

Natural Gas Royalty Trusts

A Weekly Analysis

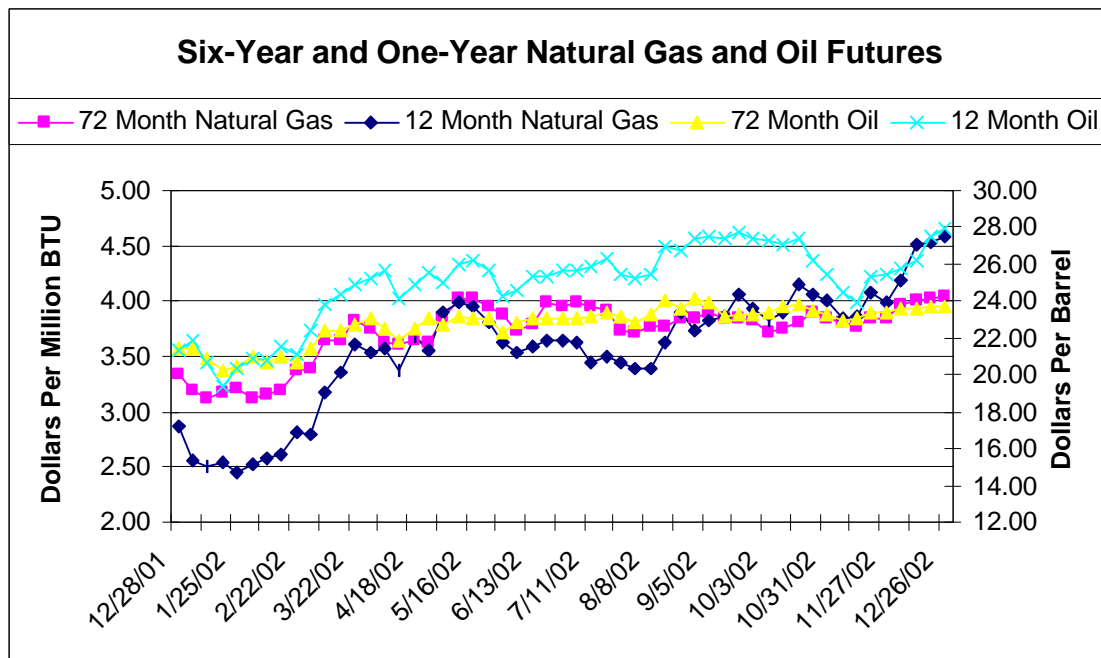
December 30, 2002

Ending on the Yearly High

Summary and Recommendation

Yearly high stock price for recommended **San Juan Basin Royalty Trust (SJT)** as well as **Cross Timbers Royalty Trust (CRT)** and **Hugoton Royalty Trust (HGT)** coincide with a yearly high in estimated Next Twelve Months Distribution and one-year natural gas price. That is good testimony to momentum for those investors who pay attention to it. A more important consideration may be, "Is the value still attractive?" The McDep Ratio says, "Yes." Yet we know that in addition to stock price, the McDep Ratio depends on estimated Present Value. PV, in turn, depends on six-year natural gas price that is also at the yearly high. If we knew that six-year natural gas price would soon turn down and settle at a lower level, then we would have a sell signal. Instead six-year natural gas is only at the heating equivalent of six-year oil at just \$24 a barrel (see Chart). Because six-year natural gas can go higher eventually and the McDep Ratio is low, SJT remains a buy.

Kurt H. Wulff, CFA



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

	<i>Symbol/ Rating</i>	<i>Price (\$/sh) 26-Dec 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	20.10	6.0	121	20.50	-	0.98	
San Juan Basin Royalty Trust	SJT	B	13.86	46.6	650	16.60	-	0.83
Hugoton RoyaltyTrust (46%)	HGT	12.95	18.4	240	16.10	-	0.80	

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) 26-Dec 2002</i>	<i>EV/ Sales NTM</i>	<i>EV/ Ebitda NTM</i>	<i>P/E NTM</i>	<i>Dividend or Distribution NTM (%)</i>	<i>PV/ Ebitda NTM</i>	
Cross Timbers Royalty Trust	CRT	20.10	6.3	8.8	9	10.7	8.9	
San Juan Basin Royalty Trust	SJT	B	13.86	5.2	6.5	9	11.5	7.8
Hugoton RoyaltyTrust (46%)	HGT	12.95	4.6	6.4	9	11.3	7.9	

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

Natural Gas and Oil Futures

December 26, 2002

	2004	2005	2006	2007	2008	2009	<i>Six Year</i>
Natural Gas (\$/mmbtu)							
Year ending January	4.59	4.18	3.86	3.80	3.87	3.92	4.04
Light Sweet Crude Oil (\$/bbl)							
Year ending January	27.89	23.65	22.97	22.75	22.59	22.44	23.71
Natural Gas/Oil (6:1 = 1.0)							
Year ending January	0.99	1.06	1.01	1.00	1.03	1.05	1.02

Source: Nymex, FutureSource, wsj.com, McDep Associates

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Table CRT-1
Cross Timbers Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation post 2008 (%/yr):	2.4
Volume Enhancement (%/yr):	10	Discount Rate (%/yr):	5.3
		U.S. TIPS Inflation (%/yr):	1.6
		U.S. 10 Year Yield (%/yr):	3.9
PV/Volume (\$/mcf):	2.68	PV/EBITDA 2003:	9.1

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 12/31											
	26	20	46	4.31	197	3	200	33.36	0.00	0.61	20.50
2003	2.7	0.0	2.7	4.36	11.7	1.1	12.9	2.15	0.00	0.97	2.09
2004	2.4	0.3	2.7	4.07	11.0	0.5	11.5	1.92		0.93	1.78
2005	2.2	0.5	2.7	3.73	10.0	0.4	10.4	1.74		0.88	1.52
2006	2.0	0.7	2.7	3.61	9.7	0.3	10.0	1.67		0.83	1.39
2007	1.8	0.9	2.7	3.66	9.9	0.2	10.1	1.68		0.79	1.33
2008	1.6	1.1	2.7	3.71	10.0	0.1	10.1	1.68		0.75	1.27
2009	1.4	1.3	2.7	3.80	10.2	0.1	10.3	1.72		0.71	1.23
2010	1.3	1.4	2.7	3.89	10.5	0.0	10.5	1.75		0.68	1.19
2011	1.2	1.5	2.7	3.99	10.7		10.7	1.79		0.64	1.15
2012	1.0	1.4	2.4	4.08	9.9		9.9	1.65		0.61	1.01
2013	0.9	1.2	2.2	4.18	9.1		9.1	1.52		0.58	0.88
2014	0.8	1.1	2.0	4.28	8.4		8.4	1.40		0.55	0.77
2015	0.8	1.0	1.8	4.39	7.8		7.8	1.29		0.52	0.68
2016	0.7	0.9	1.6	4.49	7.1		7.1	1.19		0.50	0.59
2017	0.6	0.8	1.4	4.60	6.6		6.6	1.10		0.47	0.52
2018	0.6	0.7	1.3	4.71	6.1		6.1	1.01		0.45	0.45
2019	0.5	0.7	1.2	4.82	5.6		5.6	0.93		0.43	0.40
2020	0.4	0.6	1.0	4.94	5.2		5.2	0.86		0.40	0.35
2021	0.4	0.5	0.9	5.06	4.8		4.8	0.79		0.38	0.30
2022	0.4	0.5	0.8	5.18	4.4		4.4	0.73		0.36	0.27
2023	0.3	0.4	0.8	5.31	4.0		4.0	0.67		0.35	0.23
2024	0.3	0.4	0.7	5.43	3.7		3.7	0.62		0.33	0.20
2025	0.3	0.4	0.6	5.57	3.4		3.4	0.57		0.31	0.18
2026	0.2	0.3	0.6	5.70	3.2		3.2	0.53		0.30	0.16
2027	0.2	0.3	0.5	5.84	2.9		2.9	0.49		0.28	0.14
2028	0.2	0.3	0.4	5.98	2.7		2.7	0.45		0.27	0.12
2029	0.2	0.2	0.4	6.12	2.5		2.5	0.41		0.25	0.10
2030	0.2	0.2	0.4	6.27	2.3		2.3	0.38		0.24	0.09
2031	0.1	0.2	0.3	6.42	2.1		2.1	0.35		0.23	0.08
2032	0.1	0.2	0.3	6.57	1.9		1.9	0.32		0.22	0.07

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Table CRT-2
Cross Timbers Royalty Trust
Distributable Income

	<i>Q1</i>	<i>Q2</i>	<i>Q3</i>	<i>Q4E</i>	<i>Year</i>	<i>Q1E</i>	<i>Q2E</i>	<i>Q3E</i>	<i>Q4E</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>12/31/03</i>	<i>Twelve</i>
										<i>Months</i>
										<i>12/31/03</i>
Highlights										
Tax credit (\$mm)										
Per unit	0.03	0.02	0.03	0.03	0.10					
Distributable Income (\$mm)	1.80	1.72	2.49	2.80	8.82	3.10	3.45	3.07	3.28	12.90
Per unit	0.30	0.29	0.42	0.47	1.47	0.52	0.58	0.51	0.55	2.15
Units (millions)	6.0	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	0.77	0.75	3.01	0.75	0.74	0.75	0.75	2.99
Natural Gas (mmcf)	8.5	7.8	8.4	8.2	8.2	8.2	8.2	8.2	8.2	8.2
Days	92	90	91	92	365	92	90	91	92	365
Oil (mb)	83	82	82	82	330	81	78	80	79	318
Oil (mbd)	0.90	0.93	0.89	0.89	0.90	0.88	0.87	0.87	0.86	0.87
Days	92	89	92	92	365	92	89	92	92	365
Total (bcf)	1.28	1.20	1.26	1.25	4.98	1.24	1.20	1.22	1.23	4.90
Price										
Natural Gas (HH lagged three months)										
Henry Hub (\$/mmbtu)	2.41	2.53	3.38	3.21	2.88	4.31	4.97	4.46	4.44	4.54
Differential (\$/mmbtu)	(0.13)	(0.04)	0.33	0.13	0.07	0.17	0.20	0.18	0.18	0.18
CRT (\$/mcf)	2.54	2.57	3.05	3.08	2.81	4.14	4.77	4.28	4.26	4.36
Oil (\$/bbl) (WTI lagged two months)										
WTI Cushing	19.56	23.80	26.49	28.96	24.70	29.31	31.58	28.47	32.18	30.38
CRT	17.28	20.50	24.79	26.96	22.37	27.31	29.58	26.47	30.18	28.37
Total (\$/mcf)	2.67	2.92	3.47	3.64	3.18	4.30	4.83	4.33	4.56	4.50
Revenue (\$mm)										
Natural Gas	1.98	1.82	2.33	2.32	8.46	3.12	3.52	3.19	3.21	13.05
Oil	1.44	1.69	2.03	2.21	7.37	2.22	2.30	2.11	2.38	9.01
Total	3.42	3.50	4.37	4.54	15.83	5.34	5.82	5.30	5.59	22.06
Cost (\$mm)										
Tax, transport & other	0.34	0.51	0.60	0.64	2.09	0.75	0.82	0.74	0.78	3.09
Production	0.75	0.72	0.79	0.79	3.05	0.79	0.79	0.79	0.79	3.16
Total	1.09	1.23	1.40	1.43	5.14	1.54	1.61	1.53	1.57	6.25
Cash flow (\$mm)										
Development	0.28	0.14	0.08	0.20	0.71	0.20	0.20	0.20	0.20	0.80
Excess or other	(0.07)	0.07		(0.48)	(0.48)					
Net proceeds (\$mm)										
Net proceeds	2.11	2.06	2.89	3.39	10.46	3.60	4.02	3.57	3.82	15.01
Royalty income (\$mm)										
Royalty/Net proceeds	89%	88%	87%	87%	88%	87%	87%	87%	87%	87%
Administration	0.08	0.09	0.04	0.15	0.35	0.04	0.04	0.04	0.04	0.16
Distributable income (\$mm)										
Distributable income	1.80	1.72	2.49	2.80	8.82	3.10	3.45	3.07	3.28	12.90
Modeling ratios										
Tax and other/revenue	0.10	0.15	0.14	0.14	0.13	0.14	0.14	0.14	0.14	0.14

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Table HGT-1
Hugoton Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation Post 2008 (%/yr):	2.4
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	5.9
Capex/Cash Flow (%):	30	U.S. TIPS Inflation (%/yr):	1.6
Variable Cost (%):	17	U.S. 10 Year Yield (%/yr):	3.9
PV/Volume (\$/mcf):	1.35	PV/EBITDA 2003:	8.0

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 12/31													
	269	209	478	4.19	2004	351	341	204	1108	27.69	0.00	0.58	16.10
2003	28.4	0.0	28.4	3.93	111.5	11.7	19.0	22.3	58.6	1.46	0.00	0.97	1.42
2004	25.5	2.8	28.3	3.99	112.9	11.7	19.2	24.6	57.4	1.44		0.92	1.32
2005	22.9	5.4	28.3	3.65	103.3	11.7	17.6	22.2	51.8	1.30		0.87	1.12
2006	20.6	7.7	28.3	3.53	99.9	11.7	17.0	21.4	49.8	1.25		0.82	1.02
2007	18.5	9.7	28.2	3.59	101.3	11.7	17.2	21.7	50.7	1.27		0.77	0.98
2008	16.7	11.6	28.2	3.63	102.6	11.7	17.4	22.0	51.4	1.28		0.73	0.94
2009	15.0	13.2	28.2	3.72	104.9	11.7	17.8	22.6	52.8	1.32		0.69	0.91
2010	13.5	14.7	28.2	3.81	107.3	11.7	18.2	23.2	54.2	1.35		0.65	0.88
2011	12.1	16.0	28.1	3.90	109.8	11.7	18.7	23.8	55.6	1.39		0.61	0.85
2012	10.9	14.4	25.3	4.00	101.1	11.7	17.2		72.2	1.81		0.58	1.05
2013	9.8	13.0	22.7	4.09	93.1	11.7	15.8		65.6	1.64		0.55	0.90
2014	8.8	11.7	20.4	4.19	85.7	11.7	14.6		59.4	1.49		0.52	0.77
2015	7.9	10.5	18.4	4.29	78.9	11.7	13.4		53.8	1.34		0.49	0.66
2016	7.1	9.4	16.5	4.40	72.6	11.7	12.3		48.6	1.21		0.46	0.56
2017	6.4	8.5	14.9	4.50	66.9	11.7	11.4		43.8	1.09		0.43	0.48
2018	5.7	7.6	13.4	4.61	61.6	11.7	10.5		39.4	0.98		0.41	0.40
2019	5.2	6.8	12.0	4.72	56.7	11.7	9.6		35.3	0.88		0.39	0.34
2020	4.6	6.2	10.8	4.84	52.2	11.7	8.9		31.6	0.79		0.37	0.29
2021	4.2	5.5	9.7	4.95	48.1	11.7	8.2		28.2	0.70		0.35	0.24
2022	3.8	5.0	8.7	5.07	44.2	11.7	7.5		25.0	0.63		0.33	0.20
2023	3.4	4.5	7.8	5.19	40.7	11.7	6.9		22.1	0.55		0.31	0.17
2024	3.0	4.0	7.0	5.32	37.5	11.7	6.4		19.4	0.49		0.29	0.14
2025	2.7	3.6	6.3	5.45	34.5	11.7	5.9		16.9	0.42		0.27	0.12
2026	2.5	3.2	5.7	5.58	31.8	11.7	5.4		14.7	0.37		0.26	0.09
2027	2.2	2.9	5.1	5.71	29.3	11.7	5.0		12.6	0.31		0.24	0.08
2028	2.0	2.6	4.6	5.85	26.9	11.7	4.6		10.6	0.27		0.23	0.06
2029	1.8	2.4	4.1	5.99	24.8	11.7	4.2		8.9	0.22		0.22	0.05
2030	1.6	2.1	3.7	6.14	22.8	11.7	3.9		7.2	0.18		0.21	0.04
2031	1.4	1.9	3.3	6.28	21.0	11.7	3.6		5.7	0.14		0.19	0.03
2032	1.3	1.7	3.0	6.44	19.4	11.7	3.3		4.4	0.11		0.18	0.02

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Table HGT-2
Hugoton Royalty Trust
Distributable Income

	Q1	Q2	Q3	Q4E	Year	Q1E	Q2E	Q3E	Q4E	Next Twelve Months
	3/31/02	6/30/02	9/30/02	12/31/02	2002E	3/31/03	6/30/03	9/30/03	12/31/03	12/31/03
Highlights										
Revenue (\$mm) (80%)	18.5	16.5	19.7	19.0	73.7	28.4	28.7	27.3	27.1	111.5
Cash flow (\$mm) (80%)	12.0	10.1	13.2	12.8	48.3	20.7	21.1	19.7	19.6	81.2
Per unit	0.30	0.25	0.33	0.32	1.21	0.52	0.53	0.49	0.49	2.03
Tax credit (\$mm)	0.2	0.2	0.2	0.2	0.7					
Per unit	0.00	0.00	0.00	0.00	0.02					
Distributable Income (\$mm)	7.4	5.3	8.6	8.3	29.6	16.5	14.7	13.7	13.6	58.6
Per unit	0.18	0.13	0.22	0.21	0.74	0.41	0.37	0.34	0.34	1.46
Units (millions)	40.0	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	8.4	34.3	8.4	8.1	8.4	8.4	33.4
Natural Gas (mmcf)	98.1	93.1	93.4	91.4	94.0	91.4	91.4	91.4	91.4	91.4
Days	92	89	92	92	365	92	89	92	92	365
Oil (mb)	90	88	90	90	358	89	85	87	86	346
Oil (mbd)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9	0.9	0.9
Days	92	89	92	92	365	92	89	92	92	365
Total (bcf)	9.6	8.8	9.1	8.9	36.5	8.9	8.6	8.9	8.9	35.5
Price										
Natural Gas (HH lagged two months)										
Henry Hub (\$/mmbtu)	2.34	2.92	3.23	3.59	3.02	4.61	4.81	4.43	4.43	4.57
Differential (\$/mmbtu)	(0.03)	0.67	0.64	1.06	0.58	0.69	0.72	0.66	0.66	0.69
HGT (\$/mcf)	2.38	2.25	2.60	2.52	2.44	3.92	4.09	3.76	3.76	3.88
Oil (\$/bbl) (WTI Cushing lagged two months)										
WTI Cushing	19.56	23.80	26.49	28.96	24.70	29.31	31.58	28.47	26.37	28.93
HGT	18.80	22.27	25.84	28.46	23.85	28.81	31.08	27.97	25.87	28.42
Total (\$/mcf)	2.42	2.33	2.70	2.66	2.53	3.97	4.15	3.82	3.80	3.93
Revenue (\$mm)										
Natural Gas	21.5	18.6	22.3	21.2	83.6	33.0	33.3	31.7	31.7	129.6
Oil	1.7	2.0	2.3	2.5	8.5	2.6	2.6	2.4	2.2	9.8
Total	23.2	20.6	24.6	23.8	92.2	35.5	35.9	34.1	33.9	139.4
Cost (\$mm)										
Tax, transport & other	1.7	1.9	2.2	2.4	8.2	3.6	3.6	3.4	3.4	13.9
Production	4.4	4.0	3.8	3.9	16.1	3.9	3.8	3.9	3.9	15.6
Overhead	2.0	2.0	2.1	1.5	7.6	2.1	2.1	2.1	2.1	8.4
Total	8.1	7.9	8.1	7.7	31.8	9.6	9.5	9.4	9.4	37.9
Cash flow (\$mm)										
Development	5.8	5.8	5.8	5.4	22.7	5.2	7.9	7.4	7.3	27.8
Net proceeds (\$mm)	9.3	6.9	10.7	10.7	37.6	20.8	18.5	17.3	17.1	73.6
Royalty income (\$mm)										
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Administration	0.1	0.2	(0.0)	0.3	0.5	0.1	0.1	0.1	0.1	0.3
Distributable income (\$mm)										
	7.4	5.3	8.6	8.3	29.6	16.5	14.7	13.7	13.6	58.6
<i>Cost ratios</i>										
Tax and other/revenue	7%	9%	9%	10%	9%	10%	10%	10%	10%	10%
Production cost (\$/mcf)	0.46	0.46	0.42	0.43	0.44	0.44	0.44	0.44	0.44	0.44
Overhead cost (\$/mcf)	0.21	0.23	0.23	0.17	0.21	0.23	0.24	0.24	0.24	0.24
Development/Cash flow	0.38	0.46	0.35	0.34	0.38	0.20	0.30	0.30	0.30	0.27

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Natural Gas Royalty Trusts

A Weekly Analysis

December 30, 2002

Table SJT-1
San Juan Basin Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation Post 2008 (%/yr):	2.4
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	5.9
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	1.6
Variable Cost (%):	12	U.S. 10 Year Yield (%/yr):	3.9
PV/Volume (\$/mcf):	1.38	PV/EBITDA 2003:	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)	Tax Credit (\$/unit)	Disc Factor	Present Value (\$/unit)
Total 2003 through 2032; years ending on 12/31													
	318	244	562	3.82	2145	388	257	200	1300	27.90	0.00	0.60	16.60
2003	34.5	0.0	34.5	3.57	123.1	10.8	14.8	23.0	74.5	1.60	0.00	0.97	1.55
2004	30.9	3.5	34.4	3.64	125.1	13.0	15.0	24.3	72.8	1.56		0.92	1.43
2005	27.7	6.5	34.2	3.34	114.1	13.0	13.7	21.9	65.6	1.41		0.87	1.22
2006	24.8	9.3	34.0	3.23	109.9	13.0	13.2	20.9	62.8	1.35		0.82	1.10
2007	22.2	11.7	33.9	3.28	111.1	13.0	13.3	21.2	63.6	1.36		0.77	1.05
2008	19.9	13.9	33.7	3.32	112.1	13.0	13.4	21.4	64.2	1.38		0.73	1.00
2009	17.8	15.8	33.6	3.40	114.3	13.0	13.7	21.9	65.7	1.41		0.69	0.97
2010	15.9	17.5	33.4	3.48	116.5	13.0	14.0	22.4	67.1	1.44		0.65	0.94
2011	14.3	19.0	33.3	3.57	118.7	13.0	14.2	22.9	68.6	1.47		0.61	0.90
2012	12.8	17.0	29.8	3.65	108.9	13.0	13.1		82.8	1.78		0.58	1.03
2013	11.4	15.2	26.7	3.74	99.9	13.0	12.0		74.9	1.61		0.55	0.88
2014	10.2	13.7	23.9	3.83	91.6	13.0	11.0		67.6	1.45		0.52	0.75
2015	9.2	12.2	21.4	3.92	84.0	13.0	10.1		60.9	1.31		0.49	0.64
2016	8.2	11.0	19.2	4.02	77.0	13.0	9.2		54.8	1.18		0.46	0.54
2017	7.4	9.8	17.2	4.12	70.6	13.0	8.5		49.2	1.06		0.43	0.46
2018	6.6	8.8	15.4	4.21	64.8	13.0	7.8		44.0	0.94		0.41	0.39
2019	5.9	7.9	13.8	4.32	59.4	13.0	7.1		39.3	0.84		0.39	0.33
2020	5.3	7.0	12.3	4.42	54.5	13.0	6.5		34.9	0.75		0.37	0.27
2021	4.7	6.3	11.0	4.53	50.0	13.0	6.0		31.0	0.66		0.35	0.23
2022	4.2	5.6	9.9	4.64	45.8	13.0	5.5		27.3	0.59		0.33	0.19
2023	3.8	5.1	8.9	4.75	42.0	13.0	5.0		24.0	0.51		0.31	0.16
2024	3.4	4.5	7.9	4.86	38.5	13.0	4.6		20.9	0.45		0.29	0.13
2025	3.0	4.1	7.1	4.98	35.3	13.0	4.2		18.1	0.39		0.27	0.11
2026	2.7	3.6	6.4	5.10	32.4	13.0	3.9		15.5	0.33		0.26	0.09
2027	2.4	3.3	5.7	5.22	29.7	13.0	3.6		13.2	0.28		0.24	0.07
2028	2.2	2.9	5.1	5.35	27.3	13.0	3.3		11.0	0.24		0.23	0.05
2029	2.0	2.6	4.6	5.48	25.0	13.0	3.0		9.0	0.19		0.22	0.04
2030	1.8	2.3	4.1	5.61	22.9	13.0	2.8		7.2	0.15		0.21	0.03
2031	1.6	2.1	3.7	5.74	21.0	13.0	2.5		5.5	0.12		0.19	0.02
2032	1.4	1.9	3.3	5.88	19.3	13.0	2.3		4.0	0.09		0.18	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

	Q1	Q2	Q3	Q4E	Year	Q1E	Q2E	Q3E	Q4E	Next Twelve Months
	3/31/02	6/30/02	9/30/02	12/31/02	2002E	3/31/03	6/30/03	9/30/03	12/31/03	12/31/03
Highlights										
Revenue (\$mm) (75%)	19.2	18.6	20.7	20.4	78.9	29.2	32.3	30.8	30.8	123.1
Cash flow (\$mm) (75%)	14.1	14.1	16.0	15.5	59.7	23.5	26.3	24.8	24.8	99.4
Per unit	0.30	0.30	0.34	0.33	1.28	0.50	0.56	0.53	0.53	2.13
Tax credit (\$mm)	0.5	1.4	1.9	1.9	5.6					
Per unit	0.01	0.03	0.04	0.04	0.12					
Distributable Income (\$mm)	3.5	9.0	12.2	11.6	36.3	19.0	19.2	18.1	18.1	74.5
Per unit	0.08	0.19	0.26	0.25	0.78	0.41	0.41	0.39	0.39	1.60
Units (millions)	46.6	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	12.4	48.5	12.2	11.8	12.2	12.2	48.4
Heat Content(btu/cf)	1,092	1,077	970	1,064	1,050	1,064	1,064	1,064	1,064	1,064
Natural gas (bcf)	11.5	11.1	12.0	11.6	46.2	11.5	11.1	11.5	11.5	45.5
Natural Gas (mmcf)	124.7	125.1	130.4	126.2	126.6	124.6	124.6	124.6	124.6	124.6
Days	92	89	92	92	365	92	89	92	92	365
Oil (mb)	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	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
Total gas & oil (bcf)	11.6	11.3	12.1	11.7	46.8	11.6	11.2	11.6	11.6	46.0
Price										
Natural gas (\$/mmbtu) (Henry Hub lagged two months)										
Henry Hub (\$/mmbtu)	2.34	2.92	3.23	3.59	3.02	4.61	4.81	4.43	4.43	4.57
Differential (%)	14	31	28	40	30	32	25	25	25	27
Total	2.01	2.02	2.33	2.16	2.13	3.15	3.61	3.32	3.32	3.35
Natural gas (\$/mcf)	2.20	2.18	2.26	2.30	2.24	3.35	3.84	3.53	3.53	3.56
Oil (\$/bbl) (WTI Cushing lagged two months)										
WTI Cushing	19.56	23.80	26.49	28.96	24.70	29.31	31.58	28.47	26.37	28.93
SJT	15.78	19.14	21.95	24.00	20.10	24.28	26.17	23.59	21.85	23.95
Total gas & oil (\$/mcf)	2.20	2.19	2.28	2.32	2.25	3.36	3.84	3.54	3.54	3.57
Revenue (\$mm)										
Natural Gas	25.2	24.2	27.1	26.7	103.3	38.4	42.5	40.5	40.5	162.0
Oil	0.4	0.5	0.5	0.5	1.9	0.5	0.6	0.5	0.5	2.1
Total	25.6	24.8	27.6	27.2	105.2	39.0	43.1	41.0	41.0	164.1
Cost (\$mm)										
Severance tax	2.6	2.4	2.3	3.1	10.5	3.9	4.1	3.9	3.9	15.9
Operating	4.1	3.7	4.0	3.4	15.2	3.8	3.9	4.0	4.0	15.7
Total	6.7	6.0	6.3	6.5	25.6	7.7	8.0	8.0	7.9	31.6
Cash flow (\$mm)										
Development	11.3	3.4	2.1	4.7	21.5	5.4	8.8	8.3	8.3	30.7
Net proceeds (\$mm)										
Royalty/Net proceeds	7.5	15.4	19.2	16.1	58.2	25.9	26.3	24.8	24.8	101.9
Royalty income (\$mm)										
Royalty/Net proceeds	5.6	11.5	14.4	12.1	43.6	19.4	19.7	18.6	18.6	76.4
Administration	0.4	0.5	0.6	0.5	2.0	0.4	0.5	0.5	0.5	1.9
One-time	1.7	2.0	1.6		5.3					-
Distributable income (\$mm)										
Distributable income	3.5	9.0	12.2	11.6	36.3	19.0	19.2	18.1	18.1	74.5
<i>Modeling ratios</i>										
Severance tax/revenue	10.2%	9.5%	8.5%	11.5%	9.9%	10.0%	9.6%	9.6%	9.6%	9.7%
Operating cost (\$/mcf)	0.36	0.32	0.33	0.29	0.32	0.33	0.35	0.35	0.35	0.34

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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

	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03
Distribution (\$/unit)								
Declared	0.08	0.10	0.12	0.04	0.09			
Projected						0.11	0.14	0.16
Volume								
Natural gas (mmbtu)	3.77	3.95	4.49	3.77	4.08	3.92	4.05	4.05
Heat Content(btu/cf)	807	1,068	1,084	1,064	1,043	1,050	1,050	1,050
Natural gas (bcf)	4.67	3.70	4.15	3.55	3.91	3.74	3.86	3.86
Natural Gas (mmcf)	156	119	134	118	126	125	125	125
Days	30	31	31	30	31	30	31	31
Price								
Natural gas industry quotes lagged two months (\$/mmbtu)								
Henry Hub Daily/Futures	3.22	2.99	3.09	3.55	4.12	4.03	4.79	5.01
San Juan Monthly Index	2.24	2.62	2.50	2.42	2.52	3.25	3.45	
SJT/Henry Hub	0.75	0.78	0.74	0.55	0.54	0.70	0.66	0.71
SJT/San Juan Index	1.08	0.89	0.91	0.81	0.89	0.87	0.92	
SJT (\$/mmbtu)	2.41	2.32	2.28	1.95	2.24	2.83	3.18	3.56
SJT (\$/mcf)	1.95	2.47	2.47	2.07	2.33	2.97	3.34	3.73
Revenue (\$mm)								
Natural Gas	9.1	9.1	10.2	7.3	9.1	11.1	12.9	14.4
Other	(0.2)	0.0	(0.1)	(0.0)	0.0	0.0	0.0	0.0
Cost (\$mm)								
Severance tax	0.8	0.9	0.9	0.7	1.5	1.1	1.3	1.5
Operating	1.6	1.3	1.1	1.8	0.5	1.3	1.3	1.3
Total	2.4	2.2	2.0	2.5	2.0	2.4	2.6	2.7
Cash flow (\$mm)	6.5	6.9	8.2	4.8	7.1	8.7	10.3	11.7
Development	1.0	0.5	1.0	2.1	1.6	1.8	1.8	1.8
Net proceeds (\$mm)	5.5	6.5	7.2	2.7	5.5	6.9	8.6	9.9
Royalty income (\$mm)	4.1	4.9	5.4	2.0	4.2	5.2	6.4	7.4
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	75%
One time	0.6							
Distributable income (\$mm)	3.5	4.9	5.4	2.0	4.2	5.2	6.4	7.4
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Distribution (\$/unit)	0.08	0.10	0.12	0.04	0.09	0.11	0.14	0.16
<i>Latest Twelve Month Average</i>								
Heat Content(btu/cf)	1,059	1,059	1,057	1,054	1,050			
Natural Gas (mmcf)	124	123	125	125	127			
SJT/Henry Hub	0.73	0.73	0.74	0.71	0.72			
SJT/San Juan Index	0.87	0.87	0.87	0.86	0.88			
Other revenue	(0.0)	(0.0)	(0.0)	(0.0)	(0.2)			
Operating	1.3	1.3	1.3	1.3	1.3			
Development	2.5	2.4	2.2	2.0	1.8			
Severance tax/revenue	10.0%	9.8%	9.7%	9.6%	10.1%			

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