

Natural Gas Royalty Trusts

A Weekly Analysis

August 21, 2003

XTO to Distribute CRT Units

Summary and Recommendation

The number of publicly traded units of **Cross Timbers Royalty Trust (CRT)** will expand by approximately 1.3 million or more than 25% when recommended **XTO Energy (XTO)** distributes its holdings as a dividend to shareholders of XTO. The record date is September 2 and the dividend will be mailed on September 18 at the approximate ratio of 0.0074 unit of CRT for each share of XTO. Meanwhile, monthly declarations of distributions were less than our projections for two of the three trusts analyzed weekly. The respective results per unit were \$0.18 v \$0.18, \$0.17 v. \$0.19 and \$0.16 v. \$0.19 for **Hugoton Royalty Trust (HGT)**, recommended **San Juan Basin Royalty Trust (SJT)** and CRT. The latest monthly disclosures prompt us to make minor adjustments to projections of future cash flow that can be tracked in the valuation tables printed regularly (see Tables CRT-1 to CRT-3, HGT-1 to HGT-3 and SJT-1 to SJT-3).

Kurt H. Wulff, CFA

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

	<i>Symbol/ Rating</i>	<i>Price (\$/sh) 20-Aug 2003</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>
Hugoton RoyaltyTrust (46%)	HGT	19.06	18.4	350	15.80	-	1.21
Cross Timbers Royalty Trust	CRT	22.96	6.0	138	20.20	-	1.14
San Juan Basin Royalty Trust	SJT B	17.78	46.6	830	18.30	-	0.97

Buy/Sell rating after symbol: B - Buy, 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) 20-Aug 2003</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	22.96	7.4	10.5	11	9.3	9.2
Hugoton RoyaltyTrust (46%)	HGT	19.06	6.5	8.7	10	10.3	7.2
San Juan Basin Royalty Trust	SJT B	17.78	6.3	7.8	9	11.1	8.0

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

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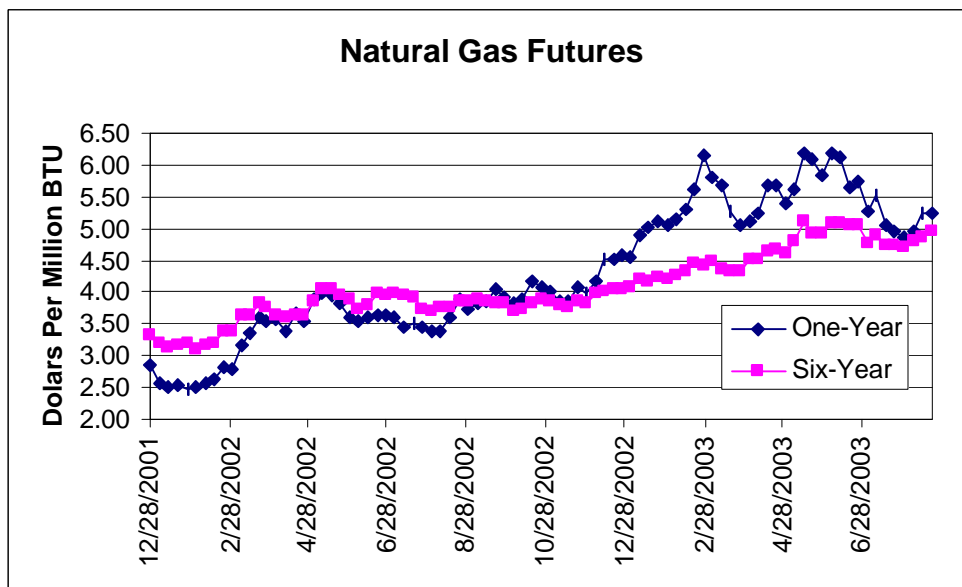
August 21, 2003

Natural Gas and Oil Futures

August 20, 2003

	Year Ending August						Six Year
	2004	2005	2006	2007	2008	2009	
Natural Gas (\$/mmbtu)	5.25	4.96	4.83	4.86	4.91	4.96	4.96
Light Sweet Crude Oil (\$/bbl)	29.07	25.82	24.85	24.70	24.63	24.60	25.61
Natural Gas/Oil (6:1 = 1.0)	1.08	1.15	1.17	1.18	1.20	1.21	1.16

Source: Nymex.com, McDep Associates



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Table CRT-1
Cross Timbers Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation post 2009 (%/yr):	3.0
Volume Enhancement (%/yr):	10	Discount Rate (%/yr):	5.8
Variable Cost (%):	16	U.S. TIPS Inflation (%/yr):	2.2
		U.S. 10 Year Yield (%/yr):	4.4

PV/Volume (\$/mcf):	3.08	PV/EBITDA 2004:	9.3
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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 (\$/unit)			
Total 2004 through 2030; years ending on 6/30											
	23	16	39	5.46	215	34	18	199	33.15	0.61	20.20
2004	2.5	0.0	2.5	4.92	12.3	2.0	2.5	12.8	2.14	0.97	2.08
2005	2.2	0.2	2.5	4.82	12.0	1.9	1.6	11.7	1.96	0.92	1.80
2006	2.0	0.5	2.5	4.59	11.4	1.8	1.4	11.0	1.84	0.87	1.59
2007	1.8	0.7	2.5	4.57	11.4	1.8	1.3	10.9	1.81	0.82	1.49
2008	1.6	0.9	2.5	4.64	11.6	1.9	1.2	10.9	1.82	0.78	1.41
2009	1.5	1.0	2.5	4.70	11.7	1.9	1.1	11.0	1.83	0.73	1.34
2010	1.3	1.2	2.5	4.84	12.1	1.9	1.1	11.3	1.88	0.69	1.30
2011	1.2	1.3	2.5	4.98	12.4	2.0	1.1	11.5	1.92	0.65	1.26
2012	1.1	1.2	2.2	5.13	11.5	1.8	1.4	11.0	1.84	0.62	1.14
2013	1.0	1.1	2.0	5.28	10.7	1.7	1.2	10.1	1.69	0.58	0.99
2014	0.9	0.9	1.8	5.44	9.9	1.6	1.0	9.3	1.55	0.55	0.86
2015	0.8	0.9	1.6	5.60	9.2	1.5	0.9	8.6	1.43	0.52	0.74
2016	0.7	0.8	1.5	5.77	8.5	1.4	0.7	7.9	1.31	0.49	0.65
2017	0.6	0.7	1.3	5.94	7.9	1.3	0.6	7.2	1.20	0.47	0.56
2018	0.6	0.6	1.2	6.12	7.3	1.2	0.5	6.6	1.10	0.44	0.48
2019	0.5	0.6	1.1	6.30	6.8	1.1	0.4	6.0	1.01	0.42	0.42
2020	0.5	0.5	1.0	6.49	6.3	1.0	0.2	5.5	0.92	0.39	0.36
2021	0.4	0.5	0.9	6.68	5.8	0.9		4.9	0.81	0.37	0.30
2022	0.4	0.4	0.8	6.88	5.4	0.9		4.5	0.75	0.35	0.26
2023	0.3	0.4	0.7	7.08	5.0	0.8		4.2	0.70	0.33	0.23
2024	0.3	0.3	0.6	7.29	4.6	0.7		3.9	0.65	0.31	0.20
2025	0.3	0.3	0.6	7.51	4.3	0.7		3.6	0.60	0.30	0.18
2026	0.2	0.3	0.5	7.74	4.0	0.6		3.3	0.56	0.28	0.16
2027	0.2	0.2	0.5	7.97	3.7	0.6		3.1	0.52	0.26	0.14
2028	0.2	0.2	0.4	8.20	3.4	0.5		2.9	0.48	0.25	0.12
2029	0.2	0.2	0.4	8.45	3.2	0.5		2.7	0.44	0.24	0.10
2030	0.2	0.2	0.3	8.70	2.9	0.5		2.5	0.41	0.22	0.09

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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>Next</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>Twelve</i>
								<i>Months</i>
								<i>6/30/04</i>
Highlights								
Distributable Income (\$mm)	2.60	3.67	3.15	3.14	12.55	3.26	3.28	12.83
Per unit	0.43	0.61	0.52	0.52	2.09	0.54	0.55	2.14
Units (millions)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Volume								
Natural Gas (bcf)	0.65	0.72	0.66	0.70	2.74	0.70	0.70	2.77
Natural Gas (mmcf)	7.1	8.0	7.3	7.7	7.5	7.7	7.7	7.6
Days	92	90	91	92	365	92	91	366
Oil (mb)	79	69	68	70	286	70	70	277
Oil (mbd)	0.86	0.78	0.74	0.76	0.78	0.76	0.76	0.75
Days	92	89	92	92	365	92	92	368
Total (bcf)	1.13	1.14	1.07	1.12	4.46	1.12	1.12	4.44
Price								
Natural Gas (HH lagged three months)								
Henry Hub (\$/mmbtu)	4.30	6.38	5.63	5.02	5.33	5.38	5.64	5.42
Differential (\$/mmbtu)	0.40	1.01	0.51	0.45	0.58	0.49	0.51	0.49
CRT (\$/mcf)	3.90	5.36	5.12	4.57	4.75	4.89	5.13	4.92
Oil (\$/bbl) (WTI lagged two months)								
WTI Cushing	29.55	32.51	29.86	31.16	30.77	30.21	28.75	29.99
CRT	26.89	29.88	27.97	29.19	28.43	28.30	26.93	28.10
Total (\$/mcf)	4.15	5.22	4.95	4.68	4.75	4.83	4.89	4.83
Revenue (\$mm)								
Natural Gas	2.54	3.88	3.40	3.22	13.05	3.45	3.58	13.65
Oil	2.14	2.06	1.89	2.04	8.13	1.98	1.88	7.79
Total	4.68	5.94	5.30	5.26	21.18	5.43	5.46	21.44
Cost (\$mm)								
Tax, transport & other	0.74	0.80	0.74	0.74	3.02	0.76	0.76	3.00
Production	0.82	0.83	0.83	0.83	3.30	0.83	0.83	3.30
Total	1.56	1.62	1.57	1.56	6.32	1.59	1.59	6.31
Cash flow (\$mm)								
Development	0.05	0.05	0.05	0.05	0.19	0.05	0.05	0.19
Excess or other					-			
Net proceeds (\$mm)								
	3.07	4.27	3.68	3.65	14.67	3.79	3.82	14.95
Royalty income (\$mm)								
	2.66	3.76	3.19	3.18	12.78	3.30	3.32	12.99
Royalty/Net proceeds	87%	88%	87%	87%	87%	87%	87%	87%
Administration	0.06	0.09	0.04	0.04	0.23	0.04	0.04	0.16
Distributable income (\$mm)								
	2.60	3.67	3.15	3.14	12.55	3.26	3.28	12.83
Tax and other/revenue	0.16	0.13	0.14	0.14	0.14	0.14	0.14	0.14
Distributable Inc/Rev (%)	55	62	59	60	59	60	60	60

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Table CRT-3
Cross Timbers Royalty Trust
Monthly Distributions

	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03
Distribution (\$/unit)						
Declared	0.20	0.20	0.21	0.16	0.16	
Projected						0.20
Volume						
Natural Gas (bcf)	266	242	215	233	202	230
Natural Gas (mmcf/d)	8.58	8.64	6.94	7.77	6.52	7.66
Days	31	28	31	30	31	30
Oil (mb)	24.1	21.4	23.6	23.8	20.2	23.7
Oil (mbd)	0.86	0.69	0.79	0.77	0.67	0.76
Days	28	31	30	31	30	31
Total (bcf)	411	370	357	376	323	372
Price						
Natural gas industry quotes lagged three months (\$/mmbtu)						
Henry Hub Daily/Futures	5.41	7.77	5.95	5.26	5.81	5.82
San Juan Monthly Index	4.47	4.58	5.91	3.71	4.03	5.03
CRT/Henry Hub	0.83	0.66	1.13	0.88	0.87	0.97
CRT/San Juan Index	1.00	1.12	1.14	1.25	1.26	1.12
CRT (\$/mcf)	4.48	5.12	6.73	4.64	5.07	5.66
Oil (\$/bbl)						
WTI Cushing (lagged two months)	35.87	33.27	28.38	28.11	30.72	30.74
CRT/WTI Cushing	0.88	0.98	0.91	0.93	0.95	0.93
CRT	31.53	32.54	25.77	26.25	29.27	28.59
Total (\$/mcf)	4.75	5.23	5.76	4.54	5.00	5.32
Revenue (\$mm)						
Natural Gas	1.19	1.24	1.45	1.08	1.02	1.30
Oil	0.76	0.70	0.61	0.62	0.59	0.68
Total	1.95	1.94	2.06	1.71	1.62	1.98
Distributable income (\$mm)						
Natural Gas (at 75% of nat gas rev)	0.89	0.93	1.09	0.81	0.77	0.97
Oil	0.33	0.25	0.17	0.16	0.21	0.22
Total	1.23	1.18	1.26	0.97	0.98	1.20
Distributable Income/Revenue (%)	63	61	61	57	61	61
<i>Monthly Average Since March 2003</i>						
Natural Gas (mmcf/d)	8.05	8.25	7.92	7.89	7.66	
Oil (mbd)	0.83	0.78	0.78	0.78	0.76	
CRT/Henry Hub	0.87	0.80	0.88	0.88	0.88	
CRT/San Juan Index	1.12	1.12	1.13	1.15	1.17	
CRT/WTI Cushing	0.89	0.92	0.92	0.92	0.93	
Distributable Income/Revenue (%)	62	62	62	61	61	

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

Volume Decline (%/yr):	11	Price Escalation Post 2008 (%/yr):	3.0
Volume Enhancement (%/yr):	8	Discount rate (%/yr):	6.4
Capex/Cash Flow (%):	30	U.S. TIPS Inflation (%/yr):	2.2
Variable Cost (%):	18	U.S. 10 Year Yield (%/yr):	4.4
PV/Volume (\$/mcf):	1.74	PV/EBITDA 2004:	7.3

Year	Basic (bcf)	Volume Enhanced (bcf)	Total (bcf)	Price (\$/mcf)	Revenue (\$mm)	Fixed Cost (\$mm)	Var Cost (\$mm)	Cap Ex (\$mm)	Distribution (\$mm)	(\$/unit)	Disc Factor	Present Value (\$/unit)
Total 2004 through 2030; years ending on 6/30												
	242	121	363	5.10	1850	265	333	175	1078	26.94	0.59	15.80
2004	26.9	0.0	26.9	4.39	118.2	9.8	21.3	8.6	78.5	1.96	0.97	1.90
2005	24.1	2.2	26.2	4.55	119.2	9.8	21.5	26.4	61.6	1.54	0.91	1.40
2006	21.5	4.0	25.5	4.35	111.0	9.8	20.0	24.4	56.9	1.42	0.86	1.22
2007	19.2	5.6	24.9	4.33	107.7	9.8	19.4	23.6	55.0	1.37	0.80	1.11
2008	17.2	7.0	24.2	4.40	106.7	9.8	19.2	23.3	54.4	1.36	0.76	1.03
2009	15.4	8.2	23.6	4.45	105.1	9.8	18.9	22.9	53.5	1.34	0.71	0.95
2010	13.7	9.2	23.0	4.59	105.4	9.8	19.0	23.0	53.6	1.34	0.67	0.89
2011	12.3	10.1	22.4	4.72	105.7	9.8	19.0	23.1	53.8	1.35	0.63	0.84
2012	11.0	9.0	20.0	4.86	97.3	9.8	17.5		70.0	1.75	0.59	1.03
2013	9.8	8.1	17.9	5.01	89.6	9.8	16.1		63.7	1.59	0.55	0.88
2014	8.8	7.2	16.0	5.16	82.5	9.8	14.8		57.8	1.45	0.52	0.75
2015	7.8	6.5	14.3	5.31	75.9	9.8	13.7		52.5	1.31	0.49	0.64
2016	7.0	5.8	12.8	5.47	69.9	9.8	12.6		47.5	1.19	0.46	0.55
2017	6.3	5.2	11.4	5.63	64.4	9.8	11.6		43.0	1.07	0.43	0.46
2018	5.6	4.6	10.2	5.80	59.3	9.8	10.7		38.8	0.97	0.41	0.39
2019	5.0	4.1	9.1	5.97	54.6	9.8	9.8		34.9	0.87	0.38	0.33
2020	4.5	3.7	8.2	6.15	50.2	9.8	9.0		31.4	0.78	0.36	0.28
2021	4.0	3.3	7.3	6.33	46.2	9.8	8.3		28.1	0.70	0.34	0.24
2022	3.6	2.9	6.5	6.52	42.6	9.8	7.7		25.1	0.63	0.32	0.20
2023	3.2	2.6	5.8	6.72	39.2	9.8	7.1		22.3	0.56	0.30	0.17
2024	2.9	2.4	5.2	6.92	36.1	9.8	6.5		19.8	0.49	0.28	0.14
2025	2.6	2.1	4.7	7.12	33.2	9.8	6.0		17.4	0.44	0.26	0.11
2026	2.3	1.9	4.2	7.34	30.6	9.8	5.5		15.3	0.38	0.25	0.09
2027	2.0	1.7	3.7	7.56	28.2	9.8	5.1		13.3	0.33	0.23	0.08
2028	1.8	1.5	3.3	7.78	25.9	9.8	4.7		11.5	0.29	0.22	0.06
2029	1.6	1.3	3.0	8.01	23.9	9.8	4.3		9.8	0.24	0.20	0.05
2030	1.5	1.2	2.7	8.25	22.0	9.8	4.0		8.2	0.21	0.19	0.04

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**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>Next Twelve Months</i>
	<i>3/31/03</i>	<i>6/30/03</i>	<i>9/30/03</i>	<i>12/31</i>	<i>2003E</i>	<i>3/31/04</i>	<i>6/30/04</i>	<i>6/30/04</i>
Highlights								
Revenue (\$mm) (80%)	26.8	34.6	30.9	28.5	120.7	31.3	27.6	118.2
Cash flow (\$mm) (80%)	19.4	26.9	22.9	21.2	90.4	23.7	20.4	88.2
Per unit	0.49	0.67	0.57	0.53	2.26	0.59	0.51	2.20
Distributable Income (\$mm)	16.4	24.5	20.2	19.3	80.5	21.8	17.2	78.5
Per unit	0.41	0.61	0.51	0.48	2.01	0.55	0.43	1.96
Units (millions)	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Volume								
Natural Gas (bcf)	8.2	7.7	7.9	7.9	31.8	8.0	7.7	31.6
Natural Gas (mmcf)	88.8	87.0	86.2	86.2	87.0	87.0	87.0	86.6
Days	92	89	92	92	365	92	89	365
Oil (mb)	86	84	86	85	342	85	82	338
Oil (mmbd)	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Days	92	89	92	92	365	92	89	365
Total (bcf)	8.7	8.2	8.4	8.4	33.8	8.5	8.2	33.6
Price								
Natural Gas (HH lagged two months)								
Henry Hub (\$/mmbtu)	4.73	6.33	5.55	5.07	5.42	5.57	5.02	5.30
Differential (%)	20	17	18	18	18	18	18	18
HGT (\$/mcf)	3.80	5.23	4.54	4.15	4.42	4.57	4.12	4.35
Oil (\$/bbl) (WTI Cushing lagged two months)								
WTI Cushing	29.55	32.51	29.86	31.16	30.77	30.21	31.05	30.57
HGT	28.76	32.56	29.91	31.21	30.60	30.26	31.10	30.61
Total (\$/mcf)	3.86	5.24	4.57	4.22	4.46	4.59	4.18	4.39
Revenue (\$mm)								
Natural Gas	31.0	40.5	36.0	32.9	140.4	36.6	31.9	137.4
Oil	2.5	2.7	2.6	2.7	10.5	2.6	2.5	10.4
Total	33.5	43.2	38.6	35.6	150.9	39.1	34.4	147.8
Cost (\$mm)								
Tax, transport & other	3.3	3.5	3.8	3.6	14.1	3.9	3.4	14.7
Production	4.0	4.1	4.4	3.7	16.2	3.7	3.6	15.5
Overhead	1.9	2.0	1.8	1.8	7.6	1.8	1.8	7.3
Total	9.2	9.6	10.0	9.1	37.9	9.5	8.9	37.5
Cash flow (\$mm)	24.3	33.6	28.6	26.5	113.0	29.6	25.5	110.2
Development	3.7	2.8	2.3	2.3	11.0	2.3	4.0	10.8
Net proceeds (\$mm)	20.6	30.9	26.3	24.2	102.0	27.4	21.5	99.5
Royalty income (\$mm)	16.5	24.7	21.1	19.4	81.6	21.9	17.2	79.6
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%	80%
Administration	0.1	0.2	0.8	0.1	1.2	0.1	0.1	1.1
Distributable income (\$mm)	16.4	24.5	20.2	19.3	80.5	21.8	17.2	78.5
Tax and other/revenue	10%	8%	10%	10%	9%	10%	10%	10%
Production cost (\$/mcf)	0.46	0.50	0.52	0.44	0.48	0.44	0.44	0.46
Overhead cost (\$/mcf)	0.22	0.24	0.22	0.22	0.22	0.22	0.22	0.22
Development/Cash flow	0.15	0.08	0.08	0.08	0.10	0.08	0.16	0.10

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Natural Gas Royalty Trusts

A Weekly Analysis

August 21, 2003

Table HGT-3
Hugoton Royalty Trust
Monthly Declarations

	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03
Distribution (\$/unit)						
Declared	0.15	0.29	0.17	0.17	0.18	
Projected						0.16
Volume						
Natural Gas (bcf)	2.48	2.62	2.64	2.62	2.58	2.73
Natural Gas (mmcf)	88	85	88	85	86	88
Days	28	31	30	31	30	31
Price						
Natural gas industry quotes lagged two months (\$/mmbtu)						
Henry Hub Daily/Futures	7.77	5.95	5.26	5.81	5.82	5.03
HGT/Henry Hub	0.57	1.15	0.83	0.77	0.88	0.80
HGT (\$/mcf)	4.43	6.83	4.39	4.50	5.13	4.02
Revenue (\$mm)						
Natural Gas	11.0	17.9	11.6	11.8	13.2	11.0
Other	0.2	0.4	0.3	0.3	1.5	0.5
Total	10.8	17.5	11.3	11.5	11.7	10.5
Cost (\$mm)						
Production	1.5	1.3	1.3	1.4	1.6	1.4
Overhead	0.7	0.6	0.7	0.6	0.6	0.6
Total	2.1	1.9	2.0	2.0	2.2	2.0
Cash flow (\$mm)	8.7	15.5	9.2	9.5	9.6	8.5
Development	1.0	1.0	0.8	0.8	0.8	0.8
Net proceeds (\$mm)	7.7	14.5	8.5	8.7	8.8	7.8
Royalty income (\$mm)	6.1	11.6	6.8	7.0	7.0	6.2
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%
Distributable income (\$mm)	6.1	11.6	6.8	7.0	7.0	6.2
Units (millions)	40.0	40.0	40.0	40.0	40.0	40.0
Distribution (\$/unit)	0.15	0.29	0.17	0.17	0.18	0.16
<i>Latest Twelve Month Average</i>						
Natural Gas (mmcf)	91	91	90	89	89	
HGT/Henry Hub	0.75	0.79	0.79	0.79	0.80	
Other revenue (\$mm)	0.5	0.5	0.4	0.4	0.5	
Development (\$mm)	1.6	1.6	1.5	1.4	1.3	
Production (\$mm)	1.3	1.3	1.3	1.3	1.4	
Overhead (\$mm)	0.6	0.6	0.6	0.6	0.6	

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Natural Gas Royalty Trusts

A Weekly Analysis

August 21, 2003

Table SJT-1
San Juan Basin Royalty Trust
Present Value

Volume Decline (%/yr):	11	Price Escalation Post 2009 (%/yr):	3.0
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	6.4
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	2.2
Variable Cost (%):	12	U.S. 10 Year Yield (%/yr):	4.4
PV/Volume (\$/mcf):	1.70	PV/EBITDA 2004:	8.2

Year	Basic (bcf)	Volume Enhanced (bcf)	Total (bcf)	Price (\$/mcf)	Revenue (\$mm)	Fixed Cost (\$mm)	Var Cost (\$mm)	Cap Ex (\$mm)	Distribution (\$mm)	(\$/unit)	Disc Factor	Present Value (\$/unit)
Total 2004 through 2030; years ending on 6/30												
	300	200	501	4.56	2281	350	274	190	1468	31.50	0.58	18.30
2004	33.5	0.0	33.5	3.92	131.3	11.9	15.8	11.7	91.9	1.97	0.97	1.91
2005	29.9	3.3	33.3	4.04	134.5	13.0	16.1	26.3	79.0	1.70	0.91	1.54
2006	26.8	6.3	33.1	3.86	127.8	13.0	15.3	24.9	74.6	1.60	0.86	1.37
2007	23.9	9.0	32.9	3.85	126.6	13.0	15.2	24.6	73.8	1.58	0.80	1.27
2008	21.4	11.3	32.7	3.91	127.9	13.0	15.3	24.9	74.7	1.60	0.76	1.21
2009	19.1	13.4	32.5	3.96	128.6	13.0	15.4	25.0	75.1	1.61	0.71	1.14
2010	17.1	15.2	32.3	4.08	131.6	13.0	15.8	25.7	77.1	1.66	0.67	1.10
2011	15.3	16.8	32.1	4.20	134.7	13.0	16.2	26.4	79.2	1.70	0.63	1.07
2012	13.7	15.0	28.7	4.32	124.1	13.0	14.9		96.2	2.06	0.59	1.22
2013	12.2	13.4	25.7	4.45	114.2	13.0	13.7		87.5	1.88	0.55	1.04
2014	10.9	12.0	22.9	4.58	105.1	13.0	12.6		79.5	1.71	0.52	0.89
2015	9.8	10.7	20.5	4.72	96.8	13.0	11.6		72.2	1.55	0.49	0.76
2016	8.7	9.6	18.3	4.86	89.1	13.0	10.7		65.4	1.40	0.46	0.64
2017	7.8	8.6	16.4	5.01	82.0	13.0	9.8		59.2	1.27	0.43	0.55
2018	7.0	7.7	14.6	5.16	75.5	13.0	9.1		53.5	1.15	0.41	0.47
2019	6.2	6.9	13.1	5.31	69.5	13.0	8.3		48.2	1.03	0.38	0.39
2020	5.6	6.1	11.7	5.47	64.0	13.0	7.7		43.3	0.93	0.36	0.33
2021	5.0	5.5	10.5	5.63	58.9	13.0	7.1		38.9	0.83	0.34	0.28
2022	4.5	4.9	9.4	5.80	54.3	13.0	6.5		34.8	0.75	0.32	0.24
2023	4.0	4.4	8.4	5.97	50.0	13.0	6.0		31.0	0.66	0.30	0.20
2024	3.6	3.9	7.5	6.15	46.0	13.0	5.5		27.5	0.59	0.28	0.16
2025	3.2	3.5	6.7	6.33	42.3	13.0	5.1		24.3	0.52	0.26	0.14
2026	2.8	3.1	6.0	6.52	39.0	13.0	4.7		21.3	0.46	0.25	0.11
2027	2.5	2.8	5.3	6.72	35.9	13.0	4.3		18.6	0.40	0.23	0.09
2028	2.3	2.5	4.8	6.92	33.0	13.0	4.0		16.1	0.34	0.22	0.08
2029	2.0	2.2	4.3	7.12	30.4	13.0	3.7		13.8	0.30	0.20	0.06
2030	1.8	2.0	3.8	7.33	28.0	13.0	3.4		11.6	0.25	0.19	0.05

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Natural Gas Royalty Trusts

A Weekly Analysis

August 21, 2003

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>Next</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>Twelve</i>
								<i>Months</i>
								<i>6/30/04</i>
Highlights								
Revenue (\$mm) (75%)	31.0	35.7	33.0	31.4	131.1	34.5	32.3	131.3
Cash flow (\$mm) (75%)	24.9	29.1	26.8	25.3	106.2	28.1	26.3	106.5
Per unit	0.53	0.62	0.58	0.54	2.28	0.60	0.56	2.29
Distributable Income (\$mm)	19.5	25.6	23.2	21.7	90.0	24.4	22.6	91.9
Per unit	0.42	0.55	0.50	0.46	1.93	0.52	0.48	1.97
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Volume								
Natural gas (mmbtu)	12.6	11.4	11.8	12.2	48.0	12.2	11.8	47.9
Heat Content(btu/cf)	1,084	1,094	1,085	1,085	1,087	1,085	1,085	1,085
Natural gas (bcf)	11.6	10.5	10.8	11.2	44.2	11.2	10.9	44.1
Natural Gas (mmcf)	126.5	117.5	117.8	122.0	121.0	122.0	122.0	120.9
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)	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.2
Total gas & oil (bcf)	11.7	10.6	11.0	11.3	44.6	11.3	11.0	44.6
Price								
Natural gas (\$/mmbtu) (Henry Hub lagged two months)								
Henry Hub (\$/mmbtu)	4.73	6.33	5.55	5.07	5.42	5.57	5.40	5.40
Differential (%)	32	35	33	33	34	33	33	33
Total	3.24	4.10	3.72	3.39	3.60	3.73	3.62	3.61
Natural gas (\$/mcf)	3.51	4.48	4.04	3.68	3.91	4.05	3.93	3.92
Oil (\$/bbl) (WTI Cushing lagged two months)								
WTI Cushing	29.55	32.51	29.86	31.16	30.77	30.21	28.75	29.99
SJT	24.44	27.91	25.64	26.75	26.36	25.94	24.69	25.76
Total gas & oil (\$/mcf)	3.52	4.49	4.02	3.69	3.91	4.05	3.93	3.92
Revenue (\$mm)								
Natural Gas	40.9	46.9	43.5	41.3	172.6	45.4	42.6	172.9
Oil	0.4	0.7	0.5	0.6	2.2	0.5	0.5	2.1
Total	41.3	47.5	44.0	41.9	174.8	46.0	43.1	175.0
Cost (\$mm)								
Severance tax	4.2	4.8	4.6	4.2	17.8	4.6	4.3	17.7
Operating	3.9	3.9	3.7	3.9	15.4	3.9	3.8	15.3
Total	8.1	8.7	8.2	8.1	33.2	8.5	8.1	33.0
Cash flow (\$mm)								
Development	6.6	2.9	3.9	3.9	17.3	3.9	3.9	15.7
Net proceeds (\$mm)								
Royalty/Net proceeds	26.6	35.9	31.9	29.9	124.3	33.5	31.1	126.4
Royalty income (\$mm)								
Royalty/Net proceeds	19.9	27.0	23.9	22.4	93.2	25.2	23.3	94.8
Administration	0.4	0.4	0.7	0.7	2.3	0.7	0.7	2.9
One-time		0.9			0.9			-
Distributable income (\$mm)								
Severance tax/revenue	10.2%	10.2%	10.4%	10.0%	10.2%	10.0%	10.0%	10.1%
Operating cost (\$/mcf)	0.33	0.37	0.33	0.35	0.35	0.35	0.35	0.34
Development/Cash flow	20%	7%	11%	12%	12%	10%	11%	11%

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Natural Gas Royalty Trusts

A Weekly Analysis

August 21, 2003

Table SJT-3
San Juan Basin Royalty Trust
Monthly Declarations

	<i>Apr-03</i>	<i>May-03</i>	<i>Jun-03</i>	<i>Jul-03</i>	<i>Aug-03</i>	<i>Sep-03</i>
Distribution (\$/unit)						
Declared	0.16	0.26	0.13	0.15	0.17	
Projected						0.18
Volume						
Natural gas (mmbtu)	3.62	4.06	3.76	4.20	3.48	4.08
Heat Content(btu/cf)	1,107	1,075	1,102	1,077	1,101	1,080
Natural gas (bcf)	3.27	3.78	3.41	3.90	3.16	3.78
Natural Gas (mmcf)	117	122	114	126	105	122
Days	28	31	30	31	30	31
Price						
Natural gas industry quotes lagged two months (\$/mmbtu)						
Henry Hub Daily/Futures	7.77	5.95	5.26	5.81	5.82	5.03
San Juan Monthly Index	4.58	5.91	3.71	4.03	5.03	4.70
SJT/Henry Hub	0.54	0.84	0.59	0.52	0.75	0.76
SJT/San Juan Index	0.91	0.84	0.84	0.75	0.87	0.81
SJT (\$/mmbtu)	4.16	4.97	3.10	3.01	4.39	3.82
SJT (\$/mcf)	4.60	5.34	3.42	3.24	4.83	4.13
Revenue (\$mm)						
Natural Gas	15.0	20.2	11.7	12.6	15.3	15.6
Other	0.1	0.1	(0.1)	(0.0)	(0.2)	(0.2)
Cost (\$mm)						
Severance tax	1.6	2.1	1.2	1.6	1.4	1.7
Operating	1.4	1.3	1.2	1.3	1.2	1.2
Total	3.0	3.3	2.4	2.8	2.5	2.9
Cash flow (\$mm)	12.1	16.9	9.2	9.8	12.5	12.5
Development	1.1	0.5	1.2	0.8	1.7	1.4
Net proceeds (\$mm)	11.0	16.4	7.9	9.0	10.8	11.1
Royalty income (\$mm)	8.3	12.3	6.0	6.8	8.1	8.3
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%
One time	0.9					
Distributable income (\$mm)	7.4	12.3	6.0	6.8	8.1	8.3
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6
Distribution (\$/unit)	0.16	0.26	0.13	0.15	0.17	0.18
<i>Latest Twelve Month Average</i>						
Heat Content(btu/cf)	1,051	1,049	1,051	1,051	1,080	
Natural Gas (mmcf)	126	126	125	126	122	
SJT/Henry Hub	0.67	0.68	0.67	0.66	0.66	
SJT/San Juan Index	0.90	0.90	0.89	0.88	0.86	
Other revenue	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	
Operating	1.3	1.3	1.3	1.3	1.2	
Development	1.2	1.4	1.4	1.4	1.4	
Severance tax/revenue	10.2%	10.3%	10.3%	10.6%	10.6%	

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