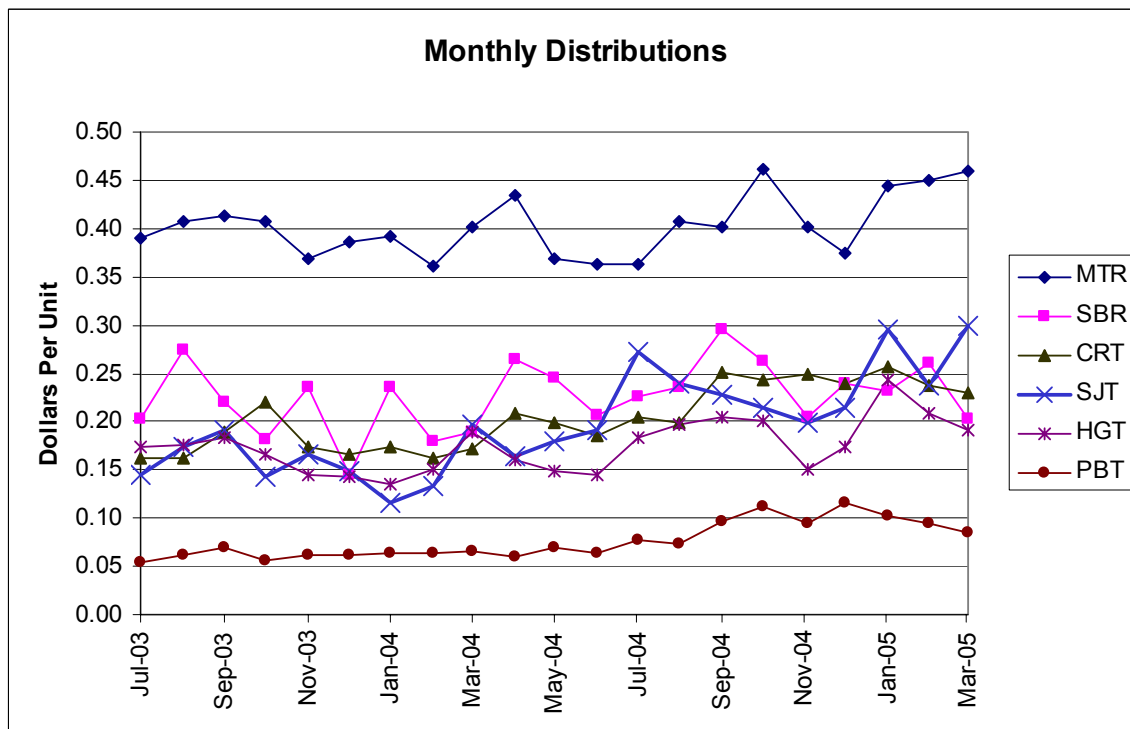


Continuing Uptrend

Summary and Recommendation

Through the ups and downs of short-term swings, oil and gas commodity prices and oil and gas stock prices appear to be in a continuing uptrend. Distribution declarations for March are up from the previous month for **San Juan Basin Royalty Trust (SJT)** and **Mesa Royalty Trust (MTR)** (see chart Monthly Distributions). The commodity price acceleration of the past month will be rolling through to distributions to be declared in May and June. Valuation is reasonable at a median McDep Ratio of 1.12 where 1.0 corresponds to \$40 a barrel oil price (see table Rank by McDep Ratio and Rank by PV/Ebitda). Oil for delivery over the next 72 months is \$52. An account with roughly equal holdings of seven royalty trust type stocks appears to offer cash distributions for the next twelve months at 9.2% of current stock price (see table The Account).

Kurt H. Wulff, CFA



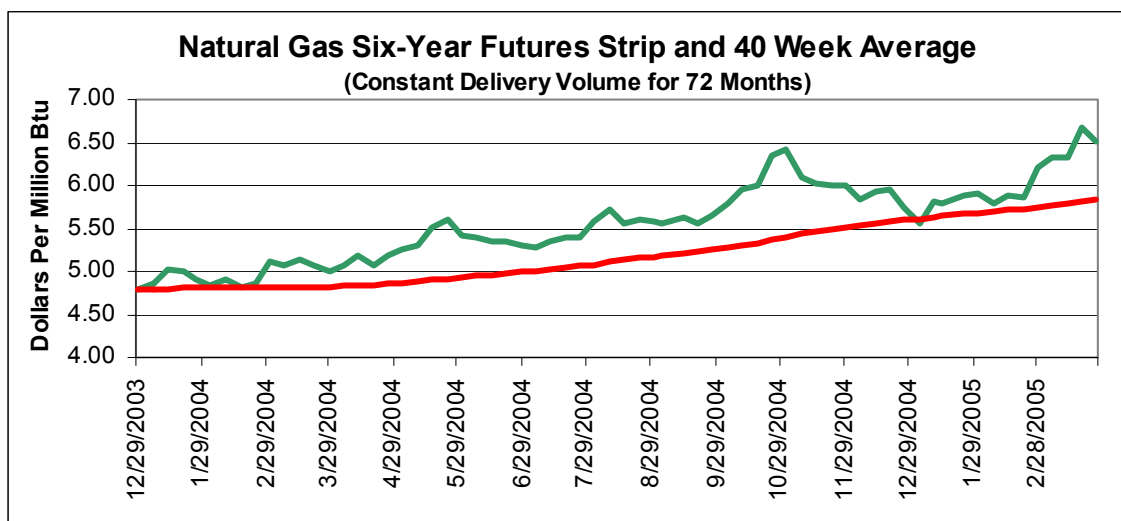
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Rank by McDep Ratio: Market Cap and Debt to Present Value

	Symbol	Price (\$/sh) 24-Mar 2005	Shares (mm)	Market Cap (\$mm)	Net Present Value (\$/sh)	EV/ Ebitda NTM	McDep Ratio
San Juan Basin Royalty Trust	SJT	35.91	46.6	1,670	30.00	10.0	1.20
Permian Basin RT (41%)	PBT	14.22	19.1	270	12.00	9.7	1.19
Sabine Royalty Trust	SBR	38.54	14.6	560	33.00	10.1	1.17
Cross Timbers Royalty Trust	CRT	40.31	6.0	240	36.00	12.4	1.12
Mesa RoyaltyTrust	MTR	67.33	1.9	130	60.00	10.7	1.12
Hugoton RoyaltyTrust (46%)	HGT	30.00	18.4	550	27.00	9.0	1.11
Dorchester Minerals, L.P.	DMLP	22.30	27.0	600	21.00	9.3	1.06
<i>Total or Median</i>				4,000		10.0	1.12

Rank by PV/Ebitda: Present Value to Earnings Before Interest, Tax, Deprec.

	Symbol	Total Present Value (\$mm)	Unit Present Value (\$/mcf)	Reserves (bcf)	Natural Gas/ Ebitda (%)	Adjusted Reserves/ Production NTM	Revenue Royalty (%)	PV/ Ebitda
U.S. Royalty Trusts								
Cross Timbers Royalty Trust	CRT	216	3.90	55	73	13.3	85	11.1
Mesa RoyaltyTrust	MTR	112	2.50	45	76	20.0	-	9.5
Dorchester Minerals, L.P.	DMLP	568	6.15	92	79	8.6	57	8.7
Sabine Royalty Trust	SBR	481	6.70	72	60	7.8	100	8.7
San Juan Basin Royalty Trust	SJT	1,398	2.50	558	99	12.5	-	8.3
Permian Basin RT (41%)	PBT	229	4.80	48	40	8.8	34	8.2
Hugoton RoyaltyTrust (46%)	HGT	497	2.90	171	92	13.7	-	8.1
<i>Total or Median</i>		3,501		1,042	76	12.5		8.7



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U.S. Natural Gas and Oil Royalty Trusts

The Account

	<i>Symbol</i>	<i>Price (\$/un) 24-Mar 2005</i>	<i>Units</i>	<i>Market Value (\$)</i>	<i>Next Twelve Months Distrib. (\$/un)</i>	<i>NTM Distrib. Yield (%/yr)</i>
Cross Timbers Royalty Trust	CRT	40.31	400	16,124	3.20	7.9
Mesa RoyaltyTrust	MTR	67.33	200	13,466	5.50	8.2
Hugoton Royalty Trust	HGT	30.00	500	15,000	2.73	9.1
San Juan Basin Royalty Trust	SJT	35.91	500	17,955	3.29	9.2
Permian Basin Royalty Trust	PBT	14.22	1,200	17,064	1.35	9.5
Sabine Royalty Trust	SBR	38.54	400	15,416	3.80	9.9
Dorchester Minerals, L.P.	DMLP	22.30	700	15,609	2.40	10.8
	<i>Total</i>			<i>110,634</i>		<i>9.2</i>
Futures Strip						
		12 Month - Oil (\$/bbl)		55.56		
		12 Month - Natural Gas (\$/mmbtu)		7.67		
		72 Month - Oil (\$/bbl)		51.99		
		72 Month - Natural Gas (\$/mmbtu)		6.52		

Index of Recent U.S. Royalty Trust Research

Single Trust Analyses

<i>Date</i>	<i>Symbol</i>	<i>Stock</i>	<i>Theme</i>
24-Mar	MTR	Mesa Royalty Trust	Long Reserve Life Reported
11-Feb	* HGT	Hugoton Royalty Trust	Improving Volume Trend
3-Feb	* SJT	San Juan Basin Royalty Trust	Real Value with Income
22-Nov	* MTR	Mesa Royalty Trust	Hugoton Predictability, San Juan Surprise
12-Nov	* CRT	Cross Timbers Royalty Trust	Low Risk, Long Life

U.S. Natural Gas Royalty Trusts - A Weekly Analysis

25-Mar		Distributions
18-Mar		Value Implications
11-Mar	*	More Real Value
4-Mar	*	San Juan Showcase
25-Feb	*	New High for Six-Year Oil
18-Feb	*	Founding Father Speaks

* Archived on www.mcdep.com

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