

## Natural Gas Royalty Trusts

A Weekly Analysis

March 25, 2002

### Lagging Beneficiaries of Commodity Price

Recent gains in commodity price have yet to show in reports from royalty trusts (see Chart on next page). Disclosures of price received lag two months for HGT and SJT. The price CRT received in July of last year and reflected in the October distribution will not be disclosed until the 10-K annual report is filed with the Securities and Exchange Commission by March 31. Thus the historical record only tells us how closely each trust followed industry trends. With that knowledge and industry trends from the futures market we calculate higher present value and project sharp improvement in monthly distributions. During the past week estimated present value increased 5%, 6%, and 6% for CRT, HGT and SJT respectively. Estimated Next Twelve Months distribution increased 6%, 11%, and 7% for CRT, HGT and SJT respectively. The trends appear to be healthy and the investment potential appears positive.

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

	<i>Symbol/ Rating</i>	<i>Price (\$/sh) 22-Mar 2002</i>	<i>Shares (mm)</i>	<i>Market Cap (\$mm)</i>	<i>Net Present Value (\$/sh)</i>	<i>Debt/ Present Value</i>	<i>McDep Ratio</i>
Cross Timbers Royalty Trust	CRT	19.00	6.0	114	20.20	-	0.94
San Juan Basin Royalty Trust	SJT 2	11.74	46.6	550	16.10	-	0.73
Hugoton RoyaltyTrust	HGT	11.81	40.0	470	16.60	-	0.71

Buy/Sell rating after symbol: 1 - Strong Buy, 2 - Buy, 3 - Neutral, 4 - Sell, 5 - Strong Sell  
McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses

Table S-2

#### Small Cap Energy Companies

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

	<i>Symbol/ Rating</i>	<i>Price (\$/sh) 22-Mar 2002</i>	<i>EV/ Sales NTM</i>	<i>EV/ Ebitda NTM</i>	<i>Dividend or Distribution P/E NTM</i>	<i>NTM (%)</i>	<i>PV/ Ebitda NTM</i>
Cross Timbers Royalty Trust	CRT	19.00	6.2	10.5	11	9.0	11.2
San Juan Basin Royalty Trust	SJT 2	11.74	5.9	7.5	10	9.8	10.3
Hugoton RoyaltyTrust	HGT	11.81	4.7	6.9	10	10.5	9.7

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended March 31, 2003; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses

Kurt H. Wulff, CFA

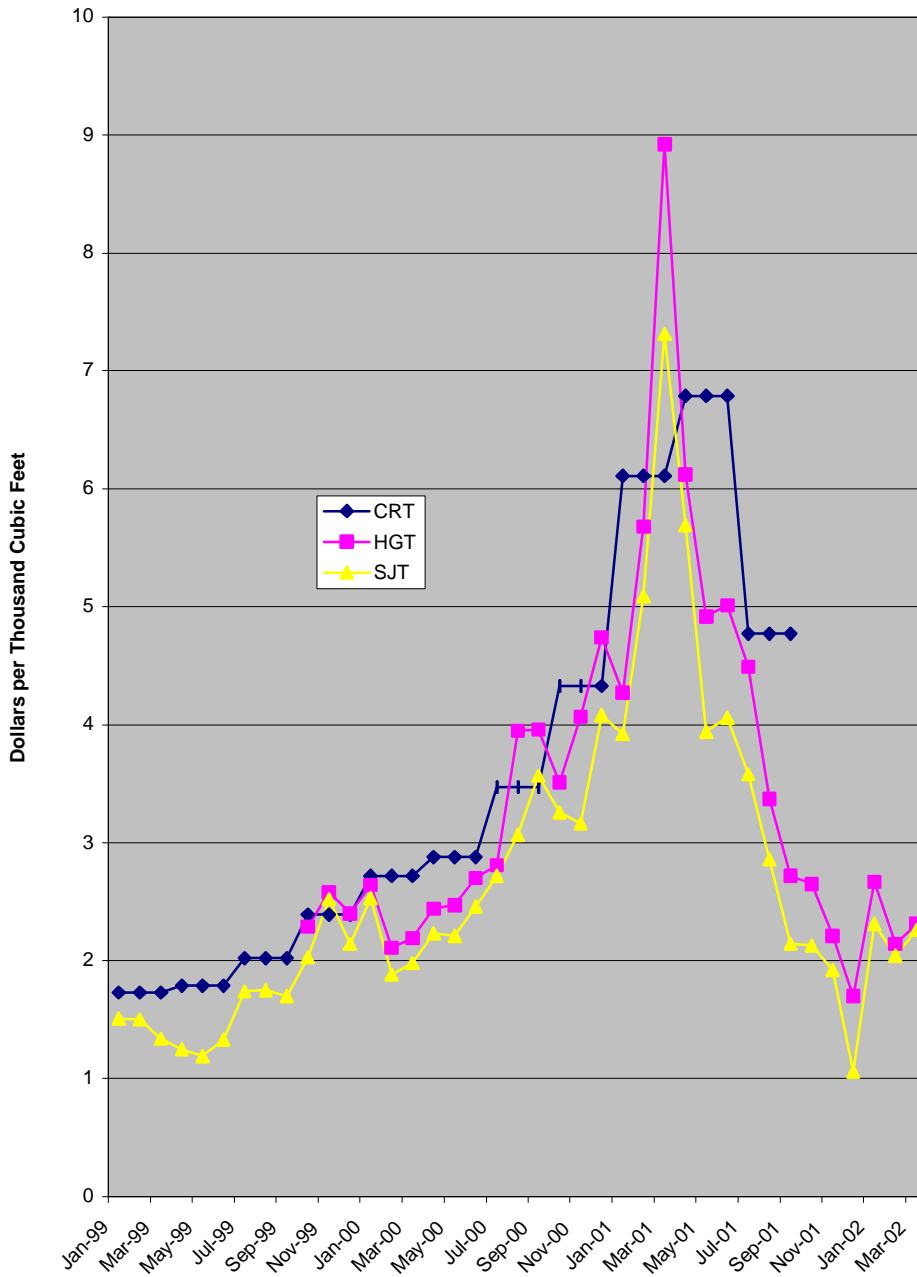
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# Natural Gas Royalty Trusts

A Weekly Analysis

March 25, 2002

### Natural Gas Royalty Trusts Natural Gas Price



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## Natural Gas Royalty Trusts

### A Weekly Analysis

March 25, 2002

**Table CRT-1**  
**Cross Timbers Royalty Trust**  
**Present Value**

Volume Decline (%/yr):	10	Price Escalation post 2007 (%/yr):	2.8
Volume Enhancement (%/yr):	10	Discount Rate (%/yr):	6.8
		U.S. TIPS Inflation (%/yr):	2.0
		U.S. 10 Year Yield (%/yr):	5.4

PV/Volume (\$/mcf):	2.38	PV/EBITDA 2002:	12.4
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Year	Natural Gas Volume			Price (\$/mcf)	Revenue (\$mm)	Oil Net (\$mm)	Distribution (\$mm)	Tax Credit (\$/unit)	Disc Factor	Present Value (\$/unit)	
	Basic (bcf)	Enhanced (bcf)	Total (bcf)								
Total 2002 through 2031											
	27	24	51	4.42	225	5	230	38.30	0.11	0.53	20.20
2002	2.8	0.0	2.8	2.94	8.3	0.9	9.2	1.53	0.11	0.97	1.59
2003	2.6	0.3	2.8	3.52	10.0	0.9	10.9	1.82		0.91	1.65
2004	2.3	0.5	2.8	3.58	10.2	0.7	10.9	1.81		0.85	1.54
2005	2.1	0.8	2.8	3.66	10.4	0.6	11.0	1.83		0.79	1.45
2006	1.9	1.0	2.8	3.73	10.6	0.5	11.1	1.84		0.74	1.37
2007	1.7	1.2	2.8	3.81	10.8	0.4	11.2	1.87		0.70	1.30
2008	1.5	1.3	2.8	3.92	11.1	0.3	11.5	1.91		0.65	1.25
2009	1.4	1.5	2.8	4.03	11.5	0.3	11.8	1.96		0.61	1.20
2010	1.2	1.6	2.8	4.14	11.8	0.3	12.1	2.01		0.57	1.15
2011	1.1	1.7	2.8	4.26	12.1		12.1	2.02		0.54	1.08
2012	1.0	1.6	2.6	4.38	11.2		11.2	1.87		0.50	0.94
2013	0.9	1.4	2.3	4.50	10.4		10.4	1.73		0.47	0.81
2014	0.8	1.3	2.1	4.63	9.6		9.6	1.60		0.44	0.70
2015	0.7	1.1	1.9	4.76	8.9		8.9	1.48		0.41	0.61
2016	0.6	1.0	1.7	4.89	8.2		8.2	1.37		0.39	0.53
2017	0.6	0.9	1.5	5.03	7.6		7.6	1.27		0.36	0.46
2018	0.5	0.8	1.4	5.17	7.0		7.0	1.17		0.34	0.40
2019	0.5	0.7	1.2	5.32	6.5		6.5	1.08		0.32	0.34
2020	0.4	0.7	1.1	5.47	6.0		6.0	1.00		0.30	0.30
2021	0.4	0.6	1.0	5.62	5.6		5.6	0.93		0.28	0.26
2022	0.3	0.5	0.9	5.78	5.2		5.2	0.86		0.26	0.22
2023	0.3	0.5	0.8	5.94	4.8		4.8	0.79		0.24	0.19
2024	0.3	0.4	0.7	6.11	4.4		4.4	0.74		0.23	0.17
2025	0.3	0.4	0.6	6.28	4.1		4.1	0.68		0.21	0.14
2026	0.2	0.4	0.6	6.46	3.8		3.8	0.63		0.20	0.13
2027	0.2	0.3	0.5	6.64	3.5		3.5	0.58		0.19	0.11
2028	0.2	0.3	0.5	6.83	3.2		3.2	0.54		0.17	0.09
2029	0.2	0.3	0.4	7.02	3.0		3.0	0.50		0.16	0.08
2030	0.1	0.2	0.4	7.21	2.8		2.8	0.46		0.15	0.07
2031	0.1	0.2	0.3	7.42	2.6		2.6	0.43		0.14	0.06

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# Natural Gas Royalty Trusts

## A Weekly Analysis

March 25, 2002

**Table CRT-2**  
**Cross Timbers Royalty Trust**  
**Distributable Income**

	Q1	Q2	Q3	Q4E	Year	Q1E	Q2E	Q3E	Q4E	Year	Q1E	Next Twelve Months
	3/31/01	6/30/01	9/30/01	12/31/01	2001E	3/31/02	6/30/02	9/30/02	12/31/02	2002E	3/31/03	3/31/03
<b>Highlights</b>												
Tax credit (\$mm)												
Per unit	0.02	0.03	0.03	0.03	0.11	0.03	0.03	0.03	0.03	0.11		0.08
Distributable Income (\$mm)	4.05	4.18	3.40	2.58	14.21	1.80	2.01	2.67	2.71	9.20	2.83	10.23
Per unit	0.67	0.70	0.57	0.43	2.37	0.30	0.34	0.44	0.45	1.53	0.47	1.70
Units (millions)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
<b>Volume</b>												
Natural Gas (bcf)	0.66	0.71	0.79	0.80	2.95	0.80	0.78	0.79	0.80	3.16	0.80	3.16
Natural Gas (mmcf)	7.2	7.8	8.6	8.6	8.1	8.6	8.6	8.6	8.6	8.6	8.6	8.6
Days	92	90	91	92	365	92	90	91	92	365	92	365
Oil (mb)	83	79	90	90	342	90	87	90	90	356	90	356
Oil (mbd)	0.90	0.89	0.98	0.98	0.94	0.98	0.98	0.98	0.98	0.98	0.98	0.98
Days	92	89	92	92	365	92	89	92	92	365	92	365
Total (bcf)	1.16	1.18	1.33	1.33	5.00	1.33	1.30	1.33	1.33	5.29	1.33	5.29
<b>Price</b>												
Natural Gas (HH lagged three months)												
Henry Hub (\$/mmbtu)	6.52	6.31	4.36	2.75	4.98	2.41	2.55	3.36	3.44	2.94	3.70	3.26
Differential (\$/mmbtu)	0.41	(0.48)	(0.41)	-	(0.03)	-	-	-	-	(0.00)	-	(0.00)
CRT (\$/mcf)	6.11	6.79	4.77	2.75	5.01	2.41	2.55	3.36	3.44	2.94	3.70	3.26
Oil (\$/bbl) (WTI lagged two months)												
WTI Cushing	30.84	28.09	27.56	25.28	27.94	19.56	23.44	25.43	25.13	23.39	24.56	24.64
CRT	28.73	24.92	24.07	23.28	25.19	17.56	21.44	23.43	23.13	21.39	22.56	22.65
Total (\$/mcf)	5.54	5.73	4.46	3.20	4.68	2.62	2.96	3.58	3.61	3.19	3.73	3.47
<b>Revenue (\$mm)</b>												
Natural Gas	4.05	4.79	3.75	2.19	14.78	1.92	1.98	2.64	2.73	9.27	2.94	10.30
Oil	2.38	1.98	2.16	2.09	8.61	1.58	1.86	2.10	2.08	7.62	2.03	8.07
Total	6.43	6.77	5.91	4.28	23.39	3.49	3.84	4.74	4.81	16.89	4.97	18.37
<b>Cost (\$mm)</b>												
Tax, transport & other												
Production	0.84	0.89	0.87	0.64	3.25	0.52	0.58	0.71	0.72	2.53	0.75	2.76
Total	1.55	1.63	1.60	1.40	6.19	1.29	1.31	1.47	1.48	5.56	1.51	5.78
<b>Cash flow (\$mm)</b>												
Development	4.88	5.14	4.31	2.87	17.20	2.21	2.53	3.27	3.33	11.33	3.46	12.59
Net proceeds (\$mm)	0.16	0.41	0.40	0.40	1.37	0.20	0.20	0.20	0.20	0.80	0.20	0.80
Royalty income (\$mm)	4.72	4.73	3.91	2.47	15.83	2.01	2.33	3.07	3.13	10.53	3.26	11.79
Royalty/Net proceeds	4.11	4.22	3.45	2.17	13.95	1.77	2.05	2.71	2.75	9.28	2.87	10.39
Royalty/Net proceeds	87%	89%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%
Administration	0.06	0.04	0.05	(0.41)	(0.26)	(0.04)	0.04	0.04	0.04	0.08	0.04	0.16
Distributable income (\$mm)	4.05	4.18	3.40	2.58	14.21	1.80	2.01	2.67	2.71	9.20	2.83	10.23
<b>Modeling ratios</b>												
Tax and other/revenue	0.13	0.13	0.15	0.15	0.14	0.15	0.15	0.15	0.15	0.15	0.15	0.15
Production exp (\$/bbl)	8.58	9.29	8.12	8.50	8.60	8.50	8.50	8.50	8.50	8.50	8.50	8.50

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## A Weekly Analysis

March 25, 2002

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

Volume Decline (%/yr):	10	Price Escalation Post 2007 (%/yr):	2.8
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	6.8
Capex/Cash Flow (%):	30	U.S. TIPS Inflation (%/yr):	2.0
Variable Cost (%):	17	U.S. 10 Year Yield (%/yr):	5.4
PV/Volume (\$/mcf):	1.20	PV/EBITDA 2002:	11.1

Year	Basic (bcf)	Volume Enhanced (bcf)	Total (bcf)	Price (\$/mcf)	Revenue (\$mm)	Fixed Cost (\$mm)	Var Cost (\$mm)	Cap Ex (\$mm)	Distribution (\$mm)	(\$/unit)	Tax Credit (\$/unit)	Disc Factor	Present Value (\$/unit)
Total 2002 through 2031													
	296	257	553	4.33	2396	450	407	239	1300	32.50	0.01	0.51	16.60
2002	30.9	0.0	30.9	2.92	90.2	15.0	15.3	18.3	41.6	1.04	0.01	0.97	1.02
2003	27.8	3.1	30.9	3.45	106.5	15.0	18.1	22.0	51.4	1.28		0.91	1.16
2004	25.0	5.9	30.9	3.50	108.2	15.0	18.4	22.4	52.4	1.31		0.85	1.11
2005	22.5	8.4	30.9	3.58	110.6	15.0	18.8	23.0	53.7	1.34		0.79	1.07
2006	20.3	10.6	30.9	3.65	112.8	15.0	19.2	23.6	55.0	1.38		0.74	1.02
2007	18.2	12.6	30.9	3.73	115.3	15.0	19.6	24.2	56.5	1.41		0.70	0.98
2008	16.4	14.5	30.9	3.84	118.5	15.0	20.2	25.0	58.4	1.46		0.65	0.95
2009	14.8	16.1	30.9	3.95	121.9	15.0	20.7	25.8	60.3	1.51		0.61	0.92
2010	13.3	17.6	30.9	4.06	125.3	15.0	21.3	26.7	62.3	1.56		0.57	0.89
2011	12.0	18.9	30.9	4.17	128.8	15.0	21.9	27.6	64.3	1.61		0.54	0.86
2012	10.8	17.0	27.8	4.29	119.2	15.0	20.3		83.9	2.10		0.50	1.05
2013	9.7	15.3	25.0	4.41	110.3	15.0	18.7		76.5	1.91		0.47	0.90
2014	8.7	13.8	22.5	4.53	102.0	15.0	17.3		69.7	1.74		0.44	0.77
2015	7.8	12.4	20.3	4.66	94.4	15.0	16.1		63.4	1.58		0.41	0.65
2016	7.1	11.2	18.2	4.79	87.4	15.0	14.9		57.5	1.44		0.39	0.55
2017	6.4	10.1	16.4	4.93	80.8	15.0	13.7		52.1	1.30		0.36	0.47
2018	5.7	9.0	14.8	5.06	74.8	15.0	12.7		47.1	1.18		0.34	0.40
2019	5.1	8.1	13.3	5.21	69.2	15.0	11.8		42.5	1.06		0.32	0.34
2020	4.6	7.3	12.0	5.35	64.0	15.0	10.9		38.2	0.95		0.30	0.28
2021	4.2	6.6	10.8	5.50	59.3	15.0	10.1		34.2	0.85		0.28	0.24
2022	3.8	5.9	9.7	5.66	54.8	15.0	9.3		30.5	0.76		0.26	0.20
2023	3.4	5.3	8.7	5.82	50.7	15.0	8.6		27.1	0.68		0.24	0.16
2024	3.0	4.8	7.8	5.98	46.9	15.0	8.0		24.0	0.60		0.23	0.14
2025	2.7	4.3	7.1	6.15	43.4	15.0	7.4		21.1	0.53		0.21	0.11
2026	2.5	3.9	6.4	6.32	40.2	15.0	6.8		18.4	0.46		0.20	0.09
2027	2.2	3.5	5.7	6.50	37.2	15.0	6.3		15.9	0.40		0.19	0.07
2028	2.0	3.2	5.1	6.68	34.4	15.0	5.8		13.6	0.34		0.17	0.06
2029	1.8	2.8	4.6	6.87	31.8	15.0	5.4		11.4	0.29		0.16	0.05
2030	1.6	2.6	4.2	7.06	29.5	15.0	5.0		9.5	0.24		0.15	0.04
2031	1.5	2.3	3.8	7.26	27.3	15.0	4.6		7.6	0.19		0.14	0.03

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

	Q1	Q2	Q3	Q4E	Year	Q1E	Q2E	Q3E	Q4E	Year	Q1E	Next Twelve Months
	3/31/01	6/30/01	9/30/01	12/31/01	2001E	3/31/02	6/30/02	9/30/02	12/31/02	2002E	3/31/03	3/31/03
<b>Highlights</b>												
Revenue (\$mm) (80%)	48.8	39.5	27.9	18.6	134.8	18.7	20.9	25.1	25.5	90.2	28.4	99.9
Cash flow (\$mm) (80%)	39.4	30.5	20.4	12.8	103.1	11.7	13.5	17.1	17.5	59.8	20.1	68.2
Per unit	0.98	0.76	0.51	0.32	2.58	0.29	0.34	0.43	0.44	1.50	0.50	1.71
Tax credit (\$mm)	0.1	0.1	0.1	0.1	0.6	0.1	0.1	0.1	0.1	0.6		0.4
Per unit	0.00	0.00	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.01		0.01
Distributable Income (\$mm)	33.7	21.7	15.3	8.5	79.1	7.4	8.9	12.5	12.8	41.6	15.5	49.7
Per unit	0.84	0.54	0.38	0.21	1.98	0.18	0.22	0.31	0.32	1.04	0.39	1.24
Units (millions)	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
<b>Volume</b>												
Natural Gas (bcf)	9.2	8.7	9.2	9.5	36.6	9.0	8.9	9.2	9.2	36.3	9.2	36.4
Natural Gas (mmcf)	99.9	97.8	99.8	103.5	100.3	98.1	99.8	99.8	99.8	99.4	99.8	99.8
Days	92	89	92	92	365	92	89	92	92	365	92	365
Oil (mb)	96	102	101	100	399	99	95	97	96	387	95	383
Oil (mcb)	1.0	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.0	1.1	1.0	1.0
Days	92	89	92	92	365	92	89	92	92	365	92	365
Total (bcf)	9.8	9.3	9.8	10.1	39.0	9.6	9.5	9.8	9.8	38.6	9.8	38.7
<b>Price</b>												
Natural Gas (HH lagged two months)												
Henry Hub (\$/mmbtu)	7.57	5.30	3.67	2.53	4.77	2.34	2.90	3.39	3.45	3.02	3.89	3.41
Differential (\$/mmbtu)	1.25	(0.03)	0.16	0.35	0.46	(0.03)	0.20	0.24	0.24	0.16	0.27	0.23
HGT (\$/mcf)	6.31	5.34	3.51	2.18	4.30	2.38	2.70	3.15	3.21	2.86	3.62	3.17
Oil (\$/bbl) (WTI Cushing lagged two months)												
WTI Cushing	30.84	28.09	27.56	25.28	27.94	19.56	23.44	25.43	25.13	23.39	24.56	24.64
HGT	30.43	28.37	26.56	24.78	27.51	19.06	22.94	24.93	24.63	22.87	24.06	24.15
Total (\$/mcf)	6.24	5.30	3.57	2.30	4.32	2.43	2.77	3.21	3.26	2.92	3.64	3.22
<b>Revenue (\$mm)</b>												
Natural Gas	58.0	46.4	32.3	20.8	157.5	21.5	24.0	28.9	29.5	103.9	33.2	115.6
Oil	2.9	2.9	2.7	2.5	11.0	1.9	2.2	2.4	2.4	8.8	2.3	9.2
Total	61.0	49.3	34.9	23.3	168.5	23.4	26.2	31.3	31.9	112.7	35.5	124.9
<b>Cost (\$mm)</b>												
Tax, transport & other	5.0	5.0	3.3	2.3	15.6	2.3	2.6	3.1	3.2	11.3	3.6	12.5
Production	4.9	4.3	4.2	2.8	16.1	4.4	4.7	4.9	4.9	18.9	4.9	19.4
Overhead	1.8	1.9	2.0	2.2	7.9	2.0	1.9	2.0	2.0	7.8	2.0	7.7
Total	11.7	11.2	9.4	7.3	39.7	8.7	9.2	10.0	10.0	38.0	10.4	39.6
<b>Cash flow (\$mm)</b>												
Development	7.1	11.0	6.3	5.5	29.9	5.8	5.7	5.7	5.7	22.9	5.7	22.8
<b>Net proceeds (\$mm)</b>												
Royalty/Net proceeds	42.1	27.2	19.2	10.5	99.0	8.8	11.2	15.7	16.1	51.9	19.4	62.5
<b>Royalty income (\$mm)</b>												
Royalty/Net proceeds	33.7	21.7	15.4	8.4	79.2	7.1	9.0	12.5	12.9	41.5	15.5	50.0
Administration	0.0	0.0	0.1	(0.1)	0.0	(0.3)	0.1	0.1	0.1	(0.0)	0.1	0.3
<b>Distributable income (\$mm)</b>												
Distributable income	33.7	21.7	15.3	8.5	79.1	7.4	8.9	12.5	12.8	41.6	15.5	49.7
<b>Cost ratios</b>												
Tax and other/revenue	8%	10%	9%	10%	9%	10%	10%	10%	10%	10%	10%	10%
Production cost (\$/mcf)	0.50	0.46	0.42	0.27	0.41	0.46	0.50	0.50	0.50	0.49	0.50	0.50
Overhead cost (\$/mcf)	0.19	0.21	0.20	0.22	0.20	0.21	0.20	0.20	0.20	0.20	0.20	0.20
Development/Cash flow	0.14	0.29	0.25	0.34	0.23	0.40	0.34	0.27	0.26	0.31	0.23	0.27

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# Natural Gas Royalty Trusts

## A Weekly Analysis

March 25, 2002

**Table SJT-1**  
**San Juan Basin Royalty Trust**  
**Present Value**

Volume Decline (%/yr):	10	Price Escalation Post 2007 (%/yr):	2.8
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	6.8
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	2.0
Variable Cost (%):	11	U.S. 10 Year Yield (%/yr):	5.4
PV/Volume (\$/mcf):	1.26	PV/EBITDA 2002:	12.1

Year	Basic (bcf)	Volume Enhanced (bcf)	Total (bcf)	Price (\$/mcf)	Revenue (\$mm)	Fixed Cost (\$mm)	Var Cost (\$mm)	Cap Ex (\$mm)	Distribution (\$mm)	(\$/unit)	Tax Credit (\$/unit)	Disc Factor	Present Value (\$/unit)
Total 2002 through 2031													
	318	277	595	3.95	2351	409	259	220	1464	31.41	0.12	0.51	16.10
2002	33.2	0.0	33.2	2.57	85.2	13.6	9.4	21.3	40.9	0.88	0.12	0.97	0.97
2003	29.9	3.3	33.2	3.15	104.7	13.6	11.5	19.9	59.7	1.28		0.91	1.16
2004	26.9	6.3	33.2	3.20	106.3	13.6	11.7	20.2	60.7	1.30		0.85	1.11
2005	24.2	9.0	33.2	3.27	108.7	13.6	12.0	20.8	62.3	1.34		0.79	1.06
2006	21.8	11.4	33.2	3.34	110.8	13.6	12.2	21.3	63.8	1.37		0.74	1.02
2007	19.6	13.6	33.2	3.41	113.3	13.6	12.5	21.8	65.4	1.40		0.70	0.98
2008	17.6	15.6	33.2	3.51	116.5	13.6	12.8	22.5	67.5	1.45		0.65	0.95
2009	15.9	17.3	33.2	3.61	119.8	13.6	13.2	23.2	69.7	1.50		0.61	0.91
2010	14.3	18.9	33.2	3.71	123.1	13.6	13.5	24.0	72.0	1.54		0.57	0.88
2011	12.9	20.3	33.2	3.81	126.6	13.6	13.9	24.8	74.3	1.59		0.54	0.85
2012	11.6	18.3	29.9	3.92	117.1	13.6	12.9		90.6	1.94		0.50	0.97
2013	10.4	16.5	26.9	4.03	108.4	13.6	11.9		82.8	1.78		0.47	0.83
2014	9.4	14.8	24.2	4.14	100.3	13.6	11.0		75.6	1.62		0.44	0.71
2015	8.4	13.3	21.8	4.26	92.8	13.6	10.2		69.0	1.48		0.41	0.61
2016	7.6	12.0	19.6	4.38	85.9	13.6	9.4		62.8	1.35		0.39	0.52
2017	6.8	10.8	17.6	4.50	79.5	13.6	8.7		57.1	1.22		0.36	0.44
2018	6.2	9.7	15.9	4.63	73.5	13.6	8.1		51.8	1.11		0.34	0.38
2019	5.5	8.8	14.3	4.76	68.0	13.6	7.5		46.9	1.01		0.32	0.32
2020	5.0	7.9	12.9	4.89	62.9	13.6	6.9		42.4	0.91		0.30	0.27
2021	4.5	7.1	11.6	5.03	58.2	13.6	6.4		38.2	0.82		0.28	0.23
2022	4.0	6.4	10.4	5.17	53.9	13.6	5.9		34.3	0.74		0.26	0.19
2023	3.6	5.7	9.4	5.32	49.9	13.6	5.5		30.7	0.66		0.24	0.16
2024	3.3	5.2	8.4	5.47	46.1	13.6	5.1		27.4	0.59		0.23	0.13
2025	2.9	4.7	7.6	5.62	42.7	13.6	4.7		24.4	0.52		0.21	0.11
2026	2.6	4.2	6.8	5.78	39.5	13.6	4.3		21.5	0.46		0.20	0.09
2027	2.4	3.8	6.2	5.94	36.6	13.6	4.0		18.9	0.41		0.19	0.08
2028	2.1	3.4	5.5	6.11	33.8	13.6	3.7		16.5	0.35		0.17	0.06
2029	1.9	3.1	5.0	6.28	31.3	13.6	3.4		14.2	0.30		0.16	0.05
2030	1.7	2.7	4.5	6.46	29.0	13.6	3.2		12.1	0.26		0.15	0.04
2031	1.6	2.5	4.0	6.64	26.8	13.6	2.9		10.2	0.22		0.14	0.03

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# Natural Gas Royalty Trusts

## A Weekly Analysis

March 25, 2002

Table SJT-2  
San Juan Basin Royalty Trust  
Distributable Income

	Q1	Q2	Q3	Q4E	Year	Q1E	Q2E	Q3E	Q4E	Year	Q1E	Next Twelve Monthx
	3/31/01	6/30/01	9/30/01	12/31/01	2001E	3/31/02	6/30/02	9/30/02	12/31/02	2002E	3/31/03	3/31/03
<b>Highlights</b>												
Revenue (\$mm) (75%)	49.6	38.7	25.5	14.7	128.5	19.2	17.9	23.8	24.3	85.2	27.3	93.4
Cash flow (\$mm) (75%)	42.2	31.9	20.0	10.1	104.3	14.1	13.1	18.7	19.1	65.0	21.8	72.7
Per unit	0.91	0.69	0.43	0.22	2.24	0.30	0.28	0.40	0.41	1.39	0.47	1.56
Tax credit (\$mm)	1.9	1.9	1.4	1.4	6.5	1.4	1.4	1.4	1.4	5.6		4.2
Per unit	0.04	0.04	0.03	0.03	0.14	0.03	0.03	0.03	0.03	0.12		0.09
Distributable Income (\$mm)	37.3	26.3	13.7	2.9	80.1	3.5	9.4	13.8	14.1	40.9	16.2	53.5
Per unit	0.80	0.56	0.29	0.06	1.72	0.08	0.20	0.30	0.30	0.88	0.35	1.15
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
<b>Volume</b>												
Natural gas (mmbtu)	11.8	11.3	11.9	11.3	46.4	12.5	11.5	11.9	11.9	47.7	11.9	47.1
Heat Content(btu/cf)	1,052	1,095	1,070	1,106	1,080	1,092	1,090	1,090	1,090	1,091	1,090	1,090
Natural gas (bcf)	11.3	10.4	11.1	10.2	43.0	11.5	10.5	10.9	10.9	43.8	10.9	43.2
Natural Gas (mmcf)	122.4	116.4	120.6	111.4	117.7	124.7	118.3	118.3	118.3	119.9	118.3	118.3
Days	92	89	92	92	365	92	89	92	92	365	92	365
Oil (mb)	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.1
Oil (mbd)	0.3	0.3	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Total gas & oil (bcf)	11.4	10.5	11.2	10.4	43.5	11.6	10.7	11.0	11.0	44.3	11.0	43.7
<b>Price</b>												
Natural gas (\$/mmbtu) (Henry Hub lagged two months)												
Henry Hub (\$/mmbtu)	7.57	5.30	3.67	2.53	4.77	2.34	2.90	3.39	3.45	3.02	3.89	3.41
Differential (%)	27	15	23	33	24	14	29	22	22	22	22	23
Total	5.53	4.49	2.82	1.69	3.65	2.01	2.05	2.64	2.69	2.35	3.03	2.61
Natural gas (\$/mcf)	5.81	4.92	3.02	1.87	3.94	2.20	2.23	2.88	2.94	2.56	3.31	2.84
Oil (\$/bbl) (WTI Cushing lagged two months)												
WTI Cushing	28.79	28.09	27.56	25.28	27.43	19.56	23.44	25.43	25.13	23.39	24.56	24.64
SJT	26.90	24.60	23.72	21.28	24.23	15.56	19.44	21.43	21.13	19.39	20.56	20.65
Total gas & oil (\$/mcf)	5.79	4.91	3.03	1.89	3.94	2.20	2.24	2.89	2.94	2.57	3.31	2.85
<b>Revenue (\$mm)</b>												
Natural Gas	65.5	50.9	33.5	19.2	169.1	25.2	23.5	31.3	31.9	112.0	36.0	122.8
Oil	0.7	0.6	0.5	0.5	2.3	0.3	0.4	0.5	0.5	1.7	0.4	1.8
Total	66.1	51.6	34.0	19.6	171.4	25.5	23.9	31.8	32.4	113.7	36.4	124.5
<b>Cost (\$mm)</b>												
Severance tax	6.5	5.2	3.7	2.1	17.4	2.6	2.5	3.2	3.2	11.5	3.6	12.5
Operating	3.3	3.8	3.7	4.2	14.9	4.1	3.9	3.7	3.7	15.5	3.7	15.0
Total	9.8	9.0	7.3	6.2	32.3	6.7	6.4	6.9	6.9	27.0	7.3	27.6
Cash flow (\$mm)	56.3	42.6	26.7	13.4	139.0	18.8	17.5	24.9	25.5	86.7	29.1	97.0
Development	6.3	7.1	8.1	11.5	33.0	11.3	4.5	6.2	6.4	28.4	7.3	24.4
Net proceeds (\$mm)	50.0	35.5	18.6	1.9	106.0	7.5	13.0	18.7	19.1	58.3	21.8	72.6
Royalty income (\$mm)	37.5	26.6	14.0	1.4	79.5	5.6	9.8	14.0	14.3	43.7	16.4	54.5
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	3.0
Administration	0.2	0.4	0.3	(1.5)	(0.6)	2.1	0.3	0.2	0.2	2.8	0.2	0.9
One-time					-					-		-
Distributable income (\$mm)	37.3	26.3	13.7	2.9	80.1	3.5	9.4	13.8	14.1	40.9	16.2	53.5
<b>Modeling ratios</b>												
Severance tax/revenue	9.9%	10.0%	10.7%	10.5%	10.2%	10.2%	10.3%	10.0%	10.0%	10.1%	10.0%	10.1%
Operating cost (\$/mcf)	0.29	0.36	0.33	0.40	0.34	0.36	0.37	0.34	0.34	0.35	0.34	0.34

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# Natural Gas Royalty Trusts

## A Weekly Analysis

March 25, 2002

**Table SJT-3**  
**San Juan Basin Royalty Trust**  
**Monthly Declarations**

	<i>Dec-00</i>	<i>Apr-01</i>	<i>May-01</i>	<i>Jan-02</i>	<i>Feb-02</i>	<i>Mar-02</i>	<i>Apr-02</i>	<i>May-02</i>	<i>Jun-02</i>
<b>Distribution</b> (\$/unit)									
Declared	0.15	0.22	0.17	-	0.01	0.06			
<i>Projected</i>							<i>0.04</i>	<i>0.06</i>	<i>0.10</i>
<b>Volume</b>									
Natural gas (mmbtu)	3.93	3.31	4.16	3.87	4.46	4.19	3.61	4.00	3.87
Heat Content(btu/cf)	1,079	1,076	1,063	1,088	1,099	1,087	1,090	1,090	1,090
Natural gas (bcf)	3.64	3.08	3.91	3.56	4.05	3.86	3.31	3.67	3.55
Natural Gas (mmcf)	117	110	126	119	131	124	118	118	118
Days	31	28	31	30	31	31	28	31	30
<b>Price</b>									
Natural gas industry quotes lagged two months (\$/mmbtu)									
Henry Hub Daily/Futures	5.02	5.59	5.16	2.36	2.41	2.25	2.31		3.33
San Juan Monthly Index	4.47	6.55	4.88	2.69	2.32	2.42	1.81	2.14	
SJT/Henry Hub	0.81	1.02	0.76	0.90	0.77	0.92	0.73		
SJT/San Juan Index	0.91	0.87	0.81	0.79	0.80	0.86	0.93	0.85	
SJT (\$/mmbtu)	4.08	5.69	3.94	2.12	1.86	2.08	1.68	1.82	2.63
SJT (\$/mcf)	4.41	6.13	4.19	2.31	2.04	2.26	1.83	1.98	2.86
<b>Revenue</b> (\$mm)									
Natural Gas	16.1	18.9	16.4	8.2	8.3	8.7	6.1	7.3	10.2
Other	0.5	0.0	0.2	(1.7)	(0.5)	(0.2)	-	-	-
<b>Cost</b> (\$mm)									
Severance tax	1.3	1.9	1.7	0.9	0.9	0.9	0.6	0.8	1.1
Operating	1.1	1.2	1.3	1.4	1.5	1.2	1.3	1.3	1.3
Total	2.4	3.1	3.0	2.3	2.3	2.1	2.0	2.1	2.4
<b>Cash flow</b> (\$mm)									
Development	4.9	1.9	2.8	4.2	4.8	2.4	1.5	1.5	1.5
<b>Net proceeds</b> (\$mm)									
	9.3	13.9	10.7	-	0.7	4.0	2.6	3.7	6.3
<b>Royalty income</b> (\$mm)									
	7.0	10.4	8.0	-	0.5	3.0	2.0	2.8	4.7
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	75%	75%
<b>Distributable income</b> (\$mm)									
	7.0	10.4	8.0	-	0.5	3.0	2.0	2.8	4.7
<b>Units</b> (millions)									
	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
<i>Latest Twelve Month Average</i>									
Heat Content(btu/cf)	1,064	1,064	1,065	1,081	1,088	1,090			
Natural Gas (mmcf)	115	118	119	118	118	118			
SJT/Henry Hub	0.81	0.78	0.78	0.77	0.79	0.79			
SJT/San Juan Index	0.90	0.88	0.87	0.84	0.84	0.85			
Other revenue				0.1	0.0	0.0			
Operating	1.2	1.2	1.1	1.3	1.3	1.3			
Development	2.1	2.3	2.4	2.8	3.1	3.2			
Severance tax/revenue				10.3%	10.4%	10.5%			

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