

Natural Gas Royalty Trusts

A Weekly Analysis

May 6, 2002

Powered by Futures

Despite lower price for Rocky Mountain and San Juan Basin natural gas compared to the industry reference point in Louisiana, powerful moves in natural gas futures lead to a median 5% gain in Present Value and a median 4% gain in estimated Next Twelve Months Distribution. Though we increased the estimated location differential in wellhead price for the royalty trusts, a 5% gain in six-year natural gas futures and a 6% gain in one-year natural gas futures proved to be more important.

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

	<i>Symbol/ Rating</i>	<i>Price (\$/sh) 2-May 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	18.38	6.0	110	19.60	-	0.94
San Juan Basin Royalty Trust	SJT 2	11.68	46.6	540	16.50	-	0.71
Hugoton RoyaltyTrust (46%)	HGT	11.22	18.4	210	16.30	-	0.69

Buy/Sell rating after symbol: 1 - Strong Buy, 2 - Buy, 3 - Neutral, 4 - Sell, 5 - Strong 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) 2-May 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	18.38	6.8	9.7	11	9.5	10.4
San Juan Basin Royalty Trust	SJT 2	11.68	5.6	7.2	10	10.0	10.1
Hugoton RoyaltyTrust (46%)	HGT	11.22	4.5	6.5	9	11.2	9.4

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

Price Upside Remains

Six-year natural gas again barely exceeds six-year oil. A 20% premium might be justified. Moreover six-year oil is still low, in our opinion, at little more than \$22 per barrel (see chart).

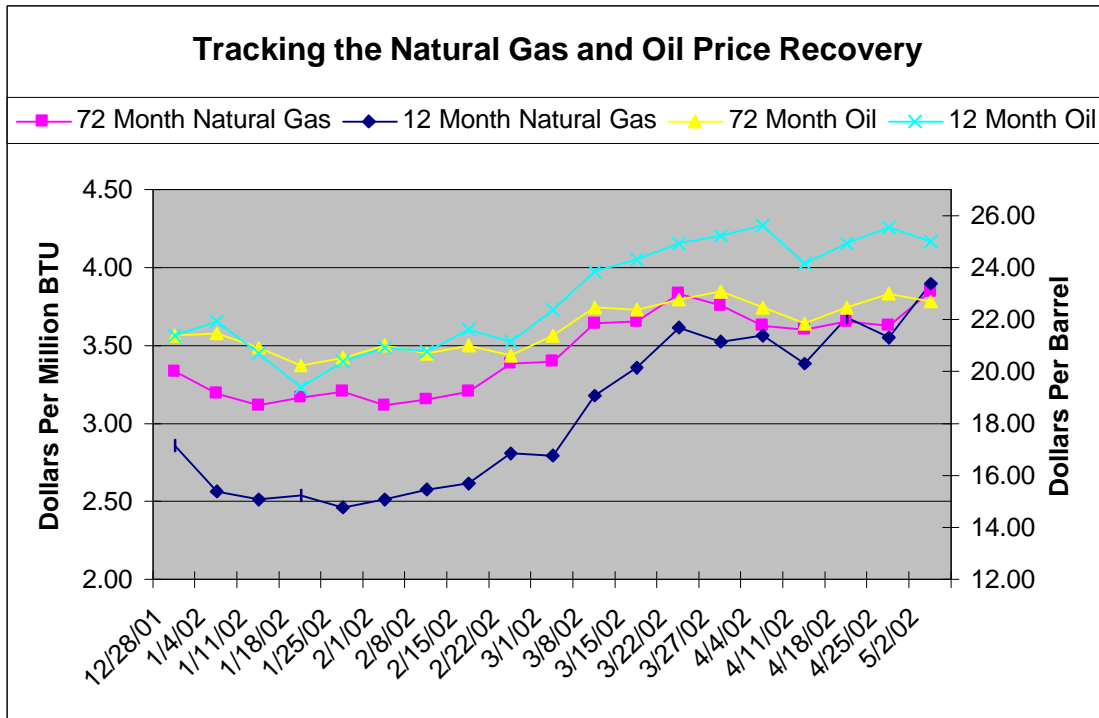
Kurt H. Wulff, CFA

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Table SJT-1
San Juan Basin Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation Post 2007 (%/yr):	2.8
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	6.5
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	2.0
Variable Cost (%):	11	U.S. 10 Year Yield (%/yr):	5.1

PV/Volume (\$/mcf):	1.26	PV/EBITDA 2002:	11.9
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Year	Basic (bcf)	Volume Enhanced (bcf)	Total (bcf)	Price (\$/mcf)	Revenue (\$mm)	Fixed Cost (\$mm)	Var Cost (\$mm)	Cap Ex (\$mm)	Distribution (\$/unit)	Tax Credit (\$/unit)	Disc Factor	Present Value (\$/unit)	
Total 2002 through 2031													
	326	284	610	3.85	2351	417	259	223	1453	31.17	0.12	0.53	16.50
2002	34.1	0.0	34.1	2.58	88.0	13.9	9.7	23.1	41.3	0.89	0.12	0.97	0.97
2003	30.7	3.4	34.1	3.33	113.5	13.9	12.5	21.8	65.4	1.40		0.91	1.28
2004	27.6	6.5	34.1	3.28	111.7	13.9	12.3	21.4	64.2	1.38		0.85	1.18
2005	24.9	9.2	34.1	3.23	110.0	13.9	12.1	21.0	63.0	1.35		0.80	1.08
2006	22.4	11.7	34.1	3.23	110.2	13.9	12.1	21.0	63.1	1.35		0.75	1.02
2007	20.1	14.0	34.1	3.29	112.1	13.9	12.3	21.5	64.4	1.38		0.71	0.98
2008	18.1	16.0	34.1	3.38	115.3	13.9	12.7	22.2	66.5	1.43		0.66	0.95
2009	16.3	17.8	34.1	3.48	118.5	13.9	13.0	22.9	68.7	1.47		0.62	0.92
2010	14.7	19.4	34.1	3.57	121.9	13.9	13.4	23.6	70.9	1.52		0.59	0.89
2011	13.2	20.9	34.1	3.68	125.3	13.9	13.8	24.4	73.2	1.57		0.55	0.86
2012	11.9	18.8	30.7	3.78	116.0	13.9	12.8		89.3	1.92		0.52	0.99
2013	10.7	16.9	27.6	3.89	107.3	13.9	11.8		81.6	1.75		0.48	0.85
2014	9.6	15.2	24.9	4.00	99.3	13.9	10.9		74.5	1.60		0.45	0.73
2015	8.7	13.7	22.4	4.11	91.9	13.9	10.1		67.9	1.46		0.43	0.62
2016	7.8	12.3	20.1	4.22	85.0	13.9	9.4		61.8	1.33		0.40	0.53
2017	7.0	11.1	18.1	4.34	78.7	13.9	8.7		56.1	1.20		0.38	0.45
2018	6.3	10.0	16.3	4.47	72.8	13.9	8.0		50.9	1.09		0.35	0.39
2019	5.7	9.0	14.7	4.59	67.4	13.9	7.4		46.1	0.99		0.33	0.33
2020	5.1	8.1	13.2	4.72	62.4	13.9	6.9		41.6	0.89		0.31	0.28
2021	4.6	7.3	11.9	4.85	57.7	13.9	6.3		37.5	0.80		0.29	0.23
2022	4.1	6.6	10.7	4.99	53.4	13.9	5.9		33.6	0.72		0.27	0.20
2023	3.7	5.9	9.6	5.13	49.4	13.9	5.4		30.1	0.65		0.26	0.17
2024	3.4	5.3	8.7	5.28	45.7	13.9	5.0		26.8	0.58		0.24	0.14
2025	3.0	4.8	7.8	5.43	42.3	13.9	4.7		23.8	0.51		0.23	0.12
2026	2.7	4.3	7.0	5.58	39.2	13.9	4.3		21.0	0.45		0.21	0.10
2027	2.4	3.9	6.3	5.74	36.2	13.9	4.0		18.4	0.39		0.20	0.08
2028	2.2	3.5	5.7	5.90	33.5	13.9	3.7		15.9	0.34		0.19	0.06
2029	2.0	3.1	5.1	6.06	31.0	13.9	3.4		13.7	0.29		0.18	0.05
2030	1.8	2.8	4.6	6.23	28.7	13.9	3.2		11.7	0.25		0.17	0.04
2031	1.6	2.5	4.1	6.41	26.6	13.9	2.9		9.8	0.21		0.16	0.03

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Table CRT-2
Cross Timbers Royalty Trust
Distributable Income

	Q2	Q3	Q4	Year	Q1E	Q2E	Q3E	Q4E	Year	Q1E	Next Twelve Months
	6/30/01	9/30/01	12/31/01	2001	3/31/02	6/30/02	9/30/02	12/31/02	2002E	3/31/03	3/31/03
Highlights											
Tax credit (\$mm)											
Per unit	0.03	0.03	0.03	0.11	0.03	0.03	0.03	0.03	0.11		0.08
Distributable Income (\$mm)	4.18	3.40	2.58	14.21	1.80	1.97	2.77	2.82	9.37	2.92	10.49
Per unit	0.70	0.57	0.43	2.37	0.30	0.33	0.46	0.47	1.56	0.49	1.75
Units (millions)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Volume											
Natural Gas (bcf)	0.71	0.79	0.77	2.93	0.76	0.75	0.76	0.76	3.03	0.76	3.03
Natural Gas (mmcf)	7.8	8.6	8.4	8.0	8.3	8.3	8.3	8.3	8.3	8.3	8.3
Days	90	91	92	365	92	90	91	92	365	92	365
Oil (mb)	79	90	99	351	88	85	88	88	350	88	350
Oil (mbd)	0.89	0.98	1.08	0.96	0.96	0.96	0.96	0.96	0.96	0.96	3.84
Days	89	92	92	365	92	89	92	92	365	92	365
Total (bcf)	1.18	1.33	1.37	5.03	1.29	1.26	1.29	1.29	5.13	1.29	5.13
Price											
Natural Gas (HH lagged three months)											
Henry Hub (\$/mmbtu)	6.31	4.36	2.75	4.98	2.41	2.53	3.60	3.74	3.07	3.98	3.46
Differential (\$/mmbtu)	(0.48)	(0.41)	(0.24)	(0.11)	(0.14)	0.05	0.07	0.07	0.01	0.08	0.06
CRT (\$/mcf)	6.79	4.77	2.99	5.09	2.55	2.48	3.53	3.66	3.06	3.90	3.40
Oil (\$/bbl) (WTI lagged two months)											
WTI Cushing	28.09	27.56	25.28	27.94	19.56	23.80	26.16	25.45	23.74	24.87	25.07
CRT	24.92	24.07	22.75	24.99	17.56	21.80	24.16	23.45	21.74	22.87	23.08
Total (\$/mcf)	5.73	4.46	3.34	4.70	2.71	2.95	3.73	3.76	3.29	3.87	3.58
Revenue (\$mm)											
Natural Gas	4.79	3.75	2.31	14.91	1.95	1.85	2.67	2.80	9.27	2.98	10.30
Oil	1.98	2.16	2.25	8.77	1.55	1.86	2.13	2.07	7.62	2.02	8.09
Total	6.77	5.91	4.56	23.68	3.50	3.72	4.80	4.87	16.88	5.00	18.38
Cost (\$mm)											
Tax, transport & other											
Production	0.89	0.87	0.69	3.30	0.49	0.52	0.67	0.68	2.36	0.70	2.57
Total	0.74	0.73	0.73	2.91	0.73	0.71	0.73	0.73	2.91	0.73	2.91
Cash flow (\$mm)											
Development	1.63	1.60	1.42	6.20	1.22	1.23	1.41	1.41	5.27	1.43	5.48
Net proceeds (\$mm)	5.14	4.31	3.14	17.48	2.28	2.49	3.40	3.45	11.61	3.57	12.90
Royalty income (\$mm)	0.41	0.40	0.16	1.13	0.20	0.20	0.20	0.20	0.80	0.20	0.80
Royalty/Net proceeds	4.73	3.91	2.98	16.34	2.08	2.29	3.20	3.25	10.81	3.37	12.10
Administration	4.22	3.45	2.61	14.39	1.83	2.01	2.81	2.86	9.52	2.96	10.65
Distributable income (\$mm)	0.89%	88%	88%	88%	88%	88%	88%	88%	88%	88%	88%
Modeling ratios	0.04	0.05	0.03	0.18	0.02	0.04	0.04	0.04	0.14	0.04	0.16
Tax and other/revenue	4.18	3.40	2.58	14.21	1.80	1.97	2.77	2.82	9.37	2.92	10.49
Production exp (\$/bbl)	0.13	0.15	0.15	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
	9.29	8.12	7.37	8.28	8.30	8.30	8.30	8.30	8.30	8.30	8.30

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Table HGT-1
Hugoton Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation Post 2007 (%/yr):	2.8
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	6.5
Capex/Cash Flow (%):	30	U.S. TIPS Inflation (%/yr):	2.0
Variable Cost (%):	17	U.S. 10 Year Yield (%/yr):	5.1
PV/Volume (\$/mcf):	1.20	PV/EBITDA 2002:	10.8

Year	Basic (bcf)	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 2002 through 2031													
	291	253	543	4.22	2295	437	390	231	1237	30.91	0.02	0.53	16.30
2002	30.4	0.0	30.4	2.97	90.2	14.6	15.3	18.3	42.0	1.05	0.02	0.97	1.03
2003	27.3	3.0	30.4	3.64	110.6	14.6	18.8	23.2	54.1	1.35		0.91	1.23
2004	24.6	5.8	30.4	3.59	108.8	14.6	18.5	22.7	53.0	1.33		0.85	1.13
2005	22.1	8.2	30.4	3.53	107.2	14.6	18.2	22.3	52.1	1.30		0.80	1.04
2006	19.9	10.4	30.4	3.54	107.3	14.6	18.2	22.4	52.2	1.30		0.75	0.98
2007	17.9	12.4	30.4	3.60	109.2	14.6	18.6	22.8	53.3	1.33		0.71	0.94
2008	16.1	14.2	30.4	3.70	112.3	14.6	19.1	23.6	55.0	1.38		0.66	0.91
2009	14.5	15.8	30.4	3.80	115.5	14.6	19.6	24.4	56.9	1.42		0.62	0.89
2010	13.1	17.3	30.4	3.91	118.7	14.6	20.2	25.2	58.8	1.47		0.59	0.86
2011	11.8	18.6	30.4	4.02	122.1	14.6	20.8	26.0	60.7	1.52		0.55	0.83
2012	10.6	16.7	27.3	4.14	113.0	14.6	19.2		79.2	1.98		0.52	1.02
2013	9.5	15.1	24.6	4.25	104.5	14.6	17.8		72.2	1.80		0.48	0.87
2014	8.6	13.6	22.1	4.37	96.7	14.6	16.4		65.7	1.64		0.45	0.75
2015	7.7	12.2	19.9	4.49	89.5	14.6	15.2		59.7	1.49		0.43	0.64
2016	6.9	11.0	17.9	4.62	82.8	14.6	14.1		54.2	1.35		0.40	0.54
2017	6.2	9.9	16.1	4.75	76.7	14.6	13.0		49.0	1.23		0.38	0.46
2018	5.6	8.9	14.5	4.89	70.9	14.6	12.1		44.3	1.11		0.35	0.39
2019	5.1	8.0	13.1	5.02	65.6	14.6	11.2		39.9	1.00		0.33	0.33
2020	4.6	7.2	11.8	5.17	60.7	14.6	10.3		35.8	0.90		0.31	0.28
2021	4.1	6.5	10.6	5.31	56.2	14.6	9.6		32.1	0.80		0.29	0.23
2022	3.7	5.8	9.5	5.46	52.0	14.6	8.8		28.6	0.71		0.27	0.20
2023	3.3	5.3	8.6	5.61	48.1	14.6	8.2		25.4	0.63		0.26	0.16
2024	3.0	4.7	7.7	5.77	44.5	14.6	7.6		22.4	0.56		0.24	0.14
2025	2.7	4.3	6.9	5.94	41.2	14.6	7.0		19.6	0.49		0.23	0.11
2026	2.4	3.8	6.2	6.10	38.1	14.6	6.5		17.1	0.43		0.21	0.09
2027	2.2	3.4	5.6	6.28	35.3	14.6	6.0		14.7	0.37		0.20	0.07
2028	2.0	3.1	5.1	6.45	32.7	14.6	5.6		12.5	0.31		0.19	0.06
2029	1.8	2.8	4.6	6.63	30.2	14.6	5.1		10.5	0.26		0.18	0.05
2030	1.6	2.5	4.1	6.82	28.0	14.6	4.8		8.6	0.22		0.17	0.04
2031	1.4	2.3	3.7	7.01	25.9	14.6	4.4		6.9	0.17		0.16	0.03

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Distributable Income

	Q2	Q3	Q4	Year	Q1E	Q2E	Q3E	Q4E	Year	Q1E	Next
	6/30/01	9/30/01	12/31/01	2001	3/31/02	6/30/02	9/30/02	12/31/02	2002E	3/31/03	Twelve
											Months
											3/31/03
Highlights											
Revenue (\$mm) (80%)	39.5	27.9	18.5	134.7	18.6	19.6	25.9	26.1	90.2	28.7	100.3
Cash flow (\$mm) (80%)	30.5	20.4	12.9	103.2	11.6	12.4	17.9	18.2	60.2	20.5	69.0
Per unit	0.76	0.51	0.32	2.58	0.29	0.31	0.45	0.45	1.50	0.51	1.73
Tax credit (\$mm)	0.2	0.2	0.2	0.7	0.2	0.2	0.2	0.2	0.7		0.5
Per unit	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.02		0.01
Distributable Income (\$mm)	21.7	15.3	8.5	79.1	7.4	7.8	13.3	13.5	42.0	15.8	50.5
Per unit	0.54	0.38	0.21	1.98	0.18	0.20	0.33	0.34	1.05	0.40	1.26
Units (millions)	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Volume											
Natural Gas (bcf)	8.7	9.2	9.5	36.6	9.0	8.7	9.0	9.0	35.7	9.0	35.7
Natural Gas (mmcf/d)	97.8	99.8	103.5	100.3	98.1	97.8	97.8	97.8	97.9	97.8	97.8
Days	89	92	92	365	92	89	92	92	365	92	365
Oil (mb)	102	101	95	394	94	90	92	91	368	91	365
Oil (mbd)	1.1	1.1	1.0	1.1	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Days	89	92	92	365	92	89	92	92	365	92	365
Total (bcf)	9.3	9.8	10.1	39.0	9.6	9.2	9.6	9.5	37.9	9.5	37.9
Price											
Natural Gas (HH lagged two months)											
Henry Hub (\$/mmbtu)	5.30	3.67	2.53	4.77	2.34	2.92	3.70	3.75	3.18	4.16	3.63
Differential (\$/mmbtu)	(0.03)	0.16	0.35	0.46	(0.03)	0.35	0.37	0.38	0.26	0.42	0.37
HGT (\$/mcf)	5.34	3.51	2.18	4.30	2.38	2.57	3.33	3.38	2.92	3.74	3.26
Oil (\$/bbl) (WTI Cushing lagged two months)											
WTI Cushing	28.09	27.56	25.28	27.94	19.56	23.80	26.16	25.45	23.74	24.87	25.07
HGT	28.37	26.56	25.02	27.60	19.06	23.30	25.66	24.95	23.22	24.37	24.58
Total (\$/mcf)	5.30	3.57	2.30	4.32	2.43	2.65	3.38	3.42	2.97	3.76	3.31
Revenue (\$mm)											
Natural Gas	46.4	32.3	20.8	157.5	21.5	22.4	30.0	30.4	104.2	33.7	116.4
Oil	2.9	2.7	2.4	10.9	1.8	2.1	2.4	2.3	8.6	2.2	9.0
Total	49.3	34.9	23.2	168.4	23.3	24.5	32.3	32.7	112.7	35.9	125.3
Cost (\$mm)											
Tax, transport & other	5.0	3.3	2.1	15.4	2.3	2.4	3.2	3.3	11.3	3.6	12.5
Production	4.3	4.2	2.8	16.1	4.4	4.6	4.8	4.8	18.6	4.8	18.9
Overhead	1.9	2.0	2.2	7.9	2.0	1.8	1.9	1.9	7.7	1.9	7.6
Total	11.2	9.4	7.1	39.4	8.7	8.9	9.9	9.9	37.5	10.3	39.1
Cash flow (\$mm)	38.1	25.5	16.1	129.0	14.5	15.6	22.4	22.7	75.2	25.6	86.3
Development	11.0	6.3	5.5	29.9	5.8	5.7	5.7	5.7	22.9	5.7	22.8
Net proceeds (\$mm)	27.2	19.2	10.6	99.1	8.8	9.9	16.7	17.0	52.3	19.9	63.5
Royalty income (\$mm)	21.7	15.4	8.5	79.3	7.0	7.9	13.4	13.6	41.9	15.9	50.8
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Administration	0.0	0.1	0.0	0.2	(0.3)	0.1	0.1	0.1	(0.1)	0.1	0.3
Distributable income (\$mm)	21.7	15.3	8.5	79.1	7.4	7.8	13.3	13.5	42.0	15.8	50.5
Cost ratios											
Tax and other/revenue	10%	9%	9%	9%	10%	10%	10%	10%	10%	10%	10%
Production cost (\$/mcf)	0.46	0.42	0.28	0.41	0.46	0.50	0.50	0.50	0.49	0.50	0.50
Overhead cost (\$/mcf)	0.21	0.20	0.22	0.20	0.21	0.20	0.20	0.20	0.20	0.20	0.20
Development/Cash flow	0.29	0.25	0.34	0.23	0.40	0.37	0.25	0.25	0.30	0.22	0.26

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Natural Gas Royalty Trusts

A Weekly Analysis

May 6, 2002

Table SJT-1
San Juan Basin Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation Post 2007 (%/yr):	2.8
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	6.5
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	2.0
Variable Cost (%):	11	U.S. 10 Year Yield (%/yr):	5.1

PV/Volume (\$/mcf):	1.26	PV/EBITDA 2002:	11.9
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Year	Basic (bcf)	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 2002 through 2031													
	326	284	610	3.85	2351	417	259	223	1453	31.17	0.12	0.53	16.50
2002	34.1	0.0	34.1	2.58	88.0	13.9	9.7	23.1	41.3	0.89	0.12	0.97	0.97
2003	30.7	3.4	34.1	3.33	113.5	13.9	12.5	21.8	65.4	1.40		0.91	1.28
2004	27.6	6.5	34.1	3.28	111.7	13.9	12.3	21.4	64.2	1.38		0.85	1.18
2005	24.9	9.2	34.1	3.23	110.0	13.9	12.1	21.0	63.0	1.35		0.80	1.08
2006	22.4	11.7	34.1	3.23	110.2	13.9	12.1	21.0	63.1	1.35		0.75	1.02
2007	20.1	14.0	34.1	3.29	112.1	13.9	12.3	21.5	64.4	1.38		0.71	0.98
2008	18.1	16.0	34.1	3.38	115.3	13.9	12.7	22.2	66.5	1.43		0.66	0.95
2009	16.3	17.8	34.1	3.48	118.5	13.9	13.0	22.9	68.7	1.47		0.62	0.92
2010	14.7	19.4	34.1	3.57	121.9	13.9	13.4	23.6	70.9	1.52		0.59	0.89
2011	13.2	20.9	34.1	3.68	125.3	13.9	13.8	24.4	73.2	1.57		0.55	0.86
2012	11.9	18.8	30.7	3.78	116.0	13.9	12.8		89.3	1.92		0.52	0.99
2013	10.7	16.9	27.6	3.89	107.3	13.9	11.8		81.6	1.75		0.48	0.85
2014	9.6	15.2	24.9	4.00	99.3	13.9	10.9		74.5	1.60		0.45	0.73
2015	8.7	13.7	22.4	4.11	91.9	13.9	10.1		67.9	1.46		0.43	0.62
2016	7.8	12.3	20.1	4.22	85.0	13.9	9.4		61.8	1.33		0.40	0.53
2017	7.0	11.1	18.1	4.34	78.7	13.9	8.7		56.1	1.20		0.38	0.45
2018	6.3	10.0	16.3	4.47	72.8	13.9	8.0		50.9	1.09		0.35	0.39
2019	5.7	9.0	14.7	4.59	67.4	13.9	7.4		46.1	0.99		0.33	0.33
2020	5.1	8.1	13.2	4.72	62.4	13.9	6.9		41.6	0.89		0.31	0.28
2021	4.6	7.3	11.9	4.85	57.7	13.9	6.3		37.5	0.80		0.29	0.23
2022	4.1	6.6	10.7	4.99	53.4	13.9	5.9		33.6	0.72		0.27	0.20
2023	3.7	5.9	9.6	5.13	49.4	13.9	5.4		30.1	0.65		0.26	0.17
2024	3.4	5.3	8.7	5.28	45.7	13.9	5.0		26.8	0.58		0.24	0.14
2025	3.0	4.8	7.8	5.43	42.3	13.9	4.7		23.8	0.51		0.23	0.12
2026	2.7	4.3	7.0	5.58	39.2	13.9	4.3		21.0	0.45		0.21	0.10
2027	2.4	3.9	6.3	5.74	36.2	13.9	4.0		18.4	0.39		0.20	0.08
2028	2.2	3.5	5.7	5.90	33.5	13.9	3.7		15.9	0.34		0.19	0.06
2029	2.0	3.1	5.1	6.06	31.0	13.9	3.4		13.7	0.29		0.18	0.05
2030	1.8	2.8	4.6	6.23	28.7	13.9	3.2		11.7	0.25		0.17	0.04
2031	1.6	2.5	4.1	6.41	26.6	13.9	2.9		9.8	0.21		0.16	0.03

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Natural Gas Royalty Trusts
A Weekly Analysis
May 6, 2002

Table SJT-2
San Juan Basin Royalty Trust
Distributable Income

	Q2 6/30/01	Q3 9/30/01	Q4 12/31/01	Year 2001	Q1E 3/31/02	Q2E 6/30/02	Q3E 9/30/02	Q4E 12/31/02	Year 2002E	Q1E 3/31/03	Next Twelve Months 3/31/03
Highlights											
Revenue (\$mm) (75%)	38.7	25.5	14.8	128.5	19.1	17.5	25.5	25.8	88.0	28.6	97.4
Cash flow (\$mm) (75%)	31.9	20.0	10.1	104.3	14.1	12.8	20.1	20.4	67.3	22.9	76.1
Per unit	0.69	0.43	0.22	2.24	0.30	0.27	0.43	0.44	1.44	0.49	1.63
Tax credit (\$mm)	1.9	1.4	1.4	6.5	1.4	1.4	1.4	1.4	5.6		4.2
Per unit	0.04	0.03	0.03	0.14	0.03	0.03	0.03	0.03	0.12		0.09
Distributable Income (\$mm)	26.3	13.7	2.9	80.1	3.5	7.8	14.9	15.1	41.3	16.9	54.7
Per unit	0.56	0.29	0.06	1.72	0.08	0.17	0.32	0.32	0.89	0.36	1.17
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Volume											
Natural gas (mmbtu)	11.3	11.9	11.3	46.4	12.5	11.5	11.9	11.9	47.9	11.9	47.3
Heat Content(btu/cf)	1,095	1,070	1,106	1,080	1,092	1,057	1,057	1,057	1,066	1,057	1,057
Natural gas (bcf)	10.4	11.1	10.2	43.0	11.5	10.9	11.3	11.3	45.0	11.3	44.8
Natural Gas (mmcf/d)	116.4	120.6	111.4	117.7	124.7	122.7	122.7	122.7	123.2	122.7	122.7
Days	89	92	92	365	92	89	92	92	365	92	365
Oil (mb)	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.1
Oil (mbd)	0.3	0.2	0.2	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Total gas & oil (bcf)	10.5	11.2	10.4	43.5	11.6	11.0	11.4	11.4	45.5	11.4	45.3
Price											
Natural gas (\$/mmbtu) (Henry Hub lagged two months)											
Henry Hub (\$/mmbtu)	5.30	3.67	2.53	4.77	2.34	2.92	3.70	3.75	3.18	4.16	3.63
Differential (%)	15	23	33	24	14	32	24	24	24	24	25
Total	4.49	2.82	1.69	3.65	2.01	1.99	2.81	2.85	2.41	3.16	2.71
Natural gas (\$/mcf)	4.92	3.02	1.87	3.94	2.20	2.10	2.97	3.01	2.57	3.34	2.86
Oil (\$/bbl) (WTI Cushing lagged two months)											
WTI Cushing	28.09	27.56	25.28	27.43	19.56	23.80	26.16	25.45	23.74	24.87	25.07
SJT	24.60	23.72	24.49	24.99	15.56	19.80	22.16	21.45	19.74	20.87	21.08
Total gas & oil (\$/mcf)	4.91	3.03	1.90	3.94	2.20	2.11	2.98	3.02	2.58	3.34	2.87
Revenue (\$mm)											
Natural Gas	50.9	33.5	19.2	169.1	25.2	22.9	33.5	34.0	115.7	37.7	128.2
Oil	0.6	0.5	0.5	2.3	0.3	0.4	0.5	0.4	1.6	0.4	1.7
Total	51.6	34.0	19.7	171.4	25.5	23.3	34.0	34.4	117.3	38.1	129.9
Cost (\$mm)											
Severance tax	5.2	3.7	2.1	17.4	2.6	2.3	3.4	3.4	11.7	3.8	12.9
Operating	3.8	3.7	4.2	14.9	4.1	4.0	3.8	3.8	15.8	3.8	15.5
Total	9.0	7.3	6.2	32.3	6.7	6.3	7.2	7.3	27.6	7.6	28.5
Cash flow (\$mm)											
Development	42.6	26.7	13.5	139.1	18.8	17.0	26.8	27.2	89.7	30.5	101.4
Development	7.1	8.1	11.5	33.0	11.3	6.0	6.7	6.8	30.8	7.6	27.1
Net proceeds (\$mm)											
Net proceeds	35.5	18.6	1.9	106.1	7.5	11.0	20.1	20.4	58.9	22.9	74.3
Royalty income (\$mm)											
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
Administration	0.4	0.3	(1.5)	(0.6)	2.1	0.4	0.2	0.2	2.9	0.2	1.0
One-time				-					-		-
Distributable income (\$mm)											
Distributable income	26.3	13.7	2.9	80.1	3.5	7.8	14.9	15.1	41.3	16.9	54.7
Modeling ratios											
Severance tax/revenue	10.0%	10.7%	10.5%	10.2%	10.2%	9.8%	10.0%	10.0%	10.0%	10.0%	10.0%
Operating cost (\$/mcf)	0.36	0.33	0.40	0.34	0.36	0.36	0.34	0.34	0.35	0.34	0.34

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Natural Gas Royalty Trusts

A Weekly Analysis

May 6, 2002

Table SJT-3
San Juan Basin Royalty Trust
Monthly Declarations

	<i>Feb-02</i>	<i>Mar-02</i>	<i>Apr-02</i>	<i>May-02</i>	<i>Jun-02</i>	<i>Jul-02</i>
Distribution (\$/unit)						
Declared	0.01	0.06	0.01			
Projected				0.06	0.09	0.08
Volume						
Natural gas (mmbtu)	4.46	4.19	3.82	3.92	3.80	3.92
Heat Content(btu/cf)	1,099	1,087	1,057	1,057	1,057	1,057
Natural gas (bcf)	4.05	3.86	3.62	3.71	3.59	3.71
Natural Gas (mmcf)	131	124	129	120	120	120
Days	31	31	28	31	30	31
Price						
Natural gas industry quotes lagged two months (\$/mmbtu)						
Henry Hub Daily/Futures	2.41	2.25	2.31	3.03	3.42	3.70
San Juan Monthly Index	2.32	2.42	1.81	2.14	3.04	2.39
SJT/Henry Hub	0.77	0.92	0.62	0.64	0.75	0.59
SJT/San Juan Index	0.80	0.86	0.80	0.91	0.85	0.91
SJT (\$/mmbtu)	1.86	2.08	1.44	1.95	2.58	2.17
SJT (\$/mcf)	2.04	2.26	1.52	2.06	2.72	2.30
Revenue (\$mm)						
Natural Gas	8.3	8.7	5.5	7.6	9.8	8.5
Other	(0.5)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)
Cost (\$mm)						
Severance tax	0.9	0.9	0.5	0.8	1.0	0.9
Operating	1.5	1.2	1.4	1.3	1.3	1.3
Total	2.3	2.1	1.8	2.1	2.3	2.2
Cash flow (\$mm)	5.5	6.4	3.6	5.5	7.4	6.3
Development	4.8	2.4	3.0	1.5	1.5	1.5
Net proceeds (\$mm)	0.7	4.0	0.6	4.0	5.9	4.8
Royalty income (\$mm)	0.5	3.0	0.5	3.0	4.4	3.6
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%
Distributable income (\$mm)	0.5	3.0	0.5	3.0	4.4	3.6
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6
<i>Latest Twelve Month Average</i>						
Heat Content(btu/cf)	1,088	1,090	1,088			
Natural Gas (mmcf)	118	118	120			
SJT/Henry Hub	0.79	0.79	0.76			
SJT/San Juan Index	0.84	0.85	0.84			
Other revenue	0.0	0.0	0.0			
Operating	1.3	1.3	1.3			
Development	3.1	3.2	3.3			
Severance tax/revenue	10.4%	10.5%	10.4%			

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