

Natural Gas Royalty Trusts

A Weekly Analysis

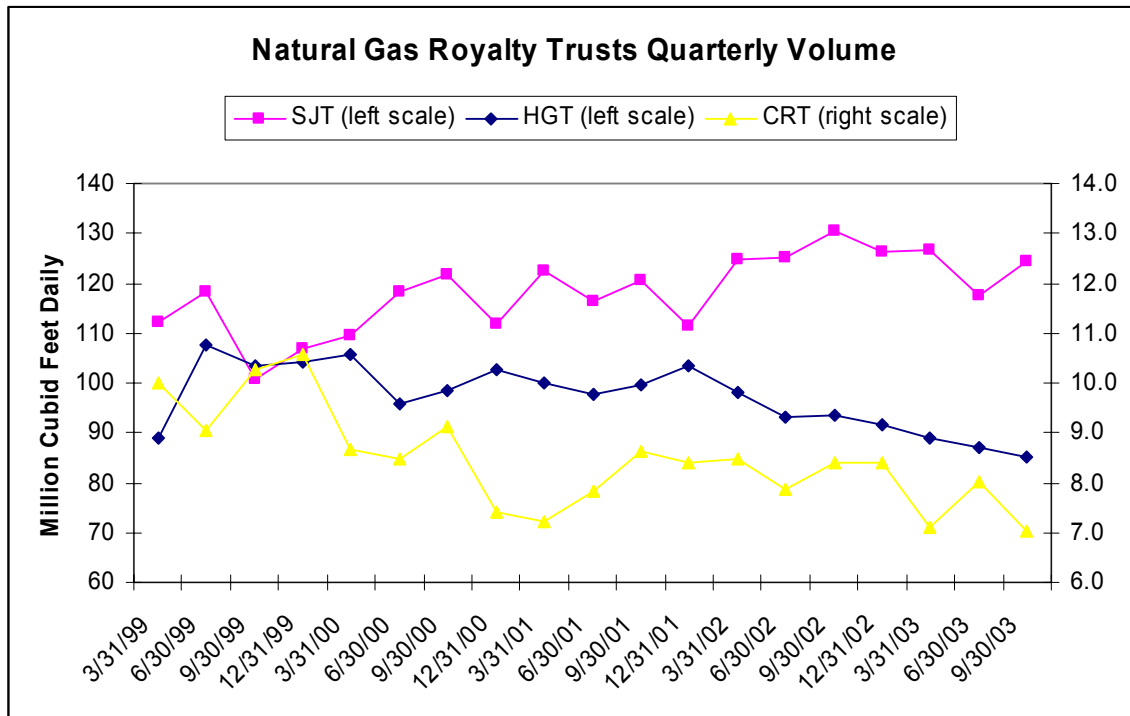
September 25, 2003

Volume Trends Diverge

Summary and Recommendation

Natural gas volume appears to be in a rising trend for recommended **San Juan Basin Royalty Trust (SJT)** in contrast to a declining trend for **Hugoton Royalty Trust (HGT)** and **Cross Timbers Royalty Trust (CRT)**. At HGT the best hope for a stabilizing or a reversal may be the Rocky Mountain properties in the trust. At CRT there should be a pickup in San Juan Basin volumes eventually with more drilling. Meanwhile, six-year natural gas futures dropping 4% in the past week pierced the 40-week moving average and contributed to a median 5% lowering in present value. Though that is a negative sign from a price momentum point of view, continued strength in six-year oil futures should lend support for six-year natural gas futures. Finally, latest monthly distributions declared Friday, September 19 were each within a penny of our estimate at \$0.19 per unit for SJT, \$0.18 for HGT and \$0.19 for CRT.

Kurt H. Wulff, CFA

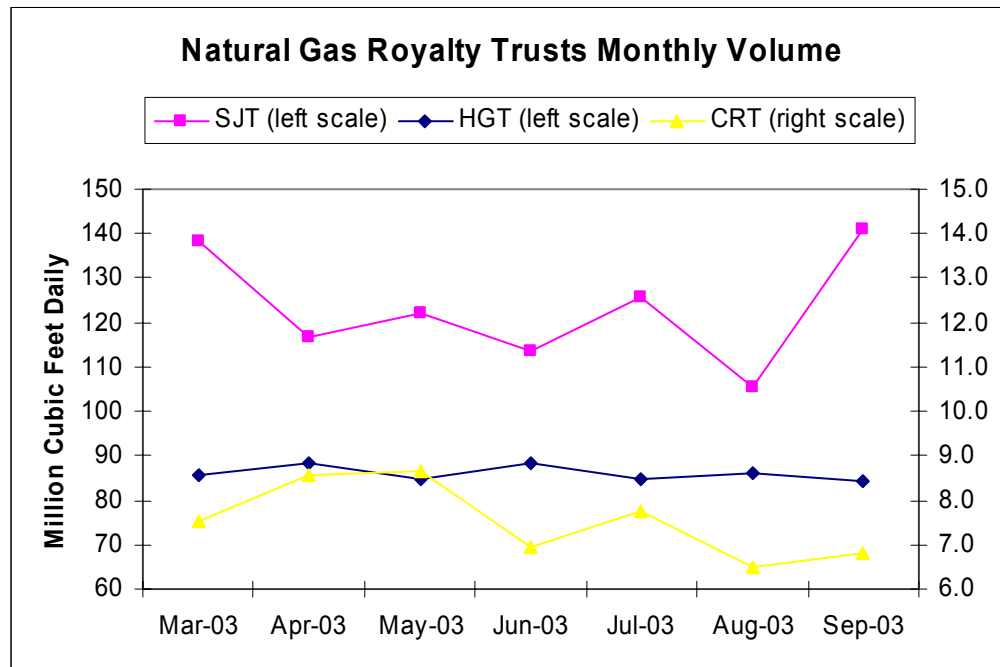


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Natural Gas and Oil Futures

September 24, 2003

	Year Ending September						Six Year
	2004	2005	2006	2007	2008	2009	
Natural Gas (\$/mmbtu)	4.81	4.63	4.48	4.44	4.48	4.52	4.56
Light Sweet Crude Oil (\$/bbl)	27.08	25.29	24.96	25.04	25.12	25.27	25.46
Natural Gas/Oil (6:1 = 1.0)	1.07	1.10	1.08	1.06	1.07	1.07	1.07

Source: Nymex.com, McDep Associates

Rank by McDep Ratio: Market Cap and Debt to Present Value

	Symbol/ Rating	Price (\$/sh) 24-Sep 2003	Shares (mm)	Market Cap (\$mm)	Net Present Value (\$/sh)	Debt/ Present Value	McDep Ratio
Hugoton RoyaltyTrust (46%)	HGT	19.13	18.4	350	14.60	-	1.31
Cross Timbers Royalty Trust	CRT	20.70	6.0	124	18.40	-	1.12
San Juan Basin Royalty Trust	SJT B	17.88	46.6	830	17.30	-	1.03

Buy/Sell rating after symbol: B - Buy, S - Sell

McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses

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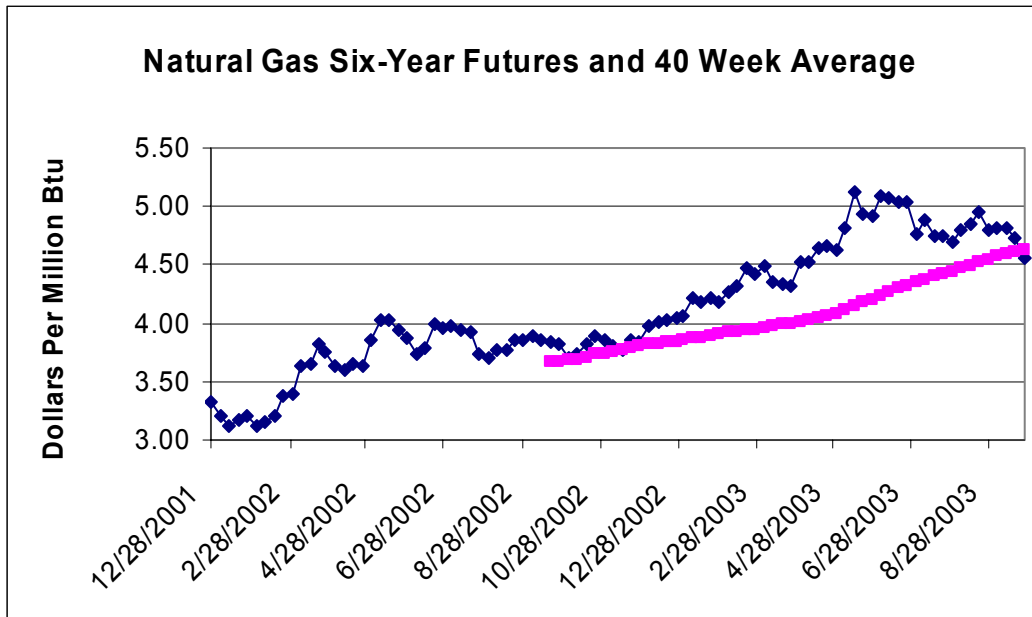
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Rank by EV/Ebitda: Enterprise Value to Earnings Before Interest, Tax, Deprec.

	Symbol/ Rating	Price (\$/sh) 24-Sep 2003	EV/ Sales NTM	EV/ Ebitda NTM	P/E NTM	Dividend or Distribution NTM (%)	PV/ Ebitda NTM
Cross Timbers Royalty Trust	CRT	20.70	7.2	10.4	11	9.3	9.3
Hugoton RoyaltyTrust (46%)	HGT	19.13	6.8	9.4	11	9.2	7.1
San Juan Basin Royalty Trust	SJT B	17.88	6.5	8.0	9	10.6	7.7

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended September 30, 2004; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses



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Table CRT-1
Cross Timbers Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation post 2009 (%/yr):	2.8
Volume Enhancement (%/yr):	10	Discount Rate (%/yr):	5.5
Variable Cost (%):	16	U.S. TIPS Inflation (%/yr):	2.0
		U.S. 10 Year Yield (%/yr):	4.1

PV/Volume (\$/mcf):	2.95	PV/EBITDA 2004:	9.4
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Year	Natural Gas Volume			Price (\$/mcf)	Revenue (\$mm)	Cost (\$mm)	Oil			Disc Factor	Present Value (\$/unit)
	Basic (bcf)	Enhanced (bcf)	Total (bcf)				Net (\$mm)	Distribution (\$/unit)			
Total 2004 through 2030; years ending on 9/30											
	22	15	37	4.98	186	30	19	176	29.30	0.63	18.40
2004	2.4	0.0	2.4	4.66	11.1	1.8	2.3	11.6	1.93	0.97	1.88
2005	2.1	0.2	2.4	4.46	10.6	1.7	1.6	10.5	1.75	0.92	1.61
2006	1.9	0.5	2.4	4.29	10.2	1.6	1.5	10.0	1.67	0.87	1.46
2007	1.7	0.6	2.4	4.19	9.9	1.6	1.4	9.7	1.62	0.83	1.35
2008	1.6	0.8	2.4	4.23	10.0	1.6	1.3	9.8	1.63	0.78	1.28
2009	1.4	1.0	2.4	4.29	10.2	1.6	1.3	9.8	1.64	0.74	1.22
2010	1.3	1.1	2.4	4.41	10.5	1.7	1.2	10.0	1.67	0.70	1.18
2011	1.1	1.2	2.4	4.54	10.8	1.7	1.2	10.2	1.71	0.67	1.14
2012	1.0	1.1	2.1	4.67	10.0	1.6	1.5	9.9	1.64	0.63	1.04
2013	0.9	1.0	1.9	4.80	9.2	1.5	1.3	9.0	1.51	0.60	0.90
2014	0.8	0.9	1.7	4.94	8.5	1.4	1.1	8.3	1.38	0.57	0.79
2015	0.7	0.8	1.6	5.08	7.9	1.3	1.0	7.6	1.27	0.54	0.68
2016	0.7	0.7	1.4	5.22	7.3	1.2	0.8	6.9	1.16	0.51	0.59
2017	0.6	0.7	1.3	5.37	6.8	1.1	0.7	6.3	1.06	0.48	0.51
2018	0.5	0.6	1.1	5.52	6.3	1.0	0.5	5.8	0.97	0.46	0.44
2019	0.5	0.5	1.0	5.68	5.8	0.9	0.4	5.3	0.88	0.43	0.38
2020	0.4	0.5	0.9	5.84	5.4	0.9	0.3	4.8	0.80	0.41	0.33
2021	0.4	0.4	0.8	6.01	5.0	0.8		4.2	0.70	0.39	0.27
2022	0.4	0.4	0.7	6.18	4.6	0.7		3.9	0.64	0.37	0.24
2023	0.3	0.3	0.7	6.35	4.3	0.7		3.6	0.60	0.35	0.21
2024	0.3	0.3	0.6	6.53	3.9	0.6		3.3	0.55	0.33	0.18
2025	0.3	0.3	0.5	6.72	3.6	0.6		3.1	0.51	0.31	0.16
2026	0.2	0.3	0.5	6.91	3.4	0.5		2.8	0.47	0.30	0.14
2027	0.2	0.2	0.4	7.11	3.1	0.5		2.6	0.44	0.28	0.12
2028	0.2	0.2	0.4	7.31	2.9	0.5		2.4	0.40	0.27	0.11
2029	0.2	0.2	0.4	7.52	2.7	0.4		2.2	0.37	0.25	0.09
2030	0.2	0.2	0.3	7.73	2.5	0.4		2.1	0.35	0.24	0.08

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Table CRT-2
Cross Timbers Royalty Trust
Distributable Income

	Q2	Q3E	Q4E	Year	Q1E	Q2E	Q3E	Next
	6/30/03	9/30/03	12/31/03	2003E	3/31/04	6/30/04	9/30/04	Twelve
								Months
								9/30/04
Highlights								
Distributable Income (\$mm)	3.67	3.06	3.10	12.42	2.84	2.95	2.69	11.58
Per unit	0.61	0.51	0.52	2.07	0.47	0.49	0.45	1.93
Units (millions)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Volume								
Natural Gas (bcf)	0.72	0.64	0.66	2.68	0.66	0.66	0.66	2.64
Natural Gas (mmcf)	8.0	7.0	7.2	7.3	7.2	7.2	7.2	7.2
Days	90	91	92	365	92	91	91	366
Oil (mb)	69	69	71	288	71	71	71	283
Oil (mbd)	0.78	0.75	0.77	0.79	0.77	0.77	0.77	0.77
Days	89	92	92	365	92	92	92	368
Total (bcf)	1.14	1.05	1.09	4.41	1.09	1.08	1.08	4.34
Price								
Natural Gas (HH lagged three months)								
Henry Hub (\$/mmbtu)	6.38	5.63	4.88	5.30	4.77	5.15	4.67	4.87
Differential (\$/mmbtu)	1.01	0.58	0.50	0.51	0.24	0.26	0.23	0.20
CRT (\$/mcf)	5.36	5.05	4.37	4.79	4.53	4.89	4.44	4.66
Oil (\$/bbl) (WTI lagged two months)								
WTI Cushing	32.51	29.86	29.45	30.34	27.92	27.08	26.47	27.73
CRT	29.88	28.05	27.67	28.01	26.23	25.45	24.87	25.99
Total (\$/mcf)	5.22	4.90	4.70	4.74	4.47	4.63	4.32	4.53
Revenue (\$mm)								
Natural Gas	3.88	3.23	3.17	12.82	3.00	3.20	2.91	12.28
Oil	2.06	1.93	1.94	8.07	1.86	1.80	1.76	7.36
Total	5.94	5.15	5.12	20.89	4.86	5.01	4.67	19.65
Cost (\$mm)								
Tax, transport & other								
Production	0.80	0.72	0.72	2.98	0.68	0.70	0.65	2.75
Total	0.83	0.83	0.83	3.30	0.83	0.83	0.83	3.30
Total	1.62	1.55	1.54	6.28	1.51	1.53	1.48	6.05
Cash flow (\$mm)								
Development	4.32	3.61	3.57	14.62	3.35	3.48	3.19	13.59
Excess or other	0.05	0.05	0.05	0.19	0.05	0.05	0.05	0.19
				-				
Net proceeds (\$mm)								
	4.27	3.56	3.53	14.42	3.31	3.43	3.14	13.41
Royalty income (\$mm)								
Royalty/Net proceeds	3.76	3.09	3.13	12.64	2.88	2.99	2.73	11.73
	88%	87%	89%	88%	87%	87%	87%	87%
Administration	0.09	0.03	0.03	0.21	0.04	0.04	0.04	0.15
Distributable income (\$mm)								
	3.67	3.06	3.10	12.42	2.84	2.95	2.69	11.58
Tax and other/revenue	0.13	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Distributable Inc/Rev (%)	62	59	61	59	58	59	58	59

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Table CRT-3
Cross Timbers Royalty Trust
Monthly Distributions

	<i>Jun-03</i>	<i>Jul-03</i>	<i>Aug-03</i>	<i>Sep-03</i>	<i>Oct-03</i>	<i>Nov-03</i>	<i>Dec-03</i>
Distribution (\$/unit)							
Declared	0.21	0.16	0.16	0.19			
<i>Projected</i>					<i>0.19</i>	<i>0.16</i>	<i>0.17</i>
Volume							
Natural Gas (bcf)	215	233	202	204	223	223	216
Natural Gas (mmcf/d)	6.94	7.77	6.52	6.80	7.20	7.20	7.20
Days	31	30	31	30	31	31	30
Oil (mb)	23.6	23.8	20.2	24.7	23.9	23.1	23.9
Oil (mbd)	0.79	0.77	0.67	0.80	0.77	0.77	0.77
Days	30	31	30	31	31	30	31
Total (bcf)	357	376	323	352	366	362	359
Price							
Natural gas industry quotes lagged three months (\$/mmbtu)							
Henry Hub Daily/Futures	5.95	5.26	5.81	5.82	5.03	4.97	4.63
San Juan Monthly Index	5.91	3.71	4.03	5.03	4.70	4.03	4.44
CRT/Henry Hub	1.13	0.88	0.87	0.94	1.01	0.92	1.02
CRT/San Juan Index	1.14	1.25	1.26	1.09	1.08	1.14	1.07
CRT (\$/mcf)	6.73	4.64	5.07	5.49	5.06	4.58	4.74
Oil (\$/bbl)							
WTI Cushing (lagged two months)	28.38	28.11	30.72	30.74	31.61	28.31	28.45
CRT/WTI Cushing	0.91	0.93	0.95	0.94	0.93	0.93	0.93
CRT	25.77	26.25	29.27	28.79	29.39	26.32	26.46
Total (\$/mcf)	5.76	4.54	5.00	5.20	5.00	4.50	4.61
Revenue (\$mm)							
Natural Gas	1.45	1.08	1.02	1.12	1.13	1.02	1.02
Oil	0.61	0.62	0.59	0.71	0.70	0.61	0.63
Total	2.06	1.71	1.62	1.83	1.83	1.63	1.65
Distributable income (\$mm)							
Natural Gas (at 75% of nat gas rev)	1.09	0.81	0.77	0.84	0.85	0.77	0.77
Oil	0.17	0.16	0.21	0.27	0.26	0.22	0.24
Total	1.26	0.97	0.98	1.11	1.11	0.99	1.00
Distributable Income/Revenue (%)	61	57	61	61	61	61	61
<i>Monthly Average Since March 2003</i>							
Natural Gas (mmcf/d)	7.92	7.89	7.66	7.54			
Oil (mbd)	0.78	0.78	0.76	0.77			
CRT/Henry Hub	0.88	0.88	0.88	0.89			
CRT/San Juan Index	1.13	1.15	1.17	1.16			
CRT/WTI Cushing	0.92	0.92	0.93	0.93			
Distributable Income/Revenue (%)	62	61	61	61			

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**Table HGT-1
Hugoton Royalty Trust
Present Value**

Volume Decline (%/yr):	11	Price Escalation Post 2008 (%/yr):	2.8
Volume Enhancement (%/yr):	8	Discount rate (%/yr):	6.1
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	2.0
Variable Cost (%):	18	U.S. 10 Year Yield (%/yr):	4.1
PV/Volume (\$/mcf):	1.60	PV/EBITDA 2004:	7.3

Year	Basic (bcf)	Volume Enhanced (bcf)	Total (bcf)	Price (\$/mcf)	Revenue (\$mm)	Fixed Cost (\$mm)	Var Cost (\$mm)	Cap Ex (\$mm)	Distribution (\$mm)	(\$/unit)	Disc Factor	Present Value (\$/unit)
Total 2004 through 2030; years ending on 9/30												
	243	122	365	4.64	1696	306	305	134	951	23.78	0.61	14.60
2004	27.1	0.0	27.1	4.13	111.8	11.3	20.1	10.0	70.3	1.76	0.97	1.71
2005	24.2	2.2	26.4	4.21	111.0	11.3	20.0	19.9	59.8	1.49	0.91	1.37
2006	21.7	4.0	25.7	4.05	104.1	11.3	18.7	18.5	55.5	1.39	0.86	1.20
2007	19.4	5.7	25.0	3.98	99.6	11.3	17.9	17.6	52.8	1.32	0.81	1.07
2008	17.3	7.1	24.4	4.01	97.8	11.3	17.6	17.2	51.7	1.29	0.77	0.99
2009	15.5	8.3	23.7	4.07	96.6	11.3	17.4	17.0	50.9	1.27	0.72	0.92
2010	13.8	9.3	23.1	4.18	96.8	11.3	17.4	17.0	51.0	1.28	0.68	0.87
2011	12.4	10.2	22.5	4.30	96.9	11.3	17.4	17.0	51.1	1.28	0.64	0.82
2012	11.1	9.1	20.1	4.42	89.1	11.3	16.0		61.8	1.54	0.60	0.93
2013	9.9	8.1	18.0	4.55	81.9	11.3	14.7		55.9	1.40	0.57	0.79
2014	8.8	7.3	16.1	4.68	75.3	11.3	13.6		50.4	1.26	0.54	0.68
2015	7.9	6.5	14.4	4.81	69.3	11.3	12.5		45.5	1.14	0.50	0.57
2016	7.1	5.8	12.9	4.95	63.7	11.3	11.5		40.9	1.02	0.48	0.49
2017	6.3	5.2	11.5	5.09	58.5	11.3	10.5		36.7	0.92	0.45	0.41
2018	5.6	4.6	10.3	5.23	53.8	11.3	9.7		32.8	0.82	0.42	0.35
2019	5.0	4.1	9.2	5.38	49.5	11.3	8.9		29.3	0.73	0.40	0.29
2020	4.5	3.7	8.2	5.54	45.5	11.3	8.2		26.0	0.65	0.37	0.24
2021	4.0	3.3	7.3	5.69	41.8	11.3	7.5		23.0	0.57	0.35	0.20
2022	3.6	3.0	6.6	5.86	38.5	11.3	6.9		20.2	0.51	0.33	0.17
2023	3.2	2.6	5.9	6.02	35.4	11.3	6.4		17.7	0.44	0.31	0.14
2024	2.9	2.4	5.2	6.19	32.5	11.3	5.9		15.3	0.38	0.30	0.11
2025	2.6	2.1	4.7	6.37	29.9	11.3	5.4		13.2	0.33	0.28	0.09
2026	2.3	1.9	4.2	6.55	27.5	11.3	4.9		11.2	0.28	0.26	0.07
2027	2.1	1.7	3.8	6.74	25.3	11.3	4.5		9.4	0.23	0.25	0.06
2028	1.8	1.5	3.4	6.93	23.2	11.3	4.2		7.7	0.19	0.23	0.04
2029	1.6	1.4	3.0	7.12	21.4	11.3	3.8		6.2	0.15	0.22	0.03
2030	1.5	1.2	2.7	7.33	19.6	11.3	3.5		4.8	0.12	0.21	0.02

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**Table HGT-2
Hugoton Royalty Trust
Distributable Income**

	Q2	Q3E	Q4E	Year	Q1E	Q2E	Q3E	Next Twelve Months
	6/30/03	9/30/03	12/31	2003E	3/31/04	6/30/04	9/30/04	9/30/04
Highlights								
Revenue (\$mm) (80%)	34.6	32.2	29.5	123.2	28.4	27.4	26.5	111.8
Cash flow (\$mm) (80%)	26.9	24.1	21.5	91.9	20.9	20.1	19.2	81.7
Per unit	0.67	0.60	0.54	2.30	0.52	0.50	0.48	2.04
Distributable Income (\$mm)	24.5	21.4	18.5	80.8	19.1	16.9	15.9	70.3
Per unit	0.61	0.53	0.46	2.02	0.48	0.42	0.40	1.76
Units (millions)	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Volume								
Natural Gas (bcf)	7.7	7.8	8.1	31.8	8.0	7.7	8.0	31.8
Natural Gas (mmcf)	87.0	85.0	88.0	87.2	87.0	87.0	87.0	87.3
Days	89	92	92	365	92	89	92	365
Oil (mb)	84	86	85	342	85	82	84	336
Oil (mbd)	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Days	89	92	92	365	92	89	92	365
Total (bcf)	8.2	8.3	8.6	33.9	8.5	8.2	8.5	33.9
Price								
Natural Gas (HH lagged two months)								
Henry Hub (\$/mmbtu)	6.33	5.55	4.72	5.33	4.98	4.98	4.64	4.83
Differential (%)	17	13	10	15	17	17	17	15
HGT (\$/mcf)	5.23	4.83	4.25	4.51	4.14	4.14	3.86	4.09
Oil (\$/bbl) (WTI Cushing lagged two months)								
WTI Cushing	32.51	29.86	29.45	30.34	27.92	27.08	26.47	27.73
HGT	32.56	29.91	29.50	30.17	27.96	27.13	26.51	27.79
Total (\$/mcf)	5.24	4.83	4.29	4.54	4.17	4.16	3.89	4.13
Revenue (\$mm)								
Natural Gas	40.5	37.7	34.4	143.6	33.1	32.0	30.9	130.4
Oil	2.7	2.6	2.5	10.3	2.4	2.2	2.2	9.3
Total	43.2	40.3	36.9	153.9	35.5	34.2	33.1	139.7
Cost (\$mm)								
Tax, transport & other	3.5	3.8	3.7	14.3	3.5	3.4	3.3	14.0
Production	4.1	4.5	4.6	17.3	4.0	3.9	4.0	16.5
Overhead	2.0	1.8	1.8	7.5	1.8	1.8	1.8	7.1
Total	9.6	10.2	10.1	39.1	9.3	9.1	9.1	37.6
Cash flow (\$mm)								
Development	2.8	2.3	2.3	11.0	2.3	4.0	4.0	12.5
Net proceeds (\$mm)								
	30.9	27.9	24.6	103.9	23.9	21.2	20.0	89.7
Royalty income (\$mm)								
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%	80%
Administration	0.2	0.9	1.2	2.3	0.1	0.1	0.1	1.4
Distributable income (\$mm)								
	24.5	21.4	18.5	80.8	19.1	16.9	15.9	70.3
Tax and other/revenue	8%	9%	10%	9%	10%	10%	10%	10%
Production cost (\$/mcf)	0.50	0.55	0.54	0.51	0.47	0.47	0.47	0.49
Overhead cost (\$/mcf)	0.24	0.22	0.21	0.22	0.21	0.21	0.21	0.21
Development/Cash flow	0.08	0.07	0.08	0.10	0.09	0.16	0.17	0.12

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Natural Gas Royalty Trusts

A Weekly Analysis

September 25, 2003

Table HGT-3
Hugoton Royalty Trust
Monthly Declarations

	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03
Distribution (\$/unit)							
Declared	0.17	0.17	0.18	0.18			
Projected					0.17	0.14	0.15
Volume							
Natural Gas (bcf)	2.64	2.62	2.58	2.62	2.73	2.64	2.73
Natural Gas (mmcf/d)	88	85	86	84	88	88	88
Days	30	31	30	31	31	30	31
Price							
Natural gas industry quotes lagged two months (\$/mmbtu)							
Henry Hub Daily/Futures	5.26	5.81	5.82	5.03	4.97	4.63	4.56
HGT/Henry Hub	0.83	0.77	0.88	0.96	0.90	0.90	0.90
HGT (\$/mcf)	4.39	4.50	5.13	4.85	4.48	4.17	4.11
Revenue (\$mm)							
Natural Gas	11.6	11.8	13.2	12.7	12.2	11.0	11.2
Other	0.3	0.3	1.5	0.6	0.5	0.5	0.5
Total	11.3	11.5	11.7	12.1	11.7	10.5	10.7
Cost (\$mm)							
Production	1.3	1.4	1.6	1.5	1.5	1.5	1.5
Overhead	0.7	0.6	0.6	0.6	0.6	0.6	0.6
Total	2.0	2.0	2.2	2.1	2.1	2.1	2.1
Cash flow (\$mm)	9.2	9.5	9.6	9.9	9.6	8.4	8.6
Development	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Net proceeds (\$mm)	8.5	8.7	8.8	9.2	8.8	7.6	7.8
Royalty income (\$mm)	6.8	7.0	7.0	7.4	7.1	6.1	6.3
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%
Distributable income (\$mm)	6.8	7.0	7.0	7.4	7.1	6.1	6.3
Units (millions)	40.0	40.0	40.0	40.0	41.0	42.0	43.0
Distribution (\$/unit)	0.17	0.17	0.18	0.18	0.17	0.14	0.15
<i>Latest Twelve Month Average</i>							
Natural Gas (mmcf/d)	90	89	89	88			
HGT/Henry Hub	0.79	0.79	0.80	0.81			
Other revenue (\$mm)	0.4	0.4	0.5	0.5			
Development (\$mm)	1.5	1.4	1.3	1.2			
Production (\$mm)	1.3	1.3	1.4	1.4			
Overhead (\$mm)	0.6	0.6	0.6	0.6			

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Natural Gas Royalty Trusts

A Weekly Analysis

September 25, 2003

Table SJT-1
San Juan Basin Royalty Trust
Present Value

Volume Decline (%/yr):	11	Price Escalation Post 2009 (%/yr):	2.8
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	6.1
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	2.0
Variable Cost (%):	12	U.S. 10 Year Yield (%/yr):	4.1
PV/Volume (\$/mcf):	1.58	PV/EBITDA 2004:	7.9

Year	Basic (bcf)	Volume Enhanced (bcf)	Total (bcf)	Price (\$/mcf)	Revenue (\$mm)	Fixed Cost (\$mm)	Var Cost (\$mm)	Cap Ex (\$mm)	Distribution (\$mm)	(\$/unit)	Disc Factor	Present Value (\$/unit)
Total 2004 through 2030; years ending on 9/30												
	307	205	512	4.15	2126	349	255	179	1342	28.80	0.60	17.30
2004	34.2	0.0	34.2	3.77	129.0	11.0	15.5	13.8	88.7	1.90	0.97	1.85
2005	30.6	3.4	34.0	3.74	127.2	13.0	15.3	24.7	74.2	1.59	0.91	1.46
2006	27.3	6.5	33.8	3.60	121.8	13.0	14.6	23.5	70.6	1.52	0.86	1.31
2007	24.4	9.2	33.6	3.54	118.9	13.0	14.3	22.9	68.7	1.47	0.81	1.20
2008	21.9	11.5	33.4	3.57	119.2	13.0	14.3	23.0	68.9	1.48	0.77	1.13
2009	19.5	13.7	33.2	3.62	120.1	13.0	14.4	23.2	69.5	1.49	0.72	1.08
2010	17.5	15.5	33.0	3.72	122.7	13.0	14.7	23.8	71.3	1.53	0.68	1.04
2011	15.6	17.2	32.8	3.82	125.5	13.0	15.1	24.4	73.1	1.57	0.64	1.00
2012	14.0	15.4	29.3	3.93	115.4	13.0	13.8		88.5	1.90	0.60	1.15
2013	12.5	13.7	26.2	4.04	106.1	13.0	12.7		80.3	1.72	0.57	0.98
2014	11.2	12.3	23.4	4.16	97.5	13.0	11.7		72.8	1.56	0.54	0.84
2015	10.0	11.0	21.0	4.28	89.7	13.0	10.8		65.9	1.41	0.50	0.71
2016	8.9	9.8	18.7	4.40	82.4	13.0	9.9		59.5	1.28	0.48	0.61
2017	8.0	8.8	16.7	4.52	75.8	13.0	9.1		53.7	1.15	0.45	0.52
2018	7.1	7.8	15.0	4.65	69.7	13.0	8.4		48.3	1.04	0.42	0.44
2019	6.4	7.0	13.4	4.79	64.1	13.0	7.7		43.4	0.93	0.40	0.37
2020	5.7	6.3	12.0	4.92	58.9	13.0	7.1		38.8	0.83	0.37	0.31
2021	5.1	5.6	10.7	5.06	54.1	13.0	6.5		34.6	0.74	0.35	0.26
2022	4.6	5.0	9.6	5.20	49.8	13.0	6.0		30.8	0.66	0.33	0.22
2023	4.1	4.5	8.6	5.35	45.8	13.0	5.5		27.3	0.59	0.31	0.18
2024	3.6	4.0	7.6	5.50	42.1	13.0	5.0		24.0	0.52	0.30	0.15
2025	3.3	3.6	6.8	5.66	38.7	13.0	4.6		21.0	0.45	0.28	0.13
2026	2.9	3.2	6.1	5.82	35.6	13.0	4.3		18.3	0.39	0.26	0.10
2027	2.6	2.9	5.5	5.99	32.7	13.0	3.9		15.8	0.34	0.25	0.08
2028	2.3	2.6	4.9	6.16	30.1	13.0	3.6		13.5	0.29	0.23	0.07
2029	2.1	2.3	4.4	6.33	27.6	13.0	3.3		11.3	0.24	0.22	0.05
2030	1.9	2.0	3.9	6.51	25.4	13.0	3.0		9.4	0.20	0.21	0.04

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Natural Gas Royalty Trusts

A Weekly Analysis

September 25, 2003

Table SJT-2
San Juan Basin Royalty Trust
Distributable Income

	Q2	Q3E	Q4E	Year	Q1E	Q2E	Q3E	Next Twelve Months
	6/30/03	9/30/03	12/31/03	2003E	3/31/04	6/30/04	9/30/04	9/30/04
Highlights								
Revenue (\$mm) (75%)	35.7	33.8	33.4	133.9	33.0	31.9	30.7	129.0
Cash flow (\$mm) (75%)	29.1	27.6	27.2	108.8	26.7	25.8	24.7	104.3
Per unit	0.62	0.59	0.58	2.33	0.57	0.55	0.53	2.24
Distributable Income (\$mm)	25.6	23.8	23.3	92.2	22.8	21.9	20.8	88.7
Per unit	0.55	0.51	0.50	1.98	0.49	0.47	0.45	1.90
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Volume								
Natural gas (mmbtu)	11.4	12.3	12.3	48.7	12.3	11.9	12.3	48.7
Heat Content(btu/cf)	1,094	1,078	1,080	1,084	1,080	1,080	1,080	1,080
Natural gas (bcf)	10.5	11.4	11.4	44.9	11.4	11.0	11.4	45.1
Natural Gas (mmcf)	117.5	124.3	123.7	123.0	123.7	123.7	123.7	123.7
Days	89	92	92	365	92	89	92	365
Oil (mb)	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1
Oil (mbd)	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Total gas & oil (bcf)	10.6	11.6	11.5	45.4	11.5	11.1	11.5	45.6
Price								
Natural gas (\$/mmbtu) (Henry Hub lagged two months)								
Henry Hub (\$/mmbtu)	6.33	5.55	4.72	5.33	4.98	4.98	4.64	4.83
Differential (%)	35	35	24	32	29	29	29	28
Net to SJT (\$/mmbtu)	4.10	3.62	3.59	3.62	3.54	3.54	3.30	3.49
Natural gas (\$/mcf)	4.48	3.90	3.87	3.93	3.82	3.82	3.56	3.77
Oil (\$/bbl) (WTI Cushing lagged two months)								
WTI Cushing	32.51	29.86	29.45	30.34	27.92	27.08	26.47	27.73
SJT	27.91	25.64	25.29	25.99	23.97	23.25	22.73	23.81
Total gas & oil (\$/mcf)	4.49	3.90	3.88	3.93	3.82	3.82	3.56	3.77
Revenue (\$mm)								
Natural Gas	46.9	44.6	44.1	176.4	43.5	42.1	40.5	170.1
Oil	0.7	0.5	0.5	2.1	0.5	0.5	0.5	2.0
Total	47.5	45.1	44.6	178.5	44.0	42.5	41.0	172.0
Cost (\$mm)								
Severance tax	4.8	4.6	4.7	18.3	4.4	4.3	4.1	17.4
Operating	3.9	3.6	3.7	15.2	4.0	3.9	4.0	15.5
Total	8.7	8.2	8.4	33.5	8.4	8.1	8.1	32.9
Cash flow (\$mm)								
Development	2.9	4.3	4.6	18.3	4.6	4.6	4.6	18.4
Net proceeds (\$mm)								
Royalty/Net proceeds	35.9	32.5	31.6	126.7	31.0	29.8	28.3	120.7
Royalty income (\$mm)								
Royalty/Net proceeds	27.0	24.4	23.7	95.0	23.2	22.4	21.2	90.5
Administration	0.4	0.6	0.5	1.9	0.5	0.5	0.5	1.8
One-time	0.9			0.9				-
Distributable income (\$mm)								
Severance tax/revenue	10.2%	10.2%	10.5%	10.3%	10.0%	10.0%	10.0%	10.1%
Operating cost (\$/mcf)	0.37	0.31	0.32	0.33	0.35	0.35	0.35	0.34
Development/Cash flow	7%	12%	13%	13%	13%	13%	14%	13%

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Natural Gas Royalty Trusts

A Weekly Analysis

September 25, 2003

Table SJT-3
San Juan Basin Royalty Trust
Monthly Declarations

	<i>Jul-03</i>	<i>Aug-03</i>	<i>Sep-03</i>	<i>Oct-03</i>	<i>Nov-03</i>	<i>Dec-03</i>
Distribution (\$/unit)						
Declared	0.15	0.17	0.19			
<i>Projected</i>				<i>0.16</i>	<i>0.17</i>	<i>0.17</i>
Volume						
Natural gas (mmbtu)	4.20	3.48	4.64	4.14	4.01	4.14
Heat Content(btu/cf)	1,077	1,101	1,062	1,080	1,080	1,080
Natural gas (bcf)	3.90	3.16	4.37	3.83	3.71	3.83
Natural Gas (mmcf)	126	105	141	124	124	124
Days	31	30	31	31	30	31
Price						
Natural gas industry quotes lagged two months (\$/mmbtu)						
Henry Hub Daily/Futures	5.81	5.82	5.03	4.97	4.63	4.56
San Juan Monthly Index	4.03	5.03	4.70	4.03	4.44	4.20
San Juan Index/Henry Hub	0.69	0.86	0.93	0.81	0.96	0.92
SJT/San Juan Index	0.75	0.87	0.76	0.85	0.85	0.85
SJT (\$/mmbtu)	3.01	4.39	3.59	3.43	3.77	3.57
SJT (\$/mcf)	3.24	4.83	3.81	3.70	4.07	3.85
Revenue (\$mm)						
Natural Gas	12.6	15.3	16.7	14.2	15.1	14.8
Other	(0.0)	(0.2)	(0.0)	(0.0)	(0.0)	(0.0)
Cost (\$mm)						
Severance tax	1.6	1.4	1.7	1.5	1.6	1.6
Operating	1.3	1.2	1.2	1.2	1.2	1.2
Total	2.8	2.5	2.9	2.7	2.8	2.8
Cash flow (\$mm)	9.8	12.5	13.7	11.4	12.3	11.9
Development	0.8	1.7	1.8	1.5	1.5	1.5
Net proceeds (\$mm)	9.0	10.8	11.9	9.9	10.7	10.4
Royalty income (\$mm)	6.8	8.1	8.9	7.4	8.0	7.8
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%
One time						
Distributable income (\$mm)	6.8	8.1	8.9	7.4	8.0	7.8
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6
Distribution (\$/unit)	0.15	0.17	0.19	0.16	0.17	0.17
<i>Latest Twelve Month Average</i>						
Heat Content(btu/cf)	1,051	1,080	1,080			
Natural Gas (mmcf)	126	122	124			
San Juan Index/Henry Hub	0.75	0.77	0.77			
SJT/San Juan Index	0.88	0.86	0.85			
Other revenue	(0.0)	(0.0)	(0.0)			
Operating	1.3	1.2	1.2			
Development	1.4	1.4	1.5			
Severance tax/revenue	10.6%	10.6%	10.6%			

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