

TAX INFORMATION PER UNIT

FIRST QUARTER REPORT 2019

MONTHLY DISTRIBUTIONS PAID ON: (\$/UNIT EXCEPT COST DEPLETION FACTORS)

	February 14, 2019	March 14, 2019	April 12, 2019	Total
Gross Income	\$ 0.092304	\$ 0.078442	\$ 0.087796	\$ 0.258542
Less Severance Taxes.....	(0.017751)	(0.007337)	(0.010806)	(0.035894)
Interest Income	0.000397	0.000405	0.000325	0.001127
Less Administration Expenses.....	(0.012748)	(0.026021)	(0.004492)	(0.043261)
Reconciling Items	0.000000	0.000000	0.000000	0.000000
NET CASH DISTRIBUTION	\$ 0.062202	\$ 0.045489	\$ 0.072823	\$ 0.180514
Cost Depletion Factors:				
Texas - 90%.....	0.001078	0.002527	0.002533	0.006138
Oklahoma - 90%.....	0.012702	0.006312	0.012143	0.031157
New Mexico - 90%.....	0.005487	0.003408	0.003490	0.012385
Texas - 75%.....	0.000000	0.000000	0.000000	0.000000
Oklahoma - 75%.....	0.000000	0.004758	0.002392	0.007150

Unit holders owning units in nominee name may obtain monthly tax information from the Trustee upon request or from the Trust's web site at www.crt-cross timbers.com.

Cross Timbers Royalty Trust 2911 Turtle Creek Blvd, Ste 850, Dallas, TX 75219
855.588.7839 ■ Simmons Bank, Trustee ■ www.crt-cross timbers.com



CROSS TIMBERS ROYALTY TRUST

2019

First Quarter Report



TO UNITHOLDERS:

For the quarter ended March 31, 2019, net profits income was \$1,335,885 compared to \$2,277,499 for first quarter 2018. This 41% decrease in net profits income is primarily the result of decreased oil and gas production (\$0.8 million), decreased oil and gas prices (\$0.4 million) and increased overhead (\$0.1 million), partially offset by decreased taxes, transportation and other (\$0.2 million), and decreased production expenses (\$0.2 million).

After considering interest income of \$6,771 and administration expense of \$259,572, distributable income for the quarter ended March 31, 2019 was \$1,083,084, or \$0.180514 per unit of beneficial interest. Administration expense for the quarter increased \$8,893 from the prior year quarter. For first quarter 2018, distributable income was \$2,030,280, or \$0.338380 per unit. Distributions to unitholders for the quarter ended March 31, 2019 were:

RECORD DATE	PAYMENT DATE	DISTRIBUTION PER UNIT
January 31, 2019	February 14, 2019	\$ 0.062202
February 28, 2019	March 14, 2019	0.045489
March 29, 2019	April 12, 2019	0.072823
		<u>\$ 0.180514</u>

This letter, and all communications to unitholders, includes information provided to the Trustee by XTO Energy Inc.

CROSS TIMBERS ROYALTY TRUST
BY: SIMMONS BANK, TRUSTEE

BY: NANCY WILLIS
VICE PRESIDENT

CROSS TIMBERS ROYALTY TRUST FINANCIAL STATEMENTS

CONDENSED STATEMENTS OF ASSETS, LIABILITIES AND TRUST CORPUS (UNAUDITED)

	March 31, 2019	December 31, 2018
ASSETS		
Cash and Short-Term Investments	\$ 1,434,985	\$ 1,600,694
Interest to be Received.....	1,953	2,324
Net Profits Interests in Oil and Gas Properties – Net.....	8,437,697	8,526,512
	<u>\$ 9,874,635</u>	<u>\$10,129,530</u>
LIABILITIES AND TRUST CORPUS		
Distribution Payable to Unitholders	\$ 436,938	\$ 603,018
Expense Reserve ^(a)	1,000,000	1,000,000
Trust Corpus (6,000,000 Units of Beneficial Interest Authorized and Outstanding)	8,437,697	8,526,512
	<u>\$ 9,874,635</u>	<u>\$10,129,530</u>

^(a) Expense reserve allows Trustee to pay its obligations should it be unable to pay them out of the net profits income. The reserve is currently funded at \$1,000,000.

CONDENSED STATEMENTS OF DISTRIBUTABLE INCOME (UNAUDITED)

	Three Months Ended March 31 2019	March 31 2018
Net Profits Income	\$ 1,335,885	\$ 2,277,499
Interest Income.....	6,771	3,460
TOTAL INCOME.....	1,342,656	2,280,959
Administration Expense.....	259,572	250,679
Cash Reserves Withheld for Trust Expenses	—	—
Distributable Income.....	<u>\$ 1,083,084</u>	<u>\$ 2,030,280</u>
Distributable Income per Unit (6,000,000 Units)	<u>\$ 0.180514</u>	<u>\$ 0.338380</u>

CONDENSED STATEMENTS OF CHANGES IN TRUST CORPUS (UNAUDITED)

	Three Months Ended March 31 2019	March 31 2018
Trust Corpus, Beginning of Period.....	\$ 8,526,512	\$ 9,311,334
Amortization of Net Profits Interests.....	(88,815)	(190,740)
Distributable Income.....	1,083,084	2,030,280
Distributions Declared	(1,083,084)	(2,030,280)
Trust Corpus, End of Period	<u>\$ 8,437,697</u>	<u>\$ 9,120,594</u>

These Condensed Financial Statements should be read in conjunction with the Condensed Financial Statements and notes thereto included in the Trust's quarterly report on Form 10-Q for the quarter ended March 31, 2019.