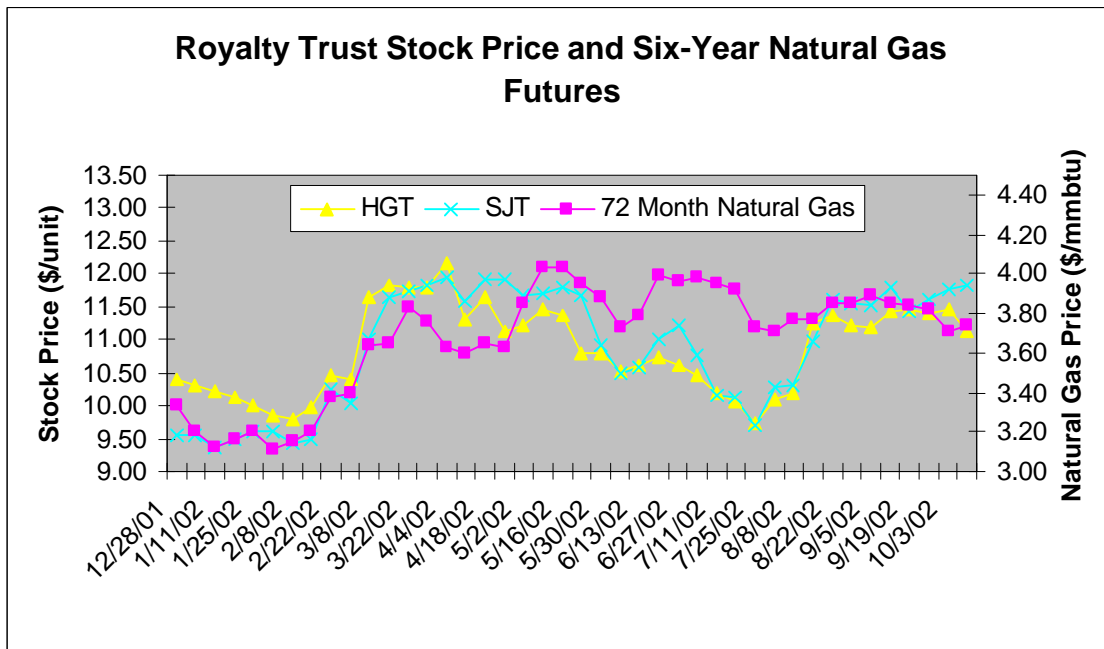


Futures Diverge

Summary and Recommendation

A week ago six-year natural gas futures flashed a yellow caution flag by breaking below the 29-week average (see *Meter Reader*). With stock price for SJT holding steady, there is a slight divergence in futures price trend and stock price trend (see Chart below). Low McDep Ratios suggest that stock prices could trend higher relative to futures, but that need not necessarily occur immediately. At the same time we remain confident in the long-term investment potential of recommended SJT and of its sister natural gas royalty trusts. The stocks are efficient participations in the clean fuel commodity that is worth more relative to oil than current price relationships imply. Despite the possible temporary change in price trend, actual prices of oil and natural gas changed only slightly in the past week (see table at bottom of next page for weekly quotes). Accordingly, estimates of Next Twelve Months distributions and Present Value are stable.

Kurt H. Wulff, CFA



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Natural Gas Royalty Trusts

A Weekly Analysis

October 14, 2002

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

	<i>Symbol/ Rating</i>	<i>Price (\$/sh) 10-Oct 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	17.25	6.0	104	19.70	-	0.88	
San Juan Basin Royalty Trust	SJT	B	11.84	46.6	550	15.60	-	0.76
Hugoton RoyaltyTrust (46%)	HGT	11.14	18.4	210	15.10	-	0.74	

Buy/Sell rating after symbol: B - Buy, N - Neutral, S - 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/ Rating</i>	<i>Price (\$/sh) 10-Oct 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	17.25	6.1	8.5	9	10.9	9.7	
San Juan Basin Royalty Trust	SJT	B	11.84	5.5	7.0	9	10.6	9.3
Hugoton RoyaltyTrust (46%)	HGT	11.14	4.6	6.7	9	10.8	9.0	

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

Natural Gas and Oil Futures

October 10, 2002

	2003	2004	2005	2006	2007	2008	Six Year
Natural Gas (\$/mmbtu)							
Year ending October	3.90	3.83	3.70	3.65	3.67	3.71	3.74
Year ending December	3.93	3.81	3.68	3.66	3.68		
Light Sweet Crude Oil (\$/bbl)							
Year ending October	27.10	23.92	23.23	22.86	22.52	22.34	23.66
Year ending December	26.38	23.70	23.18	22.79	22.48		

Source: Nymex, FutureSource, wsj.com

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Natural Gas Royalty Trusts

A Weekly Analysis

October 14, 2002

Table CRT-1
Cross Timbers Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation post 2007 (%/yr):	2.2
Volume Enhancement (%/yr):	10	Discount Rate (%/yr):	5.1
		U.S. TIPS Inflation (%/yr):	1.4
		U.S. 10 Year Yield (%/yr):	3.7

PV/Volume (\$/mcf):	2.69	PV/EBITDA 2002:	9.9
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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 2003 through 2032; years ending on 9/30											
	25	19	44	4.03	177	9	186	30.98	0.02	0.64	19.70
2003	2.6	0.0	2.6	3.67	9.5	1.9	11.3	1.89	0.02	0.98	1.87
2004	2.3	0.3	2.6	3.73	9.6	1.6	11.3	1.88		0.93	1.74
2005	2.1	0.5	2.6	3.59	9.3	1.2	10.5	1.74		0.88	1.54
2006	1.9	0.7	2.6	3.46	8.9	1.1	10.0	1.66		0.84	1.40
2007	1.7	0.9	2.6	3.48	9.0	1.0	9.9	1.65		0.80	1.32
2008	1.5	1.1	2.6	3.55	9.2	0.8	10.0	1.67		0.76	1.27
2009	1.4	1.2	2.6	3.63	9.4	0.8	10.2	1.69		0.73	1.23
2010	1.2	1.3	2.6	3.71	9.6	0.8	10.3	1.72		0.69	1.19
2011	1.1	1.5	2.6	3.79	9.8		9.8	1.63		0.66	1.07
2012	1.0	1.3	2.3	3.87	9.0		9.0	1.50		0.63	0.94
2013	0.9	1.2	2.1	3.96	8.3		8.3	1.38		0.60	0.82
2014	0.8	1.1	1.9	4.05	7.6		7.6	1.27		0.57	0.72
2015	0.7	1.0	1.7	4.13	7.0		7.0	1.17		0.54	0.63
2016	0.7	0.9	1.5	4.22	6.4		6.4	1.07		0.51	0.55
2017	0.6	0.8	1.4	4.32	5.9		5.9	0.99		0.49	0.48
2018	0.5	0.7	1.2	4.41	5.4		5.4	0.91		0.47	0.42
2019	0.5	0.6	1.1	4.51	5.0		5.0	0.83		0.44	0.37
2020	0.4	0.6	1.0	4.61	4.6		4.6	0.77		0.42	0.32
2021	0.4	0.5	0.9	4.71	4.2		4.2	0.71		0.40	0.28
2022	0.3	0.5	0.8	4.81	3.9		3.9	0.65		0.38	0.25
2023	0.3	0.4	0.7	4.92	3.6		3.6	0.60		0.36	0.22
2024	0.3	0.4	0.7	5.02	3.3		3.3	0.55		0.35	0.19
2025	0.3	0.3	0.6	5.13	3.0		3.0	0.50		0.33	0.17
2026	0.2	0.3	0.5	5.25	2.8		2.8	0.46		0.31	0.15
2027	0.2	0.3	0.5	5.36	2.6		2.6	0.43		0.30	0.13
2028	0.2	0.2	0.4	5.48	2.4		2.4	0.39		0.28	0.11
2029	0.2	0.2	0.4	5.60	2.2		2.2	0.36		0.27	0.10
2030	0.1	0.2	0.3	5.72	2.0		2.0	0.33		0.26	0.09
2031	0.1	0.2	0.3	5.85	1.8		1.8	0.31		0.25	0.08
2032	0.1	0.2	0.3	5.97	1.7		1.7	0.28		0.23	0.07

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Natural Gas Royalty Trusts

A Weekly Analysis

October 14, 2002

Table CRT-2
Cross Timbers Royalty Trust
Distributable Income

	<i>Q1</i>	<i>Q2</i>	<i>Q3E</i>	<i>Q4E</i>	<i>Year</i>	<i>Q1E</i>	<i>Q2E</i>	<i>Q3E</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>9/30/03</i>	<i>Twelve</i>
									<i>Months</i>
									<i>9/30/03</i>
Highlights									
Tax credit (\$mm)									
Per unit	0.03	0.02	0.02	0.02	0.09				0.02
Distributable Income (\$mm)	1.80	1.72	2.49	2.64	8.67	3.02	2.91	2.76	11.33
Per unit	0.30	0.29	0.42	0.44	1.44	0.50	0.48	0.46	1.89
Units (millions)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Volume									
Natural Gas (bcf)	0.78	0.71	0.71	0.72	2.92	0.72	0.71	0.71	2.86
Natural Gas (mmcf)	8.5	7.8	7.8	7.8	8.0	7.8	7.8	7.8	7.8
Days	92	90	91	92	365	92	90	91	365
Oil (mb)	83	82	85	85	336	85	82	85	338
Oil (mbd)	0.90	0.93	0.93	0.93	0.92	0.93	0.93	0.93	3.70
Days	92	89	92	92	365	92	89	92	365
Total (bcf)	1.28	1.20	1.23	1.23	4.94	1.23	1.20	1.23	4.89
Price									
Natural Gas (HH lagged three months)									
Henry Hub (\$/mmbtu)	2.41	2.53	3.38	3.21	2.88	3.94	4.05	3.80	3.75
Differential (\$/mmbtu)	(0.13)	(0.04)	0.07	0.06	(0.00)	0.08	0.08	0.08	0.08
CRT (\$/mcf)	2.54	2.57	3.31	3.15	2.89	3.86	3.97	3.73	3.67
Oil (\$/bbl) (WTI lagged two months)									
WTI Cushing	19.56	23.80	26.49	29.10	24.74	28.89	27.82	26.40	28.05
CRT	17.28	20.50	24.49	27.10	22.39	26.89	25.82	24.40	26.05
Total (\$/mcf)	2.67	2.92	3.63	3.71	3.23	4.12	4.10	3.87	3.95
Revenue (\$mm)									
Natural Gas	1.98	1.82	2.37	2.27	8.43	2.78	2.80	2.66	10.52
Oil	1.44	1.69	2.09	2.31	7.52	2.29	2.13	2.08	8.81
Total	3.42	3.50	4.45	4.58	15.96	5.08	4.93	4.74	19.33
Cost (\$mm)									
Tax, transport & other	0.34	0.51	0.62	0.64	2.11	0.71	0.69	0.66	2.71
Production	0.75	0.72	0.72	0.72	2.91	0.72	0.72	0.72	2.88
Total	1.09	1.23	1.34	1.36	5.03	1.43	1.41	1.38	5.59
Cash flow (\$mm)									
Development	0.28	0.14	0.14	0.20	0.77	0.20	0.20	0.20	0.80
Excess	(0.07)	0.07							
Net proceeds (\$mm)	2.11	2.06	2.96	3.02	10.16	3.44	3.32	3.16	12.94
Royalty income (\$mm)									
Royalty/Net proceeds	89%	89%	89%	89%	89%	89%	89%	89%	89%
Administration	0.08	0.09	0.14	0.04	0.35	0.04	0.04	0.04	0.16
Distributable income (\$mm)	1.80	1.72	2.49	2.64	8.67	3.02	2.91	2.76	11.33
<i>Modeling ratios</i>									
Tax and other/revenue	0.10	0.15	0.14	0.14	0.13	0.14	0.14	0.14	0.14

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Natural Gas Royalty Trusts

A Weekly Analysis

October 14, 2002

Table HGT-1
Hugoton Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation Post 2007 (%/yr):	2.2
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	5.7
Capex/Cash Flow (%):	30	U.S. TIPS Inflation (%/yr):	1.4
Variable Cost (%):	17	U.S. 10 Year Yield (%/yr):	3.7
PV/Volume (\$/mcf):	1.22	PV/EBITDA 2002:	9.1

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 2003 through 2032; years ending on 9/30													
	279	217	496	3.93	1947	418	331	190	1008	25.20	0.00	0.60	15.10
2003	29.1	0.0	29.1	3.32	96.8	13.9	16.5	18.2	48.2	1.20	0.00	0.97	1.18
2004	26.2	2.9	29.1	3.65	106.2	13.9	18.0	22.3	51.9	1.30		0.92	1.20
2005	23.6	5.5	29.1	3.50	102.0	13.9	17.3	21.2	49.5	1.24		0.87	1.08
2006	21.2	7.9	29.1	3.39	98.7	13.9	16.8	20.4	47.6	1.19		0.83	0.98
2007	19.1	10.0	29.1	3.40	99.2	13.9	16.9	20.5	47.9	1.20		0.78	0.93
2008	17.2	11.9	29.1	3.48	101.3	13.9	17.2	21.1	49.1	1.23		0.74	0.91
2009	15.5	13.6	29.1	3.56	103.6	13.9	17.6	21.6	50.4	1.26		0.70	0.88
2010	13.9	15.2	29.1	3.63	105.8	13.9	18.0	22.2	51.7	1.29		0.66	0.86
2011	12.5	16.6	29.1	3.71	108.1	13.9	18.4	22.7	53.1	1.33		0.63	0.83
2012	11.3	14.9	26.2	3.79	99.5	13.9	16.9		68.6	1.72		0.59	1.02
2013	10.2	13.4	23.6	3.88	91.5	13.9	15.6		62.0	1.55		0.56	0.87
2014	9.1	12.1	21.2	3.96	84.1	13.9	14.3		55.9	1.40		0.53	0.74
2015	8.2	10.9	19.1	4.05	77.4	13.9	13.2		50.3	1.26		0.50	0.63
2016	7.4	9.8	17.2	4.14	71.2	13.9	12.1		45.1	1.13		0.48	0.54
2017	6.7	8.8	15.5	4.23	65.5	13.9	11.1		40.4	1.01		0.45	0.46
2018	6.0	7.9	13.9	4.32	60.2	13.9	10.2		36.0	0.90		0.43	0.38
2019	5.4	7.1	12.5	4.42	55.4	13.9	9.4		32.0	0.80		0.40	0.32
2020	4.9	6.4	11.3	4.51	50.9	13.9	8.7		28.3	0.71		0.38	0.27
2021	4.4	5.8	10.2	4.61	46.8	13.9	8.0		24.9	0.62		0.36	0.23
2022	3.9	5.2	9.1	4.71	43.1	13.9	7.3		21.8	0.55		0.34	0.19
2023	3.5	4.7	8.2	4.82	39.6	13.9	6.7		18.9	0.47		0.32	0.15
2024	3.2	4.2	7.4	4.92	36.4	13.9	6.2		16.3	0.41		0.31	0.13
2025	2.9	3.8	6.7	5.03	33.5	13.9	5.7		13.9	0.35		0.29	0.10
2026	2.6	3.4	6.0	5.14	30.8	13.9	5.2		11.6	0.29		0.27	0.08
2027	2.3	3.1	5.4	5.25	28.3	13.9	4.8		9.6	0.24		0.26	0.06
2028	2.1	2.8	4.9	5.37	26.1	13.9	4.4		7.7	0.19		0.25	0.05
2029	1.9	2.5	4.4	5.48	24.0	13.9	4.1		6.0	0.15		0.23	0.03
2030	1.7	2.2	3.9	5.60	22.0	13.9	3.7		4.4	0.11		0.22	0.02
2031	1.5	2.0	3.5	5.73	20.3	13.9	3.4		2.9	0.07		0.21	0.02
2032	1.4	1.8	3.2	5.85	18.7	13.9	3.2		1.5	0.04		0.20	0.01

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Natural Gas Royalty Trusts

A Weekly Analysis

October 14, 2002

Table HGT-2
Hugoton Royalty Trust
Distributable Income

	<i>Q1</i>	<i>Q2</i>	<i>Q3E</i>	<i>Q4E</i>	<i>Year</i>	<i>Q1E</i>	<i>Q2E</i>	<i>Q3E</i>	<i>Next Twelve Months</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>9/30/03</i>	<i>9/30/03</i>
Highlights									
Revenue (\$mm) (80%)	18.5	16.5	19.7	22.7	77.5	25.6	24.3	24.2	96.8
Cash flow (\$mm) (80%)	12.0	10.1	13.2	15.3	50.8	17.9	16.9	16.7	66.8
Per unit	0.30	0.25	0.33	0.38	1.27	0.45	0.42	0.42	1.67
Tax credit (\$mm)	0.2	0.2	0.2	0.2	0.7				0.2
Per unit	0.00	0.00	0.00	0.00	0.02				0.00
Distributable Income (\$mm)	7.4	5.3	8.6	10.7	32.0	13.3	12.2	12.0	48.2
Per unit	0.18	0.13	0.22	0.27	0.80	0.33	0.31	0.30	1.20
Units (millions)	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Volume									
Natural Gas (bcf)	9.0	8.3	8.6	8.6	34.6	8.6	8.4	8.6	34.3
Natural Gas (mmcf)	98.1	93.1	93.4	94.0	94.7	94.0	94.0	94.0	94.0
Days	92	89	92	92	365	92	89	92	365
Oil (mb)	90	88	90	90	358	89	85	87	350
Oil (mbd)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9	1.0
Days	92	89	92	92	365	92	89	92	365
Total (bcf)	9.6	8.8	9.1	9.2	36.7	9.2	8.9	9.2	36.4
Price									
Natural Gas (HH lagged two months)									
Henry Hub (\$/mmbtu)	2.34	2.92	3.23	3.52	3.00	4.01	3.94	3.81	3.82
Differential (\$/mmbtu)	(0.03)	0.67	0.49	0.53	0.45	0.60	0.59	0.57	0.57
HGT (\$/mcf)	2.38	2.25	2.60	2.99	2.55	3.41	3.35	3.24	3.25
Oil (\$/bbl) (WTI Cushing lagged two months)									
WTI Cushing	19.56	23.80	26.49	29.10	24.74	28.89	27.82	26.40	28.05
HGT	18.80	22.27	25.99	28.60	23.92	28.39	27.32	25.90	27.57
Total (\$/mcf)	2.42	2.33	2.70	3.10	2.64	3.49	3.42	3.30	3.32
Revenue (\$mm)									
Natural Gas	21.5	18.6	22.3	25.9	88.3	29.5	28.0	28.0	111.4
Oil	1.7	2.0	2.4	2.6	8.6	2.5	2.3	2.3	9.6
Total	23.2	20.6	24.7	28.4	96.8	32.0	30.3	30.3	121.0
Cost (\$mm)									
Tax, transport & other	1.7	1.9	2.2	2.8	8.6	3.2	3.0	3.0	12.1
Production	4.4	4.0	3.8	4.6	16.8	4.6	4.4	4.6	18.2
Overhead	2.0	2.0	2.1	1.8	7.9	1.8	1.8	1.8	7.3
Total	8.1	7.9	8.1	9.3	33.4	9.6	9.2	9.4	37.6
Cash flow (\$mm)									
Development	5.8	5.8	5.8	5.7	23.1	5.7	5.7	5.7	22.8
Net proceeds (\$mm)	9.3	6.9	10.8	13.5	40.4	16.7	15.4	15.1	60.6
Royalty income (\$mm)									
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%	80%	80%
Administration	0.1	0.2	(0.0)	0.1	0.3	0.1	0.1	0.1	0.3
Distributable income (\$mm)	7.4	5.3	8.6	10.7	32.0	13.3	12.2	12.0	48.2
<i>Cost ratios</i>									
Tax and other/revenue	7%	9%	9%	10%	9%	10%	10%	10%	10%
Production cost (\$/mcf)	0.46	0.46	0.42	0.50	0.46	0.50	0.50	0.50	0.50
Overhead cost (\$/mcf)	0.21	0.23	0.23	0.20	0.22	0.20	0.20	0.20	0.20
Development/Cash flow	0.38	0.46	0.35	0.30	0.36	0.25	0.27	0.27	0.27

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Natural Gas Royalty Trusts

A Weekly Analysis

October 14, 2002

Table SJT-1
San Juan Basin Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation Post 2007 (%/yr):	2.2
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	5.7
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	1.4
Variable Cost (%):	12	U.S. 10 Year Yield (%/yr):	3.7
PV/Volume (\$/mcf):	1.29	PV/EBITDA 2002:	9.4

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 9/30													
	318	247	565	3.59	2027	388	243	182	1214	26.05	0.03	0.60	15.60
2003	33.2	0.0	33.2	3.03	100.6	11.4	12.1	18.7	58.4	1.25	0.03	0.97	1.25
2004	29.9	3.3	33.2	3.33	110.6	13.0	13.3	21.1	63.2	1.36		0.92	1.25
2005	26.9	6.3	33.2	3.20	106.2	13.0	12.7	20.1	60.4	1.30		0.87	1.13
2006	24.2	9.0	33.2	3.10	102.7	13.0	12.3	19.4	58.1	1.25		0.83	1.03
2007	21.8	11.4	33.2	3.11	103.3	13.0	12.4	19.5	58.4	1.25		0.78	0.98
2008	19.6	13.6	33.2	3.18	105.5	13.0	12.7	20.0	59.9	1.29		0.74	0.95
2009	17.6	15.5	33.2	3.25	107.8	13.0	12.9	20.5	61.4	1.32		0.70	0.92
2010	15.9	17.3	33.2	3.32	110.2	13.0	13.2	21.0	63.0	1.35		0.66	0.89
2011	14.3	18.9	33.2	3.39	112.6	13.0	13.5	21.5	64.6	1.39		0.63	0.87
2012	12.9	17.0	29.9	3.47	103.6	13.0	12.4		78.1	1.68		0.59	0.99
2013	11.6	15.3	26.9	3.54	95.3	13.0	11.4		70.8	1.52		0.56	0.85
2014	10.4	13.8	24.2	3.62	87.6	13.0	10.5		64.1	1.38		0.53	0.73
2015	9.4	12.4	21.8	3.70	80.6	13.0	9.7		57.9	1.24		0.50	0.63
2016	8.4	11.2	19.6	3.78	74.1	13.0	8.9		52.2	1.12		0.48	0.53
2017	7.6	10.0	17.6	3.86	68.2	13.0	8.2		47.0	1.01		0.45	0.45
2018	6.8	9.0	15.9	3.95	62.7	13.0	7.5		42.2	0.90		0.43	0.39
2019	6.1	8.1	14.3	4.04	57.6	13.0	6.9		37.7	0.81		0.40	0.33
2020	5.5	7.3	12.9	4.12	53.0	13.0	6.4		33.7	0.72		0.38	0.28
2021	5.0	6.6	11.6	4.21	48.8	13.0	5.9		29.9	0.64		0.36	0.23
2022	4.5	5.9	10.4	4.31	44.8	13.0	5.4		26.5	0.57		0.34	0.19
2023	4.0	5.3	9.4	4.40	41.2	13.0	4.9		23.3	0.50		0.32	0.16
2024	3.6	4.8	8.4	4.50	37.9	13.0	4.6		20.4	0.44		0.31	0.13
2025	3.3	4.3	7.6	4.60	34.9	13.0	4.2		17.7	0.38		0.29	0.11
2026	2.9	3.9	6.8	4.70	32.1	13.0	3.9		15.2	0.33		0.27	0.09
2027	2.6	3.5	6.1	4.80	29.5	13.0	3.5		13.0	0.28		0.26	0.07
2028	2.4	3.2	5.5	4.90	27.1	13.0	3.3		10.9	0.23		0.25	0.06
2029	2.1	2.8	5.0	5.01	25.0	13.0	3.0		9.0	0.19		0.23	0.04
2030	1.9	2.6	4.5	5.12	23.0	13.0	2.8		7.2	0.15		0.22	0.03
2031	1.7	2.3	4.0	5.23	21.1	13.0	2.5		5.6	0.12		0.21	0.03
2032	1.6	2.1	3.6	5.35	19.4	13.0	2.3		4.1	0.09		0.20	0.02

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Natural Gas Royalty Trusts

A Weekly Analysis

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Table SJT-2
San Juan Basin Royalty Trust
Distributable Income

	<i>Q1</i>	<i>Q2</i>	<i>Q3E</i>	<i>Q4E</i>	<i>Year</i>	<i>Q1E</i>	<i>Q2E</i>	<i>Q3E</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>9/30/03</i>	<i>Twelve</i>
									<i>Months</i>
Highlights									
Revenue (\$mm) (75%)	19.2	18.6	20.8	22.1	80.7	26.8	25.4	26.3	100.6
Cash flow (\$mm) (75%)	14.1	14.1	16.1	17.0	61.3	21.0	19.8	20.5	78.4
Per unit	0.30	0.30	0.35	0.37	1.32	0.45	0.43	0.44	1.68
Tax credit (\$mm)	0.5	1.4	1.4	1.4	4.7				1.4
Per unit	0.01	0.03	0.03	0.03	0.10				0.03
Distributable Income (\$mm)	3.5	9.0	12.2	13.0	37.8	15.5	14.7	15.2	58.4
Per unit	0.08	0.19	0.26	0.28	0.81	0.33	0.32	0.33	1.25
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Volume									
Natural gas (mmbtu)	12.5	12.0	11.6	11.6	47.8	11.6	11.2	11.6	46.1
Heat Content(btu/cf)	1,092	1,077	970	1,059	1,048	1,059	1,059	1,059	1,059
Natural gas (bcf)	11.5	11.1	12.0	11.0	45.6	11.0	10.6	11.0	43.6
Natural Gas (mmcf)	124.7	125.1	130.4	119.3	124.9	119.3	119.3	119.3	119.3
Days	92	89	92	92	365	92	89	92	365
Oil (mb)	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1
Oil (mbd)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Total gas & oil (bcf)	11.6	11.3	12.2	11.2	46.2	11.2	10.8	11.2	44.2
Price									
Natural gas (\$/mmbtu) (Henry Hub lagged two months)									
Henry Hub (\$/mmbtu)	2.34	2.92	3.23	3.52	3.00	4.01	3.94	3.94	3.85
Differential (%)	14	31	32	25	27	25	25	25	26
Total	2.01	2.02	2.33	2.64	2.21	3.01	2.95	2.95	2.85
Natural gas (\$/mcf)	2.20	2.18	2.26	2.79	2.31	3.18	3.13	3.12	3.01
Oil (\$/bbl) (WTI Cushing lagged two months)									
WTI Cushing	19.56	23.80	26.49	29.10	24.74	28.89	27.82	29.07	28.72
SJT	15.78	19.14	22.49	25.10	20.89	24.89	23.82	25.07	24.73
Total gas & oil (\$/mcf)	2.20	2.19	2.28	2.65	2.33	3.20	3.14	3.14	3.03
Revenue (\$mm)									
Natural Gas	25.2	24.2	27.1	28.8	105.4	35.0	33.2	34.3	131.2
Oil	0.4	0.5	0.7	0.7	2.3	0.7	0.7	0.7	2.9
Total	25.6	24.8	27.8	29.5	107.7	35.7	33.9	35.0	134.1
Cost (\$mm)									
Severance tax	2.6	2.4	2.3	2.8	10.1	3.6	3.4	3.5	13.3
Operating	4.1	3.7	4.0	4.0	15.8	4.2	4.0	4.2	16.4
Total	6.7	6.0	6.3	6.8	25.9	7.7	7.4	7.7	29.6
Cash flow (\$mm)	18.8	18.8	21.5	22.7	81.8	27.9	26.5	27.4	104.5
Development	11.3	3.4	2.1	4.5	21.3	7.0	6.6	6.8	24.9
Net proceeds (\$mm)	7.5	15.4	19.4	18.2	60.5	21.0	19.8	20.5	79.5
Royalty income (\$mm)	5.6	11.5	14.5	13.7	45.3	15.7	14.9	15.4	59.6
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	75%	3.0
Administration	0.4	0.5	0.7	0.2	1.8	0.2	0.2	0.2	0.8
One-time	1.7	2.0	1.6		5.3				-
Distributable income (\$mm)	3.5	9.0	12.2	13.0	37.8	15.5	14.7	15.2	58.4
<i>Modeling ratios</i>									
Severance tax/revenue	10.2%	9.5%	8.4%	9.6%	9.4%	10.0%	10.0%	10.0%	9.9%
Operating cost (\$/mcf)	0.36	0.32	0.33	0.36	0.34	0.37	0.37	0.37	0.37

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Natural Gas Royalty Trusts

A Weekly Analysis

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Table SJT-3
San Juan Basin Royalty Trust
Monthly Declarations

	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02
Distribution (\$/unit)								
Declared	0.10	0.08	0.08	0.08	0.10			
Projected						0.08	0.08	0.12
Volume								
Natural gas (mmbtu)	4.29	3.88	3.92	3.77	3.95	3.92	3.79	3.92
Heat Content(btu/cf)	1,108	1,064	1,081	807	1,068	1,059	1,059	1,059
Natural gas (bcf)	3.87	3.65	3.63	4.67	3.70	3.70	3.58	3.70
Natural Gas (mmcfd)	125	122	117	156	119	119	119	119
Days	31	30	31	30	31	31	30	31
Price								
Natural gas industry quotes lagged two months (\$/mmbtu)								
Henry Hub Daily/Futures	3.03	3.42	3.49	3.22	2.99	3.09	3.55	3.92
San Juan Monthly Index	2.14	3.04	2.39	2.24	2.62	2.50	2.42	
SJT/Henry Hub	0.64	0.78	0.65	0.75	0.78	0.72	0.66	0.73
SJT/San Juan Index	0.91	0.88	0.95	1.08	0.89	0.89	0.97	
SJT (\$/mmbtu)	1.95	2.68	2.27	2.41	2.32	2.22	2.35	2.86
SJT (\$/mcf)	2.16	2.85	2.45	1.95	2.47	2.35	2.49	3.03
Revenue (\$mm)								
Natural Gas	8.4	10.4	8.9	9.1	9.1	8.7	8.9	11.2
Other	0.3	(0.4)	(0.0)	(0.2)	0.0	(0.0)	(0.0)	(0.0)
Cost (\$mm)								
Severance tax	0.8	1.1	0.6	0.8	0.9	0.8	0.9	1.1
Operating	1.2	1.1	1.1	1.6	1.3	1.3	1.3	1.3
Total	2.1	2.1	1.8	2.4	2.2	2.2	2.2	2.4
Cash flow (\$mm)	6.6	7.9	7.1	6.5	6.9	6.5	6.7	8.7
Development	(0.9)	1.3	0.7	1.0	0.5	1.5	1.5	1.5
Net proceeds (\$mm)	7.5	6.6	6.4	5.5	6.5	5.0	5.2	7.2
Royalty income (\$mm)	5.6	5.0	4.8	4.1	4.9	3.7	3.9	5.4
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	75%
One time	1.0	1.0	1.0	0.6				
Distributable income (\$mm)	4.6	4.0	3.8	3.5	4.9	3.7	3.9	5.4
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Distribution (\$/unit)	0.10	0.08	0.08	0.08	0.10	0.08	0.08	0.12
<i>Latest Twelve Month Average</i>								
Heat Content(btu/cf)	1,092	1,086	1,091	1,059	1,059			
Natural Gas (mmcfd)	120	120	121	124	123			
SJT/Henry Hub	0.75	0.75	0.73	0.73	0.73			
SJT/San Juan Index	0.85	0.85	0.85	0.87	0.87			
Other revenue	0.0	0.0	(0.0)	(0.0)	(0.0)			
Operating	1.3	1.3	1.3	1.3	1.3			
Development	2.9	2.9	2.7	2.5	2.4			
Severance tax/revenue	10.4%	10.5%	10.2%	10.0%	9.8%			

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