

TAX INFORMATION PER UNIT

Second Quarter Report 2022

	MONTHLY DISTRIBUTIONS PAID ON:			
	<i>(\$/UNIT EXCEPT COST DEPLETION FACTORS)</i>			
	May 13, 2022	June 14, 2022	July 15, 2022	Total
Gross income.....	\$ 0.186419	\$ 0.213127	\$ 0.349615	\$ 0.749161
Less severance taxes.....	(0.025416)	(0.026315)	(0.069494)	(0.121225)
Interest income.....	0.000016	0.000042	0.000093	0.000151
Less administration expenses.....	(0.004076)	(0.022818)	(0.008027)	(0.034921)
Reconciling items.....	0.000000	0.000000	0.000000	0.000000
Net cash distribution.....	<u>\$ 0.156943</u>	<u>\$ 0.164036</u>	<u>\$ 0.272187</u>	<u>\$ 0.593166</u>
Cost depletion factors:				
Texas - 90%	0.002071	0.002229	0.003462	0.007762
Oklahoma - 90%	0.010896	0.012341	0.008259	0.031496
New Mexico - 90%	0.008639	0.007904	0.022225	0.038768
Texas - 75%	0.000000	0.000000	0.000000	0.000000
Oklahoma - 75%	0.005442	0.010526	0.011069	0.027037

Unit holders owning units in nominee name may obtain monthly tax information from the Trustee upon request or from the Trust's website 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

TO UNITHOLDERS:

For the quarter ended June 30, 2022, net profits income was \$3,767,617 compared to \$1,791,664 for second quarter 2021. This 110% increase in net profits income is primarily the result of increased gas production (\$1.9 million), increased oil and gas prices (\$1.6 million), partially offset by increased taxes, transportation and other (\$0.5 million), decreased oil production (\$0.5 million), increased production expenses (\$0.3 million), increased development costs (\$0.1 million), and net excess costs activity (\$0.1 million).


After considering interest income of \$908 and administration expense of \$209,529, distributable income for the quarter ended June 30, 2022 was \$3,558,996, or \$0.593166 per unit of beneficial interest. Administration expense for the quarter increased \$87,294 from the prior year quarter, primarily related to the timing of receipt and payment of Trust expenses and terms of professional services. Changes in interest income are attributable to fluctuations in net profits income, expense reserve, and interest rates. For second quarter 2021, distributable income was \$1,669,458, or \$0.278243 per unit. Distributions to unitholders for the quarter ended June 30, 2022 were:

Record Date	Payment Date	Distribution Per Unit
April 29, 2022	May 13, 2022	\$ 0.156943
May 31, 2022	June 14, 2022	0.164036
June 30, 2022	July 15, 2022	0.272187
		<u>\$ 0.593166</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)

	June 30, 2022	December 31, 2021
ASSETS		
Cash and short-term investments	\$ 2,632,564	\$ 1,822,750
Interest to be received	558	24
Net profits interests in oil and gas properties – net	3,096,807	3,266,356
	<u>\$ 5,729,929</u>	<u>\$ 5,089,130</u>
LIABILITIES AND TRUST CORPUS		
Distribution payable to unitholders	\$ 1,633,122	\$ 822,774
Expense reserve ^(a)	1,000,000	1,000,000
Trust corpus (6,000,000 units of beneficial interest authorized and outstanding)	3,096,807	3,266,356
	<u>\$ 5,729,929</u>	<u>\$ 5,089,130</u>

^(a) Expense reserve allows the 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 June 30		Six Months Ended June 30	
	2022	2021	2022	2021
Net profits income	\$ 3,767,617	\$ 1,791,664	\$ 5,719,289	\$ 3,147,105
Interest income	908	29	942	92
Total income	3,768,525	1,791,693	5,720,231	3,147,197
Administration expense	209,529	122,235	476,303	438,389
Distributable income	\$ 3,558,996	\$ 1,669,458	\$ 5,243,928	\$ 2,708,808
Distributable income per unit (6,000,000 units)	\$ 0.593166	\$ 0.278243	\$ 0.873988	\$ 0.451468

CONDENSED STATEMENTS OF CHANGES IN TRUST CORPUS (UNAUDITED)

	Three Months Ended June 30		Six Months Ended June 30	
	2022	2021	2022	2021
Trust corpus, beginning of period	\$ 3,212,791	\$ 7,422,911	\$ 3,266,356	\$ 7,523,065
Amortization of net profits interests	(115,984)	(4,083,509)	(169,549)	(4,183,663)
Distributable income	3,558,996	1,669,458	5,243,928	2,708,808
Distributions declared	(3,558,996)	(1,669,458)	(5,243,928)	(2,708,808)
Trust corpus, end of period	\$ 3,096,807	\$ 3,339,402	\$ 3,096,807	\$ 3,339,402

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 June 30, 2022.