

Distribution Pictures

Summary and Recommendation

Buy-recommended **Canadian Oil Sands Trust (COSWF)** is the standout in our charts of projected distributions with gains reaching four-fold over the next twelve months. For the seven U.S. stocks including buy-recommended **San Juan Basin Royalty Trust (SJT)**, futures prices superimposed on constant volume trace a rebound from a decline in the current quarter. Distributions for **Permian Basin Royalty Trust (PBT)** concentrated 65% on oil rebound more sharply. For the remaining three Canadian trusts, including buy-recommended **Penn West Energy Trust (PWTFE)**, we project steady payouts at the current level though there is capacity for increases. Projections imply median distribution yield for the next twelve months ended March 31, 2007 of 8.8% for U.S. royalty trusts and 9.1% for Canadian trusts. Stock price of **Hugoton Royalty Trust (HGT)** appears to be a couple dollars a unit lower than normal relative to peers in advance of \$600 million of units to be distributed to stockholders of **XTO Energy (XTO)** on May 12.

Kurt H. Wulff, CFA

Natural Gas and Oil Royalty Trusts Rank by McDep Ratio: Market Cap and Debt to Present Value

	<i>Symbol/ Rating</i>	<i>Price (\$/sh) 13-Apr 2006</i>	<i>Shares (mm)</i>	<i>Market Cap (\$mm)</i>	<i>Net Present Value (\$/un)</i>	<i>Debt/ Present Value</i>	<i>McDep Ratio</i>
U.S. Royalty Trusts							
Permian Basin RT	PBT	16.75	46.6	780	15.00	-	1.12
Sabine Royalty Trust	SBR	45.35	14.6	660	42.00	-	1.08
San Juan Basin Royalty Trust	SJT	B 42.28	46.6	1,970	40.00	-	1.06
Dorchester Minerals, L.P.	DMLP	26.96	28.2	760	26.00	-	1.04
Cross Timbers Royalty Trust	CRT	45.17	6.0	270	45.00	-	1.00
Hugoton RoyaltyTrust (46%)	HGT	31.78	18.4	590	34.00	-	0.94
Mesa RoyaltyTrust	MTR	67.10	1.9	130	75.00	-	0.89
	<i>Total or Median</i>			5,200			1.04
Canadian Income Trusts							
Pengrowth Energy Trust	PGH	23.33	160.0	3,730	18.00	0.16	1.25
Enerplus Resources Fund	ERF	51.90	114.2	5,930	42.00	0.15	1.20
Penn West Energy Trust	PWTFE	B 36.79	165.1	6,070	33.00	0.12	1.10
Canadian Oil Sands Trust (US\$)	COSWF	B 149.95	93.4	14,000	136.00	0.12	1.09
	<i>Total or Median</i>			29,700		0.13	1.15

B = Buy, H = Hold

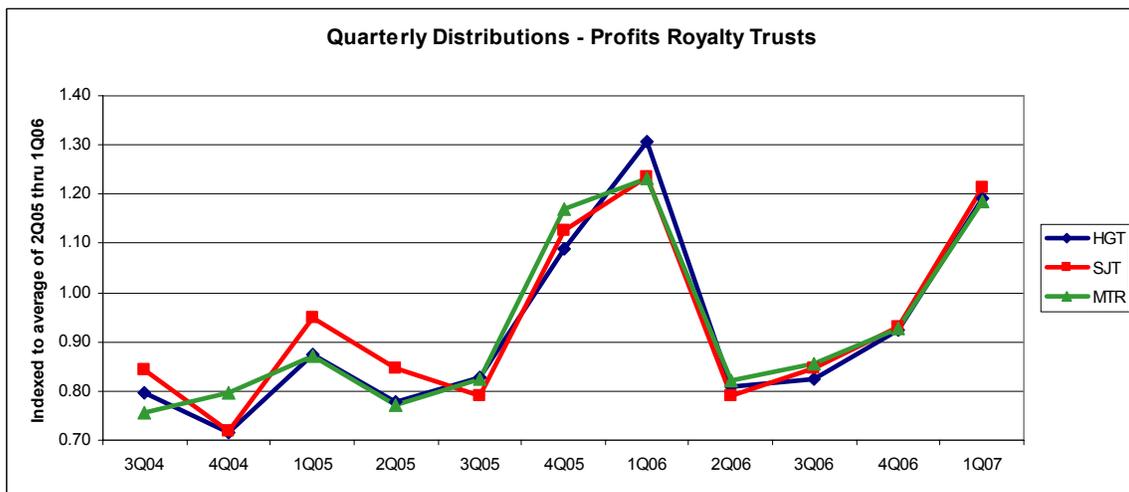
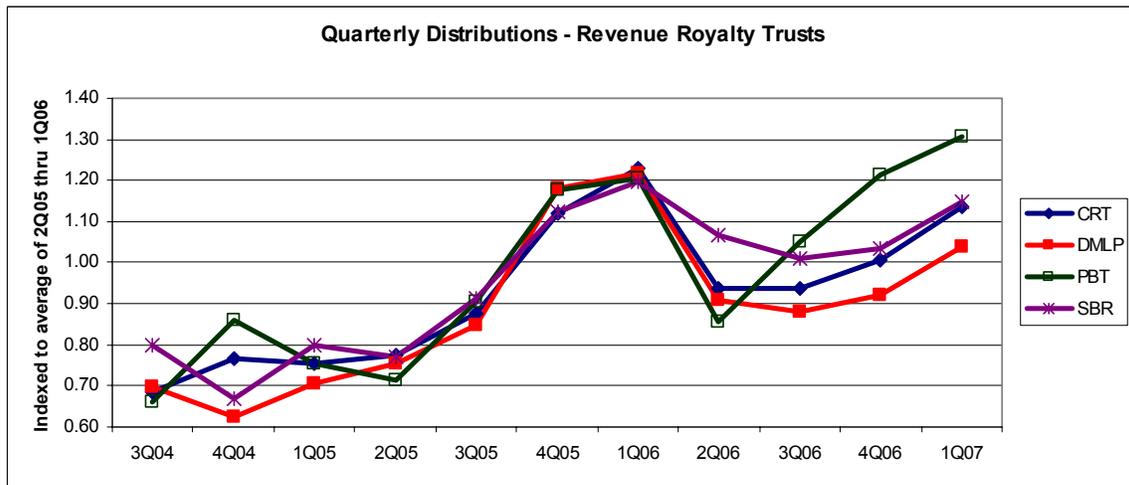
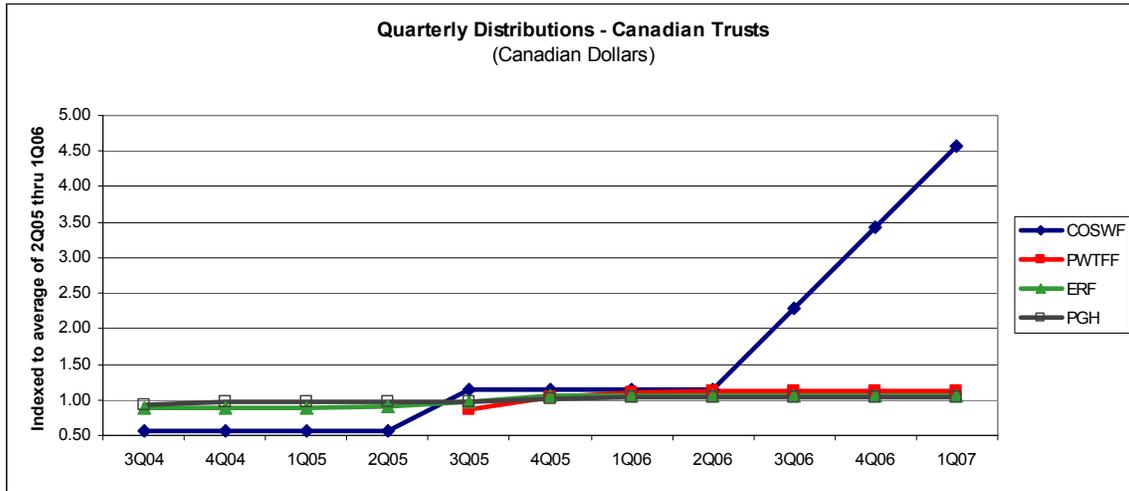
McDep Ratio = Market cap and Debt to present value of oil and gas and other businesses

Historical independent energy investment analysis by Kurt Wulff doing business as McDep Associates is posted at www.mcdep.com. Analyses are prepared from sources and data believed to be reliable, but no representation is made as to their accuracy or completeness. Mr. Wulff is not paid by covered companies. Neither he nor his spouse trade a subject stock within a week before or after a change in rating.

Natural Gas and Oil Royalty Trusts

A Weekly Analysis

April 14, 2006



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Natural Gas and Oil Royalty Trusts Rank by EV/Ebitda: Enterprise Value to Earnings Before Interest, Tax, Deprec.

	Symbol/ Rating	Price (\$/sh) 13-Apr 2006	Adjstd Resrvs/ Prod NTM	PV/ Ebitda NTM	EV/ Ebitda NTM	P/E NTM	Divd or Distrib NTM (%)
U.S. Royalty Trusts							
Cross Timbers Royalty Trust	CRT	45.17	13.0	11.4	11.4	11.7	8.5
San Juan Basin Royalty Trust	SJT B	42.28	13.5	10.7	11.3	12.8	7.8
Sabine Royalty Trust	SBR	45.35	9.2	9.8	10.6	10.6	9.4
Mesa Royalty Trust	MTR	67.10	18.5	11.6	10.4	11.4	8.8
Dorchester Minerals, L.P.	DMLP	26.96	12.7	9.2	9.5	14.2	9.5
Permian Basin RT	PBT	16.75	7.7	8.3	9.3	10.1	9.9
Hugoton Royalty Trust (46%)	HGT	31.78	13.6	9.6	8.9	11.5	8.7
	<i>Median</i>		<i>13.0</i>	<i>9.8</i>	<i>10.4</i>	<i>11.5</i>	<i>8.8</i>
Canadian Income Trusts							
Canadian Oil Sands Trust (US\$)	COSWF B	149.95	20.0	8.9	9.7	12.1	5.8
Enerplus Resources Fund	ERF	51.90	9.4	5.7	6.8	11.6	8.5
Pengrowth Energy Trust	PGH	23.33	7.2	5.1	6.4	9.4	11.2
Penn West Energy Trust	PWTFF B	36.79	7.7	5.8	6.4	9.1	9.7
	<i>Median</i>		<i>8.6</i>	<i>5.7</i>	<i>6.6</i>	<i>10.5</i>	<i>9.1</i>

EV = Enterprise Value = Market Cap and Debt; Ebitda = Earnings before interest, tax, depreciation and amortization; NTM = Next Twelve Months Ended March 31, 2007; P/E = Stock Price to Earnings; PV = Present Value of oil and gas and other businesses

Natural Gas and Oil Royalty Trusts Rank by NTM Distribution Yield

	Symbol	Revenue Royalty (%)	Natural Gas/ Ebitda (%)	Dist/ Ebitda	Dist/ Equity Ebitda	NTM Distribution (\$mm)	Dist. Yield (\$/un)	Dist. Yield (%)
U.S. Royalty Trusts								
San Juan Basin Royalty Trust	SJT	-	98	0.88	0.88	154	3.31	7.8
Cross Timbers Royalty Trust	CRT	81	68	0.97	0.97	23	3.85	8.5
Hugoton Royalty Trust (46%)	HGT	-	91	0.77	0.77	51	2.75	8.7
Mesa Royalty Trust	MTR	-	74	0.91	0.91	11	5.88	8.8
Sabine Royalty Trust	SBR	100	54	1.00	1.00	62	4.27	9.4
Dorchester Minerals, L.P.	DMLP	54	78	0.90	0.90	72	2.56	9.5
Permian Basin RT	PBT	29	35	0.93	0.93	78	1.67	9.9
	<i>Total or Median</i>		<i>74</i>	<i>0.91</i>	<i>0.91</i>	<i>500</i>		<i>8.8</i>
Canadian Income Trusts								
Canadian Oil Sands Trust (US\$)	COSWF	-	(8)	0.50	0.57	813	8.71	5.8
Enerplus Resources Fund	ERF	-	45	0.51	0.59	501	4.39	8.5
Penn West Energy Trust	PWTFF	-	39	0.55	0.63	586	3.55	9.7
Pengrowth Energy Trust	PGH	-	40	0.62	0.74	418	2.61	11.2
	<i>Total or Median</i>		<i>39</i>	<i>0.53</i>	<i>0.61</i>	<i>2,300</i>		<i>9.1</i>
Kinder Morgan Energy Partners	KMP			0.77	1.69			6.7

NTM = Next Twelve Months Ended March 31, 2007

Ebitda = Earnings before interest, tax, depreciation and amortization

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