should remain a good market."

However, the dollar rebounded in early trading Nov. 17 after the Federal Reserve reported a smaller-than-expected 0.1% increase in US industrial production to 0.4% in October, down from a 0.6% gain in September. As a result, analysts projected US unemployment could increase to 11% by mid-2010 from the current 10.2% rate.

The front-month natural gas contract rose 4.4% in the New York market Nov. 16, "following Henry Hub cash prices which began to reverse last week's losses with a gain of 9.8%," said Raymond James analysts.

Pritchard Capital Partners said, "Natural gas received support from Devon Energy Corp.'s announcement that [it] would sell its international and Gulf of Mexico assets in order to focus on the development of North American assets. [Devon's] decision implies it favorably views the long term prospects for natural gas in North America." After the sale, Devon's proved reserves should be 41% liquids and 59% gas, compared to 43% liquids and 57% gas today, "so the suggested divestitures will not change the composition of its proved reserves significantly but does suggest as optimistic outlook for US natural gas," said Pritchard Capital analysts.

They added, "Energy Investor T. Boone Pickens of BP Capital showed his confidence in US natural gas plays by increasing stakes in Anadarko Petroleum Corp., Cabot Oil & Gas Corp., Chesapeake Energy Corp., Devon, and Forest Oil Corp. BP Capital also announced stakes in Hess Corp., Gstar Exploration, Ltd., and Weatherford International Ltd. Finally, if oil continues to trade higher by a weakening dollar, natural gas becomes a more attractive alternative."

In other news, IHS Cambridge Energy Research Associates predicted global oil production capacity will grow through 2030 with no evidence of a supply peak before then, based on the company's analysis of more than 10,000 projects around the world.

IHS CERA expects global oil productive capacity to grow to as much as 115 million b/d through that period from 92 million b/d currently, a 25% increase. "Post-2030 supply could struggle to meet demand, but this would take the form of a decades-long 'undulating plateau' rather than a sharp fall," it reported.

#### Energy prices

The December contracts for benchmark US light, sweet crude gained \$2.55 to \$78.90/bbl Nov. 16 on the New York Mercantile Exchange. The January contract climbed by \$2.50 to \$79.53/bbl. On the US spot market, West Texas Intermediate at Cushing, Okla., was up \$2.55 to \$78.90/bbl. Heating oil for December delivery increased 6.59¢ to \$2.03/gal on NYMEX. Reformulated blend stock for oxygenate blending (RBOB) for the same month advanced 7.06¢ to \$1.99/gal.

The December contract for natural gas continued to climb, up 22.2¢ to \$4.61/MMbtu on NYMEX. On the spot market, gas at Henry Hub, La., regained 37.5¢ to \$2.90/MMbtu.

In London, the new front-month January IPE contract for North Sea Brent increased \$2.45 to \$78.76/bbl. Gas oil for November gained \$17.50 to \$628.50/tonne.

The average price for the Organization of Petroleum Exporting Countries' basket of 12 benchmark crudes was up \$1.23 to \$76.49/bbl.

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#### **Exxon Chief: Weak Dollar Drives Oil Higher** – *MoneyNews.com* – 11/17/09

By Dan Weil

Exxon Mobil CEO Rex Tillerson says the dollar's weakness has added between \$20 and \$25 a barrel to oil prices.

Oil has hit a one-year high, surpassing \$90. The dollar's weakness makes investors worry about inflation, which in turn leads them to buy commodities like oil.

"If you look at what some of the currency effects are with the weak dollar, that in our view is contributing about \$20 to \$25 a barrel to the price," Tillerson told CNBC.

As for supply and demand fundamentals, they aren't very bullish for oil, he says.

"We're well supplied with the market."

Inventory levels are at historical highs, both U.S. and floating inventories, Tillerson pointed out.

"The market continues to be a bit soft. We see a little bit perhaps of firming demand. But I think it's a little early to tell exactly whether that's going to be sustainable."

Oil's price swings have little effect on Exxon Mobil, Tillerson says.

"We kind of plan and look through this volatility," he explained.

"We just test our plans across a range of prices, never getting too exuberant when prices get very high nor making too many steep adjustments when they get low."

Energy industry legend T. Boone Pickens predicted at a recent conference that oil will surpass \$100 next year, as production is maxed out at 85 million barrels. And he says \$300 is possible in the next decade.

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## BROADCAST COVERAGE

### 1. Bloomberg News

DMA: N/A

**Bloomberg (---) National**

**11/16/2009 03:00 PM - 04:00 PM**

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

[CC] 00:55:44 In one day, **oil** is erasing all of its losses from last week. It's having the best week in more than one month. Let's get a check on what is driving the **oil** trade today. You cannot ignore the weaker dollar. It is a big factor. Even after Bernanke talk about shoring up the dollar, you saw it come off the lows, but then went right back down. Everybody's looking to take advantage of the risk. Commodities spiked on the news of the weaker dollar situation **oil** is trading above \$79 per barrel. **Oil** and gold are up. I was speaking to Michael Fitzpatrick. He said this run-up in **oil** --He agrees with **Boone Pickens** that we're headed toward \$100. Given the retail sales numbers that we saw today, given what we saw out of Japan, he said the demand picture will definitely be played next year. He thinks \$100 for **oil** next year. **Energy** is the top performing major industry groups in the S&P. Materials is the second-best performing. Why? The stocks that performed very well, the steel producers, Freeport McMoran is up over 3%. Let's talk about the **energy** stocks. Exxon Mobil was up 2.5%. Massey **Energy**, and Devon **Energy** gaining as well.... Boone Pickens taking a bigger stake in that company. It also said it would sell **oil** assets. **Boone Pickens** is a big part of the whole **natural gas** push. He raised his stake in Chesapeake, Devon, and Anadarko. 00:59:31

### 2. Fast Money

DMA: N/A

**CNBC (---) National**

Spot Cost: \$1,911

**11/16/2009 05:00 PM - 06:00 PM**

Est. Audience: 199,757

Available formats: QuickView, DVD, CD, digital link, videotape, transcript, NewsBoard

00:32:48 TZ; Whale Watching: Big investor 13F filings disclose what the biggest investors have bought. Lee, commenting on Soros buying Bank of America, while cutting back on Target, and Carl Icahn bought a 1.5 million share stake in Genzyme. **T. Boone Pickens** is buying a new stake in Sandridge **Energy**, increasing his stake in Forest **Oil** and Chesapeake **Energy**. Bill Ackman at Pershing Square bought a new stake in Landry's Restaurants, and Warren Buffett bought a new stake in Republic Services, and increasing a stake in Walmart and Nestle, while decreasing a stake in Conoco, and disclosing a stake in ExxonMobil. Finerman, commenting on the Nestle part being interesting. Lee, commenting on Walmart actually moving higher after hours, along with Republic Svcs. 00:34:38

### 3. Trading Day

**Business News Network (---) National Canada**

**11/16/2009 02:00 PM - 03:00 PM**

[CC] 00:05:45 Let's look at Suncor. It got a bid today on news that **T. Boone Pickens** is increasing his position in the company. Late last week we saw a couple of upgrades a laggard in the sector. 00:06:56

[CC] 00:08:41 Stock's up around 6%. Frances, you were mention that **T. Boone Pickens** has taken an increased position in Suncor. This is another company in which Mr. **Pickens** bought up some shares in so that's also seen as part of the reason why Devon **Energy's** shares are up, because **Pickens** has a bigger stake in it as well. Frances: big question, what will they do with the money? Niall: they'll use it to pay down debt , but that's not a huge issue they'll increase capex near year, they'll spend almost \$6 billion . Some of their big areas of focus, a huge shale project in Texas called the Hainesville Project, that came up during the conference call as an area of focus. One analyst told me, they'll transition themselves into an almost Encana-like company, big focus in North America, big focus on **natural gas**. 00:10:25

[CC] 00:32:13 Well, American oil and gas producer Devon Energy plans to sell off its Gulf of Mexico as well as its international operations hoping to get as much as \$7. 5 Billion for the assets. Niall McGee has that story. Niall: I spoke to Glenn Macneill at Lawrence Money Manager, he likes what they're going to do, put focus, focus on the stuff they make the most money, from they'll get rid of their international operation, which includes operations in Brazil, China and other regions and their Gulf of Mexico operations within about year. That's about 7% of their reserves, by the way, and the Gulf of Mexico stuff is seen as pretty high cost stuff, because that's deepwater exploration and Macneill says, you know, they probably need \$100 oil for that to be profitable. Let's look at the stock you mentioned the shares were getting a boost, here it is, up about 6% on the day. **T. Boone Pickens**, the legendary Texas billionaire, also we're learning that he increased his position in Devon Energy during q-3 so that's another reason, Pat, why the shares are getting a boost.... 00:33:56

### 4. Trading Day

**Business News Network (---) National Canada**

**11/16/2009 01:30 PM - 02:00 PM**

[CC] 00:04:21 ... The only sector down is information technology and you can see that here, materials to the upside, **energy** to the upside, financials also but infotech is lower, not by a whole heck of a lot, but R.I.M. s tands out as a losing stock today. Here are some stocks that are making news and supporting the T.S.X. , Suncor, **T. Boone Pickens** adding to his position, C.N.Q. s trong on the price of **energy**. R.I.M., a company called Ariga has initiated coverage with a neutral and a \$66 U.S. t arget they see competitive headwinds, Potash one of the material stocks doing well.. 00:05:57

[CC] null Marty: it looks like the oil stocks leading the way higher, including Suncor, which got a bit of a boost today, perhaps from word that **T. Boone Pickens** has increased his stake. 00:02:12

### 5. The Street

**Business News Network (---) National Canada**

**11/16/2009 08:00 AM - 09:00 AM**

[CC] 00:03:37 We'll take a look at oil here. Here's a look at crude up by almost a dollar, 1. 18% on the December contract. \$77. 25. We talked to **T. Boone Pickens** earlier. At least we heard from him. Interesting comments from that gentleman. He certainly knows his stuff. Here's **gasoline** up by 1% on the December contract. **Natural gas** up as well. **Boone Pickens had** number of comments about **natural gas** as well. This one moving higher today by nearly 2 reversing the trend we've seen for the last several sessions 00:06:59