

Natural Gas Royalty Trusts

A Weekly Analysis

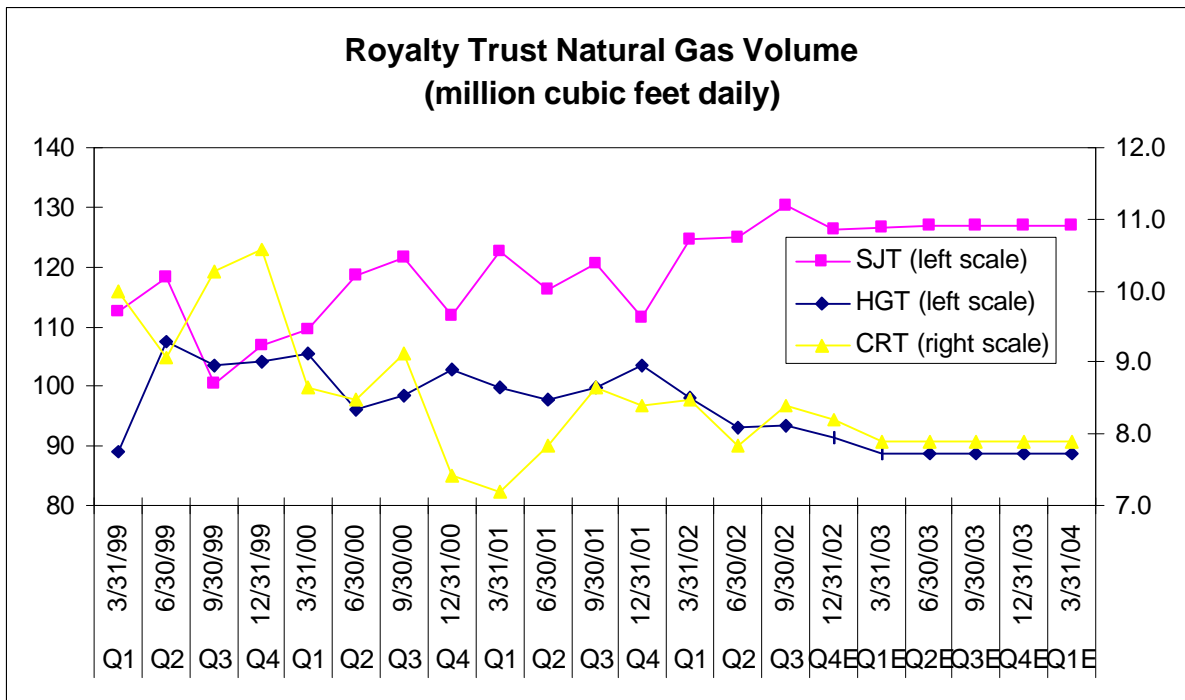
March 27, 2003

Two for Three on Volume Disclosures

Summary and Recommendation

While each of the three royalty trusts disclosed on March 20 higher amounts for the latest monthly distributions, volume for recommended **San Juan Basin Royalty Trust (SJT)** and for **Cross Timbers Royalty Trust (CRT)** was ahead of projected Next Twelve Months (NTM) levels. Volume for **Hugoton Royalty Trust (HGT)** was below NTM expectations. Though one month does not a trend make, we boost our projection slightly for SJT and pare it back slightly for HGT. Those changes are in line with a three-year trend that is rising for SJT and declining for HGT (see Chart). CRT disclosed monthly volumes for the first time in its history! Usually those volumes are not disclosed for as long as three and a half months after declaration of the distribution and six and a half months after actual production and then only on a quarterly basis. Hallelujah, more disclosure has to be better in our opinion. Owning the units, our wishful thinking is that the volumes are being disclosed because the results are going to be improving over the next few years as the operators of CRT's royalty interests catch up to the gains being scored on SJT's behalf in the San Juan Basin. We can't know that for a fact, but we do note that the first monthly volume disclosed was 6% higher than our NTM estimate.

Kurt H. Wulff, CFA



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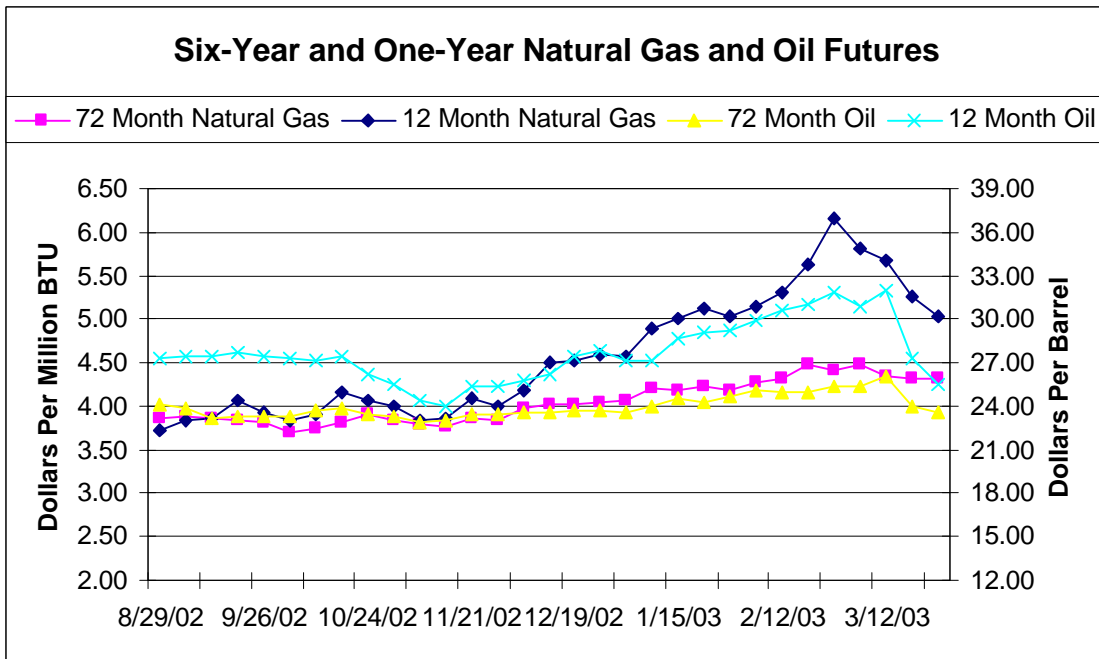
March 27, 2003

Natural Gas and Oil Futures

March 26, 2003

| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | Six Year |
|--------------------------------|-------|-------|-------|-------|-------|-------|----------|
| Natural Gas (\$/mmbtu) | | | | | | | |
| Year ending April | 5.04 | 4.50 | 4.23 | 4.02 | 4.06 | 4.09 | 4.32 |
| Light Sweet Crude Oil (\$/bbl) | | | | | | | |
| Year ending April | 25.56 | 23.48 | 23.06 | 23.07 | 23.09 | 23.11 | 23.56 |
| Natural Gas/Oil (6:1 = 1.0) | | | | | | | |
| Year ending April | 1.18 | 1.15 | 1.10 | 1.05 | 1.06 | 1.06 | 1.10 |

Source: Nymex, FutureSource, wsj.com, McDep Associates



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Table MEII-1
McDep Energy Income Ideas
Dividends, Debt and McDep Ratio

| | Symbol/ Rating | | Price (\$/sh) 26-Mar 2003 | Shares (mm) | Market Cap (\$mm) | Div or Distrib. NTM (%) | Debt/ Present Value | McDep Ratio |
|---|-------------------|---|------------------------------------|----------------|-------------------------|----------------------------------|---------------------------|----------------|
| High Greed Partnerships | | | | | | | | |
| El Paso Energy Partners | EPN | S | 31.32 | 57.0 | 1,790 | 8.6 | 0.64 | 2.65 |
| Kinder Morgan Energy Partners, L.P. | KMP | S | 36.32 | 141 | 5,130 | 6.9 | 0.47 | 1.84 |
| Enbridge Energy Partners, L.P. | EEP | S | 45.23 | 35.0 | 1,580 | 8.0 | 0.64 | 1.74 |
| Kinder Morgan Management, LLC | KMR | S | 32.23 | 39.5 | 1,270 | 7.8 | 0.47 | 1.68 |
| Enbridge Energy Management, L.L.C | EEQ | S | 39.56 | 9.0 | 360 | 9.1 | 0.64 | 1.61 |
| Plains All Amer. Pipeline | PAA | | 24.50 | 50.0 | 1,230 | 8.8 | 0.49 | 1.57 |
| Penn Virginia Res. Part, L.P. | PVR | | 23.80 | 15.3 | 360 | 8.4 | - | 1.32 |
| TEPCO Partners, L.P. | TPP | | 30.60 | 50.0 | 1,530 | 7.8 | 0.56 | 1.32 |
| Northern Border Partners | NBP | | 37.72 | 44.0 | 1,660 | 8.5 | 0.62 | 1.32 |
| AmeriGas Partners, L.P. | APU | | 24.00 | 49.4 | 1,190 | 9.2 | 0.51 | 1.15 |
| Alliance Res. Part, L.P. | ARLP | | 22.21 | 15.9 | 350 | 9.0 | 0.45 | 1.06 |
| <i>Total or Median</i> | | | | | 16,500 | 8.5 | 0.51 | 1.57 |
| U.S. Master Limiter Partnerships | | | | | | | | |
| Enterprise Products Part (16%) | EPD | | 20.26 | 29 | 580 | 6.8 | 0.63 | 1.74 |
| Dorchester Minerals, L.P. | DMLP | | 13.90 | 27.0 | 375 | 11.5 | - | 1.07 |
| Canadian Royalty Trusts | | | | | | | | |
| Provident Energy Trust | PVX | | 7.02 | 63.5 | 450 | 22.1 | 0.23 | 1.13 |
| Enerplus Resources Fund | ERF | | 18.70 | 75.0 | 1,400 | 15.3 | 0.16 | 0.95 |
| Pengrowth Energy Trust | PGH | | 9.77 | 110.0 | 1,080 | 19.3 | 0.16 | 0.91 |
| Canadian Oil Sands Trust (US\$) | COS_u.TO | B | 23.66 | 76.8 | 1,820 | 5.7 | 0.15 | 0.60 |
| <i>Total or Median</i> | | | | | 4,800 | 17.3 | 0.16 | 0.93 |
| U.S. Natural Gas Royalty Trusts | | | | | | | | |
| Cross Timbers Royalty Trust | CRT | | 18.86 | 6.0 | 113 | 11.5 | - | 0.97 |
| Hugoton RoyaltyTrust (46%) | HGT | | 14.00 | 18.4 | 260 | 14.5 | - | 0.90 |
| San Juan Basin Royalty Trust | SJT | B | 14.60 | 46.6 | 680 | 14.0 | - | 0.84 |
| <i>Total or Median</i> | | | | | 1,050 | 14.0 | - | 0.90 |
| Additional McDep Recommendations | | | | | | | | |
| Royal Dutch/Shell | RD | B | 41.73 | 3,473 | 144,900 | 4.5 | 0.19 | 0.81 |
| ChevronTexaco Corporation | CVX | B | 65.80 | 1,062 | 69,900 | 4.3 | 0.18 | 0.75 |
| Marathon Oil Corporation | MRO | B | 23.54 | 310 | 7,300 | 3.9 | 0.31 | 0.71 |
| PetroChina Company Ltd (10%) | PTR | B | 20.77 | 176 | 3,700 | 8.6 | 0.15 | 0.69 |
| <i>Total or Median</i> | | | | | 226,000 | 4.4 | 0.19 | 0.73 |

Buy/Sell rating after symbol: B - Buy, N - Neutral, S - Sell

NTM = Next Twelve Months Ended March 31, 2004

McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses

Italicized issues are subject to, or sponsor, deceptive compensation arrangements that threaten value and financial viability, in our opinion.

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Table MEII-2
McDep Energy Income Ideas
Distribution Validity, Fees and Cash flow Multiples

| | | | Price (\$/sh) | Dist/ Equity | Mgt Fee (%) | Fin Fee (%) | EV/ Ebitda NTM | PV/ Ebitda NTM |
|--|---------------|----------------|------------------|-----------------|-------------------|-------------------|----------------------|----------------------|
| Symbol/ Rating | | 26-Mar 2003 | | | | | | |
| High Greed Partnerships | | | | | | | | |
| <i>El Paso Energy Partners</i> | <i>EPN</i> | <i>S</i> | <i>31.32</i> | <i>4.3</i> | <i>71</i> | <i>6</i> | <i>23.9</i> | <i>9.0</i> |
| <i>Kinder Morgan Energy Partners, L.P.</i> | <i>KMP</i> | <i>S</i> | <i>36.32</i> | <i>1.5</i> | <i>46</i> | <i>6</i> | <i>16.0</i> | <i>8.7</i> |
| <i>Enbridge Energy Partners, L.P.</i> | <i>EEP</i> | <i>S</i> | <i>45.23</i> | <i>2.2</i> | <i>21</i> | <i>6</i> | <i>15.6</i> | <i>9.0</i> |
| <i>Kinder Morgan Management, LLC</i> | <i>KMR</i> | <i>S</i> | <i>32.23</i> | <i>1.5</i> | <i>46</i> | <i>6</i> | <i>14.6</i> | <i>8.7</i> |
| <i>Enbridge Energy Management, L.L.C</i> | <i>EEQ</i> | <i>S</i> | <i>39.56</i> | <i>2.2</i> | <i>21</i> | <i>6</i> | <i>14.5</i> | <i>9.0</i> |
| <i>Plains All Amer. Pipeline</i> | <i>PAA</i> | | <i>24.50</i> | <i>1.7</i> | <i>9</i> | <i>6</i> | <i>14.1</i> | <i>9.0</i> |
| <i>TEPPCO Partners, L.P.</i> | <i>TPP</i> | | <i>30.60</i> | <i>1.2</i> | <i>25</i> | <i>6</i> | <i>11.9</i> | <i>9.0</i> |
| <i>Northern Border Partners</i> | <i>NBP</i> | | <i>37.72</i> | <i>1.4</i> | <i>8</i> | <i>6</i> | <i>11.9</i> | <i>9.0</i> |
| <i>Penn Virginia Res. Part, L.P.</i> | <i>PVR</i> | | <i>23.80</i> | <i>1.0</i> | <i>2</i> | <i>8</i> | <i>11.3</i> | <i>8.6</i> |
| <i>AmeriGas Partners, L.P.</i> | <i>APU</i> | | <i>24.00</i> | <i>1.1</i> | <i>1</i> | <i>6</i> | <i>10.4</i> | <i>9.0</i> |
| <i>Alliance Res. Part, L.P.</i> | <i>ARLP</i> | | <i>22.21</i> | <i>0.7</i> | <i>2</i> | <i>8</i> | <i>7.4</i> | <i>7.0</i> |
| | <i>Median</i> | | | | | | <i>14.1</i> | <i>9.0</i> |
| U.S. Master Limiter Partnerships | | | | | | | | |
| Enterprise Products Part (16%) | EPD | | 20.26 | 1.8 | 10 | 6 | 15.7 | 9.0 |
| Dorchester Minerals, L.P. | DMLP | | 13.90 | 0.9 | 3 | | 7.8 | 7.3 |
| Canadian Royalty Trusts | | | | | | | | |
| Enerplus Resources Fund | ERF | | 18.70 | 0.9 | 10 | 6 | 6.0 | 6.4 |
| Canadian Oil Sands Trust (US\$) | COS_u.TO | B | 23.66 | 0.3 | | | 5.4 | 9.1 |
| Pengrowth Energy Trust | PGH | | 9.77 | 1.0 | 9 | 6 | 5.4 | 6.0 |
| Provident Energy Trust | PVX | | 7.02 | 1.1 | 15 | 8 | 4.8 | 4.2 |
| | <i>Median</i> | | | | | | <i>5.4</i> | <i>6.2</i> |
| U.S. Natural Gas Royalty Trusts | | | | | | | | |
| Cross Timbers Royalty Trust | CRT | | 18.86 | 0.9 | | | 8.1 | 8.4 |
| San Juan Basin Royalty Trust | SJT | B | 14.60 | 0.9 | | | 6.2 | 7.4 |
| Hugoton RoyaltyTrust (46%) | HGT | | 14.00 | 0.9 | | | 5.9 | 6.6 |
| Additional McDep Recommendations | | | | | | | | |
| Royal Dutch/Shell | RD | B | 41.73 | 0.3 | | | 6.4 | 8.0 |
| ChevronTexaco Corporation | CVX | B | 65.80 | 0.2 | | | 5.9 | 7.8 |
| Marathon Oil Corporation | MRO | B | 23.54 | 0.1 | | | 4.5 | 6.3 |
| PetroChina Company Ltd (10%) | PTR | B | 20.77 | 0.2 | | | 2.8 | 4.1 |
| | <i>Median</i> | | | | | | <i>5.2</i> | <i>7.1</i> |

Italicized issues are subject to, or sponsor, deceptive compensation arrangements that threaten value and financial viability, in our opinion.

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Table CRT-1
Cross Timbers Royalty Trust
Present Value

| | | | |
|----------------------------|----|------------------------------------|-----|
| Volume Decline (%/yr): | 10 | Price Escalation post 2008 (%/yr): | 2.7 |
| Volume Enhancement (%/yr): | 10 | Discount Rate (%/yr): | 5.3 |
| | | U.S. TIPS Inflation (%/yr): | 1.9 |
| | | U.S. 10 Year Yield (%/yr): | 3.9 |

| | | | |
|---------------------|------|-----------------|-----|
| PV/Volume (\$/mcf): | 2.86 | PV/EBITDA 2004: | 8.6 |
|---------------------|------|-----------------|-----|

| Year | Natural Gas Volume | | | Price (\$/mcf) | Revenue (\$mm) | Oil | | | Disc Factor | Present Value (\$/unit) |
|---|--------------------|----------------|-------------|----------------|----------------|------------|---------------------|-----------|-------------|-------------------------|
| | Basic (bcf) | Enhanced (bcf) | Total (bcf) | | | Net (\$mm) | Distribution (\$mm) | (\$/unit) | | |
| Total 2004 through 2030; years ending on 3/31 | | | | | | | | | | |
| | 24 | 17 | 41 | 4.52 | 185 | 0 | 185 | 30.79 | 0.63 | 19.50 |
| 2004 | 2.6 | 0.0 | 2.6 | 4.90 | 12.7 | 0.3 | 13.0 | 2.17 | 0.97 | 2.11 |
| 2005 | 2.3 | 0.3 | 2.6 | 4.29 | 11.1 | 0.2 | 11.4 | 1.89 | 0.93 | 1.75 |
| 2006 | 2.1 | 0.5 | 2.6 | 4.06 | 10.5 | 0.0 | 10.6 | 1.76 | 0.88 | 1.55 |
| 2007 | 1.9 | 0.7 | 2.6 | 3.86 | 10.0 | 0.0 | 10.0 | 1.66 | 0.83 | 1.39 |
| 2008 | 1.7 | 0.9 | 2.6 | 3.86 | 10.0 | -0.1 | 9.9 | 1.65 | 0.79 | 1.31 |
| 2009 | 1.5 | 1.1 | 2.6 | 3.86 | 10.0 | -0.2 | 9.8 | 1.64 | 0.75 | 1.23 |
| 2010 | 1.4 | 1.2 | 2.6 | 3.96 | 10.3 | -0.2 | 10.1 | 1.68 | 0.71 | 1.20 |
| 2011 | 1.2 | 1.4 | 2.6 | 4.07 | 10.6 | -0.2 | 10.3 | 1.72 | 0.68 | 1.17 |
| 2012 | 1.1 | 1.2 | 2.3 | 4.18 | 9.8 | | 9.8 | 1.63 | 0.64 | 1.05 |
| 2013 | 1.0 | 1.1 | 2.1 | 4.29 | 9.0 | | 9.0 | 1.50 | 0.61 | 0.92 |
| 2014 | 0.9 | 1.0 | 1.9 | 4.40 | 8.3 | | 8.3 | 1.39 | 0.58 | 0.80 |
| 2015 | 0.8 | 0.9 | 1.7 | 4.52 | 7.7 | | 7.7 | 1.28 | 0.55 | 0.71 |
| 2016 | 0.7 | 0.8 | 1.5 | 4.64 | 7.1 | | 7.1 | 1.18 | 0.52 | 0.62 |
| 2017 | 0.7 | 0.7 | 1.4 | 4.76 | 6.6 | | 6.6 | 1.09 | 0.50 | 0.54 |
| 2018 | 0.6 | 0.6 | 1.2 | 4.89 | 6.1 | | 6.1 | 1.01 | 0.47 | 0.48 |
| 2019 | 0.5 | 0.6 | 1.1 | 5.02 | 5.6 | | 5.6 | 0.93 | 0.45 | 0.42 |
| 2020 | 0.5 | 0.5 | 1.0 | 5.15 | 5.2 | | 5.2 | 0.86 | 0.42 | 0.37 |
| 2021 | 0.4 | 0.5 | 0.9 | 5.29 | 4.8 | | 4.8 | 0.80 | 0.40 | 0.32 |
| 2022 | 0.4 | 0.4 | 0.8 | 5.43 | 4.4 | | 4.4 | 0.74 | 0.38 | 0.28 |
| 2023 | 0.4 | 0.4 | 0.7 | 5.58 | 4.1 | | 4.1 | 0.68 | 0.36 | 0.25 |
| 2024 | 0.3 | 0.3 | 0.7 | 5.72 | 3.8 | | 3.8 | 0.63 | 0.34 | 0.22 |
| 2025 | 0.3 | 0.3 | 0.6 | 5.88 | 3.5 | | 3.5 | 0.58 | 0.33 | 0.19 |
| 2026 | 0.3 | 0.3 | 0.5 | 6.03 | 3.2 | | 3.2 | 0.54 | 0.31 | 0.17 |
| 2027 | 0.2 | 0.3 | 0.5 | 6.19 | 3.0 | | 3.0 | 0.50 | 0.30 | 0.15 |
| 2028 | 0.2 | 0.2 | 0.4 | 6.36 | 2.8 | | 2.8 | 0.46 | 0.28 | 0.13 |
| 2029 | 0.2 | 0.2 | 0.4 | 6.53 | 2.5 | | 2.5 | 0.42 | 0.27 | 0.11 |
| 2030 | 0.2 | 0.2 | 0.4 | 6.70 | 2.3 | | 2.3 | 0.39 | 0.25 | 0.10 |

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Table CRT-2
Cross Timbers Royalty Trust
Distributable Income

| | Q2 | Q3 | Q4E | Year | Q1E | Q2E | Q3E | Q4E | Year | Q1E | Next Twelve Months |
|--------------------------------------|---------|---------|----------|--------|---------|---------|---------|----------|-------|---------|--------------------------|
| | 6/30/02 | 9/30/02 | 12/31/02 | 2002E | 3/31/03 | 6/30/03 | 9/30/03 | 12/31/03 | 2003E | 3/31/04 | 3/31/04 |
| Highlights | | | | | | | | | | | |
| Tax credit (\$mm) | | | | | | | | | | | |
| Per unit | 0.02 | 0.03 | 0.03 | 0.10 | | | | | - | | |
| Distributable Income (\$mm) | 1.72 | 2.49 | 2.80 | 8.82 | 2.60 | 3.94 | 3.08 | 3.03 | 12.64 | 2.96 | 13.01 |
| Per unit | 0.29 | 0.42 | 0.47 | 1.47 | 0.43 | 0.66 | 0.51 | 0.50 | 2.11 | 0.49 | 2.17 |
| 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 | 0.77 | 0.75 | 3.01 | 0.73 | 0.71 | 0.72 | 0.73 | 2.88 | 0.73 | 2.88 |
| Natural Gas (mmcf) | 7.8 | 8.4 | 8.2 | 8.2 | 7.9 | 7.9 | 7.9 | 7.9 | 7.9 | 7.9 | 7.9 |
| Days | 90 | 91 | 92 | 365 | 92 | 90 | 91 | 92 | 365 | 92 | 365 |
| Oil (mb) | 82 | 82 | 82 | 330 | 81 | 78 | 80 | 79 | 318 | 78 | 314 |
| Oil (mbd) | 0.93 | 0.89 | 0.89 | 0.90 | 0.88 | 0.87 | 0.87 | 0.86 | 0.87 | 0.85 | 0.86 |
| Days | 89 | 92 | 92 | 365 | 92 | 89 | 92 | 92 | 365 | 92 | 365 |
| Total (bcf) | 1.20 | 1.26 | 1.25 | 4.98 | 1.21 | 1.18 | 1.20 | 1.20 | 4.79 | 1.20 | 4.77 |
| Price | | | | | | | | | | | |
| Natural Gas (HH lagged three months) | | | | | | | | | | | |
| Henry Hub (\$/mmbtu) | 2.53 | 3.38 | 3.21 | 2.88 | 4.30 | 6.38 | 5.12 | 5.14 | 5.24 | 5.13 | 5.44 |
| Differential (\$/mmbtu) | (0.04) | 0.33 | 0.13 | 0.07 | 0.43 | 0.64 | 0.51 | 0.51 | 0.53 | 0.51 | 0.55 |
| CRT (\$/mcf) | 2.57 | 3.05 | 3.08 | 2.81 | 3.87 | 5.75 | 4.61 | 4.63 | 4.71 | 4.62 | 4.90 |
| Oil (\$/bbl) (WTI lagged two months) | | | | | | | | | | | |
| WTI Cushing | 23.80 | 26.49 | 28.96 | 24.70 | 29.55 | 32.72 | 27.23 | 25.92 | 28.85 | 25.20 | 27.77 |
| CRT | 20.50 | 24.79 | 26.96 | 22.37 | 27.55 | 30.72 | 25.23 | 23.92 | 26.84 | 23.20 | 25.76 |
| Total (\$/mcf) | 2.92 | 3.47 | 3.64 | 3.18 | 4.16 | 5.50 | 4.45 | 4.38 | 4.61 | 4.32 | 4.66 |
| Revenue (\$mm) | | | | | | | | | | | |
| Natural Gas | 1.82 | 2.33 | 2.32 | 8.46 | 2.81 | 4.09 | 3.31 | 3.36 | 13.58 | 3.36 | 14.12 |
| Oil | 1.69 | 2.03 | 2.21 | 7.37 | 2.24 | 2.39 | 2.01 | 1.89 | 8.52 | 1.81 | 8.10 |
| Total | 3.50 | 4.37 | 4.54 | 15.83 | 5.05 | 6.48 | 5.32 | 5.25 | 22.10 | 5.17 | 22.21 |
| Cost (\$mm) | | | | | | | | | | | |
| Tax, transport & other | 0.51 | 0.60 | 0.64 | 2.09 | 0.71 | 0.91 | 0.74 | 0.74 | 3.09 | 0.72 | 3.11 |
| Production | 0.72 | 0.79 | 0.79 | 3.05 | 0.79 | 0.79 | 0.79 | 0.79 | 3.16 | 0.79 | 3.16 |
| Total | 1.23 | 1.40 | 1.43 | 5.14 | 1.50 | 1.70 | 1.54 | 1.53 | 6.26 | 1.51 | 6.27 |
| Cash flow (\$mm) | | | | | | | | | | | |
| Development | 0.14 | 0.08 | 0.20 | 0.71 | 0.20 | 0.20 | 0.20 | 0.20 | 0.80 | 0.20 | 0.80 |
| Excess or other | 0.07 | | (0.48) | (0.48) | | | | | - | | |
| Net proceeds (\$mm) | | | | | | | | | | | |
| | 2.06 | 2.89 | 3.39 | 10.46 | 3.35 | 4.58 | 3.58 | 3.52 | 15.04 | 3.45 | 15.14 |
| Royalty income (\$mm) | | | | | | | | | | | |
| Royalty/Net proceeds | 88% | 87% | 87% | 88% | 87% | 87% | 87% | 87% | 87% | 87% | 87% |
| Administration | 0.09 | 0.04 | 0.15 | 0.35 | 0.32 | 0.04 | 0.04 | 0.04 | 0.44 | 0.04 | 0.16 |
| Distributable income (\$mm) | | | | | | | | | | | |
| | 1.72 | 2.49 | 2.80 | 8.82 | 2.60 | 3.94 | 3.08 | 3.03 | 12.64 | 2.96 | 13.01 |
| Modeling ratios | | | | | | | | | | | |
| Tax and other/revenue | 0.15 | 0.14 | 0.14 | 0.13 | 0.14 | 0.14 | 0.14 | 0.14 | 0.14 | 0.14 | 0.14 |

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

| | | | |
|----------------------------|------|------------------------------------|-----|
| Volume Decline (%/yr): | 11 | Price Escalation Post 2008 (%/yr): | 2.7 |
| Volume Enhancement (%/yr): | 10 | Discount rate (%/yr): | 5.9 |
| Capex/Cash Flow (%): | 30 | U.S. TIPS Inflation (%/yr): | 1.9 |
| Variable Cost (%): | 17 | U.S. 10 Year Yield (%/yr): | 3.9 |
| PV/Volume (\$/mcf): | 1.51 | PV/EBITDA 2004: | 6.6 |

| 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 3/31 | | | | | | | | | | | | |
| | 248 | 165 | 412 | 4.25 | 1753 | 267 | 298 | 170 | 1019 | 25.47 | 0.61 | 15.60 |
| 2004 | 27.6 | 0.0 | 27.6 | 4.55 | 125.5 | 9.9 | 21.3 | 12.8 | 81.5 | 2.04 | 0.97 | 1.98 |
| 2005 | 24.7 | 2.8 | 27.4 | 4.07 | 111.5 | 9.9 | 18.9 | 24.8 | 57.8 | 1.45 | 0.92 | 1.33 |
| 2006 | 22.0 | 5.2 | 27.2 | 3.84 | 104.7 | 9.9 | 17.8 | 23.1 | 53.9 | 1.35 | 0.87 | 1.17 |
| 2007 | 19.7 | 7.4 | 27.1 | 3.66 | 99.1 | 9.9 | 16.8 | 21.7 | 50.6 | 1.27 | 0.82 | 1.03 |
| 2008 | 17.6 | 9.3 | 26.9 | 3.65 | 98.4 | 9.9 | 16.7 | 21.5 | 50.2 | 1.26 | 0.77 | 0.97 |
| 2009 | 15.7 | 11.0 | 26.8 | 3.66 | 97.9 | 9.9 | 16.6 | 21.4 | 49.9 | 1.25 | 0.73 | 0.91 |
| 2010 | 14.1 | 12.5 | 26.6 | 3.75 | 99.9 | 9.9 | 17.0 | 21.9 | 51.1 | 1.28 | 0.69 | 0.88 |
| 2011 | 12.6 | 13.9 | 26.4 | 3.85 | 101.9 | 9.9 | 17.3 | 22.4 | 52.3 | 1.31 | 0.65 | 0.85 |
| 2012 | 11.3 | 12.4 | 23.6 | 3.96 | 93.5 | 9.9 | 15.9 | | 67.7 | 1.69 | 0.61 | 1.04 |
| 2013 | 10.1 | 11.1 | 21.1 | 4.06 | 85.8 | 9.9 | 14.6 | | 61.4 | 1.53 | 0.58 | 0.89 |
| 2014 | 9.0 | 9.9 | 18.9 | 4.17 | 78.8 | 9.9 | 13.4 | | 55.5 | 1.39 | 0.55 | 0.76 |
| 2015 | 8.0 | 8.8 | 16.9 | 4.28 | 72.3 | 9.9 | 12.3 | | 50.1 | 1.25 | 0.52 | 0.65 |
| 2016 | 7.2 | 7.9 | 15.1 | 4.40 | 66.4 | 9.9 | 11.3 | | 45.2 | 1.13 | 0.49 | 0.55 |
| 2017 | 6.4 | 7.1 | 13.5 | 4.51 | 60.9 | 9.9 | 10.4 | | 40.7 | 1.02 | 0.46 | 0.47 |
| 2018 | 5.7 | 6.3 | 12.1 | 4.63 | 55.9 | 9.9 | 9.5 | | 36.5 | 0.91 | 0.43 | 0.40 |
| 2019 | 5.1 | 5.7 | 10.8 | 4.76 | 51.3 | 9.9 | 8.7 | | 32.7 | 0.82 | 0.41 | 0.33 |
| 2020 | 4.6 | 5.1 | 9.6 | 4.88 | 47.1 | 9.9 | 8.0 | | 29.2 | 0.73 | 0.39 | 0.28 |
| 2021 | 4.1 | 4.5 | 8.6 | 5.01 | 43.2 | 9.9 | 7.3 | | 26.0 | 0.65 | 0.36 | 0.24 |
| 2022 | 3.7 | 4.0 | 7.7 | 5.14 | 39.7 | 9.9 | 6.7 | | 23.0 | 0.58 | 0.34 | 0.20 |
| 2023 | 3.3 | 3.6 | 6.9 | 5.28 | 36.4 | 9.9 | 6.2 | | 20.3 | 0.51 | 0.33 | 0.17 |
| 2024 | 2.9 | 3.2 | 6.2 | 5.42 | 33.4 | 9.9 | 5.7 | | 17.8 | 0.45 | 0.31 | 0.14 |
| 2025 | 2.6 | 2.9 | 5.5 | 5.57 | 30.7 | 9.9 | 5.2 | | 15.6 | 0.39 | 0.29 | 0.11 |
| 2026 | 2.3 | 2.6 | 4.9 | 5.71 | 28.1 | 9.9 | 4.8 | | 13.5 | 0.34 | 0.27 | 0.09 |
| 2027 | 2.1 | 2.3 | 4.4 | 5.87 | 25.8 | 9.9 | 4.4 | | 11.5 | 0.29 | 0.26 | 0.07 |
| 2028 | 1.9 | 2.1 | 3.9 | 6.02 | 23.7 | 9.9 | 4.0 | | 9.8 | 0.24 | 0.24 | 0.06 |
| 2029 | 1.7 | 1.8 | 3.5 | 6.18 | 21.8 | 9.9 | 3.7 | | 8.2 | 0.20 | 0.23 | 0.05 |
| 2030 | 1.5 | 1.6 | 3.1 | 6.35 | 20.0 | 9.9 | 3.4 | | 6.7 | 0.17 | 0.22 | 0.04 |

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Natural Gas Royalty Trusts

A Weekly Analysis

March 27, 2003

Table HGT-2
Hugoton Royalty Trust
Distributable Income

| | Q2 | Q3 | Q4E | Year | Q1E | Q2E | Q3E | Q4E | Year | Q1E | Next Twelve Months |
|--|---------|---------|----------|-------|---------|---------|---------|----------|-------|---------|--------------------------|
| | 6/30/02 | 9/30/02 | 12/31/02 | 2002E | 3/31/03 | 6/30/03 | 9/30/03 | 12/31/03 | 2003E | 3/31/04 | 3/31/04 |
| Highlights | | | | | | | | | | | |
| Revenue (\$mm) (80%) | 16.5 | 19.7 | 19.0 | 73.7 | 27.9 | 35.3 | 30.0 | 29.6 | 122.8 | 30.6 | 125.5 |
| Cash flow (\$mm) (80%) | 10.1 | 13.2 | 12.8 | 48.3 | 20.4 | 27.3 | 22.4 | 22.1 | 92.1 | 22.9 | 94.6 |
| Per unit | 0.25 | 0.33 | 0.32 | 1.21 | 0.51 | 0.68 | 0.56 | 0.55 | 2.30 | 0.57 | 2.36 |
| Tax credit (\$mm) | 0.2 | 0.2 | 0.2 | 0.7 | | | | | | | |
| Per unit | 0.00 | 0.00 | 0.00 | 0.02 | | | | | | | |
| Distributable Income (\$mm) | 5.3 | 8.6 | 8.3 | 29.6 | 17.3 | 24.0 | 19.1 | 18.8 | 79.2 | 19.6 | 81.5 |
| Per unit | 0.13 | 0.22 | 0.21 | 0.74 | 0.43 | 0.60 | 0.48 | 0.47 | 1.98 | 0.49 | 2.04 |
| 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) | 8.3 | 8.6 | 8.4 | 34.3 | 8.2 | 7.9 | 8.2 | 8.2 | 32.4 | 8.2 | 32.4 |
| Natural Gas (mmcf) | 93.1 | 93.4 | 91.4 | 94.0 | 88.8 | 88.8 | 88.8 | 88.8 | 88.8 | 88.8 | 88.8 |
| Days | 89 | 92 | 92 | 365 | 92 | 89 | 92 | 92 | 365 | 92 | 365 |
| Oil (mb) | 88 | 90 | 90 | 358 | 89 | 85 | 87 | 86 | 346 | 86 | 344 |
| Oil (mbd) | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.9 | 0.9 | 0.9 | 0.9 | 0.9 |
| Days | 89 | 92 | 92 | 365 | 92 | 89 | 92 | 92 | 365 | 92 | 365 |
| Total (bcf) | 8.8 | 9.1 | 8.9 | 36.5 | 8.7 | 8.4 | 8.7 | 8.7 | 34.5 | 8.7 | 34.5 |
| Price | | | | | | | | | | | |
| Natural Gas (HH lagged two months) | | | | | | | | | | | |
| Henry Hub (\$/mmbtu) | 2.92 | 3.23 | 3.59 | 3.02 | 4.73 | 6.27 | 5.15 | 5.11 | 5.31 | 5.29 | 5.45 |
| Differential (%) | 23 | 20 | 30 | 19 | 16 | 16 | 16 | 16 | 17 | 16 | 17 |
| HGT (\$/mcf) | 2.25 | 2.60 | 2.52 | 2.44 | 3.96 | 5.24 | 4.30 | 4.27 | 4.44 | 4.42 | 4.55 |
| Oil (\$/bbl) (WTI Cushing lagged two months) | | | | | | | | | | | |
| WTI Cushing | 23.80 | 26.49 | 28.96 | 24.70 | 29.55 | 32.72 | 27.23 | 25.64 | 28.78 | 25.00 | 27.65 |
| HGT | 22.27 | 25.84 | 28.46 | 23.85 | 29.05 | 32.22 | 26.73 | 25.14 | 28.27 | 24.50 | 27.13 |
| Total (\$/mcf) | 2.33 | 2.70 | 2.66 | 2.53 | 4.01 | 5.25 | 4.31 | 4.27 | 4.45 | 4.40 | 4.55 |
| Revenue (\$mm) | | | | | | | | | | | |
| Natural Gas | 18.6 | 22.3 | 21.2 | 83.6 | 32.3 | 41.4 | 35.1 | 34.9 | 143.7 | 36.1 | 147.5 |
| Oil | 2.0 | 2.3 | 2.5 | 8.5 | 2.6 | 2.7 | 2.3 | 2.2 | 9.8 | 2.1 | 9.3 |
| Total | 20.6 | 24.6 | 23.8 | 92.2 | 34.9 | 44.1 | 37.5 | 37.1 | 153.5 | 38.2 | 156.9 |
| Cost (\$mm) | | | | | | | | | | | |
| Tax, transport & other | 1.9 | 2.2 | 2.4 | 8.2 | 3.5 | 4.4 | 3.7 | 3.7 | 15.4 | 3.8 | 15.7 |
| Production | 4.0 | 3.8 | 3.9 | 16.1 | 4.0 | 3.7 | 3.8 | 3.8 | 15.3 | 3.8 | 15.2 |
| Overhead | 2.0 | 2.1 | 1.5 | 7.6 | 1.9 | 1.9 | 1.9 | 1.9 | 7.8 | 1.9 | 7.8 |
| Total | 7.9 | 8.1 | 7.7 | 31.8 | 9.4 | 10.1 | 9.5 | 9.5 | 38.5 | 9.6 | 38.6 |
| Cash flow (\$mm) | | | | | | | | | | | |
| Development | 5.8 | 5.8 | 5.4 | 22.7 | 3.7 | 4.0 | 4.0 | 4.0 | 15.7 | 4.0 | 16.0 |
| Net proceeds (\$mm) | | | | | | | | | | | |
| Net proceeds | 6.9 | 10.7 | 10.7 | 37.6 | 21.7 | 30.1 | 23.9 | 23.6 | 99.3 | 24.6 | 102.2 |
| Royalty income (\$mm) | | | | | | | | | | | |
| Royalty/Net proceeds | 80% | 80% | 80% | 80% | 80% | 80% | 80% | 80% | 80% | 80% | 80% |
| Administration | 0.2 | (0.0) | 0.3 | 0.5 | 0.1 | 0.1 | 0.1 | 0.1 | 0.3 | 0.1 | 0.3 |
| Distributable income (\$mm) | | | | | | | | | | | |
| Distributable income | 5.3 | 8.6 | 8.3 | 29.6 | 17.3 | 24.0 | 19.1 | 18.8 | 79.2 | 19.6 | 81.5 |
| Cost ratios | | | | | | | | | | | |
| Tax and other/revenue | 9% | 9% | 10% | 9% | 10% | 10% | 10% | 10% | 10% | 10% | 10% |
| Production cost (\$/mcf) | 0.46 | 0.42 | 0.43 | 0.44 | 0.46 | 0.44 | 0.44 | 0.44 | 0.44 | 0.44 | 0.44 |
| Overhead cost (\$/mcf) | 0.23 | 0.23 | 0.17 | 0.21 | 0.22 | 0.23 | 0.22 | 0.22 | 0.23 | 0.22 | 0.23 |
| Development/Cash flow | 0.46 | 0.35 | 0.34 | 0.38 | 0.15 | 0.12 | 0.14 | 0.14 | 0.14 | 0.14 | 0.14 |

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Natural Gas Royalty Trusts

A Weekly Analysis

March 27, 2003

Table SJT-1
San Juan Basin Royalty Trust
Present Value

| | | | |
|----------------------------|------|------------------------------------|-----|
| Volume Decline (%/yr): | 11 | Price Escalation Post 2008 (%/yr): | 2.7 |
| Volume Enhancement (%/yr): | 10 | Discount rate (%/yr): | 5.9 |
| Capex/Cash Flow (%): | 25 | U.S. TIPS Inflation (%/yr): | 1.9 |
| Variable Cost (%): | 12 | U.S. 10 Year Yield (%/yr): | 3.9 |
| PV/Volume (\$/mcf): | 1.54 | PV/EBITDA 2004: | 7.5 |

| Year | Basic (bcf) | Enhanced (bcf) | Total (bcf) | Price (\$/mcf) | Revenue (\$mm) | Fixed Cost (\$mm) | Var Cost (\$mm) | Cap Ex (\$mm) | Distribution (\$/unit) | Disc Factor | Present Value (\$/unit) | |
|---|----------------|-------------------|----------------|-------------------|-------------------|-------------------------|-----------------------|---------------------|---------------------------|----------------|-------------------------------|--------------|
| Total 2004 through 2030; years ending on 3/31 | | | | | | | | | | | | |
| | 316 | 210 | 526 | 3.99 | 2097 | 350 | 252 | 179 | 1317 | 28.26 | 0.62 | 17.40 |
| 2004 | 35.2 | 0.0 | 35.2 | 3.86 | 135.8 | 11.6 | 16.3 | 12.5 | 95.4 | 2.05 | 0.97 | 1.99 |
| 2005 | 31.4 | 3.5 | 35.0 | 3.84 | 134.3 | 13.0 | 16.1 | 26.3 | 78.9 | 1.69 | 0.92 | 1.55 |
| 2006 | 28.1 | 6.6 | 34.8 | 3.63 | 126.1 | 13.0 | 15.1 | 24.5 | 73.5 | 1.58 | 0.87 | 1.37 |
| 2007 | 25.1 | 9.4 | 34.5 | 3.45 | 119.4 | 13.0 | 14.3 | 23.0 | 69.0 | 1.48 | 0.82 | 1.21 |
| 2008 | 22.5 | 11.9 | 34.3 | 3.45 | 118.5 | 13.0 | 14.2 | 22.8 | 68.5 | 1.47 | 0.77 | 1.13 |
| 2009 | 20.1 | 14.0 | 34.1 | 3.45 | 117.9 | 13.0 | 14.1 | 22.7 | 68.1 | 1.46 | 0.73 | 1.06 |
| 2010 | 18.0 | 16.0 | 33.9 | 3.55 | 120.3 | 13.0 | 14.4 | 23.2 | 69.7 | 1.49 | 0.69 | 1.03 |
| 2011 | 16.1 | 17.7 | 33.7 | 3.64 | 122.8 | 13.0 | 14.7 | 23.8 | 71.3 | 1.53 | 0.65 | 0.99 |
| 2012 | 14.4 | 15.8 | 30.2 | 3.74 | 112.7 | 13.0 | 13.5 | | 86.2 | 1.85 | 0.61 | 1.13 |
| 2013 | 12.8 | 14.1 | 27.0 | 3.84 | 103.4 | 13.0 | 12.4 | | 78.0 | 1.67 | 0.58 | 0.97 |
| 2014 | 11.5 | 12.6 | 24.1 | 3.94 | 94.9 | 13.0 | 11.4 | | 70.5 | 1.51 | 0.55 | 0.83 |
| 2015 | 10.3 | 11.3 | 21.5 | 4.04 | 87.1 | 13.0 | 10.5 | | 63.7 | 1.37 | 0.52 | 0.70 |
| 2016 | 9.2 | 10.1 | 19.3 | 4.15 | 80.0 | 13.0 | 9.6 | | 57.4 | 1.23 | 0.49 | 0.60 |
| 2017 | 8.2 | 9.0 | 17.2 | 4.26 | 73.4 | 13.0 | 8.8 | | 51.6 | 1.11 | 0.46 | 0.51 |
| 2018 | 7.3 | 8.1 | 15.4 | 4.37 | 67.3 | 13.0 | 8.1 | | 46.3 | 0.99 | 0.43 | 0.43 |
| 2019 | 6.6 | 7.2 | 13.8 | 4.49 | 61.8 | 13.0 | 7.4 | | 41.4 | 0.89 | 0.41 | 0.36 |
| 2020 | 5.9 | 6.4 | 12.3 | 4.61 | 56.7 | 13.0 | 6.8 | | 36.9 | 0.79 | 0.39 | 0.31 |
| 2021 | 5.2 | 5.8 | 11.0 | 4.73 | 52.1 | 13.0 | 6.2 | | 32.8 | 0.70 | 0.36 | 0.26 |
| 2022 | 4.7 | 5.2 | 9.8 | 4.86 | 47.8 | 13.0 | 5.7 | | 29.0 | 0.62 | 0.34 | 0.21 |
| 2023 | 4.2 | 4.6 | 8.8 | 4.99 | 43.9 | 13.0 | 5.3 | | 25.6 | 0.55 | 0.33 | 0.18 |
| 2024 | 3.7 | 4.1 | 7.9 | 5.12 | 40.2 | 13.0 | 4.8 | | 22.4 | 0.48 | 0.31 | 0.15 |
| 2025 | 3.3 | 3.7 | 7.0 | 5.26 | 36.9 | 13.0 | 4.4 | | 19.5 | 0.42 | 0.29 | 0.12 |
| 2026 | 3.0 | 3.3 | 6.3 | 5.40 | 33.9 | 13.0 | 4.1 | | 16.8 | 0.36 | 0.27 | 0.10 |
| 2027 | 2.7 | 2.9 | 5.6 | 5.54 | 31.1 | 13.0 | 3.7 | | 14.4 | 0.31 | 0.26 | 0.08 |
| 2028 | 2.4 | 2.6 | 5.0 | 5.69 | 28.6 | 13.0 | 3.4 | | 12.1 | 0.26 | 0.24 | 0.06 |
| 2029 | 2.1 | 2.4 | 4.5 | 5.84 | 26.2 | 13.0 | 3.1 | | 10.1 | 0.22 | 0.23 | 0.05 |
| 2030 | 1.9 | 2.1 | 4.0 | 5.99 | 24.1 | 13.0 | 2.9 | | 8.2 | 0.18 | 0.22 | 0.04 |

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Natural Gas Royalty Trusts

A Weekly Analysis

March 27, 2003

Table SJT-2
San Juan Basin Royalty Trust
Distributable Income

| | Q2 | Q3 | Q4E | Year | Q1E | Q2E | Q3E | Q4E | Year | Q1E | Next |
|--|---------|---------|----------|-------|---------|---------|---------|----------|-------|---------|---------|
| | 6/30/02 | 9/30/02 | 12/31/02 | 2002E | 3/31/03 | 6/30/03 | 9/30/03 | 12/31/03 | 2003E | 3/31/04 | Twelve |
| | | | | | | | | | | | Months |
| | | | | | | | | | | | 3/31/04 |
| Highlights | | | | | | | | | | | |
| Revenue (\$mm) (75%) | 18.6 | 20.7 | 20.4 | 78.9 | 31.1 | 39.0 | 32.1 | 31.8 | 134.0 | 32.9 | 135.8 |
| Cash flow (\$mm) (75%) | 14.1 | 16.0 | 15.5 | 59.7 | 25.0 | 32.3 | 25.8 | 25.6 | 108.7 | 26.5 | 110.2 |
| Per unit | 0.30 | 0.34 | 0.33 | 1.28 | 0.54 | 0.69 | 0.55 | 0.55 | 2.33 | 0.57 | 2.36 |
| Tax credit (\$mm) | 1.4 | 1.9 | 1.9 | 5.6 | | | | | - | | |
| Per unit | 0.03 | 0.04 | 0.04 | 0.12 | | | | | - | | |
| Distributable Income (\$mm) | 9.0 | 12.2 | 11.6 | 36.3 | 19.5 | 28.6 | 22.1 | 21.9 | 92.1 | 22.8 | 95.4 |
| Per unit | 0.19 | 0.26 | 0.25 | 0.78 | 0.42 | 0.61 | 0.47 | 0.47 | 1.98 | 0.49 | 2.05 |
| 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) | 12.0 | 11.6 | 12.4 | 48.5 | 12.6 | 11.8 | 12.2 | 12.2 | 49.0 | 12.2 | 48.6 |
| Heat Content(btu/cf) | 1,077 | 970 | 1,064 | 1,050 | 1,084 | 1,048 | 1,048 | 1,048 | 1,057 | 1,048 | 1,048 |
| Natural gas (bcf) | 11.1 | 12.0 | 11.6 | 46.2 | 11.6 | 11.3 | 11.7 | 11.7 | 46.3 | 11.7 | 46.4 |
| Natural Gas (mmcf) | 125.1 | 130.4 | 126.2 | 126.6 | 126.5 | 127.0 | 127.0 | 127.0 | 126.9 | 127.0 | 127.0 |
| 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) | 11.3 | 12.1 | 11.7 | 46.8 | 11.8 | 11.4 | 11.8 | 11.8 | 46.9 | 11.8 | 46.9 |
| Price | | | | | | | | | | | |
| Natural gas (\$/mmbtu) (Henry Hub lagged two months) | | | | | | | | | | | |
| Henry Hub (\$/mmbtu) | 2.92 | 3.23 | 3.59 | 3.02 | 4.73 | 6.27 | 5.15 | 5.11 | 5.31 | 5.29 | 5.45 |
| Differential (%) | 31 | 28 | 40 | 30 | 32 | 31 | 33 | 33 | 32 | 33 | 32 |
| Total | 2.02 | 2.33 | 2.16 | 2.13 | 3.24 | 4.34 | 3.45 | 3.43 | 3.61 | 3.54 | 3.68 |
| Natural gas (\$/mcf) | 2.18 | 2.26 | 2.30 | 2.24 | 3.51 | 4.55 | 3.61 | 3.59 | 3.81 | 3.71 | 3.86 |
| Oil (\$/bbl) (WTI Cushing lagged two months) | | | | | | | | | | | |
| WTI Cushing | 23.80 | 26.49 | 28.96 | 24.70 | 29.55 | 32.72 | 27.23 | 25.64 | 28.78 | 25.00 | 27.65 |
| SJT | 19.14 | 21.95 | 24.00 | 20.10 | 24.48 | 27.11 | 22.56 | 21.25 | 23.82 | 20.71 | 22.87 |
| Total gas & oil (\$/mcf) | 2.19 | 2.28 | 2.32 | 2.25 | 3.52 | 4.55 | 3.62 | 3.59 | 3.81 | 3.71 | 3.86 |
| Revenue (\$mm) | | | | | | | | | | | |
| Natural Gas | 24.2 | 27.1 | 26.7 | 103.3 | 40.9 | 51.5 | 42.2 | 42.0 | 176.6 | 43.4 | 179.1 |
| Oil | 0.5 | 0.5 | 0.5 | 1.9 | 0.5 | 0.6 | 0.5 | 0.5 | 2.1 | 0.5 | 2.0 |
| Total | 24.8 | 27.6 | 27.2 | 105.2 | 41.4 | 52.1 | 42.7 | 42.4 | 178.7 | 43.9 | 181.1 |
| Cost (\$mm) | | | | | | | | | | | |
| Severance tax | 2.4 | 2.3 | 3.1 | 10.5 | 4.2 | 5.2 | 4.3 | 4.2 | 17.9 | 4.4 | 18.1 |
| Operating | 3.7 | 4.0 | 3.4 | 15.2 | 3.9 | 3.7 | 4.1 | 4.1 | 15.8 | 4.1 | 16.0 |
| Total | 6.0 | 6.3 | 6.5 | 25.6 | 8.1 | 8.9 | 8.4 | 8.3 | 33.8 | 8.5 | 34.1 |
| Cash flow (\$mm) | 18.8 | 21.3 | 20.7 | 79.6 | 33.3 | 43.1 | 34.4 | 34.1 | 144.9 | 35.4 | 147.0 |
| Development | 3.4 | 2.1 | 4.7 | 21.5 | 6.6 | 4.2 | 4.2 | 4.2 | 19.1 | 4.2 | 16.7 |
| Net proceeds (\$mm) | 15.4 | 19.2 | 16.1 | 58.2 | 26.7 | 38.9 | 30.2 | 29.9 | 125.8 | 31.2 | 130.3 |
| Royalty income (\$mm) | 11.5 | 14.4 | 12.1 | 43.6 | 20.1 | 29.2 | 22.7 | 22.4 | 94.4 | 23.4 | 97.7 |
| Royalty/Net proceeds | 75% | 75% | 75% | 75% | 75% | 75% | 75% | 75% | 75% | 75% | 75% |
| Administration | 0.5 | 0.6 | 0.5 | 2.0 | 0.6 | 0.6 | 0.6 | 0.6 | 2.3 | 0.6 | 2.3 |
| One-time | 2.0 | 1.6 | | 5.3 | | | | | - | | - |
| Distributable income (\$mm) | 9.0 | 12.2 | 11.6 | 36.3 | 19.5 | 28.6 | 22.1 | 21.9 | 92.1 | 22.8 | 95.4 |
| Modeling ratios | | | | | | | | | | | |
| Severance tax/revenue | 9.5% | 8.5% | 11.5% | 9.9% | 10.2% | 10.0% | 10.0% | 10.0% | 10.0% | 10.0% | 10.0% |
| Operating cost (\$/mcf) | 0.32 | 0.33 | 0.29 | 0.32 | 0.33 | 0.33 | 0.35 | 0.35 | 0.34 | 0.35 | 0.34 |
| Development/Cash flow | 18% | 10% | 22% | 27% | 20% | 10% | 12% | 12% | 13% | 12% | 11% |

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Natural Gas Royalty Trusts

A Weekly Analysis

March 27, 2003

Table SJT-3
San Juan Basin Royalty Trust
Monthly Declarations

| | <i>Dec-02</i> | <i>Jan-03</i> | <i>Feb-03</i> | <i>Mar-03</i> | <i>Apr-03</i> | <i>May-03</i> | <i>Jun-03</i> |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Distribution (\$/unit) | | | | | | | |
| Declared | 0.09 | 0.10 | 0.12 | 0.20 | | | |
| Projected | | | | | 0.18 | 0.27 | 0.16 |
| Volume | | | | | | | |
| Natural gas (mmbtu) | 4.08 | 4.07 | 3.97 | 4.58 | 3.73 | 4.13 | 3.99 |
| Heat Content(btu/cf) | 1,043 | 1,092 | 1,097 | 1,067 | 1,048 | 1,048 | 1,048 |
| Natural gas (bcf) | 3.91 | 3.73 | 3.62 | 4.29 | 3.56 | 3.94 | 3.81 |
| Natural Gas (mmcf) | 126 | 124 | 117 | 138 | 127 | 127 | 127 |
| Days | 31 | 30 | 31 | 31 | 28 | 31 | 30 |
| Price | | | | | | | |
| Natural gas industry quotes lagged two months (\$/mmbtu) | | | | | | | |
| Henry Hub Daily/Futures | 4.12 | 4.03 | 4.76 | 5.41 | 7.77 | 5.97 | 5.06 |
| San Juan Monthly Index | 2.52 | 3.25 | 3.45 | 4.14 | 4.58 | 5.91 | |
| SJT/Henry Hub | 0.54 | 0.71 | 0.66 | 0.68 | 0.53 | 0.89 | 0.70 |
| SJT/San Juan Index | 0.89 | 0.88 | 0.91 | 0.88 | 0.90 | 0.90 | |
| SJT (\$/mmbtu) | 2.24 | 2.85 | 3.14 | 3.66 | 4.12 | 5.32 | 3.54 |
| SJT (\$/mcf) | 2.33 | 3.12 | 3.45 | 3.91 | 4.32 | 5.57 | 3.71 |
| Revenue (\$mm) | | | | | | | |
| Natural Gas | 9.1 | 11.6 | 12.5 | 16.8 | 15.4 | 22.0 | 14.1 |
| Other | 0.0 | 0.1 | (0.1) | (0.1) | (0.1) | (0.1) | (0.1) |
| Cost (\$mm) | | | | | | | |
| Severance tax | 1.5 | 1.2 | 1.3 | 1.7 | 1.6 | 2.2 | 1.4 |
| Operating | 0.5 | 1.5 | 1.3 | 1.1 | 1.2 | 1.2 | 1.2 |
| Total | 2.0 | 2.7 | 2.6 | 2.8 | 2.8 | 3.5 | 2.7 |
| Cash flow (\$mm) | 7.1 | 9.0 | 9.8 | 13.8 | 12.5 | 18.4 | 11.4 |
| Development | 1.6 | 2.7 | 2.4 | 1.4 | 1.4 | 1.4 | 1.4 |
| Net proceeds (\$mm) | 5.5 | 6.3 | 7.4 | 12.4 | 11.1 | 17.0 | 10.0 |
| Royalty income (\$mm) | 4.2 | 4.7 | 5.5 | 9.3 | 8.3 | 12.8 | 7.5 |
| Royalty/Net proceeds | 75% | 75% | 75% | 75% | 75% | 75% | 75% |
| One time | | | | | | | |
| Distributable income (\$mm) | 4.2 | 4.7 | 5.5 | 9.3 | 8.3 | 12.8 | 7.5 |
| Units (millions) | 46.6 | 46.6 | 46.6 | 46.6 | 46.6 | 46.6 | 46.6 |
| Distribution (\$/unit) | 0.09 | 0.10 | 0.12 | 0.20 | 0.18 | 0.27 | 0.16 |
| <i>Latest Twelve Month Average</i> | | | | | | | |
| Heat Content(btu/cf) | 1,050 | 1,050 | 1,050 | 1,048 | | | |
| Natural Gas (mmcf) | 127 | 127 | 126 | 127 | | | |
| SJT/Henry Hub | 0.72 | 0.70 | 0.70 | 0.67 | | | |
| SJT/San Juan Index | 0.88 | 0.89 | 0.90 | 0.90 | | | |
| Other revenue | (0.2) | (0.1) | (0.1) | (0.1) | | | |
| Operating | 1.3 | 1.3 | 1.3 | 1.2 | | | |
| Development | 1.8 | 1.7 | 1.5 | 1.4 | | | |
| Severance tax/revenue | 10.1% | 10.1% | 10.1% | 10.1% | | | |

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