

Natural Gas Royalty Trusts

A Weekly Analysis

July 29, 2002

Reassuring Absence of Debt

Summary and Recommendation

Commodity price and present value eroded somewhat more in the past week than stock prices declined for SJT and HGT. We see that in a McDep Ratio that increases slightly. When investors are especially nervous about all investments, it is reassuring that our natural gas royalty trusts have no debt. High debt entities are failing rapidly. We remain confident that the natural gas royalty trusts in our coverage offer a competitive combination of reward and risk in today's investment climate.

Kurt H. Wulff, CFA

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

	<i>Symbol/</i>	<i>Price</i>	<i>Market</i>	<i>Net</i>	<i>Debt/</i>	<i>McDep</i>	
	<i>Rating</i>	<i>(\$/sh)</i>	<i>Cap</i>	<i>Value</i>	<i>Present</i>	<i>Ratio</i>	
		<i>25-Jul</i>	<i>(mm)</i>	<i>(\$/sh)</i>	<i>Value</i>		
		<i>2002</i>					
Cross Timbers Royalty Trust	CRT	14.68	6.0	88	19.60	-	0.75
Hugoton RoyaltyTrust (46%)	HGT	9.74	18.4	180	15.00	-	0.65
San Juan Basin Royalty Trust	SJT	9.70	46.6	450	15.10	-	0.64

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

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

	<i>Symbol/</i>	<i>Price</i>	<i>EV/</i>	<i>EV/</i>	<i>Dividend or</i>	<i>PV/</i>	
	<i>Rating</i>	<i>(\$/sh)</i>	<i>Sales</i>	<i>Ebitda</i>	<i>Distribution</i>	<i>Ebitda</i>	
		<i>25-Jul</i>	<i>NTM</i>	<i>NTM</i>	<i>P/E</i>	<i>NTM</i>	
		<i>2002</i>			<i>NTM</i>		
					<i>(%)</i>		
Cross Timbers Royalty Trust	CRT	14.68	5.6	8.1	9	11.4	10.8
Hugoton RoyaltyTrust (46%)	HGT	9.74	4.5	6.8	10	10.0	10.4
San Juan Basin Royalty Trust	SJT	9.70	5.2	6.7	9	10.9	10.4

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended June 30, 2003; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses

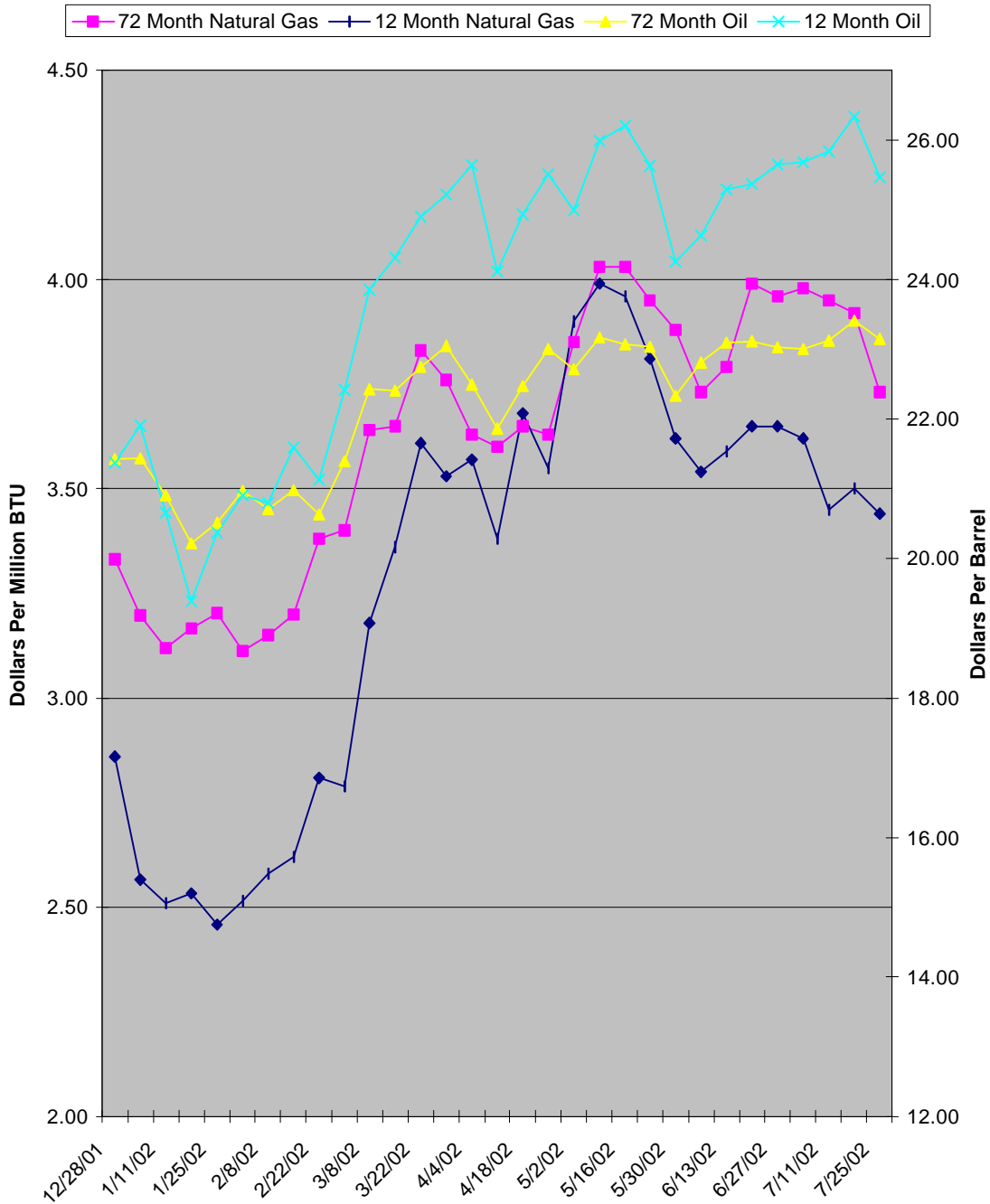
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Six-Year and One-Year Natural Gas and Oil Futures



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Table CRT-1
Cross Timbers Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation post 2007 (%/yr):	2.5
Volume Enhancement (%/yr):	10	Discount Rate (%/yr):	5.8
		U.S. TIPS Inflation (%/yr):	1.7
		U.S. 10 Year Yield (%/yr):	4.4
PV/Volume (\$/mcf):	2.53	PV/EBITDA 2002:	11.1

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 2003 through 2032; years ending on 6/30											
	26	20	46	4.17	193	6	200	33.26	0.05	0.59	19.60
2003	2.7	0.0	2.7	3.24	8.8	1.2	10.0	1.67	0.05	0.97	1.67
2004	2.5	0.3	2.7	3.52	9.6	1.2	10.8	1.79		0.92	1.65
2005	2.2	0.5	2.7	3.59	9.8	0.9	10.7	1.79		0.87	1.55
2006	2.0	0.7	2.7	3.57	9.7	0.8	10.5	1.75		0.82	1.44
2007	1.8	0.9	2.7	3.58	9.8	0.7	10.4	1.74		0.78	1.35
2008	1.6	1.1	2.7	3.67	10.0	0.6	10.6	1.76		0.73	1.29
2009	1.4	1.3	2.7	3.76	10.2	0.5	10.8	1.79		0.69	1.25
2010	1.3	1.4	2.7	3.85	10.5	0.5	11.0	1.83		0.66	1.20
2011	1.2	1.6	2.7	3.94	10.8		10.8	1.79		0.62	1.11
2012	1.1	1.4	2.5	4.04	9.9		9.9	1.65		0.59	0.97
2013	1.0	1.3	2.2	4.14	9.1		9.1	1.52		0.55	0.84
2014	0.9	1.1	2.0	4.24	8.4		8.4	1.41		0.52	0.74
2015	0.8	1.0	1.8	4.35	7.8		7.8	1.30		0.50	0.64
2016	0.7	0.9	1.6	4.45	7.2		7.2	1.19		0.47	0.56
2017	0.6	0.8	1.4	4.56	6.6		6.6	1.10		0.44	0.49
2018	0.6	0.7	1.3	4.67	6.1		6.1	1.02		0.42	0.43
2019	0.5	0.7	1.2	4.79	5.6		5.6	0.94		0.40	0.37
2020	0.5	0.6	1.1	4.91	5.2		5.2	0.86		0.37	0.32
2021	0.4	0.5	1.0	5.03	4.8		4.8	0.80		0.35	0.28
2022	0.4	0.5	0.9	5.15	4.4		4.4	0.73		0.33	0.25
2023	0.3	0.4	0.8	5.27	4.1		4.1	0.68		0.32	0.21
2024	0.3	0.4	0.7	5.40	3.7		3.7	0.62		0.30	0.19
2025	0.3	0.4	0.6	5.54	3.5		3.5	0.58		0.28	0.16
2026	0.2	0.3	0.6	5.67	3.2		3.2	0.53		0.27	0.14
2027	0.2	0.3	0.5	5.81	2.9		2.9	0.49		0.25	0.12
2028	0.2	0.3	0.5	5.95	2.7		2.7	0.45		0.24	0.11
2029	0.2	0.2	0.4	6.10	2.5		2.5	0.42		0.23	0.09
2030	0.2	0.2	0.4	6.25	2.3		2.3	0.38		0.21	0.08
2031	0.1	0.2	0.3	6.40	2.1		2.1	0.35		0.20	0.07
2032	0.1	0.2	0.3	6.56	2.0		2.0	0.33		0.19	0.06

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Table CRT-2
Cross Timbers Royalty Trust
Distributable Income

	<i>Q1</i>	<i>Q2E</i>	<i>Q3E</i>	<i>Q4E</i>	<i>Year</i>	<i>Q1E</i>	<i>Q2E</i>	<i>Next</i>
	<i>3/31/02</i>	<i>6/30/02</i>	<i>9/30/02</i>	<i>12/31/02</i>	<i>2002E</i>	<i>3/31/03</i>	<i>6/30/03</i>	<i>Twelve</i>
								<i>Months</i>
								<i>6/30/03</i>
Highlights								
Tax credit (\$mm)								
Per unit	0.03	0.03	0.03	0.03	0.10			0.05
Distributable Income (\$mm)	1.80	1.72	2.58	2.36	8.47	2.50	2.58	10.02
Per unit	0.30	0.29	0.43	0.39	1.41	0.42	0.43	1.67
Units (millions)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Volume								
Natural Gas (bcf)	0.78	0.75	0.76	0.76	3.05	0.76	0.75	3.03
Natural Gas (mmcf)	8.5	8.3	8.3	8.3	8.3	8.3	8.3	8.3
Days	92	90	91	92	365	92	90	365
Oil (mb)	83	80	83	83	330	83	80	330
Oil (mbd)	0.90	0.90	0.90	0.90	0.90	0.90	0.90	3.61
Days	92	89	92	92	365	92	89	365
Total (bcf)	1.28	1.23	1.25	1.26	5.02	1.26	1.23	5.01
Price								
Natural Gas (HH lagged three months)								
Henry Hub (\$/mmbtu)	2.41	2.53	3.38	2.96	2.82	3.26	3.62	3.30
Differential (\$/mmbtu)	(0.13)	0.05	0.07	0.06	0.01	0.07	0.07	0.07
CRT (\$/mcf)	2.54	2.48	3.31	2.90	2.81	3.19	3.54	3.24
Oil (\$/bbl) (WTI lagged two months)								
WTI Cushing	19.56	23.80	26.47	26.45	24.07	25.89	25.37	26.05
CRT	17.28	21.80	24.47	24.45	22.00	23.89	23.37	24.05
Total (\$/mcf)	2.67	2.93	3.62	3.37	3.15	3.50	3.68	3.54
Revenue (\$mm)								
Natural Gas	1.98	1.85	2.50	2.22	8.55	2.44	2.65	9.80
Oil	1.44	1.75	2.03	2.03	7.25	1.98	1.88	7.93
Total	3.42	3.60	4.53	4.25	15.80	4.42	4.53	17.73
Cost (\$mm)								
Tax, transport & other	0.34	0.50	0.63	0.59	2.07	0.62	0.63	2.48
Production	0.75	0.75	0.75	0.75	3.00	0.75	0.75	3.00
Total	1.09	1.26	1.39	1.35	5.08	1.37	1.38	5.49
Cash flow (\$mm)								
Development	0.28	0.20	0.20	0.20	0.88	0.20	0.20	0.80
Excess	(0.07)							
Net proceeds (\$mm)								
	2.11	2.15	2.95	2.70	9.91	2.85	2.94	11.44
Royalty income (\$mm)								
Royalty/Net proceeds	89%	89%	89%	89%	89%	89%	89%	89%
Administration	0.08	0.19	0.04	0.04	0.34	0.04	0.04	0.16
Distributable income (\$mm)								
	1.80	1.72	2.58	2.36	8.47	2.50	2.58	10.02
<i>Modeling ratios</i>								
Tax and other/revenue	0.10	0.14	0.14	0.14	0.13	0.14	0.14	0.14

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Hugoton Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation Post 2007 (%/yr):	2.5
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	6.4
Capex/Cash Flow (%):	30	U.S. TIPS Inflation (%/yr):	1.7
Variable Cost (%):	17	U.S. 10 Year Yield (%/yr):	4.4
PV/Volume (\$/mcf):	1.17	PV/EBITDA 2002:	10.5

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 2003 through 2032; years ending on 6/30													
	289	225	514	4.07	2090	461	355	199	1076	26.89	0.01	0.56	15.00
2003	30.2	0.0	30.2	2.89	87.3	15.4	14.8	18.2	38.9	0.97	0.01	0.97	0.95
2004	27.2	3.0	30.2	3.45	104.3	15.4	17.7	21.4	49.8	1.25		0.91	1.14
2005	24.5	5.7	30.2	3.52	106.3	15.4	18.1	21.9	51.0	1.28		0.86	1.09
2006	22.0	8.2	30.2	3.49	105.4	15.4	17.9	21.6	50.5	1.26		0.81	1.02
2007	19.8	10.4	30.2	3.51	106.0	15.4	18.0	21.8	50.9	1.27		0.76	0.96
2008	17.8	12.4	30.2	3.60	108.6	15.4	18.5	22.4	52.4	1.31		0.71	0.93
2009	16.1	14.2	30.2	3.68	111.3	15.4	18.9	23.1	53.9	1.35		0.67	0.90
2010	14.5	15.8	30.2	3.77	114.0	15.4	19.4	23.8	55.5	1.39		0.63	0.87
2011	13.0	17.2	30.2	3.87	116.8	15.4	19.9	24.5	57.1	1.43		0.59	0.84
2012	11.7	15.5	27.2	3.96	107.7	15.4	18.3		74.0	1.85		0.56	1.03
2013	10.5	13.9	24.5	4.06	99.3	15.4	16.9		67.1	1.68		0.52	0.88
2014	9.5	12.5	22.0	4.16	91.6	15.4	15.6		60.6	1.52		0.49	0.74
2015	8.5	11.3	19.8	4.26	84.4	15.4	14.4		54.7	1.37		0.46	0.63
2016	7.7	10.2	17.8	4.36	77.8	15.4	13.2		49.3	1.23		0.43	0.53
2017	6.9	9.1	16.1	4.47	71.8	15.4	12.2		44.2	1.11		0.41	0.45
2018	6.2	8.2	14.5	4.58	66.2	15.4	11.3		39.6	0.99		0.38	0.38
2019	5.6	7.4	13.0	4.69	61.0	15.4	10.4		35.3	0.88		0.36	0.32
2020	5.0	6.7	11.7	4.81	56.3	15.4	9.6		31.3	0.78		0.34	0.27
2021	4.5	6.0	10.5	4.92	51.9	15.4	8.8		27.7	0.69		0.32	0.22
2022	4.1	5.4	9.5	5.05	47.8	15.4	8.1		24.3	0.61		0.30	0.18
2023	3.7	4.9	8.5	5.17	44.1	15.4	7.5		21.3	0.53		0.28	0.15
2024	3.3	4.4	7.7	5.30	40.7	15.4	6.9		18.4	0.46		0.26	0.12
2025	3.0	3.9	6.9	5.43	37.5	15.4	6.4		15.8	0.39		0.25	0.10
2026	2.7	3.5	6.2	5.56	34.6	15.4	5.9		13.3	0.33		0.23	0.08
2027	2.4	3.2	5.6	5.69	31.9	15.4	5.4		11.1	0.28		0.22	0.06
2028	2.2	2.9	5.0	5.83	29.4	15.4	5.0		9.0	0.23		0.21	0.05
2029	2.0	2.6	4.5	5.98	27.1	15.4	4.6		7.1	0.18		0.19	0.03
2030	1.8	2.3	4.1	6.12	25.0	15.4	4.2		5.4	0.13		0.18	0.02
2031	1.6	2.1	3.7	6.27	23.0	15.4	3.9		3.8	0.09		0.17	0.02
2032	1.4	1.9	3.3	6.43	21.2	15.4	3.6		2.3	0.06		0.16	0.01

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Table HGT-2
Hugoton Royalty Trust
Distributable Income

	<i>Q1</i>	<i>Q2E</i>	<i>Q3E</i>	<i>Q4E</i>	<i>Year</i>	<i>Q1E</i>	<i>Q2E</i>	<i>Next</i>
	<i>3/31/02</i>	<i>6/30/02</i>	<i>9/30/02</i>	<i>12/31/02</i>	<i>2002E</i>	<i>3/31/03</i>	<i>6/30/03</i>	<i>Twelve</i>
								<i>Months</i>
								<i>6/30/03</i>
Highlights								
Revenue (\$mm) (80%)	18.5	16.5	21.6	19.9	76.5	23.1	22.8	87.3
Cash flow (\$mm) (80%)	12.0	10.0	14.1	12.6	48.7	15.5	15.3	57.5
Per unit	0.30	0.25	0.35	0.31	1.22	0.39	0.38	1.44
Tax credit (\$mm)	0.2	0.2	0.2	0.2	0.7			0.3
Per unit	0.00	0.00	0.00	0.00	0.02			0.01
Distributable Income (\$mm)	7.4	5.3	9.5	7.9	30.1	10.8	10.7	38.9
Per unit	0.18	0.13	0.24	0.20	0.75	0.27	0.27	0.97
Units (millions)	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Volume								
Natural Gas (bcf)	9.0	8.3	9.0	9.0	35.3	9.0	8.7	35.7
Natural Gas (mmcf)	98.1	93.1	97.8	97.8	96.7	97.8	97.8	97.8
Days	92	89	92	92	365	92	89	365
Oil (mb)	90	86	88	87	352	87	83	345
Oil (mbd)	1.0	1.0	1.0	0.9	1.0	0.9	0.9	0.9
Days	92	89	92	92	365	92	89	365
Total (bcf)	9.6	8.8	9.5	9.5	37.4	9.5	9.2	37.8
Price								
Natural Gas (HH lagged two months)								
Henry Hub (\$/mmbtu)	2.34	2.92	3.23	2.95	2.86	3.49	3.57	3.31
Differential (\$/mmbtu)	(0.03)	0.67	0.48	0.44	0.39	0.52	0.54	0.50
HGT (\$/mcf)	2.38	2.25	2.75	2.51	2.47	2.96	3.03	2.81
Oil (\$/bbl) (WTI Cushing lagged two months)								
WTI Cushing	19.56	23.80	26.47	26.45	24.07	25.89	25.37	26.05
HGT	18.80	23.30	25.97	25.95	23.48	25.39	24.87	25.56
Total (\$/mcf)	2.42	2.34	2.84	2.61	2.56	3.03	3.09	2.89
Revenue (\$mm)								
Natural Gas	21.5	18.6	24.7	22.6	87.4	26.7	26.4	100.4
Oil	1.7	2.0	2.3	2.3	8.3	2.2	2.1	8.8
Total	23.2	20.6	27.0	24.8	95.6	28.9	28.5	109.2
Cost (\$mm)								
Tax, transport & other	1.7	2.1	2.7	2.5	8.9	2.9	2.8	10.9
Production	4.4	4.0	4.8	4.8	17.9	4.8	4.6	18.9
Overhead	2.0	2.0	1.9	1.9	7.8	1.9	1.8	7.6
Total	8.1	8.1	9.4	9.1	34.7	9.5	9.3	37.4
Cash flow (\$mm)	15.1	12.5	17.6	15.7	60.9	19.3	19.2	71.8
Development	5.8	5.8	5.7	5.7	23.0	5.7	5.7	22.8
Net proceeds (\$mm)	9.3	6.8	11.9	10.0	38.0	13.6	13.5	49.0
Royalty income (\$mm)	7.4	5.4	9.6	8.0	30.4	10.9	10.8	39.2
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%	80%
Administration	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.3
Distributable income (\$mm)	7.4	5.3	9.5	7.9	30.1	10.8	10.7	38.9
<i>Cost ratios</i>								
Tax and other/revenue	7%	10%	10%	10%	9%	10%	10%	10%
Production cost (\$/mcf)	0.46	0.46	0.50	0.50	0.48	0.50	0.50	0.50
Overhead cost (\$/mcf)	0.21	0.23	0.20	0.20	0.21	0.20	0.20	0.20
Development/Cash flow	0.38	0.46	0.32	0.36	0.38	0.30	0.30	0.32

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Table SJT-1
San Juan Basin Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation Post 2007 (%/yr):	2.5
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	6.4
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	1.7
Variable Cost (%):	12	U.S. 10 Year Yield (%/yr):	4.4
PV/Volume (\$/mcf):	1.25	PV/EBITDA 2002:	10.8

Year	Basic (bcf)	Volume Enhanced (bcf)	Total (bcf)	Price (\$/mcf)	Revenue (\$mm)	Fixed Cost (\$mm)	Var Cost (\$mm)	Cap Ex (\$mm)	Distribution (\$/unit)	Tax Credit (\$/unit)	Disc Factor	Present Value (\$/unit)	
Total 2003 through 2032; years ending on 6/30													
	317	246	563	3.72	2094	389	251	182	1272	27.29	0.02	0.55 15.10	
2003	33.1	0.0	33.1	2.64	87.5	11.7	10.5	15.9	49.4	1.06	0.02	0.97	1.05
2004	29.8	3.3	33.1	3.16	104.5	13.0	12.5	19.7	59.2	1.27		0.91	1.16
2005	26.8	6.3	33.1	3.22	106.5	13.0	12.8	20.2	60.5	1.30		0.86	1.11
2006	24.1	9.0	33.1	3.19	105.6	13.0	12.7	20.0	60.0	1.29		0.81	1.04
2007	21.7	11.4	33.1	3.21	106.2	13.0	12.7	20.1	60.3	1.29		0.76	0.98
2008	19.6	13.6	33.1	3.29	108.8	13.0	13.1	20.7	62.1	1.33		0.71	0.95
2009	17.6	15.5	33.1	3.37	111.5	13.0	13.4	21.3	63.8	1.37		0.67	0.92
2010	15.8	17.3	33.1	3.45	114.2	13.0	13.7	21.9	65.6	1.41		0.63	0.89
2011	14.3	18.9	33.1	3.53	117.0	13.0	14.0	22.5	67.5	1.45		0.59	0.86
2012	12.8	17.0	29.8	3.62	107.9	13.0	12.9		81.9	1.76		0.56	0.98
2013	11.5	15.3	26.8	3.71	99.5	13.0	11.9		74.5	1.60		0.52	0.84
2014	10.4	13.7	24.1	3.80	91.7	13.0	11.0		67.7	1.45		0.49	0.71
2015	9.4	12.4	21.7	3.89	84.6	13.0	10.1		61.4	1.32		0.46	0.61
2016	8.4	11.1	19.6	3.99	78.0	13.0	9.4		55.6	1.19		0.43	0.52
2017	7.6	10.0	17.6	4.09	71.9	13.0	8.6		50.3	1.08		0.41	0.44
2018	6.8	9.0	15.8	4.19	66.3	13.0	8.0		45.3	0.97		0.38	0.37
2019	6.1	8.1	14.3	4.29	61.1	13.0	7.3		40.8	0.88		0.36	0.32
2020	5.5	7.3	12.8	4.39	56.4	13.0	6.8		36.6	0.79		0.34	0.27
2021	5.0	6.6	11.5	4.50	52.0	13.0	6.2		32.7	0.70		0.32	0.22
2022	4.5	5.9	10.4	4.61	47.9	13.0	5.7		29.2	0.63		0.30	0.19
2023	4.0	5.3	9.4	4.72	44.2	13.0	5.3		25.9	0.56		0.28	0.16
2024	3.6	4.8	8.4	4.84	40.7	13.0	4.9		22.8	0.49		0.26	0.13
2025	3.3	4.3	7.6	4.96	37.6	13.0	4.5		20.1	0.43		0.25	0.11
2026	2.9	3.9	6.8	5.08	34.6	13.0	4.2		17.5	0.38		0.23	0.09
2027	2.6	3.5	6.1	5.20	31.9	13.0	3.8		15.1	0.32		0.22	0.07
2028	2.4	3.1	5.5	5.33	29.4	13.0	3.5		12.9	0.28		0.21	0.06
2029	2.1	2.8	5.0	5.46	27.1	13.0	3.3		10.9	0.23		0.19	0.05
2030	1.9	2.5	4.5	5.60	25.0	13.0	3.0		9.0	0.19		0.18	0.04
2031	1.7	2.3	4.0	5.73	23.1	13.0	2.8		7.3	0.16		0.17	0.03
2032	1.6	2.1	3.6	5.87	21.3	13.0	2.6		5.7	0.12		0.16	0.02

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Natural Gas Royalty Trusts

A Weekly Analysis

July 29, 2002

Table SJT-2
San Juan Basin Royalty Trust
Distributable Income

	<i>Q1</i>	<i>Q2E</i>	<i>Q3E</i>	<i>Q4E</i>	<i>Year</i>	<i>Q1E</i>	<i>Q2E</i>	<i>Next</i>
	<i>3/31/02</i>	<i>6/30/02</i>	<i>9/30/02</i>	<i>12/31/02</i>	<i>2002E</i>	<i>3/31/03</i>	<i>6/30/03</i>	<i>Twelve</i>
								<i>Months</i>
								<i>6/30/03</i>
Highlights								
Revenue (\$mm) (75%)	19.2	18.5	19.9	20.2	77.9	23.8	23.6	87.5
Cash flow (\$mm) (75%)	14.1	14.0	15.4	15.4	58.9	18.6	18.5	67.9
Per unit	0.30	0.30	0.33	0.33	1.26	0.40	0.40	1.46
Tax credit (\$mm)	0.5	0.5	0.5	0.5	1.9			0.9
Per unit	0.01	0.01	0.01	0.01	0.04			0.02
Distributable Income (\$mm)	3.5	9.0	10.6	11.4	34.5	13.8	13.7	49.4
Per unit	0.08	0.19	0.23	0.24	0.74	0.30	0.29	1.06
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Volume								
Natural gas (mmbtu)	12.5	12.0	11.9	11.9	48.4	11.9	11.6	47.4
Heat Content(btu/cf)	1,092	1,077	1,087	1,087	1,086	1,087	1,087	1,087
Natural gas (bcf)	11.5	11.1	11.0	11.0	44.6	11.0	10.6	43.6
Natural Gas (mmcf)	124.7	125.1	119.4	119.4	122.1	119.4	119.4	119.4
Days	92	89	92	92	365	92	89	365
Oil (mb)	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1
Oil (mbd)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Total gas & oil (bcf)	11.6	11.3	11.1	11.1	45.1	11.1	10.8	44.1
Price								
Natural gas (\$/mmbtu) (Henry Hub lagged two months)								
Henry Hub (\$/mmbtu)	2.34	2.92	3.23	2.95	2.86	3.49	3.57	3.31
Differential (%)	14	31	32	25	26	25	25	27
Total	2.01	2.02	2.18	2.21	2.11	2.62	2.68	2.42
Natural gas (\$/mcf)								
	2.20	2.18	2.37	2.41	2.29	2.84	2.91	2.63
Oil (\$/bbl) (WTI Cushing lagged two months)								
WTI Cushing	19.56	23.80	26.47	26.45	24.07	25.89	25.37	26.05
SJT	15.78	19.80	22.47	22.45	20.13	21.89	21.37	22.05
Total gas & oil (\$/mcf)	2.20	2.19	2.39	2.42	2.30	2.85	2.92	2.64
Revenue (\$mm)								
Natural Gas	25.2	24.2	26.0	26.4	101.9	31.2	30.9	114.7
Oil	0.4	0.4	0.5	0.5	1.9	0.5	0.5	2.1
Total	25.6	24.7	26.6	27.0	103.8	31.8	31.4	116.7
Cost (\$mm)								
Severance tax	2.6	2.4	2.4	2.7	10.1	3.2	3.1	11.4
Operating	4.1	3.7	3.7	3.7	15.2	3.7	3.6	14.8
Total	6.7	6.0	6.1	6.4	25.3	6.9	6.8	26.2
Cash flow (\$mm)								
Development	11.3	3.4	3.7	5.1	23.5	6.2	6.2	21.2
Net proceeds (\$mm)								
	7.5	15.3	16.8	15.4	55.0	18.6	18.5	69.4
Royalty income (\$mm)								
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	3.0
Administration	0.4	0.5	0.0	0.2	1.1	0.2	0.2	0.6
One-time	1.7	2.0	2.0		5.7			2.0
Distributable income (\$mm)								
	3.5	9.0	10.6	11.4	34.5	13.8	13.7	49.4
<i>Modeling ratios</i>								
Severance tax/revenue	10.2%	9.6%	9.0%	10.0%	9.7%	10.0%	10.0%	9.8%
Operating cost (\$/mcf)	0.36	0.33	0.33	0.34	0.34	0.34	0.34	0.33

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Natural Gas Royalty Trusts

A Weekly Analysis

July 29, 2002

Table SJT-3
San Juan Basin Royalty Trust
Monthly Declarations

	<i>Mar-02</i>	<i>Apr-02</i>	<i>May-02</i>	<i>Jun-02</i>	<i>Jul-02</i>	<i>Aug-02</i>	<i>Sep-02</i>
Distribution (\$/unit)							
Declared	0.06	0.01	0.10	0.08	0.08		
Projected						0.06	0.09
Volume							
Natural gas (mmbtu)	4.19	3.82	4.29	3.88	3.92	3.95	4.08
Heat Content(btu/cf)	1,087	1,057	1,108	1,064	1,081	1,091	1,091
Natural gas (bcf)	3.86	3.62	3.87	3.65	3.63	3.62	3.74
Natural Gas (mmcf)	124	129	125	122	117	121	121
Days	31	28	31	30	31	30	31
Price							
Natural gas industry quotes lagged two months (\$/mmbtu)							
Henry Hub Daily/Futures	2.25	2.31	3.03	3.42	3.49	3.22	2.99
San Juan Monthly Index	2.42	1.81	2.14	3.04	2.39	2.24	2.62
SJT/Henry Hub	0.92	0.62	0.64	0.78	0.65	0.63	0.75
SJT/San Juan Index	0.86	0.80	0.91	0.88	0.95	0.91	0.85
SJT (\$/mmbtu)	2.08	1.44	1.95	2.68	2.27	2.04	2.23
SJT (\$/mcf)	2.26	1.52	2.16	2.85	2.45	2.22	2.44
Revenue (\$mm)							
Natural Gas	8.7	5.5	8.4	10.4	8.9	8.0	9.1
Other	(0.2)	(0.1)	(1.1)	(1.7)	(1.4)	(0.7)	(0.1)
Cost (\$mm)							
Severance tax	0.9	0.5	0.8	1.1	0.6	0.8	0.9
Operating	1.2	1.4	1.2	1.1	1.1	1.3	1.3
Total	2.1	1.8	2.1	2.1	1.8	2.1	2.2
Cash flow (\$mm)	6.4	3.6	5.2	6.5	5.8	5.2	6.8
Development	2.4	3.0	(0.9)	1.3	0.7	1.5	1.5
Net proceeds (\$mm)	4.0	0.6	6.1	5.3	5.1	3.7	5.3
Royalty income (\$mm)	3.0	0.5	4.6	4.0	3.8	2.8	4.0
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%
Distributable income (\$mm)	3.0	0.5	4.6	4.0	3.8	2.8	4.0
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6
<i>Latest Twelve Month Average</i>							
Heat Content(btu/cf)	1,090	1,088	1,092	1,086	1,091		
Natural Gas (mmcf)	118	120	120	120	121		
SJT/Henry Hub	0.79	0.76	0.75	0.75	0.73		
SJT/San Juan Index	0.85	0.84	0.85	0.85	0.85		
Other revenue	0.0	0.0	(0.1)	(0.2)	(0.3)		
Operating	1.3	1.3	1.3	1.3	1.3		
Development	3.2	3.3	2.9	2.9	2.7		
Severance tax/revenue	10.5%	10.4%	10.4%	10.5%	10.2%		

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