

San Juan Basin Royalty Trust Raise Net Present Value to \$40 a Share

<i>Symbol</i>	SJT	<i>Ebitda Next Twelve Months ending 6/30/06 (US\$mm)</i>	186
<i>Rating</i>	Hold	<i>North American Natural Gas/Ebitda (%)</i>	99
<i>Price (US\$/sh)</i>	45.42	<i>Natural Gas and Oil Production/Ebitda (%)</i>	100
<i>Pricing Date</i>	8/1/05	<i>Adjusted Reserves/Production NTM</i>	12.0
<i>Shares (mm)</i>	47	<i>EV/Ebitda</i>	11.4
<i>Market Capitalization (US\$mm)</i>	2,120	<i>PV/Ebitda</i>	10.0
<i>Debt (US\$mm)</i>	0	<i>Undeveloped Reserves (%)</i>	44
<i>Enterprise Value (EV) (US\$mm)</i>	2,120	<i>Natural Gas and Oil Ebitda (US\$/mcf)</i>	5.54
<i>Present Value (PV) (US\$mm)</i>	1,860	<i>Present Value Proven Reserves(US\$/boe)</i>	21.55
<i>Net Present Value (US\$/unit)</i>	40	<i>Present Value Proven Reserves(US\$/mcf)</i>	3.59
<i>Debt/Present Value</i>	0.00	<i>Earnings Next Twelve Months (US\$/un)</i>	3.65
<i>McDep Ratio - EV/PV</i>	1.14	<i>Price/Earnings Next Twelve Months</i>	12
<i>Distribution Yield (%/year)</i>	8.0	<i>Distribution Next Twelve Months (US\$/sh)</i>	3.65

Note: Estimated cash flow and earnings tied to one-year futures prices for natural gas.

Reported results may vary widely from estimates. Estimated present value per share revised only infrequently.

Summary and Recommendation

We raise our estimated net present value of natural gas producer **San Juan Basin Royalty Trust (SJT)** to \$40 a share from \$32 on the basis of an expected long-term real price for oil of \$50 a barrel up from \$40 for Light Sweet Crude. We also raise our long-term real price for natural gas to \$10 a million BTU, up from \$8 for the Henry Hub location.

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U.S. Natural Gas Royalty Trusts

Single Trust Analysis

August 2, 2005

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Please see disclosures on the final page.