

SJT Proxy Proposes New Trustee

Summary and Recommendation

While our buy recommendation is SJT, we also regard HGT and CRT as attractive investments. Regarding SJT, we are gratified to receive credit for our role in nominating a successor trustee. In turn we are thankful to the investors who supported our recommendation of the successor nominee by signing the nomination letter and/or otherwise communicating their preferences. Here are excerpts from the preliminary proxy statement filed by the current trustee of the San Juan Basin Royalty Trust:

“On June 11, 2002, the Trustee submitted a letter of its resignation as trustee of the Trust to the Unit Holders.The Trustee formed a committee to solicit, investigate and choose a nominee.The committee reviewed the materials submitted by the interested candidates and decided to nominate Bank of America. However, the Trustee then received a notice from Unit Holders collectively owning more than 15% of the Units nominating TexasBank for appointment as successor trustee of the Trust at the Special Meeting (the "Nominee"). The Unit Holders who nominated the Nominee are: **McDep Associates**; [*bold facing added; other holders listed in filing, but omitted here*]. Upon receipt of the notice, the committee met, consulted with counsel and determined that the subject Unit Holders were qualified and entitled to nominate the Nominee under the terms of the Indenture, that the Nominee was qualified to serve as successor trustee under the terms of the Indenture, and that the Nominee was willing to serve as trustee if appointed as the successor trustee. After reviewing the qualifications of the Unit Holders and the Nominee, the committee determined that it was in the best interests of the Trust to defer to the nomination of the Unit Holders. The committee's decision was based on several factors including, but not limited to, the fact that the Nominee met the qualifications set forth in the Indenture, and the committee did not think that it was in the best interest of the Trust to have competing nominees.”

Otherwise during the past week, gains in one-year natural gas futures triggered more than one sigma gains in estimated Next Twelve Months distributions for CRT and HGT. The gain for SJT was slightly less than one sigma because of an increase in estimated processing costs for coal seam gas. The expiration of a credit resulting from an earlier legal settlement is explained in SJT's 10-Q report for the second quarter filed with the Securities and Exchange Commission. Meanwhile stock prices narrowed the gap with six-year natural gas futures (see Chart).

Kurt H. Wulff, CFA

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Natural Gas Royalty Trusts

A Weekly Analysis

August 19, 2002

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

	Symbol/ Rating	Price (\$/sh) 15-Aug 2002	Shares (mm)	Market Cap (\$mm)	Net Present Value (\$/sh)	Debt/ Present Value	McDep Ratio	
Cross Timbers Royalty Trust	CRT	16.74	6.0	100	20.40	-	0.82	
Hugoton RoyaltyTrust (46%)	HGT	11.24	18.4	210	15.60	-	0.72	
San Juan Basin Royalty Trust	SJT	2	10.99	46.6	510	15.70	-	0.70

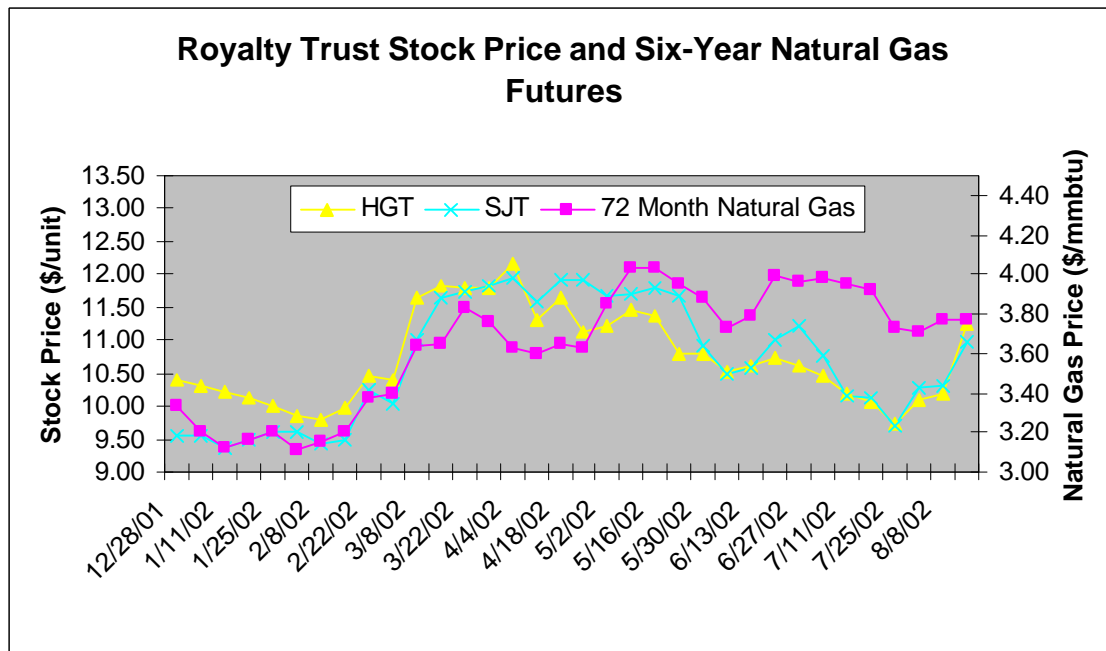
Buy/Sell rating after symbol: 1 - Strong Buy, 2 - Buy, 3 - Neutral, 4 - Sell, 5 - Strong Sell

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.

	Symbol/ Rating	Price (\$/sh) 15-Aug 2002	EV/ Sales NTM	EV/ Ebitda NTM	Dividend or Distribution P/E NTM	NTM (%)	PV/ Ebitda NTM
Cross Timbers Royalty Trust	CRT	16.74	6.1	8.8	10	10.4	10.8
Hugoton RoyaltyTrust (46%)	HGT	11.24	5.0	7.5	11	9.3	10.4
San Juan Basin Royalty Trust	SJT	2	10.99	5.6	7.3	10	10.4

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended June 30, 2003; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses



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Natural Gas Royalty Trusts

A Weekly Analysis

August 19, 2002

Table CRT-1
Cross Timbers Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation post 2007 (%/yr):	2.5
Volume Enhancement (%/yr):	10	Discount Rate (%/yr):	5.5
		U.S. TIPS Inflation (%/yr):	1.7
		U.S. 10 Year Yield (%/yr):	4.1
PV/Volume (\$/mcf):	2.64	PV/EBITDA 2002:	11.0

Year	Natural Gas Volume			Price (\$/mcf)	Revenue (\$mm)	Oil Net (\$mm)	Distribution (\$mm)	Tax Credit (\$/unit)	Disc Factor	Present Value (\$/unit)	
	Basic (bcf)	Enhanced (bcf)	Total (bcf)								
Total 2003 through 2032; years ending on 6/30											
	26	20	46	4.21	195	7	203	33.79	0.05	0.60	20.40
2003	2.7	0.0	2.7	3.33	9.1	1.4	10.5	1.75	0.05	0.97	1.75
2004	2.5	0.3	2.7	3.63	9.9	1.3	11.2	1.87		0.92	1.73
2005	2.2	0.5	2.7	3.61	9.8	1.0	10.9	1.81		0.87	1.59
2006	2.0	0.7	2.7	3.58	9.7	0.9	10.7	1.78		0.83	1.47
2007	1.8	0.9	2.7	3.59	9.8	0.8	10.6	1.76		0.79	1.39
2008	1.6	1.1	2.7	3.68	10.0	0.7	10.7	1.79		0.75	1.33
2009	1.4	1.3	2.7	3.78	10.3	0.6	10.9	1.82		0.71	1.29
2010	1.3	1.4	2.7	3.87	10.6	0.6	11.2	1.86		0.67	1.25
2011	1.2	1.6	2.7	3.97	10.8		10.8	1.80		0.63	1.14
2012	1.1	1.4	2.5	4.07	10.0		10.0	1.66		0.60	1.00
2013	1.0	1.3	2.2	4.17	9.2		9.2	1.54		0.57	0.88
2014	0.9	1.1	2.0	4.28	8.5		8.5	1.42		0.54	0.77
2015	0.8	1.0	1.8	4.38	7.8		7.8	1.31		0.51	0.67
2016	0.7	0.9	1.6	4.49	7.2		7.2	1.21		0.49	0.59
2017	0.6	0.8	1.4	4.61	6.7		6.7	1.11		0.46	0.51
2018	0.6	0.7	1.3	4.72	6.2		6.2	1.03		0.44	0.45
2019	0.5	0.7	1.2	4.84	5.7		5.7	0.95		0.41	0.39
2020	0.5	0.6	1.1	4.96	5.2		5.2	0.87		0.39	0.34
2021	0.4	0.5	1.0	5.09	4.8		4.8	0.81		0.37	0.30
2022	0.4	0.5	0.9	5.22	4.5		4.5	0.74		0.35	0.26
2023	0.3	0.4	0.8	5.35	4.1		4.1	0.69		0.33	0.23
2024	0.3	0.4	0.7	5.48	3.8		3.8	0.63		0.32	0.20
2025	0.3	0.4	0.6	5.62	3.5		3.5	0.58		0.30	0.18
2026	0.2	0.3	0.6	5.76	3.2		3.2	0.54		0.28	0.15
2027	0.2	0.3	0.5	5.91	3.0		3.0	0.50		0.27	0.13
2028	0.2	0.3	0.5	6.06	2.8		2.8	0.46		0.26	0.12
2029	0.2	0.2	0.4	6.21	2.5		2.5	0.42		0.24	0.10
2030	0.2	0.2	0.4	6.37	2.3		2.3	0.39		0.23	0.09
2031	0.1	0.2	0.3	6.53	2.2		2.2	0.36		0.22	0.08
2032	0.1	0.2	0.3	6.69	2.0		2.0	0.33		0.21	0.07

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Natural Gas Royalty Trusts

A Weekly Analysis

August 19, 2002

Table CRT-2
Cross Timbers Royalty Trust
Distributable Income

	<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>3/31/02</i>	<i>6/30/02</i>	<i>9/30/02</i>	<i>12/31/02</i>	<i>2002E</i>	<i>3/31/03</i>	<i>6/30/03</i>	<i>Twelve</i>
								<i>Months</i>
								<i>6/30/03</i>
Highlights								
Tax credit (\$mm)								
Per unit	0.03	0.03	0.03	0.03	0.10			0.05
Distributable Income (\$mm)	1.80	1.72	2.58	2.43	8.54	2.71	2.77	10.50
Per unit	0.30	0.29	0.43	0.40	1.42	0.45	0.46	1.75
Units (millions)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Volume								
Natural Gas (bcf)	0.78	0.75	0.76	0.76	3.05	0.76	0.75	3.03
Natural Gas (mmcf)	8.5	8.3	8.3	8.3	8.3	8.3	8.3	8.3
Days	92	90	91	92	365	92	90	365
Oil (mb)	83	80	83	83	330	83	80	330
Oil (mbd)	0.90	0.90	0.90	0.90	0.90	0.90	0.90	3.61
Days	92	89	92	92	365	92	89	365
Total (bcf)	1.28	1.23	1.25	1.26	5.02	1.26	1.23	5.01
Price								
Natural Gas (HH lagged three months)								
Henry Hub (\$/mmbtu)	2.41	2.53	3.38	2.95	2.82	3.46	3.83	3.40
Differential (\$/mmbtu)	(0.13)	0.05	0.07	0.06	0.01	0.07	0.08	0.07
CRT (\$/mcf)	2.54	2.48	3.31	2.89	2.81	3.39	3.75	3.33
Oil (\$/bbl) (WTI lagged two months)								
WTI Cushing	19.56	23.80	26.49	27.54	24.35	27.48	26.62	27.03
CRT	17.28	21.80	24.49	25.54	22.28	25.48	24.62	25.04
Total (\$/mcf)	2.67	2.93	3.62	3.43	3.16	3.73	3.89	3.67
Revenue (\$mm)								
Natural Gas	1.98	1.85	2.50	2.21	8.55	2.59	2.80	10.10
Oil	1.44	1.75	2.03	2.12	7.34	2.12	1.98	8.25
Total	3.42	3.60	4.54	4.33	15.89	4.70	4.78	18.35
Cost (\$mm)								
Tax, transport & other	0.34	0.50	0.64	0.61	2.08	0.66	0.67	2.57
Production	0.75	0.75	0.75	0.75	3.00	0.75	0.75	3.00
Total	1.09	1.26	1.39	1.36	5.09	1.41	1.42	5.57
Cash flow (\$mm)								
Development	0.28	0.20	0.20	0.20	0.88	0.20	0.20	0.80
Excess	(0.07)							
Net proceeds (\$mm)	2.11	2.15	2.95	2.77	9.99	3.09	3.16	11.98
Royalty income (\$mm)								
Royalty/Net proceeds	89%	89%	89%	89%	89%	89%	89%	89%
Administration	0.08	0.19	0.04	0.04	0.34	0.04	0.04	0.16
Distributable income (\$mm)	1.80	1.72	2.58	2.43	8.54	2.71	2.77	10.50
<i>Modeling ratios</i>								
Tax and other/revenue	0.10	0.14	0.14	0.14	0.13	0.14	0.14	0.14

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Natural Gas Royalty Trusts

A Weekly Analysis

August 19, 2002

Table HGT-1
Hugoton Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation Post 2007 (%/yr):	2.5
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	6.1
Capex/Cash Flow (%):	30	U.S. TIPS Inflation (%/yr):	1.7
Variable Cost (%):	17	U.S. 10 Year Yield (%/yr):	4.1
PV/Volume (\$/mcf):	1.21	PV/EBITDA 2002:	10.4

Year	Basic (bcf)	Volume 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 2003 through 2032; years ending on 6/30													
	289	225	514	4.11	2112	454	359	201	1098	27.44	0.01	0.57	15.60
2003	30.2	0.0	30.2	2.99	90.4	15.1	15.4	18.2	41.6	1.04	0.01	0.97	1.02
2004	27.2	3.0	30.2	3.55	107.1	15.1	18.2	22.1	51.6	1.29		0.92	1.18
2005	24.5	5.7	30.2	3.53	106.7	15.1	18.1	22.0	51.4	1.28		0.86	1.11
2006	22.0	8.2	30.2	3.50	105.7	15.1	18.0	21.8	50.8	1.27		0.81	1.03
2007	19.8	10.4	30.2	3.52	106.3	15.1	18.1	21.9	51.2	1.28		0.77	0.98
2008	17.8	12.4	30.2	3.61	109.0	15.1	18.5	22.6	52.7	1.32		0.72	0.95
2009	16.1	14.2	30.2	3.70	111.7	15.1	19.0	23.3	54.3	1.36		0.68	0.92
2010	14.5	15.8	30.2	3.79	114.5	15.1	19.5	24.0	55.9	1.40		0.64	0.90
2011	13.0	17.2	30.2	3.89	117.4	15.1	20.0	24.7	57.6	1.44		0.61	0.87
2012	11.7	15.5	27.2	3.98	108.3	15.1	18.4		74.8	1.87		0.57	1.07
2013	10.5	13.9	24.5	4.08	100.0	15.1	17.0		67.8	1.70		0.54	0.91
2014	9.5	12.5	22.0	4.19	92.2	15.1	15.7		61.4	1.54		0.51	0.78
2015	8.5	11.3	19.8	4.29	85.1	15.1	14.5		55.5	1.39		0.48	0.66
2016	7.7	10.2	17.8	4.40	78.5	15.1	13.3		50.0	1.25		0.45	0.56
2017	6.9	9.1	16.1	4.51	72.5	15.1	12.3		45.0	1.12		0.42	0.48
2018	6.2	8.2	14.5	4.63	66.9	15.1	11.4		40.3	1.01		0.40	0.40
2019	5.6	7.4	13.0	4.74	61.7	15.1	10.5		36.1	0.90		0.38	0.34
2020	5.0	6.7	11.7	4.86	56.9	15.1	9.7		32.1	0.80		0.36	0.29
2021	4.5	6.0	10.5	4.98	52.5	15.1	8.9		28.4	0.71		0.33	0.24
2022	4.1	5.4	9.5	5.11	48.5	15.1	8.2		25.1	0.63		0.32	0.20
2023	3.7	4.9	8.5	5.24	44.7	15.1	7.6		22.0	0.55		0.30	0.16
2024	3.3	4.4	7.7	5.37	41.2	15.1	7.0		19.1	0.48		0.28	0.13
2025	3.0	3.9	6.9	5.51	38.1	15.1	6.5		16.4	0.41		0.26	0.11
2026	2.7	3.5	6.2	5.65	35.1	15.1	6.0		14.0	0.35		0.25	0.09
2027	2.4	3.2	5.6	5.79	32.4	15.1	5.5		11.8	0.29		0.23	0.07
2028	2.2	2.9	5.0	5.93	29.9	15.1	5.1		9.7	0.24		0.22	0.05
2029	2.0	2.6	4.5	6.08	27.6	15.1	4.7		7.8	0.19		0.21	0.04
2030	1.8	2.3	4.1	6.24	25.5	15.1	4.3		6.0	0.15		0.20	0.03
2031	1.6	2.1	3.7	6.39	23.5	15.1	4.0		4.3	0.11		0.19	0.02
2032	1.4	1.9	3.3	6.55	21.7	15.1	3.7		2.8	0.07		0.17	0.01

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Table HGT-2
Hugoton Royalty Trust
Distributable Income

	<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>3/31/02</i>	<i>6/30/02</i>	<i>9/30/02</i>	<i>12/31/02</i>	<i>2002E</i>	<i>3/31/03</i>	<i>6/30/03</i>	<i>Twelve</i>
								<i>Months</i>
								<i>6/30/03</i>
Highlights								
Revenue (\$mm) (80%)	18.5	16.5	21.6	20.4	77.0	24.4	24.0	90.4
Cash flow (\$mm) (80%)	12.0	10.0	14.1	13.0	49.2	16.6	16.4	60.2
Per unit	0.30	0.25	0.35	0.32	1.23	0.42	0.41	1.51
Tax credit (\$mm)	0.2	0.2	0.2	0.2	0.7			0.3
Per unit	0.00	0.00	0.00	0.00	0.02			0.01
Distributable Income (\$mm)	7.4	5.3	9.5	8.4	30.5	12.0	11.8	41.6
Per unit	0.18	0.13	0.24	0.21	0.76	0.30	0.30	1.04
Units (millions)	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Volume								
Natural Gas (bcf)	9.0	8.3	9.0	9.0	35.3	9.0	8.7	35.7
Natural Gas (mmcf/d)	98.1	93.1	97.8	97.8	96.7	97.8	97.8	97.8
Days	92	89	92	92	365	92	89	365
Oil (mb)	90	86	88	87	352	87	83	345
Oil (mbd)	1.0	1.0	1.0	0.9	1.0	0.9	0.9	0.9
Days	92	89	92	92	365	92	89	365
Total (bcf)	9.6	8.8	9.5	9.5	37.4	9.5	9.2	37.8
Price								
Natural Gas (HH lagged two months)								
Henry Hub (\$/mmbtu)	2.34	2.92	3.23	3.02	2.88	3.69	3.76	3.42
Differential (\$/mmbtu)	(0.03)	0.67	0.49	0.45	0.39	0.55	0.56	0.52
HGT (\$/mcf)	2.38	2.25	2.75	2.57	2.49	3.13	3.20	2.91
Oil (\$/bbl) (WTI Cushing lagged two months)								
WTI Cushing	19.56	23.80	26.49	27.54	24.35	27.48	26.62	27.03
HGT	18.80	23.30	25.99	27.04	23.75	26.98	26.12	26.54
Total (\$/mcf)	2.42	2.34	2.84	2.67	2.57	3.21	3.26	2.99
Revenue (\$mm)								
Natural Gas	21.5	18.6	24.7	23.1	87.9	28.2	27.8	103.8
Oil	1.7	2.0	2.3	2.4	8.4	2.3	2.2	9.2
Total	23.2	20.6	27.0	25.5	96.3	30.5	30.0	113.0
Cost (\$mm)								
Tax, transport & other	1.7	2.1	2.7	2.5	9.0	3.1	3.0	11.3
Production	4.4	4.0	4.8	4.8	17.9	4.8	4.6	18.9
Overhead	2.0	2.0	1.9	1.9	7.8	1.9	1.8	7.6
Total	8.1	8.1	9.4	9.2	34.8	9.7	9.4	37.7
Cash flow (\$mm)	15.1	12.5	17.7	16.2	61.5	20.8	20.6	75.3
Development	5.8	5.8	5.7	5.7	23.0	5.7	5.7	22.8
Net proceeds (\$mm)	9.3	6.8	12.0	10.5	38.5	15.1	14.9	52.5
Royalty income (\$mm)	7.4	5.4	9.6	8.4	30.8	12.1	11.9	42.0
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%	80%
Administration	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.3
Distributable income (\$mm)	7.4	5.3	9.5	8.4	30.5	12.0	11.8	41.6
<i>Cost ratios</i>								
Tax and other/revenue	7%	10%	10%	10%	9%	10%	10%	10%
Production cost (\$/mcf)	0.46	0.46	0.50	0.50	0.48	0.50	0.50	0.50
Overhead cost (\$/mcf)	0.21	0.23	0.20	0.20	0.21	0.20	0.20	0.20
Development/Cash flow	0.38	0.46	0.32	0.35	0.37	0.27	0.28	0.30

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August 19, 2002

Table SJT-1
San Juan Basin Royalty Trust
Present Value

Volume Decline (%/yr):	10	Price Escalation Post 2007 (%/yr):	2.5
Volume Enhancement (%/yr):	10	Discount rate (%/yr):	6.1
Capex/Cash Flow (%):	25	U.S. TIPS Inflation (%/yr):	1.7
Variable Cost (%):	12	U.S. 10 Year Yield (%/yr):	4.1
PV/Volume (\$/mcf):	1.29	PV/EBITDA 2002:	10.8

Year	Basic (bcf)	Volume 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 2003 through 2032; years ending on 6/30													
	318	247	565	3.75	2122	390	255	185	1293	27.75	0.02	0.57	15.70
2003	33.2	0.0	33.2	2.75	91.2	12.7	10.9	16.4	51.1	1.10	0.02	0.97	1.08
2004	29.9	3.3	33.2	3.24	107.6	13.0	12.9	20.4	61.3	1.31		0.92	1.20
2005	26.9	6.3	33.2	3.23	107.2	13.0	12.9	20.3	61.0	1.31		0.86	1.13
2006	24.2	9.0	33.2	3.20	106.2	13.0	12.7	20.1	60.3	1.29		0.81	1.05
2007	21.8	11.4	33.2	3.22	106.8	13.0	12.8	20.2	60.7	1.30		0.77	1.00
2008	19.6	13.6	33.2	3.30	109.5	13.0	13.1	20.8	62.5	1.34		0.72	0.97
2009	17.7	15.6	33.2	3.38	112.3	13.0	13.5	21.4	64.3	1.38		0.68	0.94
2010	15.9	17.3	33.2	3.46	115.1	13.0	13.8	22.1	66.2	1.42		0.64	0.91
2011	14.3	18.9	33.2	3.55	118.0	13.0	14.2	22.7	68.1	1.46		0.61	0.88
2012	12.9	17.0	29.9	3.64	108.9	13.0	13.1		82.8	1.78		0.57	1.01
2013	11.6	15.3	26.9	3.73	100.4	13.0	12.1		75.4	1.62		0.54	0.87
2014	10.4	13.8	24.2	3.83	92.7	13.0	11.1		68.6	1.47		0.51	0.75
2015	9.4	12.4	21.8	3.92	85.5	13.0	10.3		62.2	1.34		0.48	0.64
2016	8.4	11.2	19.6	4.02	78.9	13.0	9.5		56.4	1.21		0.45	0.55
2017	7.6	10.1	17.7	4.12	72.8	13.0	8.7		51.1	1.10		0.42	0.46
2018	6.8	9.0	15.9	4.23	67.2	13.0	8.1		46.1	0.99		0.40	0.40
2019	6.2	8.1	14.3	4.33	62.0	13.0	7.4		41.5	0.89		0.38	0.34
2020	5.5	7.3	12.9	4.44	57.2	13.0	6.9		37.3	0.80		0.36	0.28
2021	5.0	6.6	11.6	4.56	52.8	13.0	6.3		33.4	0.72		0.33	0.24
2022	4.5	5.9	10.4	4.67	48.7	13.0	5.8		29.8	0.64		0.32	0.20
2023	4.0	5.3	9.4	4.79	44.9	13.0	5.4		26.5	0.57		0.30	0.17
2024	3.6	4.8	8.4	4.91	41.4	13.0	5.0		23.5	0.50		0.28	0.14
2025	3.3	4.3	7.6	5.03	38.2	13.0	4.6		20.7	0.44		0.26	0.12
2026	2.9	3.9	6.8	5.16	35.3	13.0	4.2		18.0	0.39		0.25	0.10
2027	2.6	3.5	6.2	5.29	32.6	13.0	3.9		15.6	0.34		0.23	0.08
2028	2.4	3.2	5.5	5.42	30.0	13.0	3.6		13.4	0.29		0.22	0.06
2029	2.1	2.8	5.0	5.56	27.7	13.0	3.3		11.4	0.24		0.21	0.05
2030	1.9	2.6	4.5	5.70	25.6	13.0	3.1		9.5	0.20		0.20	0.04
2031	1.7	2.3	4.0	5.84	23.6	13.0	2.8		7.8	0.17		0.19	0.03
2032	1.6	2.1	3.6	5.99	21.8	13.0	2.6		6.2	0.13		0.17	0.02

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Natural Gas Royalty Trusts

A Weekly Analysis

August 19, 2002

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>3/31/02</i>	<i>6/30/02</i>	<i>9/30/02</i>	<i>12/31/02</i>	<i>2002E</i>	<i>3/31/03</i>	<i>6/30/03</i>	<i>Twelve</i>
								<i>Months</i>
								<i>6/30/03</i>
Highlights								
Revenue (\$mm) (75%)	19.2	18.6	20.2	20.8	78.8	25.3	24.9	91.2
Cash flow (\$mm) (75%)	14.1	14.1	15.6	15.6	59.4	19.6	19.4	70.2
Per unit	0.30	0.30	0.34	0.33	1.27	0.42	0.42	1.51
Tax credit (\$mm)	0.5	0.5	0.5	0.5	1.9			0.9
Per unit	0.01	0.01	0.01	0.01	0.04			0.02
Distributable Income (\$mm)	3.5	9.0	10.8	11.5	34.8	14.5	14.4	51.1
Per unit	0.08	0.19	0.23	0.25	0.75	0.31	0.31	1.10
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Volume								
Natural gas (mmbtu)	12.5	12.0	11.9	11.9	48.4	11.9	11.6	47.4
Heat Content(btu/cf)	1,092	1,077	1,087	1,087	1,086	1,087	1,087	1,087
Natural gas (bcf)	11.5	11.1	11.0	11.0	44.6	11.0	10.6	43.6
Natural Gas (mmcf)	124.7	125.1	119.4	119.4	122.1	119.4	119.4	119.4
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)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Total gas & oil (bcf)	11.6	11.3	11.2	11.2	45.2	11.2	10.8	44.3
Price								
Natural gas (\$/mmbtu) (Henry Hub lagged two months)								
Henry Hub (\$/mmbtu)	2.34	2.92	3.23	3.02	2.88	3.69	3.76	3.42
Differential (%)	14	31	32	25	26	25	25	27
Total	2.01	2.02	2.20	2.26	2.12	2.76	2.82	2.51
Natural gas (\$/mcf)	2.20	2.18	2.39	2.46	2.31	3.01	3.07	2.73
Oil (\$/bbl) (WTI Cushing lagged two months)								
WTI Cushing	19.56	23.80	26.49	27.54	24.35	27.48	26.62	27.03
SJT	15.78	19.14	22.49	23.54	20.48	23.48	22.62	23.04
Total gas & oil (\$/mcf)	2.20	2.19	2.41	2.48	2.32	3.02	3.08	2.75
Revenue (\$mm)								
Natural Gas	25.2	24.2	26.3	27.0	102.8	33.0	32.6	119.0
Oil	0.4	0.5	0.7	0.7	2.3	0.7	0.6	2.7
Total	25.6	24.8	26.9	27.7	105.0	33.7	33.2	121.6
Cost (\$mm)								
Severance tax	2.6	2.4	2.4	2.8	10.2	3.4	3.3	11.9
Operating	4.1	3.7	3.7	4.2	15.7	4.2	4.0	16.1
Total	6.7	6.0	6.1	6.9	25.8	7.5	7.4	28.0
Cash flow (\$mm)								
Development	11.3	3.4	3.7	5.2	23.6	6.5	6.5	21.9
Net proceeds (\$mm)								
	7.5	15.4	17.2	15.6	55.7	19.6	19.4	71.8
Royalty income (\$mm)								
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	3.0
Administration	0.4	0.5	0.1	0.2	1.2	0.2	0.2	0.7
One-time	1.7	2.0	2.0		5.7			2.0
Distributable income (\$mm)								
	3.5	9.0	10.8	11.5	34.8	14.5	14.4	51.1
<i>Modeling ratios</i>								
Severance tax/revenue	10.2%	9.5%	9.0%	10.0%	9.7%	10.0%	10.0%	9.8%
Operating cost (\$/mcf)	0.36	0.32	0.33	0.37	0.35	0.37	0.37	0.36

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Natural Gas Royalty Trusts

A Weekly Analysis

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Table SJT-3
San Juan Basin Royalty Trust
Monthly Declarations

	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02
Distribution (\$/unit)								
Declared	0.06	0.01	0.10	0.08	0.08			
Projected						0.07	0.08	0.08
Volume								
Natural gas (mmbtu)	4.19	3.82	4.29	3.88	3.92	3.95	4.08	4.08
Heat Content(btu/cf)	1,087	1,057	1,108	1,064	1,081	1,091	1,091	1,091
Natural gas (bcf)	3.86	3.62	3.87	3.65	3.63	3.62	3.74	3.74
Natural Gas (mmcf)	124	129	125	122	117	121	121	121
Days	31	28	31	30	31	30	31	31
Price								
Natural gas industry quotes lagged two months (\$/mmbtu)								
Henry Hub Daily/Futures	2.25	2.31	3.03	3.42	3.49	3.22	2.99	2.97
San Juan Monthly Index	2.42	1.81	2.14	3.04	2.39	2.24	2.62	2.50
SJT/Henry Hub	0.92	0.62	0.64	0.78	0.65	0.66	0.74	0.72
SJT/San Juan Index	0.86	0.80	0.91	0.88	0.95	0.95	0.84	0.86
SJT (\$/mmbtu)	2.08	1.44	1.95	2.68	2.27	2.13	2.20	2.15
SJT (\$/mcf)	2.26	1.52	2.16	2.85	2.45	2.32	2.40	2.34
Revenue (\$mm)								
Natural Gas	8.7	5.5	8.4	10.4	8.9	8.4	9.0	8.8
Other	(0.2)	(0.1)	(1.1)	(1.7)	(1.4)	(0.7)	(0.1)	(0.1)
Cost (\$mm)								
Severance tax	0.9	0.5	0.8	1.1	0.6	0.9	0.9	0.9
Operating	1.2	1.4	1.2	1.1	1.1	1.3	1.3	1.3
Total	2.1	1.8	2.1	2.1	1.8	2.1	2.2	2.2
Cash flow (\$mm)	6.4	3.6	5.2	6.5	5.8	5.6	6.7	6.5
Development	2.4	3.0	(0.9)	1.3	0.7	1.5	1.5	1.5
Net proceeds (\$mm)	4.0	0.6	6.1	5.3	5.1	4.1	5.2	5.0
Royalty income (\$mm)	3.0	0.5	4.6	4.0	3.8	3.0	3.9	3.7
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	75%
Distributable income (\$mm)	3.0	0.5	4.6	4.0	3.8	3.0	3.9	3.7
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Distribution (\$/unit)	0.06	0.01	0.10	0.08	0.08	0.07	0.08	0.08
<i>Latest Twelve Month Average</i>								
Heat Content(btu/cf)	1,090	1,088	1,092	1,086	1,091			
Natural Gas (mmcf)	118	120	120	120	121			
SJT/Henry Hub	0.79	0.76	0.75	0.75	0.73			
SJT/San Juan Index	0.85	0.84	0.85	0.85	0.85			
Other revenue	0.0	0.0	(0.1)	(0.2)	(0.3)			
Operating	1.3	1.3	1.3	1.3	1.3			
Development	3.2	3.3	2.9	2.9	2.7			
Severance tax/revenue	10.5%	10.4%	10.4%	10.5%	10.2%			

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