

Natural Gas Royalty Trusts

A Weekly Analysis

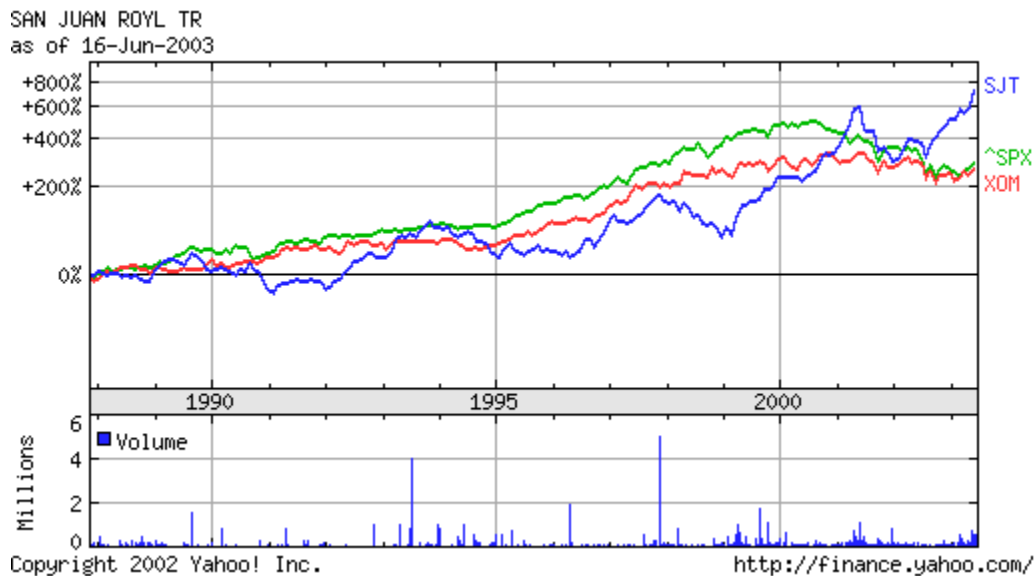
June 12, 2003

XOM and SJT

Summary and Recommendation

Mega Cap **ExxonMobil (XOM)** promises investment rewards at a McDep Ratio of 1.06 while at the other extreme of size, recommended **San Juan Basin Royalty Trust (SJT)** appears more attractive at a McDep Ratio of 0.89. XOM is a safer stock because of diversification, but investors in the McDep Energy Portfolio can neutralize the volatility of any single stock. On the less subjective unlevered cash flow multiple, XOM has an Enterprise Value that is 9.6 times estimated next twelve months cash flow while SJT has an EV/Ebitda multiple of 7.4 years. Considering reserve life, SJT's cash flow multiple perhaps could be higher than that of XOM. Meanwhile, steady six-year natural gas futures helped estimated present value remain steady for SJT and its peers. Investors might have noticed that one-year futures dropped some 8% for the week thereby lowering estimated NTM distributions by a related amount. The ratio of natural gas futures to oil futures has flattened to nearly the same level for each of the next six years (see table).

Kurt H. Wulff, CFA



Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Neither he nor his spouse act contrary to a buy or sell rating.

Natural Gas Royalty Trusts

A Weekly Analysis

June 12, 2003

Natural Gas and Oil Futures

June 18, 2003

	2004	2005	2006	2007	2008	2009	Six Year
Natural Gas (\$/mmbtu)							
Year ending June	5.65	5.09	4.87	4.86	4.90	4.89	5.04
Light Sweet Crude Oil (\$/bbl)							
Year ending June	27.00	24.25	23.76	23.74	23.71	23.68	24.36
Natural Gas/Oil (6:1 = 1.0)							
Year ending June	1.25	1.26	1.23	1.23	1.24	1.24	1.24

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

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

	Symbol/ Rating	Price (\$/sh) 18-Jun 2003	Shares (mm)	Market Cap (\$mm)	Net Present Value (\$/sh)	Debt/ Present Value	McDep Ratio	
Hugoton RoyaltyTrust (46%)	HGT	17.57	18.4	320	17.10	-	1.03	
Cross Timbers Royalty Trust	CRT	23.14	6.0	139	23.00	-	1.01	
San Juan Basin Royalty Trust	SJT	B	18.00	46.6	840	20.30	-	0.89

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.

	Symbol/ Rating	Price (\$/sh) 18-Jun 2003	EV/ Sales NTM	EV/ Ebitda NTM	P/E NTM	Dividend or Distribution NTM (%)	PV/ Ebitda NTM	
Cross Timbers Royalty Trust	CRT	23.14	6.9	9.6	10	9.9	9.6	
Hugoton RoyaltyTrust (46%)	HGT	17.57	5.6	7.4	8	11.9	7.3	
San Juan Basin Royalty Trust	SJT	B	18.00	5.9	7.3	8	12.1	8.2

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

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Neither he nor his spouse act contrary to a buy or sell rating.

Natural Gas Royalty Trusts

A Weekly Analysis

June 12, 2003

Table CRT-1
Cross Timbers Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation post 2009 (%/yr):	2.5
Volume Enhancement (%/yr):	10	Discount Rate (%/yr):	4.8
Variable Cost (%):	16	U.S. TIPS Inflation (%/yr):	1.7
		U.S. 10 Year Yield (%/yr):	3.4
PV/Volume (\$/mcf):	3.22	PV/EBITDA 2004:	9.7

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 (\$mm)	(\$/unit)		
Total 2004 through 2030; years ending on 6/30											
	26	17	43	5.33	229	37	15	207	34.53	0.67	23.00
2004	2.7	0.0	2.7	5.21	14.2	2.3	1.9	13.8	2.29	0.98	2.24
2005	2.4	0.3	2.7	4.91	13.3	2.1	1.4	12.6	2.11	0.93	1.97
2006	2.2	0.5	2.7	4.65	12.6	2.0	1.3	11.9	1.98	0.89	1.76
2007	2.0	0.7	2.7	4.59	12.5	2.0	1.2	11.7	1.95	0.85	1.66
2008	1.8	0.9	2.7	4.65	12.6	2.0	1.1	11.7	1.96	0.81	1.59
2009	1.6	1.1	2.7	4.68	12.7	2.0	1.1	11.7	1.95	0.77	1.51
2010	1.4	1.3	2.7	4.79	13.0	2.1	1.0	12.0	1.99	0.74	1.47
2011	1.3	1.4	2.7	4.91	13.3	2.1	1.0	12.2	2.03	0.71	1.43
2012	1.2	1.3	2.4	5.03	12.3	2.0	1.2	11.5	1.92	0.67	1.30
2013	1.1	1.1	2.2	5.16	11.3	1.8	1.0	10.6	1.76	0.64	1.13
2014	0.9	1.0	2.0	5.28	10.5	1.7	0.8	9.6	1.61	0.61	0.99
2015	0.9	0.9	1.8	5.41	9.7	1.5	0.7	8.8	1.47	0.59	0.86
2016	0.8	0.8	1.6	5.55	8.9	1.4	0.5	8.0	1.34	0.56	0.75
2017	0.7	0.8	1.4	5.68	8.2	1.3	0.4	7.3	1.22	0.53	0.65
2018	0.6	0.7	1.3	5.82	7.6	1.2	0.3	6.6	1.11	0.51	0.57
2019	0.6	0.6	1.2	5.97	7.0	1.1	0.2	6.0	1.01	0.49	0.49
2020	0.5	0.5	1.1	6.12	6.4	1.0	0.1	5.5	0.91	0.47	0.42
2021	0.5	0.5	0.9	6.27	5.9	1.0		5.0	0.83	0.44	0.37
2022	0.4	0.4	0.9	6.42	5.5	0.9		4.6	0.77	0.42	0.32
2023	0.4	0.4	0.8	6.58	5.1	0.8		4.2	0.71	0.40	0.29
2024	0.3	0.4	0.7	6.74	4.7	0.7		3.9	0.65	0.39	0.25
2025	0.3	0.3	0.6	6.91	4.3	0.7		3.6	0.60	0.37	0.22
2026	0.3	0.3	0.6	7.08	4.0	0.6		3.3	0.55	0.35	0.20
2027	0.2	0.3	0.5	7.26	3.7	0.6		3.1	0.51	0.34	0.17
2028	0.2	0.2	0.5	7.43	3.4	0.5		2.8	0.47	0.32	0.15
2029	0.2	0.2	0.4	7.62	3.1	0.5		2.6	0.44	0.31	0.13
2030	0.2	0.2	0.4	7.81	2.9	0.5		2.4	0.40	0.29	0.12

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Neither he nor his spouse act contrary to a buy or sell rating.

Natural Gas Royalty Trusts

A Weekly Analysis

June 12, 2003

Table CRT-2
Cross Timbers Royalty Trust
Distributable Income

	<i>Q4</i>	<i>Year</i>	<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>12/31/02</i>	<i>2002</i>	<i>3/31/03</i>	<i>6/30/03</i>	<i>9/30/03</i>	<i>12/31/03</i>	<i>2003E</i>	<i>3/31/04</i>	<i>6/30/04</i>	<i>Months</i>
										<i>6/30/04</i>
Highlights										
Distributable Income (\$mm)	2.80	8.82	2.60	3.88	3.51	3.38	13.37	3.45	3.43	13.76
Per unit	0.47	1.47	0.43	0.65	0.59	0.56	2.23	0.57	0.57	2.29
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)	0.77	3.03	0.65	0.76	0.75	0.76	2.93	0.76	0.75	3.02
Natural Gas (mmcf)	8.4	8.3	7.1	8.5	8.3	8.3	8.0	8.3	8.3	8.3
Days	92	365	92	90	91	92	365	92	91	366
Oil (mb)	91	339	79	69	71	71	291	71	71	285
Oil (mbd)	0.99	0.93	0.86	0.78	0.78	0.78	0.80	0.78	0.78	0.78
Days	92	365	92	89	92	92	365	92	92	368
Total (bcf)	1.32	5.06	1.13	1.18	1.18	1.19	4.67	1.19	1.18	4.73
Price										
Natural Gas (HH lagged three months)										
Henry Hub (\$/mmbtu)	3.21	2.88	4.30	6.38	5.64	5.62	5.48	5.88	6.02	5.79
Differential (\$/mmbtu)	0.21	0.09	0.40	1.06	0.56	0.56	0.61	0.59	0.60	0.58
CRT (\$/mcf)	3.00	2.79	3.90	5.32	5.07	5.06	4.87	5.29	5.41	5.21
Oil (\$/bbl) (WTI lagged two months)										
WTI Cushing	28.96	24.70	29.55	32.51	29.86	28.27	30.05	26.99	25.86	27.75
CRT	26.30	22.31	26.89	30.01	27.47	26.01	27.56	24.83	23.79	25.53
Total (\$/mcf)	3.57	3.17	4.15	5.21	4.89	4.80	4.77	4.88	4.89	4.86
Revenue (\$mm)										
Natural Gas	2.32	8.45	2.54	4.06	3.81	3.84	14.26	4.02	4.07	15.73
Oil	2.40	7.55	2.14	2.07	1.96	1.86	8.02	1.77	1.70	7.28
Total	4.71	16.01	4.68	6.13	5.77	5.69	22.28	5.79	5.76	23.01
Cost (\$mm)										
Tax, transport & other	0.66	2.11	0.74	0.86	0.81	0.80	3.21	0.81	0.81	3.22
Production	0.75	3.01	0.82	0.82	0.82	0.82	3.29	0.82	0.82	3.29
Total	1.41	5.13	1.56	1.68	1.63	1.62	6.49	1.63	1.63	6.51
Cash flow (\$mm)										
Development	0.06	0.57	0.05	0.05	0.15	0.15	0.40	0.15	0.15	0.60
Excess or other	(0.02)	(0.02)					-			
Net proceeds (\$mm)	3.26	10.33	3.07	4.40	3.99	3.93	15.39	4.01	3.98	15.91
Royalty income (\$mm)										
Royalty/Net proceeds	86%	88%	87%	89%	89%	87%	88%	87%	87%	88%
Administration	0.02	0.22	0.06	0.04	0.04	0.04	0.18	0.04	0.04	0.16
Distributable income (\$mm)										
Tax and other/revenue	0.14	0.13	0.16	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Distributable Inc/Rev (%)	59	55	55	63	61	59	60	60	59	60

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Neither he nor his spouse act contrary to a buy or sell rating.

Natural Gas Royalty Trusts

A Weekly Analysis

June 12, 2003

Table HGT-1
Hugoton Royalty Trust
Present Value

Volume Decline (%/yr):	11	Price Escalation Post 2008 (%/yr):	2.5
Volume Enhancement (%/yr):	8	Discount rate (%/yr):	5.4
Capex/Cash Flow (%):	30	U.S. TIPS Inflation (%/yr):	1.7
Variable Cost (%):	17	U.S. 10 Year Yield (%/yr):	3.4
PV/Volume (\$/mcf):	1.89	PV/EBITDA 2004:	7.3

Year	Basic (bcf)	Enhanced (bcf)	Total (bcf)	Price (\$/mcf)	Revenue (\$mm)	Fixed Cost (\$mm)	Var Cost (\$mm)	Cap Ex (\$mm)	Distribution (\$/unit)	Disc Factor	Present Value (\$/unit)	
Total 2004 through 2030; years ending on 6/30												
	241	121	363	4.98	1805	256	307	180	1062	26.56	0.64	17.10
2004	26.9	0.0	26.9	4.63	124.6	9.5	21.2	10.4	83.6	2.09	0.97	2.04
2005	24.0	2.2	26.2	4.62	121.2	9.5	20.6	27.3	63.8	1.59	0.92	1.47
2006	21.5	4.0	25.5	4.39	112.2	9.5	19.1	25.1	58.5	1.46	0.88	1.28
2007	19.2	5.6	24.9	4.35	108.2	9.5	18.4	24.1	56.2	1.41	0.83	1.17
2008	17.2	7.0	24.2	4.41	106.7	9.5	18.1	23.7	55.3	1.38	0.79	1.09
2009	15.4	8.2	23.6	4.43	104.3	9.5	17.7	23.1	54.0	1.35	0.75	1.01
2010	13.7	9.2	23.0	4.53	104.1	9.5	17.7	23.1	53.9	1.35	0.71	0.96
2011	12.3	10.1	22.4	4.65	103.9	9.5	17.7	23.0	53.7	1.34	0.68	0.91
2012	11.0	9.0	20.0	4.76	95.2	9.5	16.2		69.5	1.74	0.64	1.12
2013	9.8	8.1	17.9	4.88	87.2	9.5	14.8		62.9	1.57	0.61	0.96
2014	8.8	7.2	16.0	5.00	79.9	9.5	13.6		56.8	1.42	0.58	0.82
2015	7.8	6.4	14.3	5.12	73.2	9.5	12.4		51.3	1.28	0.55	0.70
2016	7.0	5.8	12.8	5.25	67.1	9.5	11.4		46.2	1.15	0.52	0.60
2017	6.3	5.2	11.4	5.38	61.4	9.5	10.4		41.5	1.04	0.49	0.51
2018	5.6	4.6	10.2	5.51	56.3	9.5	9.6		37.2	0.93	0.47	0.44
2019	5.0	4.1	9.1	5.65	51.6	9.5	8.8		33.3	0.83	0.45	0.37
2020	4.5	3.7	8.2	5.79	47.2	9.5	8.0		29.7	0.74	0.42	0.31
2021	4.0	3.3	7.3	5.93	43.3	9.5	7.4		26.4	0.66	0.40	0.27
2022	3.6	2.9	6.5	6.08	39.6	9.5	6.7		23.4	0.59	0.38	0.22
2023	3.2	2.6	5.8	6.23	36.3	9.5	6.2		20.6	0.52	0.36	0.19
2024	2.9	2.4	5.2	6.38	33.3	9.5	5.7		18.1	0.45	0.34	0.16
2025	2.6	2.1	4.7	6.54	30.5	9.5	5.2		15.8	0.40	0.33	0.13
2026	2.3	1.9	4.2	6.70	27.9	9.5	4.7		13.7	0.34	0.31	0.11
2027	2.0	1.7	3.7	6.87	25.6	9.5	4.3		11.7	0.29	0.29	0.09
2028	1.8	1.5	3.3	7.04	23.4	9.5	4.0		10.0	0.25	0.28	0.07
2029	1.6	1.3	3.0	7.21	21.5	9.5	3.6		8.3	0.21	0.26	0.06
2030	1.5	1.2	2.7	7.39	19.7	9.5	3.3		6.8	0.17	0.25	0.04

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Neither he nor his spouse act contrary to a buy or sell rating.

Natural Gas Royalty Trusts

A Weekly Analysis

June 12, 2003

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

	Q4 12/31	Year 2002	Q1 3/31/03	Q2E 6/30/03	Q3E 9/30/03	Q4E 12/31	Year 2003E	Q1E 3/31/04	Q2E 6/30/04	Next Twelve Months 6/30/04
Highlights										
Revenue (\$mm) (80%)	18.9	73.6	26.8	33.4	31.2	30.9	122.3	32.7	29.8	124.6
Cash flow (\$mm) (80%)	12.6	48.1	19.4	25.2	23.6	23.3	91.6	24.9	22.4	94.3
Per unit	0.32	1.20	0.49	0.63	0.59	0.58	2.29	0.62	0.56	2.36
Distributable Income (\$mm)	8.3	29.6	16.4	23.6	21.1	20.8	81.9	22.5	19.1	83.6
Per unit	0.21	0.74	0.41	0.59	0.53	0.52	2.05	0.56	0.48	2.09
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)	8.4	34.3	8.2	7.7	7.9	7.9	31.7	8.0	7.7	31.6
Natural Gas (mmcf)	91.4	94.0	88.8	86.4	86.4	86.4	87.0	87.0	87.0	86.7
Days	92	365	92	89	92	92	365	92	89	365
Oil (mb)	84	353	86	83	84	84	337	84	81	333
Oil (mbd)	0.9	1.0	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Days	92	365	92	89	92	92	365	92	89	365
Total (bcf)	8.9	36.4	8.7	8.2	8.5	8.4	33.8	8.5	8.2	33.6
Price										
Natural Gas (HH lagged two months)										
Henry Hub (\$/mmbtu)	3.59	3.02	4.73	6.33	5.73	5.69	5.62	6.02	5.62	5.76
Differential (%)	30	19	20	20	20	20	20	20	20	20
HGT (\$/mcf)	2.52	2.44	3.80	5.09	4.60	4.57	4.50	4.84	4.52	4.63
Oil (\$/bbl) (WTI Cushing lagged two months)										
WTI Cushing	28.96	24.70	29.55	32.51	29.86	28.27	30.05	26.99	29.13	28.56
HGT	28.16	23.70	28.76	31.64	29.06	27.52	29.24	26.27	28.36	27.80
Total (\$/mcf)	2.65	2.52	3.86	5.10	4.62	4.57	4.53	4.81	4.53	4.63
Revenue (\$mm)										
Natural Gas	21.2	83.6	31.0	39.1	36.6	36.3	143.0	38.7	35.0	146.5
Oil	2.4	8.4	2.5	2.6	2.5	2.3	9.8	2.2	2.3	9.2
Total	23.6	92.0	33.5	41.7	39.0	38.6	152.8	40.9	37.2	155.8
Cost (\$mm)										
Tax, transport & other										
Production	3.9	16.1	4.0	4.1	3.7	3.7	15.5	3.7	3.6	14.8
Overhead	1.5	7.6	1.9	1.9	1.9	1.9	7.6	1.9	1.9	7.6
Total	7.8	31.8	9.2	10.2	9.5	9.5	38.4	9.7	9.2	37.9
Cash flow (\$mm)										
Development	5.4	22.7	3.7	3.0	3.0	3.0	12.7	3.0	4.0	13.0
Net proceeds (\$mm)	10.4	37.4	20.6	28.5	26.5	26.1	101.8	28.2	24.0	104.9
Royalty income (\$mm)										
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Administration	0.0	0.4	0.1	(0.7)	0.1	0.1	(0.5)	0.1	0.1	0.3
Distributable income (\$mm)										
Tax and other/revenue	11%	9%	10%	10%	10%	10%	10%	10%	10%	10%
Production cost (\$/mcf)	0.43	0.44	0.46	0.50	0.44	0.44	0.46	0.44	0.44	0.44
Overhead cost (\$/mcf)	0.17	0.21	0.22	0.23	0.22	0.22	0.23	0.22	0.23	0.23
Development/Cash flow	0.34	0.38	0.15	0.10	0.10	0.10	0.11	0.10	0.14	0.11

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Neither he nor his spouse act contrary to a buy or sell rating.

Natural Gas Royalty Trusts

A Weekly Analysis

June 12, 2003

Table SJT-1
San Juan Basin Royalty Trust
Present Value

Volume Decline (%/yr):	11	Price Escalation Post 2009 (%/yr):	2.5
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	5.4
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	1.7
Variable Cost (%):	12	U.S. 10 Year Yield (%/yr):	3.4
PV/Volume (\$/mcf):	1.82	PV/EBITDA 2004:	8.3

Year	Basic (bcf)	Enhanced (bcf)	Total (bcf)	Price (\$/mcf)	Revenue (\$mm)	Fixed Cost (\$mm)	Var Cost (\$mm)	Cap Ex (\$mm)	Distribution (\$mm)	Distribution (\$/unit)	Disc Factor	Present Value (\$/unit)
Total 2004 through 2030; years ending on 6/30												
	312	208	520	4.44	2305	349	277	198	1482	31.80	0.64	20.30
2004	34.7	0.0	34.7	4.07	141.4	10.8	17.0	12.2	101.4	2.18	0.97	2.12
2005	31.1	3.5	34.5	4.11	141.9	13.0	17.0	28.0	83.9	1.80	0.92	1.67
2006	27.8	6.6	34.3	3.91	134.1	13.0	16.1	26.2	78.7	1.69	0.88	1.48
2007	24.8	9.3	34.1	3.87	132.0	13.0	15.8	25.8	77.4	1.66	0.83	1.38
2008	22.2	11.7	33.9	3.92	132.8	13.0	15.9	26.0	77.9	1.67	0.79	1.32
2009	19.8	13.9	33.7	3.93	132.6	13.0	15.9	25.9	77.8	1.67	0.75	1.25
2010	17.7	15.8	33.5	4.03	135.1	13.0	16.2	26.5	79.4	1.70	0.71	1.21
2011	15.9	17.5	33.3	4.13	137.6	13.0	16.5	27.0	81.0	1.74	0.68	1.18
2012	14.2	15.6	29.8	4.23	126.0	13.0	15.1		97.9	2.10	0.64	1.35
2013	12.7	13.9	26.6	4.34	115.4	13.0	13.9		88.6	1.90	0.61	1.16
2014	11.3	12.5	23.8	4.44	105.8	13.0	12.7		80.1	1.72	0.58	0.99
2015	10.1	11.1	21.3	4.55	96.9	13.0	11.6		72.3	1.55	0.55	0.85
2016	9.1	10.0	19.0	4.67	88.7	13.0	10.6		65.1	1.40	0.52	0.73
2017	8.1	8.9	17.0	4.78	81.3	13.0	9.8		58.5	1.26	0.49	0.62
2018	7.2	8.0	15.2	4.90	74.5	13.0	8.9		52.5	1.13	0.47	0.53
2019	6.5	7.1	13.6	5.02	68.2	13.0	8.2		47.0	1.01	0.45	0.45
2020	5.8	6.4	12.1	5.14	62.5	13.0	7.5		42.0	0.90	0.42	0.38
2021	5.2	5.7	10.9	5.27	57.3	13.0	6.9		37.4	0.80	0.40	0.32
2022	4.6	5.1	9.7	5.40	52.5	13.0	6.3		33.2	0.71	0.38	0.27
2023	4.1	4.5	8.7	5.54	48.1	13.0	5.8		29.3	0.63	0.36	0.23
2024	3.7	4.1	7.8	5.67	44.0	13.0	5.3		25.7	0.55	0.34	0.19
2025	3.3	3.6	6.9	5.81	40.3	13.0	4.8		22.5	0.48	0.33	0.16
2026	3.0	3.2	6.2	5.96	36.9	13.0	4.4		19.5	0.42	0.31	0.13
2027	2.6	2.9	5.5	6.10	33.8	13.0	4.1		16.8	0.36	0.29	0.11
2028	2.4	2.6	5.0	6.25	31.0	13.0	3.7		14.3	0.31	0.28	0.09
2029	2.1	2.3	4.4	6.41	28.4	13.0	3.4		12.0	0.26	0.26	0.07
2030	1.9	2.1	4.0	6.57	26.0	13.0	3.1		9.9	0.21	0.25	0.05

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Neither he nor his spouse act contrary to a buy or sell rating.

Natural Gas Royalty Trusts

A Weekly Analysis

June 12, 2003

Table SJT-2
San Juan Basin Royalty Trust
Distributable Income

	Q4	Year	Q1	Q2E	Q3E	Q4E	Year	Q1E	Q2E	Next
	12/31/02	2002	3/31/03	6/30/03	9/30/03	12/31/03	2003E	3/31/04	6/30/04	Twelve
										Months
										6/30/04
Highlights										
Revenue (\$mm) (75%)	20.4	78.9	31.0	36.6	35.6	35.0	138.2	37.0	33.8	141.4
Cash flow (\$mm) (75%)	15.6	59.7	24.9	29.9	29.1	28.4	112.4	30.3	27.5	115.3
Per unit	0.33	1.28	0.53	0.64	0.63	0.61	2.41	0.65	0.59	2.47
Tax credit (\$mm)	1.9	5.6					-			
Per unit	0.04	0.12					-			
Distributable Income (\$mm)	11.6	36.3	19.5	26.6	25.7	25.0	96.7	26.8	24.0	101.4
Per unit	0.25	0.78	0.42	0.57	0.55	0.54	2.07	0.57	0.51	2.18
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)	12.4	48.5	12.6	11.6	12.1	12.1	48.5	12.1	11.7	48.2
Heat Content(btu/cf)	1,064	1,050	1,084	1,076	1,049	1,049	1,064	1,049	1,049	1,049
Natural gas (bcf)	11.6	46.2	11.6	10.8	11.6	11.6	45.6	11.6	11.2	45.9
Natural Gas (mmcf)	126.2	126.6	126.5	121.6	125.8	125.8	125.0	125.8	125.8	125.8
Days	92	365	92	89	92	92	365	92	89	365
Oil (mb)	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1
Oil (mbd)	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Total gas & oil (bcf)	11.7	46.8	11.7	10.9	11.7	11.7	46.0	11.7	11.3	46.3
Price										
Natural gas (\$/mmbtu) (Henry Hub lagged two months)										
Henry Hub (\$/mmbtu)	3.59	3.02	4.73	6.33	5.73	5.69	5.62	6.02	5.69	5.78
Differential (%)	40	30	32	34	33	33	33	33	33	33
Total	2.16	2.13	3.24	4.16	3.84	3.81	3.76	4.03	3.81	3.88
Natural gas (\$/mcf)	2.30	2.24	3.51	4.48	4.02	4.00	4.00	4.23	4.00	4.07
Oil (\$/bbl) (WTI Cushing lagged two months)										
WTI Cushing	28.96	24.70	29.55	32.51	29.86	28.27	30.05	26.99	25.86	27.75
SJT	28.35	20.90	24.44	26.89	24.70	23.39	24.84	22.32	21.39	22.96
Total gas & oil (\$/mcf)	2.32	2.25	3.52	4.48	4.06	4.00	4.00	4.22	3.99	4.07
Revenue (\$mm)										
Natural Gas	26.7	103.3	40.9	48.4	47.1	46.3	182.6	49.0	44.7	187.0
Oil	0.6	2.0	0.4	0.4	0.4	0.4	1.6	0.4	0.3	1.5
Total	27.3	105.2	41.3	48.9	47.4	46.6	184.2	49.3	45.1	188.5
Cost (\$mm)										
Severance tax	3.1	10.5	4.2	5.0	4.8	4.7	18.7	4.9	4.5	18.9
Operating	3.4	15.2	3.9	3.9	3.8	4.1	15.6	4.1	3.9	15.8
Total	6.5	25.6	8.1	8.9	8.6	8.7	34.4	9.0	8.4	34.7
Cash flow (\$mm)										
Development	4.7	21.5	6.6	3.0	4.1	4.1	17.7	4.1	4.1	16.2
Net proceeds (\$mm)										
	16.1	58.2	26.6	36.9	34.8	33.9	132.2	36.3	32.6	137.5
Royalty income (\$mm)										
	12.1	43.6	19.9	27.7	26.1	25.4	99.1	27.2	24.4	103.2
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Administration	0.5	2.0	0.4	0.3	0.4	0.4	1.6	0.4	0.4	1.8
One-time		5.3		0.9			0.9			-
Distributable income (\$mm)										
	11.6	36.3	19.5	26.6	25.7	25.0	96.7	26.8	24.0	101.4
Severance tax/revenue	11.5%	9.9%	10.2%	10.2%	10.2%	10.0%	10.2%	10.0%	10.0%	10.0%
Operating cost (\$/mcf)	0.29	0.32	0.33	0.36	0.32	0.35	0.34	0.35	0.35	0.34
Development/Cash flow	22%	27%	20%	7%	10%	11%	12%	10%	11%	11%

Analyses are prepared from original sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Mr. Wulff is not paid by covered companies. Neither he nor his spouse act contrary to a buy or sell rating.