

Natural Gas Royalty Trusts

A Weekly Analysis

September 4, 2003

Edited September 7, 2003

Quantitative Fine Points

Summary and Recommendation

Our detailed valuation continues to support investment in recommended **San Juan Basin Royalty Trust (SJT)**. Most important, the level and trend of six-year natural gas futures encourages long-term interest in our cleanest energy source. Tables for SJT and the two other trusts project cash flow to 2030, quarterly results for the Next Twelve Months ending September 30, 2004 and monthly distributions through December 2003. SJT would distribute cash over that period equivalent to 11.3% of current unit price. On the downside, distributions fluctuate. On the upside, production will likely last longer than projected and futures prices for natural gas probably understate the value and likely price of the fuel.

Kurt H. Wulff, CFA

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

	<i>Symbol/ Rating</i>	<i>Price (\$/sh) 5-Sep 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	18.55	18.4	340	15.40	-	1.20
Cross Timbers Royalty Trust	CRT	21.14	6.0	127	19.70	-	1.07
San Juan Basin Royalty Trust	SJT B	17.58	46.6	820	17.80	-	0.99

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) 5-Sep 2003</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	21.14	7.0	9.9	10	9.9	9.2
Hugoton RoyaltyTrust (46%)	HGT	18.55	6.6	8.9	10	9.7	7.4
San Juan Basin Royalty Trust	SJT B	17.58	6.2	7.6	9	11.3	7.7

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

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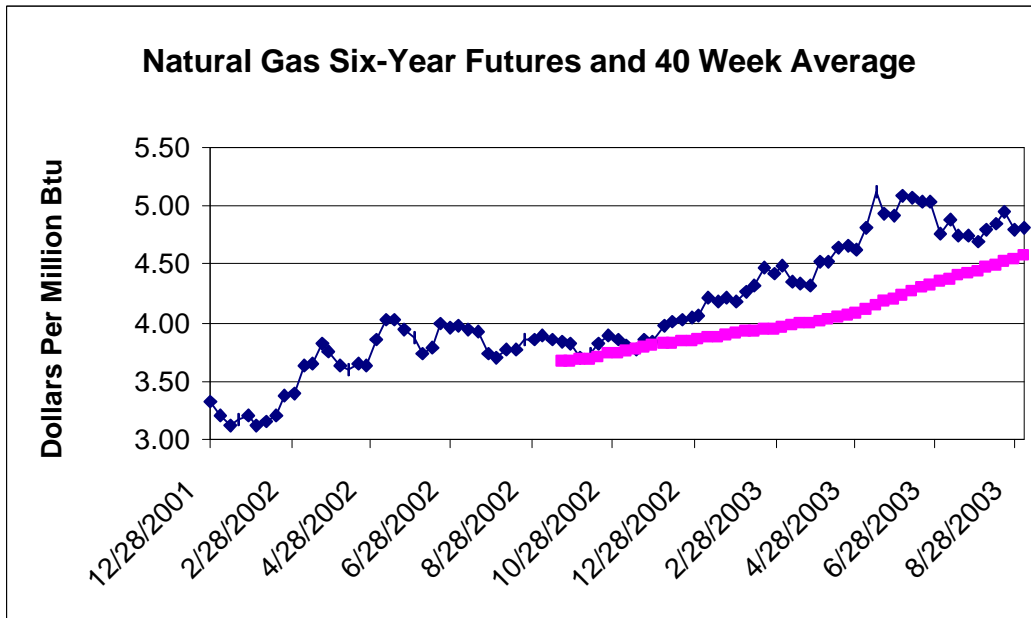
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Natural Gas and Oil Futures

September 3, 2003

	Year Ending September						Six
	2004	2005	2006	2007	2008	2009	Year
Natural Gas (\$/mmbtu)	4.95	4.78	4.72	4.76	4.80	4.83	4.81
Light Sweet Crude Oil (\$/bbl)	27.89	25.16	24.53	24.42	24.35	24.32	25.11
Natural Gas/Oil (6:1 = 1.0)	1.07	1.14	1.15	1.17	1.18	1.19	1.15

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):	6.0
Variable Cost (%):	16	U.S. TIPS Inflation (%/yr):	2.2
		U.S. 10 Year Yield (%/yr):	4.6

PV/Volume (\$/mcf):	2.97	PV/EBITDA 2004:	9.7
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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 (\$mm)	Distribution (\$/unit)		
Total 2004 through 2030; years ending on 9/30											
	24	16	40	5.32	212	34	18	196	32.74	0.60	19.70
2004	2.5	0.0	2.5	4.59	11.6	1.9	2.4	12.1	2.02	0.97	1.96
2005	2.3	0.3	2.5	4.59	11.6	1.9	1.6	11.3	1.88	0.92	1.73
2006	2.0	0.5	2.5	4.49	11.3	1.8	1.4	10.9	1.82	0.86	1.57
2007	1.8	0.7	2.5	4.49	11.3	1.8	1.3	10.8	1.81	0.82	1.47
2008	1.7	0.9	2.5	4.54	11.5	1.8	1.3	10.9	1.81	0.77	1.39
2009	1.5	1.0	2.5	4.59	11.6	1.9	1.2	10.9	1.82	0.73	1.32
2010	1.3	1.2	2.5	4.73	11.9	1.9	1.2	11.2	1.86	0.69	1.28
2011	1.2	1.3	2.5	4.87	12.3	2.0	1.1	11.4	1.91	0.65	1.23
2012	1.1	1.2	2.3	5.01	11.4	1.8	1.4	11.0	1.83	0.61	1.11
2013	1.0	1.1	2.0	5.16	10.6	1.7	1.2	10.1	1.68	0.58	0.97
2014	0.9	1.0	1.8	5.32	9.8	1.6	1.0	9.3	1.54	0.54	0.84
2015	0.8	0.9	1.7	5.48	9.1	1.5	0.9	8.5	1.42	0.51	0.73
2016	0.7	0.8	1.5	5.64	8.4	1.3	0.7	7.8	1.30	0.48	0.63
2017	0.6	0.7	1.3	5.81	7.8	1.2	0.6	7.2	1.19	0.46	0.54
2018	0.6	0.6	1.2	5.98	7.2	1.2	0.5	6.6	1.09	0.43	0.47
2019	0.5	0.6	1.1	6.16	6.7	1.1	0.4	6.0	1.00	0.41	0.41
2020	0.5	0.5	1.0	6.34	6.2	1.0	0.3	5.5	0.91	0.38	0.35
2021	0.4	0.5	0.9	6.53	5.7	0.9		4.8	0.80	0.36	0.29
2022	0.4	0.4	0.8	6.73	5.3	0.9		4.5	0.75	0.34	0.25
2023	0.3	0.4	0.7	6.93	4.9	0.8		4.1	0.69	0.32	0.22
2024	0.3	0.3	0.6	7.13	4.6	0.7		3.8	0.64	0.30	0.19
2025	0.3	0.3	0.6	7.34	4.2	0.7		3.6	0.59	0.29	0.17
2026	0.2	0.3	0.5	7.56	3.9	0.6		3.3	0.55	0.27	0.15
2027	0.2	0.2	0.5	7.79	3.6	0.6		3.1	0.51	0.25	0.13
2028	0.2	0.2	0.4	8.02	3.4	0.5		2.8	0.47	0.24	0.11
2029	0.2	0.2	0.4	8.26	3.1	0.5		2.6	0.44	0.23	0.10
2030	0.2	0.2	0.3	8.51	2.9	0.5		2.4	0.41	0.21	0.09

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Table CRT-2
Cross Timbers Royalty Trust
Distributable Income

	Q2	Q3E	Q4E	Year	Q1E	Q2E	Q3E	Next
	6/30/03	9/30/03	12/31/03	2003E	3/31/04	6/30/04	9/30/04	Twelve
								Months
								9/30/04
Highlights								
Distributable Income (\$mm)	3.67	3.15	3.28	12.69	3.12	3.23	2.89	12.52
Per unit	0.61	0.52	0.55	2.12	0.52	0.54	0.48	2.09
Units (millions)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Volume								
Natural Gas (bcf)	0.72	0.66	0.70	2.74	0.70	0.70	0.70	2.80
Natural Gas (mmcf)	8.0	7.3	7.7	7.5	7.7	7.7	7.7	7.7
Days	90	91	92	365	92	91	91	366
Oil (mb)	69	68	70	286	70	70	70	281
Oil (mbd)	0.78	0.74	0.76	0.78	0.76	0.76	0.76	0.76
Days	89	92	92	365	92	92	92	368
Total (bcf)	1.14	1.07	1.13	4.46	1.13	1.12	1.12	4.49
Price								
Natural Gas (HH lagged three months)								
Henry Hub (\$/mmbtu)	6.38	5.63	4.87	5.30	4.96	5.34	4.76	4.98
Differential (\$/mmbtu)	1.01	0.51	0.44	0.46	0.25	0.27	0.24	0.19
CRT (\$/mcf)	5.36	5.12	4.43	4.83	4.71	5.07	4.53	4.80
Oil (\$/bbl) (WTI lagged two months)								
WTI Cushing	32.51	29.86	30.18	30.52	29.12	28.06	27.01	28.59
CRT	29.88	27.97	28.27	28.15	27.28	26.29	25.30	26.74
Total (\$/mcf)	5.22	4.95	4.81	4.78	4.65	4.81	4.41	4.67
Revenue (\$mm)								
Natural Gas	3.88	3.40	3.44	13.27	3.32	3.54	3.16	13.45
Oil	2.06	1.89	1.97	8.06	1.92	1.85	1.78	7.51
Total	5.94	5.30	5.41	21.33	5.24	5.38	4.93	20.96
Cost (\$mm)								
Tax, transport & other	0.80	0.74	0.76	3.04	0.73	0.75	0.69	2.93
Production	0.83	0.83	0.83	3.30	0.83	0.83	0.83	3.30
Total	1.62	1.57	1.58	6.34	1.56	1.58	1.52	6.24
Cash flow (\$mm)								
Development	0.05	0.05	0.05	0.19	0.05	0.05	0.05	0.19
Excess or other				-				
Net proceeds (\$mm)	4.27	3.68	3.78	14.80	3.63	3.75	3.37	14.53
Royalty income (\$mm)								
Royalty/Net proceeds	88%	86%	88%	87%	87%	87%	87%	87%
Administration	0.09	0.03	0.03	0.21	0.04	0.04	0.04	0.15
Distributable income (\$mm)								
Tax and other/revenue	0.13	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Distributable Inc/Rev (%)	62	59	61	59	60	60	59	60

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Table CRT-3
Cross Timbers Royalty Trust
Monthly Distributions

	<i>Jun-03</i>	<i>Jul-03</i>	<i>Aug-03</i>	<i>Sep-03</i>	<i>Oct-03</i>	<i>Nov-03</i>	<i>Dec-03</i>
Distribution (\$/unit)							
Declared	0.21	0.16	0.16				
<i>Projected</i>				<i>0.20</i>	<i>0.19</i>	<i>0.17</i>	<i>0.18</i>
Volume							
Natural Gas (bcf)	215	233	202	230	237	237	230
Natural Gas (mmcf)	6.94	7.77	6.52	7.66	7.66	7.66	7.66
Days	31	30	31	30	31	31	30
Oil (mb)	23.6	23.8	20.2	23.7	23.7	22.9	23.7
Oil (mbd)	0.79	0.77	0.67	0.76	0.76	0.76	0.76
Days	30	31	30	31	31	30	31
Total (bcf)	357	376	323	372	379	375	372
Price							
Natural gas industry quotes lagged three months (\$/mmbtu)							
Henry Hub Daily/Futures	5.95	5.26	5.81	5.82	5.03	4.97	4.61
San Juan Monthly Index	5.91	3.71	4.03	5.03	4.70	4.03	4.44
CRT/Henry Hub	1.13	0.88	0.87	0.97	1.03	0.93	1.05
CRT/San Juan Index	1.14	1.25	1.26	1.12	1.10	1.14	1.09
CRT (\$/mcf)	6.73	4.64	5.07	5.66	5.18	4.61	4.85
Oil (\$/bbl)							
WTI Cushing (lagged two months)	28.38	28.11	30.72	30.74	31.61	29.43	29.49
CRT/WTI Cushing	0.91	0.93	0.95	0.93	0.93	0.93	0.93
CRT	25.77	26.25	29.27	28.59	29.39	27.37	27.43
Total (\$/mcf)	5.76	4.54	5.00	5.32	5.07	4.59	4.75
Revenue (\$mm)							
Natural Gas	1.45	1.08	1.02	1.30	1.23	1.10	1.12
Oil	0.61	0.62	0.59	0.68	0.70	0.63	0.65
Total	2.06	1.71	1.62	1.98	1.92	1.72	1.76
Distributable income (\$mm)							
Natural Gas (at 75% of nat gas rev)	1.09	0.81	0.77	0.97	0.92	0.82	0.84
Oil	0.17	0.16	0.21	0.22	0.25	0.22	0.23
Total	1.26	0.97	0.98	1.20	1.17	1.04	1.07
Distributable Income/Revenue (%)	61	57	61	61	61	61	61
<i>Monthly Average Since March 2003</i>							
Natural Gas (mmcf)	7.92	7.89	7.66				
Oil (mbd)	0.78	0.78	0.76				
CRT/Henry Hub	0.88	0.88	0.88				
CRT/San Juan Index	1.13	1.15	1.17				
CRT/WTI Cushing	0.92	0.92	0.93				
Distributable Income/Revenue (%)	62	61	61				

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Hugoton Royalty Trust
Present Value

Volume Decline (%/yr):	11	Price Escalation Post 2008 (%/yr):	3.0
Volume Enhancement (%/yr):	8	Discount rate (%/yr):	6.6
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	2.2
Variable Cost (%):	18	U.S. 10 Year Yield (%/yr):	4.6
PV/Volume (\$/mcf):	1.69	PV/EBITDA 2004:	7.5

Year	Basic (bcf)	Volume Enhanced (bcf)	Total (bcf)	Price (\$/mcf)	Revenue (\$mm)	Fixed Cost (\$mm)	Var Cost (\$mm)	Cap Ex (\$mm)	Distribution (\$mm)	(\$/unit)	Disc Factor	Present Value (\$/unit)
Total 2004 through 2030; years ending on 9/30												
	243	122	365	4.97	1814	298	327	144	1046	26.16	0.59	15.40
2004	27.1	0.0	27.1	4.18	113.2	11.0	20.4	10.0	71.8	1.79	0.97	1.74
2005	24.2	2.2	26.4	4.34	114.4	11.0	20.6	20.7	62.1	1.55	0.91	1.41
2006	21.7	4.0	25.7	4.25	109.2	11.0	19.7	19.6	58.9	1.47	0.85	1.26
2007	19.4	5.7	25.0	4.26	106.7	11.0	19.2	19.1	57.3	1.43	0.80	1.15
2008	17.3	7.1	24.4	4.30	104.9	11.0	18.9	18.8	56.3	1.41	0.75	1.06
2009	15.5	8.3	23.7	4.35	103.3	11.0	18.6	18.4	55.3	1.38	0.70	0.97
2010	13.8	9.3	23.1	4.48	103.6	11.0	18.7	18.5	55.5	1.39	0.66	0.92
2011	12.4	10.2	22.5	4.61	103.9	11.0	18.7	18.6	55.7	1.39	0.62	0.86
2012	11.1	9.1	20.1	4.75	95.7	11.0	17.2		67.4	1.69	0.58	0.98
2013	9.9	8.1	18.0	4.89	88.1	11.0	15.9		61.2	1.53	0.55	0.83
2014	8.8	7.3	16.1	5.04	81.1	11.0	14.6		55.5	1.39	0.51	0.71
2015	7.9	6.5	14.4	5.19	74.7	11.0	13.4		50.2	1.26	0.48	0.60
2016	7.1	5.8	12.9	5.34	68.7	11.0	12.4		45.3	1.13	0.45	0.51
2017	6.3	5.2	11.5	5.50	63.3	11.0	11.4		40.9	1.02	0.42	0.43
2018	5.6	4.6	10.3	5.67	58.3	11.0	10.5		36.8	0.92	0.40	0.36
2019	5.0	4.1	9.2	5.84	53.6	11.0	9.7		33.0	0.82	0.37	0.31
2020	4.5	3.7	8.2	6.01	49.4	11.0	8.9		29.5	0.74	0.35	0.26
2021	4.0	3.3	7.3	6.19	45.5	11.0	8.2		26.3	0.66	0.33	0.21
2022	3.6	3.0	6.6	6.37	41.9	11.0	7.5		23.3	0.58	0.31	0.18
2023	3.2	2.6	5.9	6.56	38.5	11.0	6.9		20.6	0.51	0.29	0.15
2024	2.9	2.4	5.2	6.76	35.5	11.0	6.4		18.1	0.45	0.27	0.12
2025	2.6	2.1	4.7	6.96	32.7	11.0	5.9		15.8	0.39	0.25	0.10
2026	2.3	1.9	4.2	7.17	30.1	11.0	5.4		13.6	0.34	0.24	0.08
2027	2.1	1.7	3.8	7.38	27.7	11.0	5.0		11.7	0.29	0.22	0.07
2028	1.8	1.5	3.4	7.60	25.5	11.0	4.6		9.9	0.25	0.21	0.05
2029	1.6	1.4	3.0	7.83	23.5	11.0	4.2		8.2	0.21	0.20	0.04
2030	1.5	1.2	2.7	8.06	21.6	11.0	3.9		6.7	0.17	0.18	0.03

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Distributable Income

	Q2	Q3E	Q4E	Year	Q1E	Q2E	Q3E	Next Twelve Months
	6/30/03	9/30/03	12/31	2003E	3/31/04	6/30/04	9/30/04	9/30/04
Highlights								
Revenue (\$mm) (80%)	34.6	31.4	28.3	121.1	29.6	28.3	27.0	113.2
Cash flow (\$mm) (80%)	26.9	23.4	20.7	90.5	22.0	20.9	19.7	83.3
Per unit	0.67	0.59	0.52	2.26	0.55	0.52	0.49	2.08
Distributable Income (\$mm)	24.5	20.8	17.7	79.4	20.1	17.6	16.4	71.8
Per unit	0.61	0.52	0.44	1.98	0.50	0.44	0.41	1.79
Units (millions)	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Volume								
Natural Gas (bcf)	7.7	7.9	8.1	31.9	8.0	7.7	8.0	31.8
Natural Gas (mmcf)	87.0	86.2	88.0	87.5	87.0	87.0	87.0	87.3
Days	89	92	92	365	92	89	92	365
Oil (mb)	84	86	85	342	85	82	84	336
Oil (mbd)	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Days	89	92	92	365	92	89	92	365
Total (bcf)	8.2	8.4	8.6	34.0	8.5	8.2	8.5	33.9
Price								
Natural Gas (HH lagged two months)								
Henry Hub (\$/mmbtu)	6.33	5.55	4.76	5.34	5.20	5.14	4.74	4.96
Differential (%)	17	17	15	17	17	17	17	17
HGT (\$/mcf)	5.23	4.63	4.05	4.41	4.31	4.27	3.94	4.14
Oil (\$/bbl) (WTI Cushing lagged two months)								
WTI Cushing	32.51	29.86	30.18	30.52	29.12	28.06	27.01	28.59
HGT	32.56	29.91	30.23	30.35	29.17	28.11	27.06	28.65
Total (\$/mcf)	5.24	4.65	4.11	4.45	4.35	4.29	3.97	4.18
Revenue (\$mm)								
Natural Gas	40.5	36.7	32.8	141.0	34.5	33.1	31.5	131.8
Oil	2.7	2.6	2.6	10.4	2.5	2.3	2.3	9.6
Total	43.2	39.3	35.3	151.3	37.0	35.3	33.8	141.5
Cost (\$mm)								
Tax, transport & other	3.5	3.8	3.5	14.1	3.7	3.5	3.4	14.1
Production	4.1	4.4	4.1	16.6	4.0	3.9	4.0	16.0
Overhead	2.0	1.8	1.8	7.6	1.8	1.8	1.8	7.3
Total	9.6	10.0	9.5	38.2	9.5	9.2	9.2	37.4
Cash flow (\$mm)								
Development	2.8	2.3	2.3	11.0	2.3	4.0	4.0	12.5
Net proceeds (\$mm)								
	30.9	27.0	23.6	102.1	25.3	22.1	20.6	91.6
Royalty income (\$mm)								
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%	80%
Administration	0.2	0.8	1.2	2.3	0.1	0.1	0.1	1.5
Distributable income (\$mm)								
Tax and other/revenue	8%	10%	10%	9%	10%	10%	10%	10%
Production cost (\$/mcf)	0.50	0.52	0.48	0.49	0.47	0.47	0.47	0.47
Overhead cost (\$/mcf)	0.24	0.22	0.21	0.22	0.21	0.22	0.21	0.21
Development/Cash flow	0.08	0.08	0.09	0.10	0.08	0.15	0.16	0.12

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Natural Gas Royalty Trusts

A Weekly Analysis

September 4, 2003

Edited September 7, 2003

Table HGT-3
Hugoton Royalty Trust
Monthly Declarations

	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03
Distribution (\$/unit)							
Declared	0.17	0.17	0.18				
Projected				0.17	0.16	0.14	0.14
Volume							
Natural Gas (bcf)	2.64	2.62	2.58	2.73	2.73	2.64	2.73
Natural Gas (mmcf/d)	88	85	86	88	88	88	88
Days	30	31	30	31	31	30	31
Price							
Natural gas industry quotes lagged two months (\$/mmbtu)							
Henry Hub Daily/Futures	5.26	5.81	5.82	5.03	4.97	4.61	4.69
HGT/Henry Hub	0.83	0.77	0.88	0.85	0.85	0.85	0.85
HGT (\$/mcf)	4.39	4.50	5.13	4.27	4.23	3.92	3.99
Revenue (\$mm)							
Natural Gas	11.6	11.8	13.2	11.7	11.5	10.3	10.9
Other	0.3	0.3	1.5	0.5	0.5	0.5	0.5
Total	11.3	11.5	11.7	11.2	11.1	9.9	10.4
Cost (\$mm)							
Production	1.3	1.4	1.6	1.4	1.4	1.4	1.4
Overhead	0.7	0.6	0.6	0.6	0.6	0.6	0.6
Total	2.0	2.0	2.2	2.0	2.0	2.0	2.0
Cash flow (\$mm)	9.2	9.5	9.6	9.2	9.1	7.9	8.4
Development	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Net proceeds (\$mm)	8.5	8.7	8.8	8.5	8.3	7.1	7.7
Royalty income (\$mm)	6.8	7.0	7.0	6.8	6.7	5.7	6.1
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%
Distributable income (\$mm)	6.8	7.0	7.0	6.8	6.7	5.7	6.1
Units (millions)	40.0	40.0	40.0	40.0	41.0	42.0	43.0
Distribution (\$/unit)	0.17	0.17	0.18	0.17	0.16	0.14	0.14
<i>Latest Twelve Month Average</i>							
Natural Gas (mmcf/d)	90	89	89				
HGT/Henry Hub	0.79	0.79	0.80				
Other revenue (\$mm)	0.4	0.4	0.5				
Development (\$mm)	1.5	1.4	1.3				
Production (\$mm)	1.3	1.3	1.4				
Overhead (\$mm)	0.6	0.6	0.6				

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Natural Gas Royalty Trusts

A Weekly Analysis

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Edited September 7, 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):	6.6
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	2.2
Variable Cost (%):	12	U.S. 10 Year Yield (%/yr):	4.6
PV/Volume (\$/mcf):	1.64	PV/EBITDA 2004:	7.9

Year	Basic (bcf)	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 9/30												
	303	202	504	4.45	2245	349	269	187	1440	30.90	0.58	17.80
2004	33.7	0.0	33.7	3.92	132.0	11.0	15.8	12.8	92.4	1.98	0.97	1.92
2005	30.1	3.4	33.5	3.85	129.1	13.0	15.5	25.2	75.5	1.62	0.91	1.47
2006	26.9	6.4	33.3	3.78	125.8	13.0	15.1	24.4	73.3	1.57	0.85	1.34
2007	24.1	9.0	33.1	3.79	125.4	13.0	15.1	24.3	73.0	1.57	0.80	1.25
2008	21.5	11.4	32.9	3.83	125.9	13.0	15.1	24.5	73.4	1.57	0.75	1.18
2009	19.3	13.5	32.7	3.87	126.5	13.0	15.2	24.6	73.8	1.58	0.70	1.11
2010	17.2	15.3	32.5	3.98	129.5	13.0	15.5	25.2	75.7	1.63	0.66	1.07
2011	15.4	16.9	32.3	4.10	132.6	13.0	15.9	25.9	77.7	1.67	0.62	1.03
2012	13.8	15.1	28.9	4.22	122.1	13.0	14.6		94.4	2.03	0.58	1.18
2013	12.3	13.5	25.8	4.35	112.4	13.0	13.5		85.9	1.84	0.55	1.01
2014	11.0	12.1	23.1	4.48	103.5	13.0	12.4		78.0	1.67	0.51	0.86
2015	9.8	10.8	20.6	4.61	95.2	13.0	11.4		70.8	1.52	0.48	0.73
2016	8.8	9.7	18.5	4.75	87.7	13.0	10.5		64.2	1.38	0.45	0.62
2017	7.9	8.6	16.5	4.89	80.7	13.0	9.7		58.0	1.25	0.42	0.53
2018	7.0	7.7	14.8	5.04	74.3	13.0	8.9		52.4	1.12	0.40	0.45
2019	6.3	6.9	13.2	5.19	68.4	13.0	8.2		47.2	1.01	0.37	0.38
2020	5.6	6.2	11.8	5.34	63.0	13.0	7.6		42.4	0.91	0.35	0.32
2021	5.0	5.5	10.5	5.50	58.0	13.0	7.0		38.0	0.82	0.33	0.27
2022	4.5	4.9	9.4	5.67	53.4	13.0	6.4		34.0	0.73	0.31	0.22
2023	4.0	4.4	8.4	5.83	49.2	13.0	5.9		30.3	0.65	0.29	0.19
2024	3.6	3.9	7.5	6.01	45.3	13.0	5.4		26.8	0.58	0.27	0.16
2025	3.2	3.5	6.7	6.19	41.7	13.0	5.0		23.7	0.51	0.25	0.13
2026	2.9	3.2	6.0	6.37	38.4	13.0	4.6		20.8	0.45	0.24	0.11
2027	2.6	2.8	5.4	6.56	35.3	13.0	4.2		18.1	0.39	0.22	0.09
2028	2.3	2.5	4.8	6.76	32.5	13.0	3.9		15.6	0.33	0.21	0.07
2029	2.0	2.3	4.3	6.96	29.9	13.0	3.6		13.3	0.29	0.20	0.06
2030	1.8	2.0	3.8	7.17	27.6	13.0	3.3		11.2	0.24	0.18	0.04

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Natural Gas Royalty Trusts

A Weekly Analysis

September 4, 2003

Edited September 7, 2003

Table SJT-2
San Juan Basin Royalty Trust
Distributable Income

	Q2	Q3E	Q4E	Year	Q1E	Q2E	Q3E	Next Twelve Months
	6/30/03	9/30/03	12/31/03	2003E	3/31/04	6/30/04	9/30/04	9/30/04
Highlights								
Revenue (\$mm) (75%)	35.7	33.0	33.4	133.0	34.4	32.9	31.4	132.0
Cash flow (\$mm) (75%)	29.1	26.8	27.1	107.9	28.0	26.8	25.3	107.1
Per unit	0.62	0.58	0.58	2.31	0.60	0.57	0.54	2.30
Distributable Income (\$mm)	25.6	23.3	23.4	91.8	24.3	23.1	21.6	92.4
Per unit	0.55	0.50	0.50	1.97	0.52	0.50	0.46	1.98
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Volume								
Natural gas (mmbtu)	11.4	11.8	12.1	47.9	12.1	11.7	12.1	48.0
Heat Content(btu/cf)	1,094	1,085	1,080	1,086	1,080	1,080	1,080	1,080
Natural gas (bcf)	10.5	10.8	11.2	44.1	11.2	10.8	11.2	44.5
Natural Gas (mmcf)	117.5	117.8	121.8	120.9	121.8	121.8	121.8	121.8
Days	89	92	92	365	92	89	92	365
Oil (mb)	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1
Oil (mbd)	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Total gas & oil (bcf)	10.6	11.0	11.3	44.6	11.3	11.0	11.3	45.0
Price								
Natural gas (\$/mmbtu) (Henry Hub lagged two months)								
Henry Hub (\$/mmbtu)	6.33	5.55	4.76	5.34	5.20	5.14	4.74	4.96
Differential (%)	35	33	24	32	28	28	28	27
Net to SJT (\$/mmbtu)	4.10	3.70	3.63	3.66	3.74	3.70	3.41	3.62
Natural gas (\$/mcf)	4.48	4.01	3.92	3.97	4.04	4.00	3.69	3.91
Oil (\$/bbl) (WTI Cushing lagged two months)								
WTI Cushing	32.51	29.86	30.18	30.52	29.12	28.06	27.01	28.59
SJT	27.91	25.64	25.91	26.15	25.01	24.09	23.19	24.55
Total gas & oil (\$/mcf)	4.49	4.02	3.93	3.97	4.05	4.00	3.69	3.92
Revenue (\$mm)								
Natural Gas	46.9	43.5	44.0	175.2	45.3	43.4	41.3	174.0
Oil	0.7	0.5	0.5	2.1	0.5	0.5	0.5	2.0
Total	47.5	44.0	44.5	177.3	45.8	43.9	41.8	176.0
Cost (\$mm)								
Severance tax	4.8	4.6	4.7	18.3	4.6	4.4	4.2	17.8
Operating	3.9	3.7	3.7	15.2	3.9	3.8	3.9	15.4
Total	8.7	8.2	8.4	33.5	8.5	8.2	8.1	33.2
Cash flow (\$mm)								
Development	2.9	3.9	4.3	17.6	4.3	4.3	4.3	17.0
Net proceeds (\$mm)								
	35.9	31.9	31.8	126.3	33.1	31.4	29.4	125.8
Royalty income (\$mm)								
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	75%
Administration	0.4	0.6	0.5	2.0	0.5	0.5	0.5	1.9
One-time	0.9			0.9				-
Distributable income (\$mm)								
	25.6	23.3	23.4	91.8	24.3	23.1	21.6	92.4
Severance tax/revenue	10.2%	10.4%	10.5%	10.3%	10.0%	10.0%	10.0%	10.1%
Operating cost (\$/mcf)	0.37	0.33	0.33	0.34	0.35	0.35	0.35	0.34
Development/Cash flow	7%	11%	12%	12%	11%	12%	13%	12%

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Natural Gas Royalty Trusts

A Weekly Analysis

September 4, 2003

Edited September 7, 2003

Table SJT-3
San Juan Basin Royalty Trust
Monthly Declarations

	<i>Jun-03</i>	<i>Jul-03</i>	<i>Aug-03</i>	<i>Sep-03</i>	<i>Oct-03</i>	<i>Nov-03</i>	<i>Dec-03</i>
Distribution (\$/unit)							
Declared	0.13	0.15	0.17				
Projected				0.18	0.16	0.17	0.17
Volume							
Natural gas (mmbtu)	3.76	4.20	3.48	4.08	4.08	3.95	4.08
Heat Content(btu/cf)	1,102	1,077	1,101	1,080	1,080	1,080	1,080
Natural gas (bcf)	3.41	3.90	3.16	3.78	3.78	3.65	3.78
Natural Gas (mmcf)	114	126	105	122	122	122	122
Days	30	31	30	31	31	30	31
Price							
Natural gas industry quotes lagged two months (\$/mmbtu)							
Henry Hub Daily/Futures	5.26	5.81	5.82	5.03	4.97	4.61	4.69
San Juan Monthly Index	3.71	4.03	5.03	4.70	4.03	4.44	4.20
San Juan Index/Henry Hub	0.70	0.69	0.86	0.93	0.81	0.96	0.89
SJT/San Juan Index	0.84	0.75	0.87	0.81	0.86	0.86	0.86
SJT (\$/mmbtu)	3.10	3.01	4.39	3.82	3.47	3.82	3.61
SJT (\$/mcf)	3.42	3.24	4.83	4.13	3.74	4.13	3.90
Revenue (\$mm)							
Natural Gas	11.7	12.6	15.3	15.6	14.1	15.1	14.7
Other	(0.1)	(0.0)	(0.2)	(0.0)	(0.0)	(0.0)	(0.0)
Cost (\$mm)							
Severance tax	1.2	1.6	1.4	1.7	1.5	1.6	1.6
Operating	1.2	1.3	1.2	1.2	1.2	1.2	1.2
Total	2.4	2.8	2.5	2.9	2.7	2.8	2.8
Cash flow (\$mm)	9.2	9.8	12.5	12.7	11.4	12.2	11.9
Development	1.2	0.8	1.7	1.4	1.4	1.4	1.4
Net proceeds (\$mm)	7.9	9.0	10.8	11.2	9.9	10.8	10.5
Royalty income (\$mm)	6.0	6.8	8.1	8.4	7.5	8.1	7.9
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%
One time							
Distributable income (\$mm)	6.0	6.8	8.1	8.4	7.5	8.1	7.9
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Distribution (\$/unit)	0.13	0.15	0.17	0.18	0.16	0.17	0.17
<i>Latest Twelve Month Average</i>							
Heat Content(btu/cf)	1,051	1,051	1,080				
Natural Gas (mmcf)	125	126	122				
San Juan Index/Henry Hub	0.75	0.75	0.77				
SJT/San Juan Index	0.89	0.88	0.86				
Other revenue	(0.0)	(0.0)	(0.0)				
Operating	1.3	1.3	1.2				
Development	1.4	1.4	1.4				
Severance tax/revenue	10.3%	10.6%	10.6%				

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