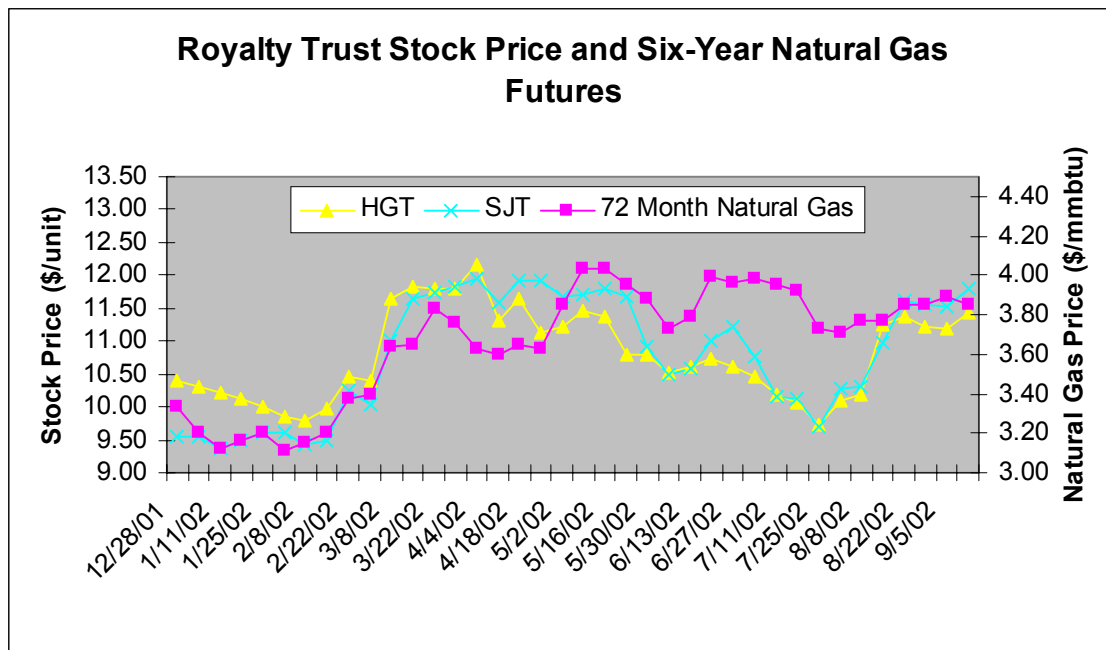


Stock Price Tracking Six-Year Futures

Summary and Recommendation

Royalty Trust stock prices seem to be on the same trend again as six-year natural gas futures (see Chart). Natural gas futures in turn match the heating equivalent of six-year oil futures at a modest \$23 a barrel (see Meter Reader, 9//16/02, page 5). Cleaner burning makes natural gas ultimately worth more than crude oil. At the same time there is risk that six-year natural gas futures may move below the 29-week average (see Chart). Yet, low McDep Ratios suggest that current stock price could be higher relative to current futures prices (see McDep Ratio table). A less subjective measure, unlevered cash flow multiple implied by current stock price, is a moderate 7 times (see EV/EBITDA table). Thus, while there is always price risk, SJT, HGT and CRT have further long-term appreciation potential, in our opinion.

Kurt H. Wulff, CFA

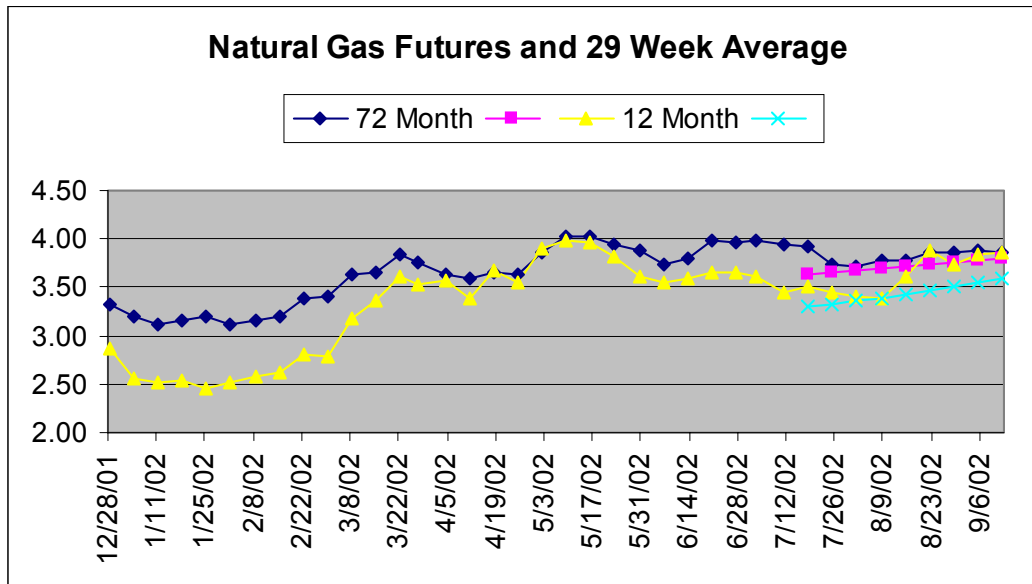


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Natural Gas Royalty Trusts

A Weekly Analysis

September 16, 2002



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

	Symbol/ Rating	Price (\$/sh) 12-Sep 2002	Shares (mm)	Market Cap (\$mm)	Net Present Value (\$/sh)	Debt/ Present Value	McDep Ratio
Cross Timbers Royalty Trust	CRT	17.90	6.0	107	20.00	-	0.89
San Juan Basin Royalty Trust	SJT B	11.80	46.6	550	16.10	-	0.73
Hugoton RoyaltyTrust (46%)	HGT	11.44	18.4	210	16.30	-	0.70

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

	Symbol/ Rating	Price (\$/sh) 12-Sep 2002	EV/ Sales NTM	EV/ Ebitda NTM	P/E NTM	Dividend or Distribution NTM (%)	PV/ Ebitda NTM
Cross Timbers Royalty Trust	CRT	17.90	6.3	8.9	10	10.4	10.0
San Juan Basin Royalty Trust	SJT B	11.80	5.6	7.3	10	10.2	9.9
Hugoton RoyaltyTrust (46%)	HGT	11.44	4.6	6.8	9	10.7	9.6

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended September 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

September 16, 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):	2.74	PV/EBITDA 2002:	10.2
---------------------	------	-----------------	------

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 9/30											
	25	19	44	4.28	188	9	197	32.75	0.02	0.61	20.00
2003	2.6	0.0	2.6	3.60	9.3	1.9	11.2	1.86	0.02	0.97	1.83
2004	2.3	0.3	2.6	3.75	9.7	1.6	11.3	1.89		0.92	1.74
2005	2.1	0.5	2.6	3.66	9.4	1.2	10.6	1.77		0.88	1.55
2006	1.9	0.7	2.6	3.63	9.4	1.0	10.4	1.73		0.83	1.44
2007	1.7	0.9	2.6	3.63	9.4	0.9	10.3	1.71		0.79	1.35
2008	1.5	1.1	2.6	3.72	9.6	0.8	10.4	1.73		0.75	1.29
2009	1.4	1.2	2.6	3.82	9.8	0.7	10.6	1.76		0.71	1.25
2010	1.2	1.3	2.6	3.91	10.1	0.7	10.8	1.80		0.67	1.21
2011	1.1	1.5	2.6	4.01	10.3		10.3	1.72		0.64	1.10
2012	1.0	1.3	2.3	4.11	9.5		9.5	1.59		0.60	0.96
2013	0.9	1.2	2.1	4.22	8.8		8.8	1.47		0.57	0.84
2014	0.8	1.1	1.9	4.32	8.1		8.1	1.35		0.54	0.74
2015	0.7	1.0	1.7	4.43	7.5		7.5	1.25		0.51	0.64
2016	0.7	0.9	1.5	4.54	6.9		6.9	1.15		0.49	0.56
2017	0.6	0.8	1.4	4.66	6.4		6.4	1.06		0.46	0.49
2018	0.5	0.7	1.2	4.78	5.9		5.9	0.98		0.44	0.43
2019	0.5	0.6	1.1	4.90	5.4		5.4	0.91		0.42	0.38
2020	0.4	0.6	1.0	5.02	5.0		5.0	0.84		0.39	0.33
2021	0.4	0.5	0.9	5.15	4.6		4.6	0.77		0.37	0.29
2022	0.3	0.5	0.8	5.28	4.3		4.3	0.71		0.35	0.25
2023	0.3	0.4	0.7	5.41	3.9		3.9	0.66		0.34	0.22
2024	0.3	0.4	0.7	5.55	3.6		3.6	0.61		0.32	0.19
2025	0.3	0.3	0.6	5.69	3.4		3.4	0.56		0.30	0.17
2026	0.2	0.3	0.5	5.83	3.1		3.1	0.52		0.29	0.15
2027	0.2	0.3	0.5	5.98	2.9		2.9	0.48		0.27	0.13
2028	0.2	0.2	0.4	6.13	2.6		2.6	0.44		0.26	0.11
2029	0.2	0.2	0.4	6.28	2.4		2.4	0.41		0.24	0.10
2030	0.1	0.2	0.3	6.44	2.2		2.2	0.37		0.23	0.09
2031	0.1	0.2	0.3	6.60	2.1		2.1	0.34		0.22	0.08
2032	0.1	0.2	0.3	6.77	1.9		1.9	0.32		0.21	0.07

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Natural Gas Royalty Trusts

A Weekly Analysis

September 16, 2002

Table CRT-2
Cross Timbers 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>Q3E</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>9/30/03</i>	<i>Twelve</i>	
									<i>Months</i>	
									<i>9/30/03</i>	
Highlights										
Tax credit (\$mm)										
Per unit	0.03	0.02	0.02	0.02	0.09					0.02
Distributable Income (\$mm)	1.80	1.72	2.60	2.59	8.72	2.90	2.90	2.77		11.15
Per unit	0.30	0.29	0.43	0.43	1.45	0.48	0.48	0.46		1.86
Units (millions)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0		6.0
Volume										
Natural Gas (bcf)	0.78	0.71	0.71	0.72	2.92	0.72	0.71	0.71		2.86
Natural Gas (mmcf)	8.5	7.8	7.8	7.8	8.0	7.8	7.8	7.8		7.8
Days	92	90	91	92	365	92	90	91		365
Oil (mb)	83	82	85	85	336	85	82	85		338
Oil (mbd)	0.90	0.93	0.93	0.93	0.92	0.93	0.93	0.93		3.70
Days	92	89	92	92	365	92	89	92		365
Total (bcf)	1.28	1.20	1.23	1.23	4.94	1.23	1.20	1.23		4.89
Price										
Natural Gas (HH lagged three months)										
Henry Hub (\$/mmbtu)	2.41	2.53	3.38	3.13	2.86	3.70	4.05	3.83		3.68
Differential (\$/mmbtu)	(0.13)	(0.04)	0.07	0.06	(0.00)	0.07	0.08	0.08		0.08
CRT (\$/mcf)	2.54	2.57	3.31	3.06	2.86	3.63	3.97	3.75		3.60
Oil (\$/bbl) (WTI lagged two months)										
WTI Cushing	19.56	23.80	26.49	28.97	24.71	28.93	27.60	26.31		27.95
CRT	17.28	20.50	24.49	26.97	22.36	26.93	25.60	24.31		25.95
Total (\$/mcf)	2.67	2.92	3.63	3.66	3.22	3.99	4.09	3.88		3.90
Revenue (\$mm)										
Natural Gas	1.98	1.82	2.37	2.21	8.38	2.62	2.81	2.68		10.32
Oil	1.44	1.69	2.09	2.30	7.51	2.29	2.11	2.07		8.77
Total	3.42	3.50	4.45	4.51	15.88	4.91	4.92	4.75		19.09
Cost (\$mm)										
Tax, transport & other										
Production	0.34	0.51	0.62	0.63	2.10	0.69	0.69	0.67		2.67
Total	0.75	0.72	0.72	0.72	2.91	0.72	0.72	0.72		2.88
Total	1.09	1.23	1.34	1.35	5.02	1.41	1.41	1.39		5.55
Cash flow (\$mm)										
Development	2.33	2.27	3.11	3.16	10.87	3.51	3.51	3.36		13.53
Excess	0.28	0.14	0.14	0.20	0.77	0.20	0.20	0.20		0.80
Excess	(0.07)	0.07								
Net proceeds (\$mm)	2.11	2.06	2.96	2.96	10.10	3.31	3.31	3.16		12.73
Royalty income (\$mm)	1.88	1.82	2.64	2.63	8.96	2.94	2.94	2.81		11.31
Royalty/Net proceeds	89%	89%	89%	89%	89%	89%	89%	89%		89%
Administration	0.08	0.09	0.04	0.04	0.25	0.04	0.04	0.04		0.16
Distributable income (\$mm)	1.80	1.72	2.60	2.59	8.72	2.90	2.90	2.77		11.15

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Natural Gas Royalty Trusts

A Weekly Analysis

September 16, 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):	1.27	PV/EBITDA 2002:	9.7

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 9/30													
	290	225	514	4.17	2147	437	365	205	1140	28.49	0.00	0.57	16.30
2003	30.2	0.0	30.2	3.26	98.7	14.6	16.8	18.2	49.1	1.23	0.00	0.97	1.20
2004	27.2	3.0	30.2	3.67	110.8	14.6	18.8	23.2	54.2	1.35		0.92	1.24
2005	24.5	5.7	30.2	3.58	108.2	14.6	18.4	22.6	52.7	1.32		0.86	1.14
2006	22.0	8.2	30.2	3.55	107.4	14.6	18.3	22.4	52.2	1.30		0.81	1.06
2007	19.8	10.4	30.2	3.56	107.6	14.6	18.3	22.4	52.3	1.31		0.77	1.00
2008	17.9	12.4	30.2	3.65	110.3	14.6	18.8	23.1	53.9	1.35		0.72	0.97
2009	16.1	14.2	30.2	3.74	113.1	14.6	19.2	23.8	55.5	1.39		0.68	0.95
2010	14.5	15.8	30.2	3.83	115.9	14.6	19.7	24.5	57.1	1.43		0.64	0.92
2011	13.0	17.2	30.2	3.93	118.9	14.6	20.2	25.2	58.8	1.47		0.61	0.89
2012	11.7	15.5	27.2	4.03	109.7	14.6	18.6		76.4	1.91		0.57	1.09
2013	10.5	13.9	24.5	4.13	101.2	14.6	17.2		69.4	1.74		0.54	0.94
2014	9.5	12.6	22.0	4.24	93.4	14.6	15.9		62.9	1.57		0.51	0.80
2015	8.5	11.3	19.8	4.34	86.1	14.6	14.6		56.9	1.42		0.48	0.68
2016	7.7	10.2	17.9	4.45	79.5	14.6	13.5		51.4	1.28		0.45	0.58
2017	6.9	9.2	16.1	4.56	73.3	14.6	12.5		46.3	1.16		0.43	0.49
2018	6.2	8.2	14.5	4.68	67.7	14.6	11.5		41.6	1.04		0.40	0.42
2019	5.6	7.4	13.0	4.80	62.4	14.6	10.6		37.2	0.93		0.38	0.35
2020	5.0	6.7	11.7	4.92	57.6	14.6	9.8		33.2	0.83		0.36	0.30
2021	4.5	6.0	10.5	5.04	53.2	14.6	9.0		29.5	0.74		0.34	0.25
2022	4.1	5.4	9.5	5.17	49.0	14.6	8.3		26.1	0.65		0.32	0.21
2023	3.7	4.9	8.5	5.30	45.3	14.6	7.7		23.0	0.57		0.30	0.17
2024	3.3	4.4	7.7	5.43	41.8	14.6	7.1		20.1	0.50		0.28	0.14
2025	3.0	3.9	6.9	5.57	38.5	14.6	6.5		17.4	0.43		0.27	0.12
2026	2.7	3.5	6.2	5.71	35.5	14.6	6.0		14.9	0.37		0.25	0.09
2027	2.4	3.2	5.6	5.85	32.8	14.6	5.6		12.6	0.32		0.24	0.07
2028	2.2	2.9	5.0	6.00	30.3	14.6	5.1		10.5	0.26		0.22	0.06
2029	2.0	2.6	4.5	6.15	27.9	14.6	4.7		8.6	0.21		0.21	0.05
2030	1.8	2.3	4.1	6.31	25.8	14.6	4.4		6.8	0.17		0.20	0.03
2031	1.6	2.1	3.7	6.47	23.8	14.6	4.0		5.1	0.13		0.19	0.02
2032	1.4	1.9	3.3	6.63	21.9	14.6	3.7		3.6	0.09		0.18	0.02

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Natural Gas Royalty Trusts

A Weekly Analysis

September 16, 2002

Table HGT-2
Hugoton 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>Q3E</i>	<i>Next Twelve Months</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>9/30/03</i>	<i>9/30/03</i>
Highlights									
Revenue (\$mm) (80%)	18.5	16.5	21.7	21.9	78.6	26.2	25.2	25.2	98.7
Cash flow (\$mm) (80%)	12.0	10.1	14.2	14.4	50.7	18.3	17.6	17.4	67.6
Per unit	0.30	0.25	0.35	0.36	1.27	0.46	0.44	0.43	1.69
Tax credit (\$mm)	0.2	0.2	0.2	0.2	0.7				0.2
Per unit	0.00	0.00	0.00	0.00	0.02				0.00
Distributable Income (\$mm)	7.4	5.3	9.5	9.8	32.0	13.6	12.9	12.7	49.1
Per unit	0.18	0.13	0.24	0.24	0.80	0.34	0.32	0.32	1.23
Units (millions)	40.0	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	9.0	35.7
Natural Gas (mmcf)	98.1	93.1	97.8	97.8	96.7	97.8	97.8	97.8	97.8
Days	92	89	92	92	365	92	89	92	365
Oil (mb)	90	88	90	90	358	89	85	87	350
Oil (mbd)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.9	1.0
Days	92	89	92	92	365	92	89	92	365
Total (bcf)	9.6	8.8	9.5	9.5	37.5	9.5	9.2	9.5	37.8
Price									
Natural Gas (HH lagged two months)									
Henry Hub (\$/mmbtu)	2.34	2.92	3.23	3.25	2.94	3.96	3.95	3.83	3.75
Differential (\$/mmbtu)	(0.03)	0.67	0.49	0.49	0.40	0.59	0.59	0.57	0.56
HGT (\$/mcf)	2.38	2.25	2.75	2.76	2.54	3.37	3.36	3.26	3.19
Oil (\$/bbl) (WTI Cushing lagged two months)									
WTI Cushing	19.56	23.80	26.49	28.97	24.71	28.93	27.60	26.31	27.95
HGT	18.80	22.27	25.99	28.47	23.89	28.43	27.10	25.81	27.47
Total (\$/mcf)	2.42	2.33	2.84	2.87	2.62	3.44	3.42	3.31	3.26
Revenue (\$mm)									
Natural Gas	21.5	18.6	24.7	24.9	89.7	30.3	29.2	29.3	113.7
Oil	1.7	2.0	2.4	2.5	8.6	2.5	2.3	2.2	9.6
Total	23.2	20.6	27.1	27.4	98.2	32.8	31.5	31.6	123.3
Cost (\$mm)									
Tax, transport & other	1.7	1.9	2.7	2.7	9.0	3.3	3.2	3.2	12.3
Production	4.4	4.0	4.8	4.8	18.0	4.8	4.6	4.8	18.9
Overhead	2.0	2.0	1.9	1.9	7.8	1.9	1.8	1.9	7.6
Total	8.1	7.9	9.4	9.4	34.8	10.0	9.6	9.8	38.8
Cash flow (\$mm)									
Development	5.8	5.8	5.7	5.7	23.0	5.7	5.7	5.7	22.8
Net proceeds (\$mm)	9.3	6.9	12.0	12.3	40.5	17.2	16.2	16.0	61.7
Royalty income (\$mm)	7.4	5.5	9.6	9.8	32.4	13.7	13.0	12.8	49.4
Royalty/Net proceeds	80%	80%	80%	80%	80%	80%	80%	80%	80%
Administration	0.1	0.2	0.1	0.1	0.4	0.1	0.1	0.1	0.3
Distributable income (\$mm)	7.4	5.3	9.5	9.8	32.0	13.6	12.9	12.7	49.1
<i>Cost ratios</i>									
Tax and other/revenue	7%	9%	10%	10%	9%	10%	10%	10%	10%
Production cost (\$/mcf)	0.46	0.46	0.50	0.50	0.48	0.50	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	0.20
Development/Cash flow	0.38	0.46	0.32	0.32	0.36	0.25	0.26	0.26	0.27

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Natural Gas Royalty Trusts

A Weekly Analysis

September 16, 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):	1.33	PV/EBITDA 2002:	10.1

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 9/30													
	318	247	565	3.81	2154	388	258	189	1318	28.28	0.01	0.57	16.10
2003	33.2	0.0	33.2	2.93	97.4	11.5	11.7	18.3	56.0	1.20	0.01	0.97	1.18
2004	29.9	3.3	33.2	3.35	111.3	13.0	13.4	21.2	63.7	1.37		0.92	1.25
2005	26.9	6.3	33.2	3.27	108.6	13.0	13.0	20.6	61.9	1.33		0.86	1.15
2006	24.2	9.0	33.2	3.25	107.8	13.0	12.9	20.5	61.4	1.32		0.81	1.07
2007	21.8	11.4	33.2	3.25	108.0	13.0	13.0	20.5	61.5	1.32		0.77	1.01
2008	19.6	13.6	33.2	3.33	110.7	13.0	13.3	21.1	63.3	1.36		0.72	0.98
2009	17.6	15.6	33.2	3.42	113.5	13.0	13.6	21.7	65.2	1.40		0.68	0.95
2010	15.9	17.3	33.2	3.50	116.4	13.0	14.0	22.4	67.1	1.44		0.64	0.93
2011	14.3	18.9	33.2	3.59	119.3	13.0	14.3	23.0	69.0	1.48		0.61	0.90
2012	12.9	17.0	29.9	3.68	110.1	13.0	13.2		83.9	1.80		0.57	1.03
2013	11.6	15.3	26.9	3.78	101.6	13.0	12.2		76.4	1.64		0.54	0.88
2014	10.4	13.8	24.2	3.87	93.7	13.0	11.2		69.5	1.49		0.51	0.76
2015	9.4	12.4	21.8	3.97	86.5	13.0	10.4		63.1	1.35		0.48	0.65
2016	8.4	11.2	19.6	4.07	79.8	13.0	9.6		57.2	1.23		0.45	0.55
2017	7.6	10.1	17.6	4.17	73.6	13.0	8.8		51.8	1.11		0.43	0.47
2018	6.8	9.0	15.9	4.28	67.9	13.0	8.2		46.8	1.00		0.40	0.40
2019	6.2	8.1	14.3	4.38	62.7	13.0	7.5		42.1	0.90		0.38	0.34
2020	5.5	7.3	12.9	4.49	57.8	13.0	6.9		37.9	0.81		0.36	0.29
2021	5.0	6.6	11.6	4.61	53.4	13.0	6.4		33.9	0.73		0.34	0.25
2022	4.5	5.9	10.4	4.72	49.2	13.0	5.9		30.3	0.65		0.32	0.21
2023	4.0	5.3	9.4	4.84	45.4	13.0	5.5		27.0	0.58		0.30	0.17
2024	3.6	4.8	8.4	4.96	41.9	13.0	5.0		23.9	0.51		0.28	0.14
2025	3.3	4.3	7.6	5.09	38.7	13.0	4.6		21.0	0.45		0.27	0.12
2026	2.9	3.9	6.8	5.22	35.7	13.0	4.3		18.4	0.39		0.25	0.10
2027	2.6	3.5	6.2	5.35	32.9	13.0	4.0		16.0	0.34		0.24	0.08
2028	2.4	3.2	5.5	5.48	30.4	13.0	3.6		13.7	0.29		0.22	0.07
2029	2.1	2.8	5.0	5.62	28.0	13.0	3.4		11.7	0.25		0.21	0.05
2030	1.9	2.6	4.5	5.76	25.9	13.0	3.1		9.8	0.21		0.20	0.04
2031	1.7	2.3	4.0	5.91	23.9	13.0	2.9		8.0	0.17		0.19	0.03
2032	1.6	2.1	3.6	6.06	22.0	13.0	2.6		6.4	0.14		0.18	0.02

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Natural Gas Royalty Trusts

A Weekly Analysis

September 16, 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>Q3E</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>9/30/03</i>	<i>Twelve</i>
									<i>Months</i>
									<i>9/30/03</i>
Highlights									
Revenue (\$mm) (75%)	19.2	18.6	20.5	20.7	78.9	26.5	25.5	24.8	97.4
Cash flow (\$mm) (75%)	14.1	14.1	15.7	15.7	59.7	20.7	19.9	19.2	75.5
Per unit	0.30	0.30	0.34	0.34	1.28	0.44	0.43	0.41	1.62
Tax credit (\$mm)	0.5	0.5	0.5	0.5	1.9				0.5
Per unit	0.01	0.01	0.01	0.01	0.04				0.01
Distributable Income (\$mm)	3.5	9.0	11.0	11.7	35.3	15.3	14.8	14.2	56.0
Per unit	0.08	0.19	0.24	0.25	0.76	0.33	0.32	0.30	1.20
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Volume									
Natural gas (mmbtu)	12.5	12.0	11.6	11.6	47.8	11.6	11.3	11.6	46.1
Heat Content(btu/cf)	1,092	1,077	968	1,059	1,047	1,059	1,059	1,059	1,059
Natural gas (bcf)	11.5	11.1	12.0	11.0	45.6	11.0	10.6	11.0	43.6
Natural Gas (mmcf)	124.7	125.1	130.4	119.4	124.9	119.4	119.4	119.4	119.4
Days	92	89	92	92	365	92	89	92	365
Oil (mb)	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1
Oil (mbd)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Total gas & oil (bcf)	11.6	11.3	12.2	11.2	46.2	11.2	10.8	11.2	44.3
Price									
Natural gas (\$/mmbtu) (Henry Hub lagged two months)									
Henry Hub (\$/mmbtu)	2.34	2.92	3.23	3.25	2.94	3.96	3.95	3.70	3.72
Differential (%)	14	31	32	25	27	25	25	25	26
Total	2.01	2.02	2.29	2.44	2.16	2.97	2.96	2.78	2.75
Natural gas (\$/mcf)	2.20	2.18	2.22	2.58	2.26	3.14	3.14	2.94	2.92
Oil (\$/bbl) (WTI Cushing lagged two months)									
WTI Cushing	19.56	23.80	26.49	28.97	24.71	28.93	27.60	29.05	28.64
SJT	15.78	19.14	22.49	24.97	20.86	24.93	23.60	25.05	24.65
Total gas & oil (\$/mcf)	2.20	2.19	2.24	2.47	2.28	3.16	3.15	2.96	2.93
Revenue (\$mm)									
Natural Gas	25.2	24.2	26.6	26.9	102.9	34.5	33.4	32.3	127.1
Oil	0.4	0.5	0.7	0.7	2.3	0.7	0.7	0.7	2.9
Total	25.6	24.8	27.3	27.6	105.2	35.3	34.0	33.0	129.9
Cost (\$mm)									
Severance tax	2.6	2.4	2.3	2.7	9.9	3.5	3.4	3.3	12.9
Operating	4.1	3.7	4.0	3.9	15.8	4.2	4.0	4.2	16.3
Total	6.7	6.0	6.3	6.6	25.7	7.7	7.4	7.5	29.2
Cash flow (\$mm)									
Development	11.3	3.4	3.2	4.5	22.3	6.9	6.6	6.4	24.4
Net proceeds (\$mm)									
Royalty/Net proceeds	7.5	15.4	17.8	16.5	57.2	20.7	19.9	19.2	76.3
Royalty income (\$mm)									
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	75%	3.0
Administration	0.4	0.5	0.7	0.2	1.8	0.2	0.2	0.2	0.8
One-time	1.7	2.0	1.6		5.3				-
Distributable income (\$mm)									
	3.5	9.0	11.0	11.7	35.3	15.3	14.8	14.2	56.0
<i>Modeling ratios</i>									
Severance tax/revenue	10.2%	9.5%	8.3%	9.7%	9.4%	10.0%	10.0%	10.0%	9.9%
Operating cost (\$/mcf)	0.36	0.32	0.33	0.35	0.34	0.37	0.37	0.37	0.37

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Natural Gas Royalty Trusts

A Weekly Analysis

September 16, 2002

Table SJT-3
San Juan Basin Royalty Trust
Monthly Declarations

	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02
Distribution (\$/unit)								
Declared	0.10	0.08	0.08	0.08				
Projected					0.08	0.08	0.08	0.09
Volume								
Natural gas (mmbtu)	4.29	3.88	3.92	3.77	3.92	3.92	3.79	3.92
Heat Content(btu/cf)	1,108	1,064	1,081	807	1,059	1,059	1,059	1,059
Natural gas (bcf)	3.87	3.65	3.63	4.67	3.70	3.70	3.58	3.70
Natural Gas (mmcf)	125	122	117	156	119	119	119	119
Days	31	30	31	30	31	31	30	31
Price								
Natural gas industry quotes lagged two months (\$/mmbtu)								
Henry Hub Daily/Futures	3.03	3.42	3.49	3.22	2.99	3.09	3.30	3.36
San Juan Monthly Index	2.14	3.04	2.39	2.24	2.62	2.50	2.42	
SJT/Henry Hub	0.64	0.78	0.65	0.75	0.74	0.72	0.68	0.73
SJT/San Juan Index	0.91	0.88	0.95	1.08	0.84	0.89	0.93	
SJT (\$/mmbtu)	1.95	2.68	2.27	2.41	2.20	2.22	2.26	2.45
SJT (\$/mcf)	2.16	2.85	2.45	1.95	2.33	2.35	2.39	2.60
Revenue (\$mm)								
Natural Gas	8.4	10.4	8.9	9.1	8.6	8.7	8.6	9.6
Other	0.3	(0.4)	(0.0)	(0.2)	(0.0)	(0.0)	(0.0)	(0.0)
Cost (\$mm)								
Severance tax	0.8	1.1	0.6	0.8	0.9	0.9	0.9	1.0
Operating	1.2	1.1	1.1	1.6	1.3	1.3	1.3	1.3
Total	2.1	2.1	1.8	2.4	2.2	2.2	2.2	2.3
Cash flow (\$mm)	6.6	7.9	7.1	6.5	6.4	6.5	6.4	7.3
Development	(0.9)	1.3	0.7	1.0	1.5	1.5	1.5	1.5
Net proceeds (\$mm)	7.5	6.6	6.4	5.5	4.9	5.0	4.9	5.8
Royalty income (\$mm)	5.6	5.0	4.8	4.1	3.7	3.7	3.6	4.4
Royalty/Net proceeds	75%	75%	75%	75%	75%	75%	75%	75%
One time	1.0	1.0	1.0	0.6				
Distributable income (\$mm)	4.6	4.0	3.8	3.5	3.7	3.7	3.6	4.4
Units (millions)	46.6	46.6	46.6	46.6	46.6	46.6	46.6	46.6
Distribution (\$/unit)	0.10	0.08	0.08	0.08	0.08	0.08	0.08	0.09
<i>Latest Twelve Month Average</i>								
Heat Content(btu/cf)	1,092	1,086	1,091	1,059				
Natural Gas (mmcf)	120	120	121	124				
SJT/Henry Hub	0.75	0.75	0.73	0.73				
SJT/San Juan Index	0.85	0.85	0.85	0.87				
Other revenue	0.0	0.0	(0.0)	(0.0)				
Operating	1.3	1.3	1.3	1.3				
Development	2.9	2.9	2.7	2.5				
Severance tax/revenue	10.4%	10.5%	10.2%	10.0%				

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