T. Boone Pickens Media Coverage 12.30.09

Total of 5 Placements

- Print: 1
- Blog/Online: 2
- Broadcast: 2

Coverage Summary:

Future Pundit reported on EnCana's plan to build a network of hundreds of compressed and liquid natural gas fueling stations along Canada's busiest highway corridor, calling this a smaller scale version of the Pickens Plan. The piece says if the price of oil reaches $100 per barrel again, the economics for natural gas powered trucks looks a lot more favorable. It goes on to say that in the long run, peak oil is going to force a big shift toward natural gas for cars and trucks.

Highlighted Placements (Full Articles Below)

- **Canadian Equivalent Of Pickens Plan For Natural Gas** – *Future Pundit* – 12/29/09

Print Placements (Full Articles Below)

- **Play the Field With Occidental Petroleum** – *Barron's* – 12/29/09

Blog/Online Placements (Full Articles Below)

- **'Green' Car Predictions of the Last Decade –** *Houston Chronicle Blog* – 12/30/09

HIGHLIGHTED COVERAGE

Canadian Equivalent Of Pickens Plan For Natural Gas – *Future Pundit* – 12/29/09

By Randall Parker

T. Boone Pickens had bad luck in timing his proposed Pickens Plan to transition from oil to natural gas for vehicle power. The financial crisis, recession and associated temporary decline in oil prices took the momentum out of his plan soon after it was announced. But a Canadian natural gas producer might succeed in implementing a smaller scale version of what Boone proposes.

Over the past few months, EnCana Corp. (ECA-T34.49----%) has been in talks with government officials about a plan to build a network of hundreds of compressed and liquid natural gas fuelling stations between Windsor, Ont. and Quebec City, Canada's busiest highway corridor.

EnCana wants to migrate some trucks over to natural gas. Long haul trucks make a good first target for large scale natural gas roll-out because they use a fairly small subset of all gasoline stations - mostly really big truck stops on interstates that have large areas to handle trucks. A relatively small number of long haul truck stops connected to natural gas pipelines could enable a large shift from diesel to natural gas burning.

Diesel demand varies more over the course of the business cycle than gasoline demand. In the last big surge in oil prices the price of diesel went up much more than the price of gasoline. I watched a gallon of diesel go from 28 cents less than gasoline to 96 cents more by July 2008 in a Shell station near where I live. That's gotta hurt the truck drivers. If the world economy can get strong enough to push up the price of oil up above $100 per barrel again then the economics for natural gas powered trucks will look a lot more favorable.

In the long run Peak Oil is going to force a big shift toward natural gas for cars and trucks. But natural gas also offers a health advantage: Far less particulate pollution. You'll breathe cleaner air on road trips and daily commutes to the extent that trucks shift from diesel to natural gas.

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PRINT COVERAGE

Play the Field With Occidental Petroleum – *Barron's* – 12/29/09

By Avi Salzman

NATURAL GAS IS A HOT COMMODITY right now. T. Boone Pickens exalts it as the future of energy, politicians praise its relative cleanliness, and major oil companies want a piece of its growth potential. Crude oil, by contrast, is out of favor -- it's dirty, and harder to find. But energy investors looking for upside in 2010 could be better served by sticking with oil, and in particular Occidental Petroleum (Ticker: OXY).

Los Angeles-based energy producer Occidental drills for natural gas, too, but of the major U.S. energy producers few are as heavily weighted to oil. About 74% of Occidental's proved reserves are made up of oil, versus about 33% for the exploration and production group as a whole, according to Pavel Molchanov, an analyst at Raymond James who rates the company at Outperform.

Unlike gas, oil is a global commodity, allowing companies that produce it to grow with the world-wide economy. Natural gas is primarily a domestic commodity because it can't be as easily transported, and its price is currently held back because of a supply surplus and tepid demand. Domestic natural-gas consumption is expected to decline another 0.4% in 2010, according to the Energy Information Administration. Oil has also seen slackened demand, but should get a boost as the global economy recovers.

Occidental trades at about 14 times analysts' estimates for 2010 earnings per share, well below other exploration and production names, which trade as a group at about 17 times. Since the beginning of the year, the company's shares have risen about 37% versus 45% for other explorers. In the past three months, it has inched forward 4%, against 11% growth for its peers.

Stock Price:	$82.10
52-Wk High:	$85.20
52-Wk Low:	$47.50
Market Cap:	$67 billion
Est. 2010 EPS:	$5.82
2010 P/E:	14
Est. Long-Term EPS Growth	56%
Revenue (trailing 12 months):	$15 billion
Dividend Yield:	1.6%
Chief Executive Officer:	Ray Irani
Headquarters:	Los Angeles, CA

"Right now, with investors having a lot of risk appetite, it has not done as well as many of its smaller peers," Molchanov says. "But it goes without saying that if the risk appetite diminishes, Occidental could well do better."

By industry standards, the company's balance sheet is pristine. It boasts an 8% long-term-debt-to-capital ratio, versus a 33% average for peers. Occidental's consistent free cash flow allows it to offer a 1.6% dividend yield, higher than many competitors. One portfolio manager who specializes in dividend stocks says she expects that dividend to grow -- possibly by as much as 15% to 20% next year.

"Its valuation, its strong balance sheet and good dividend-growth potential are really what make the stock attractive," says Judy Saryan, who co-manages Eaton Vance's dividend funds, which hold Occidental stock. "I believe the market at some point in the next 12 months will recognize that combination of positives and give the company more credit."

New discoveries could also provide significant upside. A recent find in Kern County, Calif., has proven particularly promising, driving volume growth in the company's most recent quarter. One analyst says the California find could be the key to the stock's growth.

"It looks like it could be extremely exciting," says Thomas Driscoll, an analyst at Barclays Capital who rates the stock at Overweight. "That's the play that's likely to drive the shares higher."

Although Occidental drills primarily in the U.S., it also has extensive operations in South America and the Middle East. In fact, Occidental has signed on to become one of the first oil companies to explore in Iraq since Saddam Hussein was toppled.

And despite the company's conservative reputation, an aggressive move this fall could pay off. Although Occidental tends to return much of its cash to investors in the form of buybacks and dividends, it made a particularly opportunistic acquisition this year, picking up Citigroup's (C) energy trading group Phibro on the cheap in October.

The sale came at a time when Citi had drawn fire for the $100 million in compensation it paid to Phibro's top trader, and the company was desperate to pay back government bailout loans and restore its public image.

Citi sold Phibro to Occidental for $250 million -- about the value of Phibro's cash and marketable securities, according to Occidental. The division averaged earnings of $371 million annually over the past five years. In general, analysts haven't yet included Phibro earnings in their projections for Occidental.

To be sure, the acquisition could introduce new risks into Occidental's business model, because the company had generally steered clear of aggressive energy trading in the past. Executives at the firm have said they don't expect Phibro to make aggressive moves, and the company won't be hedging against energy prices.

Sluggish oil prices could also hold the stock back over the next year. Observers tend to expect oil to trade between about $65 and $85 a barrel. If the average oil price stays around the top of that range, Occidental's stock should benefit.

"You need some help from oil to be excited about the company," Driscoll says. "We've been using a $75-a-barrel projection. It doesn't seem to be overly aggressive. It looks very achievable."

If the global economy grows in the next year, Occidental could be an engine of that growth. And that should make it attractive to investors.

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BLOG/ONLINE COVERAGE

'Green' Car Predictions of the Last Decade – *Houston Chronicle Blog* – 12/30/09

By Tom Fowler

This decade has been pretty volatile for the notion of 'green transportation,' that is moving away from a gasoline-only car fleet in America. It started off with California requiring automakers to offer electric vehicles, but those efforts were soon dropped and SUVs ruled the road for many years. Now as the decade comes to a close electric vehicles and hybrids are getting more interest again.

Over at Earth2Tech they've taken a look at the five top green automotive predictions of the last decade and how those notions turned out. From hydrogen and natural gas vehicles to high-speed rail, the prognosticators' didn't do such a great job:

1). Prediction: Natural gas vehicles will go mainstream. "I think our time has come, and I think we're ready [for natural gas vehicles]," T. Boone Pickens told Green Car Journal in 2005. "You might say, well, if you're talking about Monday morning, probably not. But I'm talking about the next two or three years. I think there's going to be some real changes in the use of this fuel."

How'd that work out?: Pickens is still touting the potential of natural gas vehicles to help wean the U.S. off imported fuels, and the tech is now getting federal attention. Legislators introduced a bill this year aimed at encouraging the development and purchasing of natural gas vehicles. But natural gas vehicles are far from mainstream, and have yet to make a real dent in the U.S. consumer market.

Their other predictions:

2). Prediction: California will finally get high-speed rail. Result: Voters approved $9.95 billion in bond funding in 2008, but this month the High Speed Rail Authority tossed the project's route back into limbo by reneging on its approval of an environmental study for a section of the train. It could be another decade or more before it's built.

3). Prediction: Hydrogen cars are just around the corner. Result: Still waiting.

4). Prediction: Hybrids will form a bridge to EVs. Result: Seems on target. The success of the Toyota Prius and the approach of "affordable" plug-in models for 2011 could push hybrids to over 10 percent of the U.S. market by 2015.

5). Prediction: It's clear sailing now for electric car tech. Result: Battery technology still hasn't improved enough to remove the key barrier between electrics/hybrids and other cars, namely cost.

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BROADCAST COVERAGE

1. CSPAN-3 Schedule **DMA: N/A**
CSPAN 3 (---) National
12/29/2009 08:00 AM - 10:00 AM

[CC] 00:18:47 Next on C-SPAN3, a Bloomberg news interview with BP Capital Chairman **T**. **Boone Pickens**. And then in about a half an hour, three former solicitors general on the roles and duties of the job with Ken Starr, Drew Days and Paul Clement. 00:18:56

[CC] 00:19:34 We go way back to the Gulf **Oil** deal in 1984 and many of us in the press have written a lot of stories and made our careers on the adventures of **Boone Pickens**. I think if you went into central casting and called up an **oil** man, somebody would come out, but he wouldn't be as interesting as **Boone**. So we're very excited to have you here today and thank you so, so much. We're going to give you a chance to talk about **natural gas** which is something you want to talk about in a moment, but first, I want to ask you a little bit about your hedge fund and equity fund because they were a disaster last year, but this year you've been doing very well. Ahead of the 13-f filing we'd like to know how the third quarter has amounted, how it's added up and how the three quarters are doing on your two funds for this year. Could you talk about that a little bit? Give me one minute on history. All right. We started in trading **energy** futures in 1986. I was with Mesa then. For ten years, that was $2 million we'd put in at that point and said let's see what we can do. We went 86 to 96 and I left Mesa at that time and we had ten straight years. No losses. We ran the $2 million to $151 million. Then in 98, I started another fund. You know that the first year I take my first loss. Right. $37 million from all your friends. $34 million. But can you imagine the first year after ten straight winners, I book a loss. So that was my first loss... 00:21:00

[CC] 00:35:34 It will just split the demand where it's used. And he asked the question and obama responded. In ten years we will not import any oil from the mideast. You can't make that statement unless you are going to use resources in America. What are the resources in America? You only have one. **Natural gas** . Let me ask you when you had this epiphany. I read this book. This is **Boone Pickens'** book. I **picked** it up in the airport yesterday. I noticed in the half that I got done last night when I was reading it, you had a lot of epiphanies while in the shower. When did you have this epiphany about not importing any more oil. I didn't say not to import any more oil. I said from OPEC. Okay, from OPEC oil. I have the same statement that Obama does. He said mideast, OPEC, same. But we have to import oil from Canada, in question. They are friendly and we import a million barrels a day from mexico. But we are importing 13 let me just give you the numbers right quick because this is extremely important. 85 million is available. We are using 21 million every day. So we're using 25% of all the **oil** in the world with 4% of the population. Now I have had people when I say that's not sustainable. You can't use 25% of the **oil** with only 4% of the people. I just want to throw out there that we're going to get to the questions in a moment so if any of you have a question for **Boone Pickens**, please get ready to ask it because we're going to be there in a few minutes. Go ahead, **Boone**. So here you are, 25 with only 4% of the population. You know, somebody pops up right quick with an answer there and they say, well, we're more highly industrialized. I can tell you the rest of the world doesn't give a damn. They see you are using 25% with 4% of the population and you are importing 13 million, which is 67 and over half of that is fromountries that I consider to be unfriendly to the United States. So that isn't going to work. Okay. 40 years, no plan go forward ten years, no plan. What do you have? You're going to be importing 75% of your **oil** and you're going to be paying $300 a barrel for it. **Boone** , may I ask if you would kindly entertain a question from the audience. It's, of course, you have the pipeline network but you also have lines up every alley and like to? This should really create question. Right now you have your you are oversupplied by 5 billion cubic feet of glass a day. That's a lot of **gas**. And it's consequently price is very low. So it's, you know, it's a typical commodity market. Oversupplied. It's cheap. Undersupplied it's very expensive. We have a good point here, we have 2,000 trillion cubic feet of **natural gas** in America. It is the largest reserve of **natural gas** in the world. It's more than Russia, Iran, Qatar and the rest of them. And it's an opportunity for us to capitalize on it, get on our ow resources and get off of **oil** from the enemy. We have a question over here **Boone**. A question on the speaking about extracting **natural gas** in the U.S. given the shale deposits we have. How far away are we from having the infrastructure to do that and the investment tt infrastructure, is there a certain price level which we need to see **gas** as to maintain that investment. A couple new pipelines come online. The extraction techniques are available. But is there a price sensitivity to that investment and how far along are we on a percentage basis to getting to the point you say we need to be at... 00:41:35

2. Good Day	**DMA: 5**
KDFW-TV CH 4 (FOX) Dallas/Fort Worth	**Spot Cost: $1,130**
12/29/2009 07:00 AM - 08:00 AM	**Est. Audience: 126,761**

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

00:54:34 TZ; Texas Monthly: Tom Delay is on the cover of Texas Monthly magazine's Bum Steer issue. V; Texas Monthly magazine. SI; Brian Sweany, editor, Dancing With the Stars was supposed to be a chance to get his face back out there. V; Tom Delay. Emmitt Smith did the same thing. **Boone Pickens** wanted to build the biggest **wind** farm in the panhandle. V; **Boone Pickens**. V; Jerry Jones. A punt hit the video screen at Cowboys Stadium. Betty Brown, a lawmaker from Terrell, Jaime Foxx's hometown, suggested Asian Americans change their names on voter ID cards. V; Rep Brown. You can Google YouTube to watch statements lawmakers say were taken out of context. 00:58:51