

SABINE ROYALTY TRUST

TAX INFORMATION 2023

*This booklet contains tax information relevant to ownership of
Units of Sabine Royalty Trust and should be retained.*

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SABINE ROYALTY TRUST

January 31, 2024

To Unit Holders:

This booklet provides 2023 tax information, which will allow you to determine your pro rata share of income and expense attributable to your investment in Sabine Royalty Trust (the "Trust"). Each Unit holder is encouraged to read the entire booklet very carefully.

The material included in this booklet enables you to compute the information to be included in your federal and state income tax returns, and the items of income, deduction, and any other information shown in this booklet must be taken into account in computing your taxable income and credits on your federal income tax return and any state tax returns. This booklet, as well as any Internal Revenue Service ("IRS") Forms 1099-MISC received from the Trust relating to backup withholding (discussed on page 4) and any IRS Forms 1099 and written tax statements issued by certain middlemen (discussed on pg. A-1) that hold Trust Units on your behalf, are the only information sources for Unit holders to determine their share of the items of income and expense of the Trust for the entire 2023 calendar year. Unit holders should retain this booklet and any IRS Forms 1099 and written tax statements received from middlemen and any IRS Forms 1099-MISC received from the Trust as part of their tax records.

The material herein is not intended and should not be construed as professional tax or legal advice. Each Unit holder should consult the Unit holder's own tax advisor regarding all tax compliance matters relating to the Units.

For your convenience, revenue/expense and cost depletion calculators are now available on the Sabine Royalty Trust website at: www.sbr-sabine.com, on both the "About Us" page and "Tax Information" page.

Very truly yours,

Sabine Royalty Trust,
By Argent Trust Company, Trustee
1-855-588-7839
3838 Oak Lawn Ave., Ste. 1720
Dallas, TX 75219
EIN 75-6297143
CUSIP 78568810

SABINE ROYALTY TRUST

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SABINE ROYALTY TRUST

2023 TAX INFORMATION

Reading the Income and Expense Schedules

The accompanying income and expense schedule and tables reflect tax information attributable to Sabine Royalty Trust (the “Trust”) for 2023. This information has been assembled on a per-Unit basis and is expressed in decimal fractions of one dollar. A cumulative schedule for the twelve-month period ended December 31, 2023 and separate cumulative tables at the federal level as well as tables for each of the states in which the Trust has properties are included. Separate depletion schedules are enclosed that provide the necessary information for Unit holders to compute cost and percentage depletion with respect to their interests in the Trust.

Identifying Which Income and Expense Schedules to Use

Pursuant to the terms of the Trust agreement and the escrow agreement (discussed below on page A-2), the Trust receives income and incurs expenses only on the Monthly Record Dates listed on page 4. Furthermore, only Unit holders of record on Monthly Record Dates are entitled to cash distributions. On the basis of these agreements, both cash and accrual basis Unit holders should be treated as realizing income and incurring expenses only on Monthly Record Dates. Therefore, if you were not the Unit holder of record on a specified Monthly Record Date, you should not use the tax information for the month in which that Monthly Record Date falls. A table of Monthly Record Dates and cash distributions per Unit is included on page 4.

The appropriate schedules to be used by a Unit holder will depend upon (i) the date the Unit holder became a holder of record of the Units, (ii) if applicable, the date the Unit holder ceased to be the holder of record of the Units, and (iii) the tax year-end of the Unit holder. For instance, a Unit holder reporting on the calendar year basis who acquired Units and became a Unit holder of record on June 15, 2023 and who still owned only those Units on December 16, 2023 must use the federal and individual state, where applicable, tables to determine their proportionate income and expenses (located on pages 6-13), and Depletion Schedules D-I and D-II or Depletion Schedule D-IV, as appropriate (located on pages 14 and 17, respectively) for such Units. However, Unit holders reporting on a calendar year basis who became Unit holders of record prior to January 17, 2023 and who continued to own only those Units on December 16, 2023, can use either the cumulative schedule for calendar year 2023 (located on page 5) or the federal and individual state, where applicable, tables (located on pages 6-13) and Depletion Schedule D-III (located on pages 15 and 16) or Depletion Schedule D-IV (located on page 17), as appropriate. As discussed in more detail herein, Unit holders may be entitled to a deduction for either cost depletion or percentage depletion (but not both), depending upon each Unit holder’s individual facts relating to the ownership of Trust Units.

Applying the Data From the Income and Expense Schedules

Unit holders who must use the separate income and expense tables should read the tables in the following manner: the months on the left-hand side of each table denote the month in which a Unit holder first became a Unit holder of record in 2023. Reading across from that month, choose the last month in 2023 in which the Unit holder was a holder of record with respect to those Units. Multiply that factor by the number of Units held for that specific period of time. For example, if Units were purchased on May 3, 2023 and held until December 29, 2023, a Unit holder would choose “May” from the left-hand side of the table and then choose the factor located under “December” from that row. For a worksheet approach to computing a Unit holder’s income and expense amounts, see the Tax Computation Worksheet on page 22.

Computing Depletion

Depletion schedules are included that provide information for Unit holders to compute cost depletion and percentage depletion deductions with respect to their interests in the Trust. To compute cost depletion for any taxable period, Unit holders should multiply the cost depletion factor indicated on the relevant schedule by their original tax basis in the respective Unit(s) as reduced by the cost depletion and percentage depletion that was allowable as a deduction (whether or not deducted) in prior calendar years during which they owned the Units.

For your convenience, a cost depletion calculator is now available on the Sabine Royalty Trust website at: www.sbr-sabine.com, on both the “Home” page and “Tax Information” page.

A factor for percentage depletion is also included on Depletion Schedule D-IV (located on page 17). A Unit holder may be entitled to a percentage depletion deduction, in lieu of a cost depletion deduction, if percentage depletion exceeds cost depletion for any taxable period. To compute percentage depletion for any taxable period, Unit holders should multiply the appropriate percentage depletion factor indicated on Depletion Schedule D-IV by the number of Units owned by such Unit holder. Unlike cost depletion, percentage depletion is not limited to a Unit holder’s depletable tax basis in the Units. Rather, a Unit holder is entitled to a percentage depletion deduction as long as the applicable Trust properties generate gross income.

As discussed at page A-2 of this booklet, the composite cost depletion factors are determined on the basis of a weighted average ratio of current production from each Trust property to the estimated future production from such property. This method of weighting the cost depletion factors permits the presentation of a single cost depletion factor for all Unit holders acquiring Units during a period in which there is no substantial change in the relative fair market values of the Trust properties. Primarily as a result of the decline in oil prices that occurred during 1986, there was a change in the relative fair market values of the Trust properties. Accordingly, two mutually exclusive cost depletion computations are included herein reflecting the composite cost depletion factors required to compute cost depletion for Units acquired in 1986.

The proper cost depletion schedule to use in computing 2023 cost depletion depends on the date when the Units were acquired, as described below. Therefore, Unit holders are encouraged to maintain records indicating the date of acquisition and the acquisition price for each Unit or lot of Units acquired.

Unit holders taking a cost depletion deduction who acquired Units before 2023 should use Depletion Schedule D-III (located on pages 15 and 16). The federal cost depletion factors in Depletion Schedule D-III are presented on a cumulative basis for 2023. Depletion Schedule D-III contains no state-specific cost depletion factors. Unit holders should refer to Depletion Schedule D-II (located on page 14) for the state-specific cost depletion factors.

Unit holders who acquired Units in 2023 should use Depletion Schedule D-I (located on page 14). The federal cost depletion factors in Depletion Schedule D-I are presented on a cumulative and noncumulative basis for 2023. Depletion Schedule D-I contains no state-specific cost depletion factors. Unit holders should refer to Depletion Schedule D-II (located on page 14) for the state-specific cost depletion factors.

Depletion Schedule D-II (located on page 14) contains state-specific cost depletion factors, which are presented on a noncumulative basis for all years. These factors are appropriate for use in calculating the 2023 cost depletion allowance for Units purchased in all years. You may calculate state cost depletion by either (a) calculating the amount of state depletion for each month and adding together the monthly depletion amounts or (b) adding together the applicable monthly depletion factors for the relevant state to create a composite depletion factor for such state and, in both cases, multiplying that factor by the adjusted basis of your Units. Both methods should produce the same result.

Asset Sales and Dispositions

There have been no sales or dispositions of Trust assets during the year.

Redemptions

There have been no redemptions of Trust interests during the year.

Sale or Exchange of Units

A discussion concerning the tax consequences associated with the sale or exchange of Units is presented on page A-4 in the back portion of this booklet.

Classification of Investment

Tax reform measures enacted in 1986 and 1987 require items of income and expense to be categorized as “passive,” “active” or “portfolio” in nature. An explanation of how these rules apply to the items of income and expense reported by the Trust is on page A-1 in the back portion of this booklet.

Nonresident Foreign Unit Holders

Nonresident alien individual and foreign corporation Unit holders (“Foreign Taxpayer(s)”) are subject to special tax rules with respect to their investments in the Trust. These rules are outlined on pages A-3 to A-4 in the back portion of this booklet.

Unrelated Business Taxable Income

Certain organizations that are generally exempt from federal income tax under Internal Revenue Code Section 501 are subject to federal income tax on certain types of business income defined in Section 512 as unrelated business taxable income (“UBTI”). The income of the Trust as to any tax-exempt organization should not be UBTI so long as the Trust Units are not “debt-financed property” within the meaning of Section 514(b) of the Internal Revenue Code (the “Code”). In general, a Trust Unit would be debt-financed if the Trust incurs debt or if the tax-exempt organization that is a Trust Unit holder incurs debt to acquire a Trust Unit or otherwise incurs or maintains a debt that would not have been incurred or maintained if the Trust Unit had not been acquired. A real property exception applies to the debt-financed property rules for certain types of exempt organizations. Consult your tax advisor if applicable.

Net Investment Income Tax

Section 1411 of the Code imposes a 3.8% Medicare tax on certain investment income earned by individuals, estates, and trusts. For these purposes, investment income generally will include a Unit holder’s allocable share of the Trust’s interest and royalty income plus the gain recognized from a sale of Trust Units. In the case of an individual, the tax is imposed on the lesser of (i) the individual’s net investment income from all investments, or (ii) the amount by which the individual’s modified adjusted gross income exceeds specified threshold levels depending on such individual’s federal income tax filing status (\$250,000 for married persons filing a joint return and \$200,000 in most other cases). In the case of an estate or trust, the tax is imposed on the lesser of (i) undistributed net investment income, or (ii) the excess adjusted gross income over the dollar amount at which the highest income tax bracket applicable to an estate or trust begins (\$14,450 for 2023).

Backup Withholding

Unit holders, other than Foreign Taxpayers, who have had amounts withheld in 2023 pursuant to the federal backup withholding provisions should have received an IRS Form 1099-MISC from the Trust. The IRS Form 1099-MISC reflects the total federal income tax withheld from distributions. Unlike other IRS Forms 1099 that you may receive, the amount reported on the IRS Form 1099-MISC received from the Trust should not be included as additional income in computing taxable income, as such amount is already included in the per-Unit income items on the income and expense schedules included herein. The federal income tax withheld, as reported on the IRS Form 1099-MISC, should be considered as a credit by the Unit holder in computing any federal income tax liability. Individual Unit holders should include the amount of backup withholding in the "Payments" section of the Unit holder's 2023 Form 1040. For a further discussion of backup withholding, see pages A-4 and A-5 in the back portion of this booklet. For amounts withheld from Foreign Taxpayers, see pages A-3 to A-4 in the back portion of this booklet.

State Tax

Because the Trust holds royalty interests and receives income that is attributable to properties located in various states, Unit holders may be obligated to file a return and may have a tax liability in those states in addition to their state of residence. The accompanying tables have been prepared in such a manner that income and deductions attributable to the various states may be determined by each Unit holder. State tax matters are more fully discussed on pages A-5 to A-6 in the back portion of this booklet.

Table of 2023 Monthly Record Dates and Cash Distributions Per Unit

Unit holders, as reflected in the transfer books of the Trust on a Monthly Record Date, received the following per-Unit cash distributions for 2023. The per-Unit cash distributions reflected below have not been reduced by any taxes that may have been withheld from distributions to Foreign Taxpayers or from distributions to Unit holders subject to the federal backup withholding rules. The distribution checks were dated and mailed on the corresponding Date Payable.

<u>Monthly Record Date</u>	<u>Date Payable</u>	<u>Distribution Per Unit</u>
January 17, 2023	January 31, 2023	\$0.631510
February 15, 2023	February 28, 2023	0.637300
March 15, 2023	March 29, 2023	0.465470
April 17, 2023	April 28, 2023	0.699540
May 15, 2023	May 30, 2023	0.499000
June 15, 2023	June 29, 2023	0.325910
July 17, 2023	July 31, 2023	0.320470
August 15, 2023	August 29, 2023	0.298580
September 15, 2023	September 29, 2023	0.364300
October 16, 2023	October 30, 2023	0.278690
November 15, 2023	November 29, 2023	0.720840
December 15, 2023	December 29, 2023	1.143090

SABINE ROYALTY TRUST

EIN 75-6297143

FORM 1041, GRANTOR TRUST

*Federal and State Income Tax Information
See Instructions for Use*

**SECTION I
INCOME AND EXPENSE PER UNIT**

<u>Source</u>	<u>ROYALTY INCOME AND EXPENSE</u>			<u>OTHER INCOME AND EXPENSE</u>	
	<u>Gross Income</u>	<u>Severance Tax</u>	<u>Net Royalty Payments</u>	<u>Interest Income</u>	<u>Administrative Expense</u>
Florida	\$0.020053	\$0.000611	\$0.019442	\$ *	\$0.000756
Louisiana	0.041238	0.002779	0.038459	*	0.001519
Mississippi	0.057591	0.003058	0.054533	*	0.002268
New Mexico	0.166699	0.026636	0.140063	*	0.006425
Oklahoma	0.900944	0.120084	0.780860	*	0.033468
Texas	6.163471	0.618614	5.544857	0.049211	0.198248
TOTAL	<u>\$7.349996</u>	<u>\$0.771782</u>	<u>\$6.578214</u>	<u>\$0.049211</u>	<u>\$0.242684</u>

**SECTION II
RECONCILIATION OF CASH DISTRIBUTIONS PER UNIT**

<u>Item</u>	<u>AMOUNT</u>
1. Total Net Royalty Payments	\$ 6.578214
2. Interest Income	0.049211
3. Administrative Expense	(0.242684)
4. Cash Distribution Per Unit **	<u>\$ 6.384741</u>

* Revenue attributable to these states was invested and earned interest income. Since the investments were made in Dallas, Texas, and the interest was paid there, such interest is included in the Texas interest income.

** Includes amounts withheld by the Trust from distributions to nonresident alien individuals and foreign corporations and remitted directly to the United States Treasury. This also includes amounts withheld pursuant to the backup withholding provisions.

SABINE ROYALTY TRUST FEDERAL

Table I: 2023 Gross Royalty Income (Cumulative \$ per Unit)

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
JANUARY	0.742236	1.456993	1.990802	2.777275	3.342428	3.718831	4.099236	4.443960	4.868321	5.200627	6.039839	7.349996
FEBRUARY		0.714757	1.248566	2.035039	2.600192	2.976595	3.357000	3.701724	4.126085	4.458391	5.297603	6.607760
MARCH			0.533809	1.320282	1.885435	2.261838	2.642243	2.986967	3.411328	3.743634	4.582846	5.893003
APRIL				0.786473	1.351626	1.728029	2.108434	2.453158	2.877519	3.209825	4.049037	5.359194
MAY					0.565153	0.941556	1.321961	1.666685	2.091046	2.423352	3.262564	4.572721
JUNE						0.376403	0.756808	1.101532	1.525893	1.858199	2.697411	4.007568
JULY							0.380405	0.725129	1.149490	1.481796	2.321008	3.631165
AUGUST								0.344724	0.769085	1.101391	1.940603	3.250760
SEPTEMBER									0.424361	0.756667	1.595879	2.906036
OCTOBER										0.332306	1.171518	2.481675
NOVEMBER											0.839212	2.149369
DECEMBER												1.310157

Table II: 2023 Severance Tax (Cumulative \$ per Unit)

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
JANUARY	0.096399	0.161397	0.210346	0.270253	0.322845	0.357949	0.396426	0.433181	0.476505	0.512543	0.616044	0.771782
FEBRUARY		0.064998	0.113947	0.173854	0.226446	0.261550	0.300027	0.336782	0.380106	0.416144	0.519645	0.675383
MARCH			0.048949	0.108856	0.161448	0.196552	0.235029	0.271784	0.315108	0.351146	0.454647	0.610385
APRIL				0.059907	0.112499	0.147603	0.186080	0.222835	0.266159	0.302197	0.405698	0.561436
MAY					0.052592	0.087696	0.126173	0.162928	0.206252	0.242290	0.345791	0.501529
JUNE						0.035104	0.073581	0.110336	0.153660	0.189698	0.293199	0.448937
JULY							0.038477	0.075232	0.118556	0.154594	0.258095	0.413833
AUGUST								0.036755	0.080079	0.116117	0.219618	0.375356
SEPTEMBER									0.043324	0.079362	0.182863	0.338601
OCTOBER										0.036038	0.139539	0.295277
NOVEMBER											0.103501	0.259239
DECEMBER												0.155738

SABINE ROYALTY TRUST FEDERAL

Table III: 2023 Interest Income (Cumulative \$ per Unit)

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
JANUARY	0.000135	0.009004	0.012636	0.017095	0.021557	0.024960	0.027718	0.030377	0.033310	0.036571	0.041376	0.049211
FEBRUARY		0.008869	0.012501	0.016960	0.021422	0.024825	0.027583	0.030242	0.033175	0.036436	0.041241	0.049076
MARCH			0.003632	0.008091	0.012553	0.015956	0.018714	0.021373	0.024306	0.027567	0.032372	0.040207
APRIL				0.004459	0.008921	0.012324	0.015082	0.017741	0.020674	0.023935	0.028740	0.036575
MAY					0.004462	0.007865	0.010623	0.013282	0.016215	0.019476	0.024281	0.032116
JUNE						0.003403	0.006161	0.008820	0.011753	0.015014	0.019819	0.027654
JULY							0.002758	0.005417	0.008350	0.011611	0.016416	0.024251
AUGUST								0.002659	0.005592	0.008853	0.013658	0.021493
SEPTEMBER									0.002933	0.006194	0.010999	0.018834
OCTOBER										0.003261	0.008066	0.015901
NOVEMBER											0.004805	0.012640
DECEMBER												0.007835

Table IV: 2023 Trust Administrative Expense (Cumulative \$ per Unit)

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
JANUARY	0.014457	0.035777	0.058793	0.090273	0.108294	0.127082	0.151296	0.163338	0.183005	0.203844	0.223520	0.242684
FEBRUARY		0.021320	0.044336	0.075816	0.093837	0.112625	0.136839	0.148881	0.168548	0.189387	0.209063	0.228227
MARCH			0.023016	0.054496	0.072517	0.091305	0.115519	0.127561	0.147228	0.168067	0.187743	0.206907
APRIL				0.031480	0.049501	0.068289	0.092503	0.104545	0.124212	0.145051	0.164727	0.183891
MAY					0.018021	0.036809	0.061023	0.073065	0.092732	0.113571	0.133247	0.152411
JUNE						0.018788	0.043002	0.055044	0.074711	0.095550	0.115226	0.134390
JULY							0.024214	0.036256	0.055923	0.076762	0.096438	0.115602
AUGUST								0.012042	0.031709	0.052548	0.072224	0.091388
SEPTEMBER									0.019667	0.040506	0.060182	0.079346
OCTOBER										0.020839	0.040515	0.059679
NOVEMBER											0.019676	0.038840
DECEMBER												0.019164

SABINE ROYALTY TRUST TEXAS

TABLE A TEXAS: Gross Royalty Income

FIRST MONTH IN WHICH UNITS
WERE OWNED ON THE
MONTHLY RECORD
DATE IN 2023

LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023

	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.605239	1.178311	1.596645	2.254403	2.721207	2.988661	3.291824	3.552467	3.903625	4.171658	4.930740	6.163471
February		0.573072	0.991406	1.649164	2.115968	2.383422	2.686585	2.947228	3.298386	3.566419	4.325501	5.58232
March			0.418334	1.076092	1.542896	1.810350	2.113513	2.374156	2.725314	2.993347	3.752429	4.985160
April				0.657758	1.124562	1.392016	1.695179	1.955822	2.306980	2.575013	3.334095	4.566826
May					0.466804	0.734258	1.037421	1.298064	1.649222	1.917255	2.676337	3.909068
June						0.267454	0.570617	0.831260	1.182418	1.450451	2.209533	3.442264
July							0.303163	0.563806	0.914964	1.182997	1.942079	3.174810
August								0.260643	0.611801	0.879834	1.638916	2.871647
September									0.351158	0.619191	1.378273	2.611004
October										0.268033	1.027115	2.259846
November											0.759082	1.991813
December												1.232731

TABLE B TEXAS: Severance Tax

FIRST MONTH IN WHICH UNITS
WERE OWNED ON THE
MONTHLY RECORD
DATE IN 2023

LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023

	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.079322	0.130487	0.163523	0.206262	0.244660	0.266763	0.294747	0.320812	0.353986	0.380826	0.472931	0.618614
February		0.051165	0.084201	0.126940	0.165338	0.187441	0.215425	0.241490	0.274664	0.301504	0.393609	0.539292
March			0.033036	0.075775	0.114173	0.136276	0.164260	0.190325	0.223499	0.250339	0.342444	0.488127
April				0.042739	0.081137	0.103240	0.131224	0.157289	0.190463	0.217303	0.309408	0.455091
May					0.038398	0.060501	0.088485	0.114550	0.147724	0.174564	0.266669	0.412352
June						0.022103	0.050087	0.076152	0.109326	0.136166	0.228271	0.373954
July							0.027984	0.054049	0.087223	0.114063	0.206168	0.351851
August								0.026065	0.059239	0.086079	0.178184	0.323867
September									0.033174	0.060014	0.152119	0.297802
October										0.026840	0.118945	0.264628
November											0.092105	0.237788
December												0.145683

TABLE C TEXAS: Interest Income

FIRST MONTH IN WHICH UNITS
WERE OWNED ON THE
MONTHLY RECORD
DATE IN 2023

LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023

	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.000135	0.009004	0.012636	0.017095	0.021557	0.024960	0.027718	0.030377	0.033310	0.036571	0.041376	0.049211
February		0.008869	0.012501	0.016960	0.021422	0.024825	0.027583	0.030242	0.033175	0.036436	0.041241	0.049076
March			0.003632	0.008091	0.012553	0.015956	0.018714	0.021373	0.024306	0.027567	0.032372	0.040207
April				0.004459	0.008921	0.012324	0.015082	0.017741	0.020674	0.023935	0.028740	0.036575
May					0.004462	0.007865	0.010623	0.013282	0.016215	0.019476	0.024281	0.032116
June						0.003403	0.006161	0.008820	0.011753	0.015014	0.019819	0.027654
July							0.002758	0.005417	0.008350	0.011611	0.016416	0.024251
August								0.002659	0.005592	0.008853	0.013658	0.021493
September									0.002933	0.006194	0.010999	0.018834
October										0.003261	0.008066	0.015901
November											0.004805	0.012640
December												0.007835

TABLE D TEXAS: Administrative Expense

FIRST MONTH IN WHICH UNITS
WERE OWNED ON THE
MONTHLY RECORD
DATE IN 2023

LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023

	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.011788	0.028879	0.046903	0.073230	0.088114	0.101463	0.120761	0.129338	0.145611	0.162419	0.180216	0.198248
February		0.017091	0.035115	0.061442	0.076326	0.089675	0.108973	0.117550	0.133823	0.150631	0.168428	0.186460
March			0.018024	0.044351	0.059235	0.072584	0.091882	0.100459	0.116732	0.133540	0.151337	0.169369
April				0.026327	0.041211	0.054560	0.073858	0.082435	0.098708	0.115516	0.133313	0.151345
May					0.014884	0.028233	0.047531	0.056108	0.072381	0.089189	0.106986	0.125018
June						0.013349	0.032647	0.041224	0.057497	0.074305	0.092102	0.110134
July							0.019298	0.027875	0.044148	0.060956	0.078753	0.096785
August								0.008577	0.024850	0.041658	0.059455	0.077487
September									0.016273	0.033081	0.050878	0.068910
October										0.016808	0.034605	0.052637
November											0.017797	0.035829
December												0.018032

(SRT 2023 TAX)

SABINE ROYALTY TRUST OKLAHOMA

TABLE A OKLAHOMA: Gross Royalty Income

FIRST MONTH IN WHICH UNITS
WERE OWNED ON THE
MONTHLY RECORD
DATE IN 2023

LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023

	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.110883	0.225026	0.316954	0.417557	0.497234	0.569374	0.624286	0.691626	0.746199	0.792572	0.845193	0.900944
February		0.114143	0.206071	0.306674	0.386351	0.458491	0.513403	0.580743	0.635316	0.681689	0.734310	0.790061
March			0.091928	0.192531	0.272208	0.344348	0.399260	0.466600	0.521173	0.567546	0.620167	0.675918
April				0.100603	0.180280	0.252420	0.307332	0.374672	0.429245	0.475618	0.528239	0.583990
May					0.079677	0.151817	0.206729	0.274069	0.328642	0.375015	0.427636	0.483387
June						0.072140	0.127052	0.194392	0.248965	0.295338	0.347959	0.403710
July							0.054912	0.122252	0.176825	0.223198	0.275819	0.331570
August								0.067340	0.121913	0.168286	0.220907	0.276658
September									0.054573	0.100946	0.153567	0.209318
October										0.046373	0.098994	0.154745
November											0.052621	0.108372
December												0.055751

TABLE B OKLAHOMA: Severance Tax

FIRST MONTH IN WHICH UNITS
WERE OWNED ON THE
MONTHLY RECORD
DATE IN 2023

LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023

	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.014182	0.024816	0.038005	0.052090	0.063920	0.072693	0.080653	0.089595	0.097385	0.104702	0.112486	0.120084
February		0.010634	0.023823	0.037908	0.049738	0.058511	0.066471	0.075413	0.083203	0.090520	0.098304	0.105902
March			0.013189	0.027274	0.039104	0.047877	0.055837	0.064779	0.072569	0.079886	0.087670	0.095268
April				0.014085	0.025915	0.034688	0.042648	0.051590	0.059380	0.066697	0.074481	0.082079
May					0.011830	0.020603	0.028563	0.037505	0.045295	0.052612	0.060396	0.067994
June						0.008773	0.016733	0.025675	0.033465	0.040782	0.048566	0.056164
July							0.007960	0.016902	0.024692	0.032009	0.039793	0.047391
August								0.008942	0.016732	0.024049	0.031833	0.039431
September									0.007790	0.015107	0.022891	0.030489
October										0.007317	0.015101	0.022699
November											0.007784	0.015382
December												0.007598

TABLE C OKLAHOMA: Administrative Expense

FIRST MONTH IN WHICH UNITS
WERE OWNED ON THE
MONTHLY RECORD
DATE IN 2023

LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023

	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.002160	0.005567	0.009541	0.013568	0.016109	0.019711	0.023206	0.025981	0.028511	0.031419	0.032653	0.033468
February		0.003407	0.007381	0.011408	0.013949	0.017551	0.021046	0.023821	0.026351	0.029259	0.030493	0.031308
March			0.003974	0.008001	0.010542	0.014144	0.017639	0.020414	0.022944	0.025852	0.027086	0.027901
April				0.004027	0.006568	0.010170	0.013665	0.016440	0.018970	0.021878	0.023112	0.023927
May					0.002541	0.006143	0.009638	0.012413	0.014943	0.017851	0.019085	0.019900
June						0.003602	0.007097	0.009872	0.012402	0.015310	0.016544	0.017359
July							0.003495	0.006270	0.008800	0.011708	0.012942	0.013757
August								0.002775	0.005305	0.008213	0.009447	0.010262
September									0.002530	0.005438	0.006672	0.007487
October										0.002908	0.004142	0.004957
November											0.001234	0.002049
December												0.000815

(SRT 2023 TAX)

SABINE ROYALTY TRUST FLORIDA

TABLE A FLORIDA: Gross Royalty Income

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.002307	0.004408	0.006401	0.008293	0.008576	0.008977	0.011022	0.012375	0.014042	0.015910	0.017846	0.020053
February		0.002101	0.004094	0.005986	0.006269	0.006670	0.008715	0.010068	0.011735	0.013603	0.015539	0.017746
March			0.001993	0.003885	0.004168	0.004569	0.006614	0.007967	0.009634	0.011502	0.013438	0.015645
April				0.001892	0.002175	0.002576	0.004621	0.005974	0.007641	0.009509	0.011445	0.013652
May					0.000283	0.000684	0.002729	0.004082	0.005749	0.007617	0.009553	0.011760
June						0.000401	0.002446	0.003799	0.005466	0.007334	0.009270	0.011477
July							0.002045	0.003398	0.005065	0.006933	0.008869	0.011076
August								0.001353	0.003020	0.004888	0.006824	0.009031
September									0.001667	0.003535	0.005471	0.007678
October										0.001868	0.003804	0.006011
November											0.001936	0.004143
December												0.002207

TABLE B FLORIDA: Severance Tax

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.000099	0.000190	0.000274	0.000250	0.000255	0.000265	0.000330	0.000367	0.000411	0.000467	0.000529	0.000611
February		0.000091	0.000175	0.000151	0.000156	0.000166	0.000231	0.000268	0.000312	0.000368	0.000430	0.000512
March			0.000084	0.000060	0.000065	0.000075	0.000140	0.000177	0.000221	0.000277	0.000339	0.000421
April				(0.000024)	(0.000019)	(0.000009)	0.000056	0.000093	0.000137	0.000193	0.000255	0.000337
May					0.000005	0.000015	0.000080	0.000117	0.000161	0.000217	0.000279	0.000361
June						0.000010	0.000075	0.000112	0.000156	0.000212	0.000274	0.000356
July							0.000065	0.000102	0.000146	0.000202	0.000264	0.000346
August								0.000037	0.000081	0.000137	0.000199	0.000281
September									0.000044	0.000100	0.000162	0.000244
October										0.000056	0.000118	0.000200
November											0.000062	0.000144
December												0.000082

TABLE C FLORIDA: Administrative Expense

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.000045	0.000108	0.000194	0.000270	0.000279	0.000299	0.000429	0.000485	0.000562	0.000679	0.000724	0.000756
February		0.000063	0.000149	0.000225	0.000234	0.000254	0.000384	0.000440	0.000517	0.000634	0.000679	0.000711
March			0.000086	0.000162	0.000171	0.000191	0.000321	0.000377	0.000454	0.000571	0.000616	0.000648
April				0.000076	0.000085	0.000105	0.000235	0.000291	0.000368	0.000485	0.000530	0.000562
May					0.000009	0.000029	0.000159	0.000215	0.000292	0.000409	0.000454	0.000486
June						0.000020	0.000150	0.000206	0.000283	0.000400	0.000445	0.000477
July							0.000130	0.000186	0.000263	0.000380	0.000425	0.000457
August								0.000056	0.000133	0.000250	0.000295	0.000327
September									0.000077	0.000194	0.000239	0.000271
October										0.000117	0.000162	0.000194
November											0.000045	0.000077
December												0.000032

(SRT 2023 TAX)

SABINE ROYALTY TRUST LOUISIANA

TABLE A LOUISIANA: Gross Royalty Income

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.004583	0.008999	0.014311	0.017684	0.020137	0.023772	0.026625	0.029850	0.032085	0.034204	0.036329	0.041238
February		0.004416	0.009728	0.013101	0.015554	0.019189	0.022042	0.025267	0.027502	0.029621	0.031746	0.036655
March			0.005312	0.008685	0.011138	0.014773	0.017626	0.020851	0.023086	0.025205	0.027330	0.032239
April				0.003373	0.005826	0.009461	0.012314	0.015539	0.017774	0.019893	0.022018	0.026927
May					0.002453	0.006088	0.008941	0.012166	0.014401	0.016520	0.018645	0.023554
June						0.003635	0.006488	0.009713	0.011948	0.014067	0.016192	0.021101
July							0.002853	0.006078	0.008313	0.010432	0.012557	0.017466
August								0.003225	0.005460	0.007579	0.009704	0.014613
September									0.002235	0.004354	0.006479	0.011388
October										0.002119	0.004244	0.009153
November											0.002125	0.007034
December												0.004909

TABLE B LOUISIANA: Severance Tax

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.000174	0.000548	0.000953	0.001212	0.001385	0.001596	0.001817	0.001969	0.002089	0.002248	0.002473	0.002779
February		0.000374	0.000779	0.001038	0.001211	0.001422	0.001643	0.001795	0.001915	0.002074	0.002299	0.002605
March			0.000405	0.000664	0.000837	0.001048	0.001269	0.001421	0.001541	0.001700	0.001925	0.002231
April				0.000259	0.000432	0.000643	0.000864	0.001016	0.001136	0.001295	0.001520	0.001826
May					0.000173	0.000384	0.000605	0.000757	0.000877	0.001036	0.001261	0.001567
June						0.000211	0.000432	0.000584	0.000704	0.000863	0.001088	0.001394
July							0.000221	0.000373	0.000493	0.000652	0.000877	0.001183
August								0.000152	0.000272	0.000431	0.000656	0.000962
September									0.000120	0.000279	0.000504	0.000810
October										0.000159	0.000384	0.000690
November											0.000225	0.000531
December												0.000306

TABLE C LOUISIANA: Administrative Expense

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.000089	0.000221	0.000451	0.000586	0.000664	0.000845	0.001027	0.001160	0.001264	0.001397	0.001447	0.001519
February		0.000132	0.000362	0.000497	0.000575	0.000756	0.000938	0.001071	0.001175	0.001308	0.001358	0.001430
March			0.000230	0.000365	0.000443	0.000624	0.000806	0.000939	0.001043	0.001176	0.001226	0.001298
April				0.000135	0.000213	0.000394	0.000576	0.000709	0.000813	0.000946	0.000996	0.001068
May					0.000078	0.000259	0.000441	0.000574	0.000678	0.000811	0.000861	0.000933
June						0.000181	0.000363	0.000496	0.000600	0.000733	0.000783	0.000855
July							0.000182	0.000315	0.000419	0.000552	0.000602	0.000674
August								0.000133	0.000237	0.000370	0.000420	0.000492
September									0.000104	0.000237	0.000287	0.000359
October										0.000133	0.000183	0.000255
November											0.000050	0.000122
December												0.000072

(SRT 2023 TAX)

SABINE ROYALTY TRUST MISSISSIPPI

TABLE A MISSISSIPPI: Gross Royalty Income

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.005222	0.011062	0.015387	0.021957	0.025176	0.029060	0.034561	0.038155	0.042191	0.048232	0.053228	0.057591
February		0.005840	0.010165	0.016735	0.019954	0.023838	0.029339	0.032933	0.036969	0.043010	0.048006	0.052369
March			0.004325	0.010895	0.014114	0.017998	0.023499	0.027093	0.031129	0.037170	0.042166	0.046529
April				0.006570	0.009789	0.013673	0.019174	0.022768	0.026804	0.032845	0.037841	0.042204
May					0.003219	0.007103	0.012604	0.016198	0.020234	0.026275	0.031271	0.035634
June						0.003884	0.009385	0.012979	0.017015	0.023056	0.028052	0.032415
July							0.005501	0.009095	0.013131	0.019172	0.024168	0.028531
August								0.003594	0.007630	0.013671	0.018667	0.023030
September									0.004036	0.010077	0.015073	0.019436
October										0.006041	0.011037	0.015400
November											0.004996	0.009359
December												0.004363

TABLE B MISSISSIPPI: Severance Tax

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.000270	0.000578	0.000801	0.001156	0.001312	0.001517	0.001816	0.002008	0.002220	0.002562	0.002835	0.003058
February		0.000308	0.000531	0.000886	0.001042	0.001247	0.001546	0.001738	0.001950	0.002292	0.002565	0.002788
March			0.000223	0.000578	0.000734	0.000939	0.001238	0.001430	0.001642	0.001984	0.002257	0.002480
April				0.000355	0.000511	0.000716	0.001015	0.001207	0.001419	0.001761	0.002034	0.002257
May					0.000156	0.000361	0.000660	0.000852	0.001064	0.001406	0.001679	0.001902
June						0.000205	0.000504	0.000696	0.000908	0.001250	0.001523	0.001746
July							0.000299	0.000491	0.000703	0.001045	0.001318	0.001541
August								0.000192	0.000404	0.000746	0.001019	0.001242
September									0.000212	0.000554	0.000827	0.001050
October										0.000342	0.000615	0.000838
November											0.000273	0.000496
December												0.000223

TABLE C MISSISSIPPI: Administrative Expense

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.000102	0.000276	0.000463	0.000726	0.000829	0.001023	0.001373	0.001521	0.001708	0.002087	0.002204	0.002268
February		0.000174	0.000361	0.000624	0.000727	0.000921	0.001271	0.001419	0.001606	0.001985	0.002102	0.002166
March			0.000187	0.000450	0.000553	0.000747	0.001097	0.001245	0.001432	0.001811	0.001928	0.001992
April				0.000263	0.000366	0.000560	0.000910	0.001058	0.001245	0.001624	0.001741	0.001805
May					0.000103	0.000297	0.000647	0.000795	0.000982	0.001361	0.001478	0.001542
June						0.000194	0.000544	0.000692	0.000879	0.001258	0.001375	0.001439
July							0.000350	0.000498	0.000685	0.001064	0.001181	0.001245
August								0.000148	0.000335	0.000714	0.000831	0.000895
September									0.000187	0.000566	0.000683	0.000747
October										0.000379	0.000496	0.000560
November											0.000117	0.000181
December												0.000064

(SRT 2023 TAX)

SABINE ROYALTY TRUST NEW MEXICO

TABLE A NEW MEXICO: Gross Royalty Income

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.014002	0.029187	0.041104	0.057381	0.070098	0.098987	0.110918	0.119487	0.130179	0.138051	0.156503	0.166699
February		0.015185	0.027102	0.043379	0.056096	0.084985	0.096916	0.105485	0.116177	0.124049	0.142501	0.152697
March			0.011917	0.028194	0.040911	0.069800	0.081731	0.090300	0.100992	0.108864	0.127316	0.137512
April				0.016277	0.028994	0.057883	0.069814	0.078383	0.089075	0.096947	0.115399	0.125595
May					0.012717	0.041606	0.053537	0.062106	0.072798	0.080670	0.099122	0.109318
June						0.028889	0.040820	0.049389	0.060081	0.067953	0.086405	0.096601
July							0.011931	0.020500	0.031192	0.039064	0.057516	0.067712
August								0.008569	0.019261	0.027133	0.045585	0.055781
September									0.010692	0.018564	0.037016	0.047212
October										0.007872	0.026324	0.036520
November											0.018452	0.028648
December												0.010196

TABLE B NEW MEXICO: Severance Tax

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.002352	0.004778	0.006790	0.009283	0.011313	0.015115	0.017063	0.018430	0.020414	0.021738	0.024790	0.026636
February		0.002426	0.004438	0.006931	0.008961	0.012763	0.014711	0.016078	0.018062	0.019386	0.022438	0.024284
March			0.002012	0.004505	0.006535	0.010337	0.012285	0.013652	0.015636	0.016960	0.020012	0.021858
April				0.002493	0.004523	0.008325	0.010273	0.011640	0.013624	0.014948	0.018000	0.019846
May					0.002030	0.005832	0.007780	0.009147	0.011131	0.012455	0.015507	0.017353
June						0.003802	0.005750	0.007117	0.009101	0.010425	0.013477	0.015323
July							0.001948	0.003315	0.005299	0.006623	0.009675	0.011521
August								0.001367	0.003351	0.004675	0.007727	0.009573
September									0.001984	0.003308	0.006360	0.008206
October										0.001324	0.004376	0.006222
November											0.003052	0.004898
December												0.001846

TABLE C NEW MEXICO: Administrative Expense

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023											
	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
January	0.000273	0.000726	0.001241	0.001893	0.002299	0.003741	0.004500	0.004853	0.005349	0.005843	0.006276	0.006425
February		0.000453	0.000968	0.001620	0.002026	0.003468	0.004227	0.004580	0.005076	0.005570	0.006003	0.006152
March			0.000515	0.001167	0.001573	0.003015	0.003774	0.004127	0.004623	0.005117	0.005550	0.005699
April				0.000652	0.001058	0.002500	0.003259	0.003612	0.004108	0.004602	0.005035	0.005184
May					0.000406	0.001848	0.002607	0.002960	0.003456	0.003950	0.004383	0.004532
June						0.001442	0.002201	0.002554	0.003050	0.003544	0.003977	0.004126
July							0.000759	0.001112	0.001608	0.002102	0.002535	0.002684
August								0.000353	0.000849	0.001343	0.001776	0.001925
September									0.000496	0.000990	0.001423	0.001572
October										0.000494	0.000927	0.001076
November											0.000433	0.000582
December												0.000149

SABINE ROYALTY TRUST

Depletion Schedule D-I

The cumulative and noncumulative cost depletion factors reflected in Depletion Schedule D-I should be used to compute 2023 federal cost depletion amounts attributable to Units purchased for which the Unit holder initially became entitled to distributions in 2023. This schedule should not be used to compute depletion for any other Units owned. (See accompanying information for computation instructions.)

**FIRST MONTH
IN WHICH UNITS
WERE OWNED
ON THE MONTHLY
RECORD DATE
IN 2023**

	January	February	March	April	May	June	July	August	September	October	November	December
January	0.013558	0.029822	0.043550	0.062558	0.076256	0.088082	0.100940	0.113272	0.126835	0.138436	0.153046	0.178421
February	—	0.016264	0.029992	0.049000	0.062698	0.074524	0.087382	0.099714	0.113277	0.124878	0.139488	0.164863
March	—	—	0.013728	0.032736	0.046434	0.058260	0.071118	0.083450	0.097013	0.108614	0.123224	0.148599
April	—	—	—	0.019008	0.032706	0.044532	0.057390	0.069722	0.083285	0.094886	0.109496	0.134871
May	—	—	—	—	0.013698	0.025524	0.038382	0.050714	0.064277	0.075878	0.090488	0.115863
June	—	—	—	—	—	0.011826	0.024684	0.037016	0.050579	0.062180	0.076790	0.102165
July	—	—	—	—	—	—	0.012858	0.025190	0.038753	0.050354	0.064964	0.090339
August	—	—	—	—	—	—	—	0.012332	0.025895	0.037496	0.052106	0.077481
September	—	—	—	—	—	—	—	—	0.013563	0.025164	0.039774	0.065149
October	—	—	—	—	—	—	—	—	—	0.011601	0.026211	0.051586
November	—	—	—	—	—	—	—	—	—	—	0.014610	0.039985
December	—	—	—	—	—	—	—	—	—	—	—	0.025375

Depletion Schedule D-II

The non-cumulative cost depletion factors reflected in Depletion Schedule D-II should be used to compute 2023 state cost depletion amounts attributable to Units purchased for which the Unit holder initially became entitled to distributions in any year. The applicable number to use is the number related to the last month in which the units were owned in 2023. (See accompanying information for computation instructions.)

**STATE DEPLETION
FACTORS**

	January	February	March	April	May	June	July	August	September	October	November	December
Florida	0.000061	0.000057	0.000059	0.000057	0.000009	0.000012	0.000060	0.000043	0.000055	0.000057	0.000055	0.000057
Louisiana	0.000114	0.000104	0.000123	0.000079	0.000056	0.000090	0.000079	0.000078	0.000055	0.000049	0.000050	0.000082
Mississippi	0.000109	0.000118	0.000114	0.000174	0.000070	0.000120	0.000213	0.000140	0.000152	0.000196	0.000153	0.000124
New Mexico	0.000324	0.000346	0.000281	0.000343	0.000280	0.000728	0.000325	0.000234	0.000330	0.000219	0.000417	0.000234
Oklahoma	0.001763	0.002326	0.002062	0.002239	0.001860	0.001884	0.001727	0.001767	0.002007	0.001644	0.001703	0.001456
Texas	0.011187	0.013313	0.011089	0.016116	0.011423	0.008992	0.010454	0.010070	0.010964	0.009436	0.012232	0.023422
TOTAL	<u>0.013558</u>	<u>0.016264</u>	<u>0.013728</u>	<u>0.019008</u>	<u>0.013698</u>	<u>0.011826</u>	<u>0.012858</u>	<u>0.012332</u>	<u>0.013563</u>	<u>0.011601</u>	<u>0.014610</u>	<u>0.025375</u>

SABINE ROYALTY TRUST

Depletion Schedule D-III

The cumulative federal cost depletion factors reflected in Depletion Schedule D-III should be used to compute 2023 federal cost depletion amounts attributable to Units purchased for which the Unit holder initially became entitled to distributions in the year stated. For depletion factors relating to the individual states, please use Depletion Schedule D-II on page 14. (See accompanying information for computation instructions.)

LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023

For a Unit acquired of record during the year of:	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
Original Distribution . . . . .	.013117	.028860	.042186	.060689	.073884	.085428	.098250	.110362	.123677	.135279	.149537	.173779
1983 . . . . .	.012187	.026784	.039031	.056335	.068738	.079080	.090600	.101666	.113799	.124204	.137439	.161298
1984 . . . . .	.007659	.016833	.024528	.035421	.043219	.049654	.056887	.063841	.071455	.077993	.086305	.101396
1985 . . . . .	.010313	.022655	.033002	.047671	.058165	.066890	.076647	.086009	.096268	.105078	.116297	.136620
Before March 17, 1986 . . . . .	.008148	.017895	.026063	.037657	.045950	.052837	.060535	.067923	.076021	.082970	.091838	.107941
After March 17, 1986 . . . . .	.006253	.013730	.019996	.028887	.035247	.040556	.046467	.052136	.058351	.063681	.070491	.082825
1987 . . . . .	.008636	.018965	.027622	.039899	.048683	.055996	.064152	.071979	.080561	.087921	.097316	.114341
1988 . . . . .	.009339	.020526	.029912	.043165	.052668	.060608	.069430	.077906	.087205	.095171	.105313	.123569
1989 . . . . .	.008942	.019674	.028694	.041355	.050446	.058083	.066554	.074692	.083628	.091290	.100981	.118227
1990 . . . . .	.008464	.018615	.027146	.039105	.047697	.054985	.062996	.070686	.079141	.086376	.095553	.111807
1991 . . . . .	.007883	.017322	.025261	.036305	.044275	.051346	.058821	.065955	.073847	.080559	.089124	.103887
1992 . . . . .	.009274	.020427	.029821	.042767	.052174	.060620	.069428	.077856	.087196	.095116	.105165	.122131
1993 . . . . .	.009468	.020826	.030403	.043573	.053120	.061792	.070789	.079369	.088893	.096967	.107224	.124437
1994 . . . . .	.008309	.018283	.026712	.038259	.046607	.054088	.061987	.069533	.077895	.085008	.093967	.109017
1995 . . . . .	.008899	.019572	.028615	.040937	.049809	.057796	.066285	.074369	.083343	.090997	.100578	.116493
1996 . . . . .	.008553	.018862	.027616	.039385	.047939	.055768	.063926	.071725	.080404	.087770	.096932	.111730
1997 . . . . .	.011930	.026256	.038403	.054897	.066806	.077548	.088914	.099760	.111797	.122049	.134867	.156057
1998 . . . . .	.012819	.028219	.041284	.059036	.071840	.083392	.095675	.107371	.120340	.131428	.145215	.167948
1999 . . . . .	.013120	.028821	.042162	.060297	.073348	.085300	.104112	.116064	.129289	.140627	.154744	.178010
2000 . . . . .	.012872	.028249	.041324	.059109	.071847	.083775	.096306	.108064	.121106	.132346	.146277	.168862
2001 . . . . .	.012621	.027690	.040640	.057621	.069925	.082458	.094848	.106382	.119252	.130277	.143782	.163861
2002 . . . . .	.012810	.028051	.041074	.058435	.070928	.083286	.095702	.107297	.120245	.131299	.145079	.166476
2003 . . . . .	.012801	.027975	.041021	.058523	.071138	.083335	.095777	.107445	.120450	.131582	.145386	.167061

SABINE ROYALTY TRUST

Depletion Schedule D-III

The cumulative federal cost depletion factors reflected in Depletion Schedule D-III should be used to compute 2023 federal cost depletion amounts attributable to Units purchased for which the Unit holder initially became entitled to distributions in the year stated. For depletion factors relating to the individual states, please use Depletion Schedule D-II on page 14. (See accompanying information for computation instructions.)

LAST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023

For a Unit acquired of record during the year of:	2023											
	January	February	March	April	May	June	July	August	September	October	November	December
2004	.012754	.027947	.040880	.058378	.070926	.082890	.095241	.106819	.119686	.130720	.144491	.166649
2005	.012821	.028134	.041184	.058745	.071361	.083389	.095822	.107496	.120484	.131622	.145432	.167394
2006	.012742	.027931	.040867	.058294	.070843	.082902	.095209	.106763	.119611	.130592	.144323	.166261
2007	.012461	.027282	.039869	.057018	.069296	.081001	.092963	.104205	.116706	.127364	.140823	.162702
2008	.012159	.026627	.038914	.055648	.067653	.078938	.090626	.101621	.113814	.124244	.137375	.158948
2009	.012170	.026684	.039044	.055785	.067823	.079084	.090826	.101892	.114125	.124627	.137705	.159073
2010	.012554	.027468	.040185	.057425	.069802	.081304	.093346	.104706	.117213	.127949	.141384	.163686
2011	.012440	.027193	.039753	.056834	.069095	.080640	.092580	.103811	.116193	.126806	.140172	.162322
2012	.012661	.027679	.040470	.057906	.070412	.082068	.094186	.105602	.118193	.128974	.142601	.165412
2013	.012707	.027752	.040583	.058000	.070477	.082138	.094298	.105748	.118344	.129151	.142747	.165427
2014	.012608	.027557	.040294	.057583	.069978	.081550	.093611	.104978	.117506	.128241	.141746	.164205
2015	.012775	.027981	.040913	.058482	.071118	.082913	.095160	.106720	.119495	.130424	.144153	.166826
2016	.012908	.028281	.041353	.059134	.071923	.083728	.096079	.107764	.120658	.131693	.145548	.168593
2017	.013006	.028529	.041730	.059632	.072564	.084410	.096790	.108564	.121547	.132623	.146531	.169711
2018	.013097	.028731	.042025	.060063	.073094	.085011	.097476	.109336	.122411	.133565	.147573	.170945
2019	.013456	.029521	.043124	.061813	.075255	.087302	.100105	.112287	.125722	.137204	.151694	.176345
2020	.016327	.035748	.052077	.075142	.091551	.105425	.120861	.135589	.151730	.165608	.183328	.215308
2021	.013480	.029656	.043333	.062154	.075740	.087655	.100468	.112737	.126256	.137808	.152315	.177133
2022	.013522	.029723	.043405	.062328	.075951	.087834	.100682	.112970	.126498	.138071	.152653	.177843

SABINE ROYALTY TRUST

Depletion Schedule D-IV

The noncumulative and cumulative depletion factors reflected in Depletion Schedule D-IV should be used to compute 2023 Federal percentage depletion amounts attributable to Units purchased for which the Unit holder initially became entitled to distributions in any year. (See accompanying information for computation instructions.)

FIRST MONTH IN WHICH UNITS WERE OWNED ON THE MONTHLY RECORD DATE IN 2023	January	February	March	April	May	June	July	August	September	October	November	December
JANUARY	0.111335	0.218549	0.298620	0.416591	0.501364	0.557824	0.614885	0.666594	0.730248	0.780094	0.905976	1.102500
FEBRUARY		0.107214	0.187285	0.305256	0.390029	0.446489	0.503550	0.555259	0.618913	0.668759	0.794641	0.991165
MARCH			0.080071	0.198042	0.282815	0.339275	0.396336	0.448045	0.511699	0.561545	0.687427	0.883951
APRIL				0.117971	0.202744	0.259204	0.316265	0.367974	0.431628	0.481474	0.607356	0.803880
MAY					0.084773	0.141233	0.198294	0.250003	0.313657	0.363503	0.489385	0.685909
JUNE						0.056460	0.113521	0.165230	0.228884	0.278730	0.404612	0.601136
JULY							0.057061	0.108770	0.172424	0.222270	0.348152	0.544676
AUGUST								0.051709	0.115363	0.165209	0.291091	0.487615
SEPTEMBER									0.063654	0.113500	0.239382	0.435906
OCTOBER										0.049846	0.175728	0.372252
NOVEMBER											0.125882	0.322406
DECEMBER												0.196524

**SCHEDULE E
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Supplemental Income and Loss
(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

Attach to Form 1040, 1040-SR, 1040-NR, or 1041.
Go to www.irs.gov/ScheduleE for instructions and the latest information.

OMB No. 1545-0074

2023
Attachment
Sequence No. **13**

Name(s) shown on return _____ Your social security number _____

Part I Income or Loss From Rental Real Estate and Royalties

Note: If you are in the business of renting personal property, use **Schedule C**. See instructions. If you are an individual, report farm rental income or loss from **Form 4835** on page 2, line 40.

A Did you make any payments in 2023 that would require you to file Form(s) 1099? See instructions **Yes** **No**
B If "Yes," did you or will you file required Form(s) 1099? **Yes** **No**

1a Physical address of each property (street, city, state, ZIP code)

Name of Royalty →

A	
B	
C	

1b Type of Property (from list below)	2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions.	Fair Rental Days		Personal Use Days	QJV
		A	B		<input type="checkbox"/>
A					<input type="checkbox"/>
B					<input type="checkbox"/>
C					<input type="checkbox"/>

Type of Property:
 1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
 2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other (describe) _____

Income:	Properties:		
	A	B	C
3 Rents received	3		
4 Royalties received	4		
Expenses:			
5 Advertising	5		
6 Auto and travel (see instructions)	6		
7 Cleaning and maintenance	7		
8 Commissions	8		
9 Insurance	9		
10 Legal and other professional fees	10		
11 Management fees	11		
12 Mortgage interest paid to banks, etc. (see instructions)	12		
13 Other interest	13		
14 Repairs	14		
15 Supplies	15		
16 Taxes	16		
17 Utilities	17		
18 Depreciation expense or depletion	18		
19 Other (list) _____	19		
20 Total expenses. Add lines 5 through 19	20		
21 Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198	21		
22 Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	22	()	()
23a Total of all amounts reported on line 3 for all rental properties	23a		
b Total of all amounts reported on line 4 for all royalty properties	23b		
c Total of all amounts reported on line 12 for all properties	23c		
d Total of all amounts reported on line 18 for all properties	23d		
e Total of all amounts reported on line 20 for all properties	23e		
24 Income. Add positive amounts shown on line 21. Do not include any losses	24		
25 Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25	()	
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, and IV, and line 40 on page 2 do not apply to you, also enter this amount on Schedule 1 (Form 1040), line 5. Otherwise, include this amount in the total on line 41 on page 2	26		

Severance Tax →

Depletion →

Administrative Expenses →

SCHEDULE B (Form 1040)

Department of the Treasury Internal Revenue Service

Interest and Ordinary Dividends

Attach to Form 1040 or 1040-SR. Go to www.irs.gov/ScheduleB for instructions and the latest information.

OMB No. 1545-0074

2023 Attachment Sequence No. 08

Name(s) shown on return

Your social security number

Interest Income ->

Part I Interest

(See instructions and the Instructions for Form 1040, line 2b.)

Note: If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address:

Dotted lines for entering payer information.

Amount

1

2 Add the amounts on line 1

2

3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815

3

4 Subtract line 3 from line 2. Enter the result here and on Form 1040 or 1040-SR, line 2b

4

Note: If line 4 is over \$1,500, you must complete Part III.

Amount

Part II Ordinary Dividends

(See instructions and the Instructions for Form 1040, line 3b.)

Note: If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

5 List name of payer:

Dotted lines for entering payer information.

5

6 Add the amounts on line 5. Enter the total here and on Form 1040 or 1040-SR, line 3b

6

Note: If line 6 is over \$1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

Foreign Accounts and Trusts

Caution: If required, failure to file FinCEN Form 114 may result in substantial penalties. Additionally, you may be required to file Form 8938, Statement of Specified Foreign Financial Assets. See instructions.

You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

7a At any time during 2023, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions

If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements

b If you are required to file FinCEN Form 114, list the name(s) of the foreign country(-ies) where the financial account(s) is (are) located:

8 During 2023, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions

Yes/No grid for questions 7a, b, and 8.

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 17146N

Schedule B (Form 1040) 2023

Sales of Business Property
 (Also Involuntary Conversions and Recapture Amounts
 Under Sections 179 and 280F(b)(2))

Attach to your tax return.
 Go to www.irs.gov/Form4797 for instructions and the latest information.

Name(s) shown on return	Identifying number
-------------------------	--------------------

- | | | |
|---|-----------|--|
| 1a Enter the gross proceeds from sales or exchanges reported to you for 2023 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20. See instructions | 1a | |
| b Enter the total amount of gain that you are including on lines 2, 10, and 24 due to the partial dispositions of MACRS assets | 1b | |
| c Enter the total amount of loss that you are including on lines 2 and 10 due to the partial dispositions of MACRS assets | 1c | |

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (see instructions)

2	(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)

- | | | |
|---|----------|--|
| 3 Gain, if any, from Form 4684, line 39 | 3 | |
| 4 Section 1231 gain from installment sales from Form 6252, line 26 or 37 | 4 | |
| 5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824 | 5 | |
| 6 Gain, if any, from line 32, from other than casualty or theft | 6 | |
| 7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows | 7 | |
| Partnerships and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120-S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below. | | |
| Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you didn't have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below. | | |
| 8 Nonrecaptured net section 1231 losses from prior years. See instructions | 8 | |
| 9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return. See instructions | 9 | |

Part II Ordinary Gains and Losses (see instructions)

10	Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):	

- | | | |
|--|------------|--|
| 11 Loss, if any, from line 7 | 11 | |
| 12 Gain, if any, from line 7 or amount from line 8, if applicable | 12 | |
| 13 Gain, if any, from line 31 | 13 | |
| 14 Net gain or (loss) from Form 4684, lines 31 and 38a | 14 | |
| 15 Ordinary gain from installment sales from Form 6252, line 25 or 36 | 15 | |
| 16 Ordinary gain or (loss) from like-kind exchanges from Form 8824 | 16 | |
| 17 Combine lines 10 through 16 | 17 | |
| 18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below. | | |
| a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the loss from income-producing property on Schedule A (Form 1040), line 16. (Do not include any loss on property used as an employee.) Identify as from "Form 4797, line 18a." See instructions | | |
| | 18a | |
| b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Schedule 1 (Form 1040), Part I, line 4 | | |
| | 18b | |

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	Gain or Loss on Units Sold			
			Property A	Property B	Property C	Property D
A						
B						
C						
D						
These columns relate to the properties on lines 19A through 19D.						
20 Gross sales price (Note: See line 1a before completing.)	20					
21 Cost or other basis plus expense of sale	21					
22 Depreciation (or depletion) allowed or allowable	22					
23 Adjusted basis. Subtract line 22 from line 21	23					
24 Total gain. Subtract line 23 from line 20	24					
25 If section 1245 property:						
a Depreciation allowed or allowable from line 22	25a					
b Enter the smaller of line 24 or 25a	25b					
26 If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.						
a Additional depreciation after 1975. See instructions	26a					
b Applicable percentage multiplied by the smaller of line 24 or line 26a. See instructions	26b					
c Subtract line 26a from line 24. If residential rental property or line 24 isn't more than line 26a, skip lines 26d and 26e	26c					
d Additional depreciation after 1969 and before 1976	26d					
e Enter the smaller of line 26c or 26d	26e					
f Section 291 amount (corporations only)	26f					
g Add lines 26b, 26e, and 26f	26g					
27 If section 1252 property: Skip this section if you didn't dispose of farmland or if this form is being completed for a partnership.						
a Soil, water, and land clearing expenses	27a					
b Line 27a multiplied by applicable percentage. See instructions	27b					
c Enter the smaller of line 24 or 27b	27c					
28 If section 1254 property:						
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion. See instructions	28a					
b Enter the smaller of line 24 or 28a	28b					
29 If section 1255 property:						
a Applicable percentage of payments excluded from income under section 126. See instructions	29a					
b Enter the smaller of line 24 or 29a. See instructions	29b					
Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.						
30 Total gains for all properties. Add property columns A through D, line 24	30					
31 Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31					
32 Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	32					
Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less (see instructions)						
		(a) Section 179	(b) Section 280F(b)(2)			
33 Section 179 expense deduction or depreciation allowable in prior years	33					
34 Recomputed depreciation. See instructions	34					
35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35					

SABINE ROYALTY TRUST TAX COMPUTATION WORKSHEET

2023

(RETAIN THIS WORKPAPER AS PART OF YOUR PERMANENT TAX RECORDS)

Part I

INCOME AND EXPENSE

	A		B		C	
<u>Item</u>	<u>Number of Units Owned (Note 1)</u>	×	<u>Income/Expense Per Unit from Appropriate Schedule(s) (Note 2)</u>	=	<u>Totals</u>	<u>Where to Reflect on 2023 Form 1040 (Note 3)</u>
Gross Royalty Income		×		=		Line 4, Part I, Schedule E
Severance Tax		×		=		Line 16, Part I, Schedule E
Interest Income		×		=		Line 1, Part I, Schedule B
Administrative Expense		×		=		Line 19, Part I, Schedule E

Part II

COST DEPLETION (Note 4)

	Cost Depletion Allowable in Prior Calendar Years (Note 5)		Adjusted Basis for Cost Depletion Purposes		Appropriate 2023 Cost Depletion Factor (Note 4)		<u>2023 Cost Depletion</u>
<u>Original Basis</u>		-		=		×	

*Reflect cost depletion on 2023 Form 1040, line 18, Part 1, Schedule E (Note 3).

Part III

COMPUTATION OF GAIN OR (LOSS) FOR UNITS SOLD

<u>Net Sales Price</u>		<u>Adjusted Basis (Note 6)</u>		<u>Gain (Loss)</u>	
	-		=		<u>Where to Reflect on 2023 Form 1040 (Note 3)</u> Form 4797 Part III, Lines 19-24 and Schedule D

Notes

- (1) In order to correctly calculate total income and expense to be reported on your 2023 federal and, if applicable, state income tax returns, it is recommended that you reproduce and complete a separate Tax Computation Worksheet for each block of Units acquired and disposed of at different times, as different factors apply depending on when Units were acquired or disposed of. If more than one Tax Computation Worksheet is required, the separate amounts from each Tax Computation Worksheet should be added together and those aggregate numbers reported on your 2023 income tax returns.
- (2) If you did not become a Unit holder of record of any Unit(s) or did not cease to be a Unit holder of record of any Unit(s) during the period from January 17, 2023 through December 15, 2023, then the amounts reflected on the cumulative schedule for 2023 (located on page 5) should be used to complete Part I. See Comprehensive Example 1 on page 23. If any Units were held of record for only part of the period defined above, then the appropriate federal income and expense factors for Part I can be determined by using Tables I-IV (on pages 6 and 7) by locating the factor at the intersection of the first and last month in which the Units were owned by the Unit holder on the Monthly Record Date in 2023. See Comprehensive Examples 2 and 3 on pages 24 and 25 for further explanation. The appropriate state income and expense factors can be determined by using the state tables in the same manner, which are located on pages 8 through 13.
- (3) The Trustee believes that individual Unit holders owning the Units as an investment should report the amounts determined in this manner. See Sample Tax Forms on pages 18-21. The U.S. Corporation Income Tax Return (Form 1120) does not require that royalty income and related expenses be separately identified on any specific schedules. See "Sale or Exchange of Units" on page A-4 for a discussion of the tax consequences resulting from the sale of a Unit.
- (4) The appropriate depletion schedule(s) to be utilized depends on when the Units were acquired. See "Computing Depletion" on page 2 to determine the proper schedule(s) to be used. This worksheet assumes a Unit holder will take the cost depletion deduction. Some Unit holders may be entitled to a percentage depletion deduction in lieu of a cost depletion deduction, in which case Depletion Schedule D-IV (on page 17) should be used to compute such Unit holder's depletion deduction for purposes of Part II of this worksheet. See page 2 and pages A-2 to A-3 of this booklet for additional information regarding depletion deductions.
- (5) Cost depletion allowable in prior calendar years cannot be computed from the schedules contained in this booklet. Depletion schedules contained in Sabine Royalty Trust Tax Information Booklet(s) from prior years should be used to determine the appropriate cost depletion amount(s) allowable in prior calendar years.
- (6) The adjusted basis is equal to the cost or other basis of the Unit(s) less the cost depletion allowable from the date of acquisition through the date of sale (whether or not deducted).

(SRT 2023 TAX)

COMPREHENSIVE EXAMPLE 1

The following example illustrates the computations necessary for an individual to determine income and expense attributable to Units acquired in March of 1984 and held throughout 2023.

COMPUTATION OF INCOME AND EXPENSE FOR UNITS OWNED ON ALL MONTHLY RECORD DATES IN 2023

SABINE ROYALTY TRUST TAX COMPUTATION WORKSHEET

2023

(RETAIN THIS WORKPAPER AS PART OF YOUR PERMANENT TAX RECORDS)

Part I

INCOME AND EXPENSE

<u>Item</u>	<u>A</u> Number of Units Owned (Note 1)	×	<u>B</u> Income/Expense Per Unit from Appropriate Schedule(s) (Note 2)	=	<u>C</u> Totals	<u>Where to Reflect on 2023 Form 1040 (Note 3)</u>
Gross Royalty Income	100	×	\$7.349996	=	\$735.00	Line 4, Part I, Schedule E
Severance Tax	100	×	\$0.771782	=	\$ 77.18	Line 16, Part I, Schedule E
Interest Income	100	×	\$0.049211	=	\$ 4.92	Line 1, Part I, Schedule B
Administrative Expense	100	×	\$0.242684	=	\$ 24.27	Line 19, Part I, Schedule E

Part II

COST DEPLETION (Note 4)

<u>Assumed Original Basis*</u>	-	<u>Cost Depletion Allowable in Prior Calendar Years (Notes 4 and 5)</u>	=	<u>Adjusted Basis for Cost Depletion Purposes</u>	×	<u>Appropriate 2023 Cost Depletion Factor per Depletion Schedule D-III</u>	=	<u>2023 Cost Depletion**</u>
\$2,100.00	-	\$2,081.48	=	\$18.52	×	0.101396	=	\$1.88

*This number is used for example purposes only. Each Unit holder's basis is unique to that specific Unit holder.

**Reflect cost depletion on 2023 Form 1040, line 18, Part 1, Schedule E (Note 3).

See Page 22 for Applicable Notes.

COMPREHENSIVE EXAMPLE 2

The following example illustrates the computations necessary for an individual to determine income and expenses and gain or loss on Units acquired in 1984 and disposed of during 2023. The factors in this example are located at the intersection of January and March on the appropriate tables (i.e., the first and last month of 2023 in which Units were owned on Monthly Record Dates).

<u>Acquisition Date</u>	<u>Units Acquired</u>	<u>Original Basis</u>	<u>Sales Date</u>	<u>Units Sold</u>	<u>Sales Price</u>
03-21-84	100	\$2,100.00	04-3-23	100	\$7,600.00

COMPUTATION OF INCOME AND EXPENSE FOR UNITS SOLD IN 2023

SABINE ROYALTY TRUST TAX COMPUTATION WORKSHEET

2023

(RETAIN THIS WORKPAPER AS PART OF YOUR PERMANENT TAX RECORDS)

Part I

INCOME AND EXPENSE

<u>Item</u>	<u>A</u> <u>Number of</u> <u>Units Owned</u> <u>(Note 1)</u>	×	<u>B</u> <u>Income/Expense Per Unit</u> <u>from Appropriate</u> <u>Schedule(s)</u> <u>(Note 2)</u>	=	<u>C</u> <u>Totals</u>	<u>Where to Reflect on</u> <u>2023 Form 1040 (Note 3)</u>
Gross Royalty Income	100	×	\$1.990802	=	\$199.08	Line 4, Part I, Schedule E
Severance Tax	100	×	\$0.210346	=	\$ 21.03	Line 16, Part I, Schedule E
Interest Income	100	×	\$0.012636	=	\$ 1.26	Line 1, Part I, Schedule B
Administrative Expense	100	×	\$0.058793	=	\$ 5.88	Line 19, Part I, Schedule E

Part II

COST DEPLETION (Notes 4 and 5)

<u>Assumed</u> <u>Original Basis*</u>	-	<u>Cost Depletion</u> <u>Allowable in Prior</u> <u>Calendar Years</u> <u>(Note 5)</u>	=	<u>Adjusted Basis for</u> <u>Cost Depletion</u> <u>Purposes</u>	×	<u>Appropriate 2023</u> <u>Cost Depletion Factor</u> <u>per Depletion</u> <u>Schedule D-III</u>	=	<u>2023 Cost Depletion**</u>
\$2,100.00	-	\$2,081.48	=	\$18.52	×	0.024528	=	\$0.45

*This number is used for example purposes only. Each Unit holder's basis is unique to that specific Unit holder.

**Reflect cost depletion on 2023 Form 1040, line 18, Part 1, Schedule E (Note 3).

Part III

COMPUTATION OF GAIN OR (LOSS) FOR UNITS SOLD

<u>Net Sales</u> <u>Price</u>	-	<u>Adjusted Basis</u> <u>(Note 6)</u>	=	<u>Gain</u> <u>(Loss)</u>	<u>Where to Reflect on</u> <u>2023 Form 1040</u> <u>(Note 3)</u>
\$7,600.00	-	\$18.07	=	\$7,581.93	Form 4797, Part III, Lines 19-24 and Schedule D

See Page 22 for Applicable Notes.

COMPREHENSIVE EXAMPLE 3

The following example illustrates the computations necessary for an individual to determine income and expenses and gain or loss on Units acquired and disposed of during 2023. The factors in this example are located at the intersection of April and September on the appropriate tables (i.e., the first and last month of 2023 in which Units were owned on monthly Record Dates).

<u>Acquisition Date</u>	<u>Units Acquired</u>	<u>Original Basis</u>	<u>Sales Date</u>	<u>Units Sold</u>	<u>Sales Price</u>
03-27-23	100	\$6,917.00	09-22-23	100	\$6,415.00

COMPUTATION OF INCOME AND EXPENSE FOR UNITS ACQUIRED AND SOLD IN 2023

SABINE ROYALTY TRUST TAX COMPUTATION WORKSHEET

2023

(RETAIN THIS WORKPAPER AS PART OF YOUR PERMANENT TAX RECORDS)

Part I

INCOME AND EXPENSE

<u>Item</u>	<u>A</u> <u>Number of</u> <u>Units Owned</u> <u>(Note 1)</u>	×	<u>B</u> <u>Income/Expense Per Unit</u> <u>from Appropriate</u> <u>Schedule(s)</u> <u>(Note 2)</u>	=	<u>C</u> <u>Totals</u>	<u>Where to Reflect on</u> <u>2023 Form 1040 (Note 3)</u>
Gross Royalty Income	100	×	\$2.877519	=	\$287.75	Line 4, Part I, Schedule E
Severance Tax	100	×	\$0.266159	=	\$ 26.62	Line 16, Part I, Schedule E
Interest Income	100	×	\$0.020674	=	\$ 2.07	Line 1, Part I, Schedule B
Administrative Expense	100	×	\$0.124212	=	\$ 12.42	Line 19, Part I, Schedule E

Part II

COST DEPLETION (Notes 4 and 5)

<u>Assumed</u> <u>Original Basis*</u>	-	<u>Cost Depletion</u> <u>Allowable in Prior</u> <u>Calendar Years</u> <u>(Note 5)</u>	=	<u>Adjusted Basis for</u> <u>Cost Depletion</u> <u>Purposes</u>	×	<u>Appropriate 2023</u> <u>Cost Depletion Factor</u> <u>per Depletion</u> <u>Schedule D-I</u>	=	<u>2023 Cost Depletion**</u>
\$6,913.00	-	\$0.00	=	\$6,913.00	×	0.083285	=	\$576.08

*This number is used for example purposes only. Each Unit holder's basis is unique to that specific Unit holder.

**Reflect cost depletion on 2023 Form 1040, line 18, Part 1, Schedule E (Notes 4 and 5).

Part III

COMPUTATION OF GAIN OR (LOSS) FOR UNITS SOLD

<u>Net Sales</u> <u>Price</u>	-	<u>Adjusted Basis</u> <u>(Note 6)</u>	=	<u>Gain</u> <u>(Loss)</u>	<u>Where to Reflect on</u> <u>2023 Form 1040</u> <u>(Note 3)</u>
\$6,415	-	\$6,340.92	=	\$74.08	Form 4797, Part II, Line 10 and Schedule D

See Page 22 for Applicable Notes.

SABINE ROYALTY TRUST HISTORICAL TAX WORKSHEET

	<u>GROSS INCOME</u>	<u>WINDFALL PROFIT TAX</u>	<u>SEVERANCE TAX</u>	<u>NET ROYALTY PMTS</u>	<u>INTEREST INCOME</u>	<u>ADMIN. EXPENSE</u>	<u>MISC. INCOME/ EXPENSE</u>	<u>NET CASH DISTRIB</u>
1983	2.721361	0.316613	0.155445	2.249303	0.019377	0.086800	0.000000	2.181880
1984	3.496106	0.323679	0.196022	2.976405	0.031846	0.155652	0.000000	2.852599
1985	2.853378	0.190767	0.171256	2.491355	0.021277	0.169099	-0.005487	2.338046
1986	1.807003	0.041149	0.114513	1.651341	0.012242	0.184580	0.005487	1.484490
1987	1.648950	0.000209	0.095558	1.553183	0.010601	0.127094	0.000000	1.436690
1988	1.556021	0.000077	0.101561	1.454383	0.010753	0.098526	0.000000	1.366610
1989	1.594196	0.000028	0.131330	1.462838	0.013627	0.096295	0.000000	1.380170
1990	1.748059	0.000000	0.155821	1.592238	0.014058	0.075026	0.000000	1.531270
1991	1.810596	0.000000	0.188955	1.621641	0.010622	0.084643	0.000000	1.547620
1992	1.556025	0.000000	0.132087	1.423938	0.005520	0.135228	0.000000	1.294230
1993	1.751674	0.000000	0.126197	1.625477	0.005316	0.169163	0.000000	1.461630
1994	1.422338	0.000000	0.094300	1.328038	0.005172	0.135390	0.000000	1.197820
1995	1.257833	0.000000	0.086219	1.171614	0.007424	0.151878	0.000000	1.027160
1996	1.650891	0.000000	0.102044	1.548847	0.009748	0.187465	0.000000	1.371130
1997	1.955335	0.000000	0.144324	1.811011	0.010812	0.177263	0.000000	1.644560
1998	1.937789	0.000000	0.123769	1.814020	0.011159	0.171521	0.000000	1.653658
1999	1.663391	0.000000	0.115700	1.547691	0.008112	0.148838	0.000000	1.406965
2000	2.586743	0.000000	0.157354	2.429389	0.016044	0.170794	0.000000	2.274639
2001	3.240755	0.000000	0.210965	3.029790	0.014627	0.183788	0.000000	2.860629
2002	2.175093	0.000000	0.125845	2.049248	0.003150	0.173568	0.000000	1.878830
2003	2.930078	0.000000	0.214244	2.715834	0.003272	0.196541	0.000000	2.522565
2004	3.277066	0.000000	0.271605	3.005461	0.003421	0.222941	0.000000	2.785941
2005	3.874801	0.000000	0.304563	3.570238	0.011804	0.150250	0.000000	3.431792
2006	4.733425	0.000000	0.376823	4.356602	0.024294	0.144170	0.000000	4.236726
2007	4.334040	0.000000	0.361711	3.972329	0.023849	0.145689	0.000000	3.850489
2008	6.587048	0.000000	0.421450	6.165598	0.020735	0.150146	0.000000	6.036187
2009	3.162408	0.000000	0.218949	2.943459	0.001744	0.153550	0.000000	2.791653
2010	4.153492	0.000000	0.308146	3.845346	0.000306	0.141111	0.000000	3.704541
2011	4.436046	0.000000	0.325610	4.110436	0.000442	0.144662	0.000000	3.966216
2012	4.202320	0.000000	0.345350	3.856970	0.000538	0.156560	0.000000	3.700948
2013	4.375012	0.000000	0.313302	4.061710	0.000727	0.145937	0.000000	3.916500
2014	4.714152	0.000000	0.453105	4.261047	0.000306	0.163512	0.000000	4.097841
2015	3.832441	0.000000	0.513743	3.318698	0.000134	0.213553	0.000000	3.105279
2016	2.465843	0.000000	0.345994	2.119849	0.000512	0.186268	0.000000	1.934093
2017	2.907278	0.000000	0.368102	2.539176	0.002629	0.173375	0.000000	2.368430
2018	3.960900	0.000000	0.443944	3.516956	0.009398	0.177247	0.000000	3.349107
2019	3.652966	0.000000	0.452339	3.200627	0.012269	0.193051	0.000000	3.019845
2020	3.059226	0.000000	0.438554	2.620672	0.002651	0.226609	0.000000	2.396714
2021	3.927351	0.000000	0.464503	3.462848	0.000839	0.246119	0.000000	3.217568
2022	9.813243	0.000000	0.938818	8.874425	0.016056	0.236387	0.000000	8.654094
2023	7.349996	0.000000	0.771782	6.578214	0.049211	0.242684	0.000000	6.384741

SABINE ROYALTY TRUST

DISCUSSION OF TAX CONSIDERATIONS PERTAINING TO THE OWNERSHIP OF UNITS IN SABINE ROYALTY TRUST

The tax law requires individuals, estates, trusts, closely held C corporations and personal service corporations to categorize income and expense into one of three classes, “active,” “portfolio” or “passive,” based upon the nature of the activity and the involvement of the taxpayer in such activity. Because the Trust is a grantor trust, the Unit holders are deemed to hold the investment in the royalty interests directly and the proper classification of the Trust income and expense will be dependent upon the relevant facts and circumstances of each Unit holder. Generally, income or loss resulting from an interest in the Trust is properly classified as portfolio income and as such can be reported as directed on the Tax Computation Worksheet (page 22). However, under certain limited circumstances a different tax classification may be appropriate. Accordingly, Unit holders should consult their own tax advisor regarding all tax compliance matters related to the Units.

Tax Background and WHFIT Information

The Trust was established by the Sabine Corporation Royalty Trust Agreement (the “Trust Agreement”), made and entered into effective as of December 31, 1982, to receive a distribution from Sabine Corporation (“Sabine”) of royalty and mineral interests, including landowner’s royalties, overriding royalty interests, minerals (other than executive rights, bonuses and delay rentals), production payments and any other similar, nonparticipatory interests, in certain producing and proved undeveloped oil and gas properties located in Florida, Louisiana, Mississippi, New Mexico, Oklahoma and Texas.

Sabine received a private letter ruling from the Internal Revenue Service, dated May 2, 1983 (the “Ruling”), concerning certain tax considerations relevant to the creation and continued existence of the Trust. Pursuant to the Ruling, the Trust is classified for federal income tax purposes as a “grantor trust” and not as an association taxable as a corporation. A grantor trust is not subject to federal income tax. Instead, its beneficiaries (the Unit holders in the case of the Trust) are generally considered to own the trust’s income and principal as though no trust were in existence. A grantor trust files an information return reflecting all items of income and/or deductions that will be included in the returns of the beneficiaries. Accordingly, each Unit holder of the Trust is taxable on his pro rata share of the Trust’s income and/or deductions.

The income received or accrued and the deductions paid or incurred by the Trust are deemed to be received or accrued and paid or incurred, respectively, by each Unit holder at the same time as the Trust, which is on each Monthly Record Date. On the basis of both the Trust Agreement and the escrow agreement (discussed below), both cash and accrual basis Unit holders should be treated as realizing income and incurring expenses only on the Monthly Record Dates.

Some Trust Units are held by middlemen, as such term is broadly defined in U.S. Treasury Regulations (and includes custodians, nominees, certain joint owners, and brokers holding an interest for a customer in street name, referred to herein collectively as “middlemen”). Therefore, the Trustee considers the Trust to be a non-mortgage widely held fixed investment trust (“WHFIT”) for U.S. federal income tax purposes. Argent Trust Company, EIN: 62-1437218, 3838 Oak Lawn Ave., Ste. 1720, Dallas, Texas, 75219, telephone number 1-855-588-7839, email address trustee@sbr-sabine.com, is the representative of the Trust that will provide tax information in accordance with applicable U.S. Treasury Regulations governing the information reporting requirements of the Trust as a WHFIT. Tax information is also posted by the Trustee at www.sbr-sabine.com. Notwithstanding the foregoing, the middlemen holding Trust Units on behalf of Unit holders, and not the Trustee of the Trust, are solely responsible for complying with the information reporting requirements under the U. S. Treasury Regulations with respect to such Trust Units, including the issuance of IRS Forms 1099 and certain written tax statements. Unit holders whose Trust Units are held by middlemen should consult with such middlemen regarding the information that will be reported to them by the middlemen with respect to the Trust Units.

Effect of Escrow Arrangement

The assets of the Trust include royalty and mineral interests in certain producing and proved undeveloped oil and gas properties (the “Properties”), which constitute economic interests in gross production of oil, gas and other minerals free of the costs of production. The Properties are located in six states and were not carved out of any of Sabine’s working interests in effecting the distribution. In order to facilitate the administration of the Trust and to avoid the expense and inconvenience of daily reporting to Unit holders, the Properties are subject to an escrow agreement, for which the Trustee currently serves as escrow agent.

Pursuant to the terms of the escrow agreement and the conveyances of the Properties by Sabine, the proceeds of production from the Properties for each calendar month, and interest thereon, are collected by the escrow agent and are paid to and received by the Trust only on the next Monthly Record Date. The escrow agent has agreed to endeavor to assure that it incurs and pays expenses for each calendar month only on the Monthly Record Date. The Trust Agreement also provides that the Trustee is to endeavor to assure that income of the Trust will be accrued and received and that expenses of the Trust will be incurred and paid only on each Monthly Record Date. Assuming the escrow arrangement is respected for federal income tax purposes and the Trustee, as escrow agent, is able to control the timing of income and expenses, as stated above, both cash and accrual basis Unit holders will be treated as realizing income and incurring expenses only on each Monthly Record Date. The Trustee is treating the escrow arrangement as effective for tax purposes and the accompanying tax information has been presented accordingly.

If the escrow arrangement is not respected for federal income tax purposes, a mismatching of income and deductions could occur between a transferor and a transferee upon the sale or exchange of Units. In addition, the Trustee would be required to report the proceeds from production, interest income thereon, and any deductions to the Unit holders on a daily basis, resulting in a substantial increase in the administrative expenses of the Trust.

Depletion

Cost Depletion

Pursuant to the Ruling, each Unit holder is entitled to deduct cost depletion with respect to his pro rata interest in the Properties. A Unit holder’s cost depletion deduction is computed by reference to the Unit holder’s adjusted basis in each of his Units.

The deduction for cost depletion must be computed by a Unit holder with respect to each separate property in the Trust. A Unit holder’s tax basis in each separate property generally must be determined at the time each Unit is acquired by allocating such Unit holder’s cost in each Unit among all properties in the Trust based on their relative fair market values. However, a corporate Unit holder that acquired Units in the distribution from Sabine must determine its tax basis in each separate property in the Trust at the time of the distribution by reference to Sabine’s tax basis in each separate property included in the distribution. The cost depletion deduction attributable to each separate property is calculated for a taxable year by multiplying the tax basis of the property by the appropriate factor reported herein. The factors are derived by dividing total estimated equivalent units of production (barrels of oil and MCF’s of gas) expected to be recovered from the property as of the beginning of the taxable year by the number of equivalent units produced and sold from such property during the taxable year. The resulting deduction for cost depletion cannot exceed the adjusted tax basis in the property. The composite depletion factors presented herein were derived in a manner that encompasses this separate property concept.

Percentage Depletion

The Revenue Reconciliation Act of 1990 repealed the rules denying percentage depletion to a transferee of a proven oil or gas property for transfers after October 11, 1990. Because substantially all of the properties were “proven properties” on the date of the original distribution, the percentage depletion deduction has limited applicability to Unit holders who became Unit holders prior to October 12, 1990.

A computation of percentage depletion has been made with respect to the post October 11, 1990 transfers. For some Unit holders, percentage depletion may exceed cost depletion. In such case, a Unit holder is entitled to a percentage depletion deduction in lieu of a cost depletion deduction. Percentage depletion will continue to be computed and compared to cost depletion on an annual basis for Unit holders that acquired their Units via applicable transfers occurring after October 11, 1990.

Adjustment to Basis

Each Unit holder should reduce his tax basis (but not below zero) in the Properties (and correspondingly, his Units) (i) by the amount of cost depletion and percentage depletion allowable with respect to the Properties and (ii) by the amount of any return of capital.

Non-Passive Activity Income, Credits and Loss

The income and expenses of the Trust will not be taken into account in computing the passive activity losses and income under Section 469 of the Code for a Unit holder who acquires and holds Units as an investment and not in the ordinary course of a trade or business.

Revenue/Expense and Depletion Calculators

For your convenience, revenue/expense and cost depletion calculators are now available on the Sabine Royalty Trust website at: www.sbr-sabine.com, on both the “Home” page and the “Tax Information” page.

Nonresident Foreign Unit Holders

Nonresident alien individual and foreign corporation Unit holders (“Foreign Taxpayer(s)”), in general, are subject to tax on the gross income attributable to the Trust at a rate equal to 30 percent (or the lower rate under any applicable treaty) without any deductions. This 30 percent tax applies to U.S. source income that is not effectively connected with a U.S. trade or business. Different tax rates and rules apply to income effectively connected with a U.S. trade or business, and those rules are not discussed herein. The 30 percent tax is withheld by the Trust and remitted directly to the United States Treasury. Foreign Taxpayers who have had tax withheld in 2023 should have received an IRS Form 1042-S from the Trust. The IRS Form 1042-S will reflect the total federal income tax withheld from distributions. To avoid double inclusion, the amount reported on the IRS Form 1042-S should not be included as additional income in computing taxable income, as such amount is already included in the per-Unit income items on the income and expense schedules included herein. The federal income tax withheld, as reported on the IRS Form 1042-S, should be considered as a credit by the Unit holder in computing any federal income tax liability.

A Foreign Taxpayer holding income producing real property may elect to treat the income from such real property as effectively connected with the conduct of a United States trade or business. As discussed above, different tax rates and rules apply to Foreign Taxpayers with income effectively connected with a U.S. trade or business and those rules are not discussed in detail herein. The income attributable to the Properties is considered income produced from real property. Therefore, this election should be available to Foreign Taxpayers with respect to the taxable income resulting from the ownership of Units. A Unit holder so electing is entitled to claim all deductions with respect to such income but must file a United States income tax return to claim such deductions. In the case of a Foreign Taxpayer that is a foreign corporation, a “branch profits tax” may be imposed at a 30 percent rate (or a lower rate under an applicable treaty). This election, once made, is generally irrevocable unless an application for revocation is approved by the Internal Revenue Service or an applicable treaty allows the election to be made periodically.

Pursuant to the Foreign Investment in Real Property Tax Act of 1980, as amended (“FIRPTA”), a Foreign Taxpayer is subject to U.S. income tax with respect to the sale, transfer, or disposition of a United States real property interest. FIRPTA generally treats interests in trusts owning United States real property as United States real property interests. However, Foreign Taxpayers with a 5% or less interest in the Trust are not considered to hold U.S. real property interests with respect to the Units because the Units are publicly traded. If the FIRPTA provisions apply because a Foreign Taxpayer holds a greater than 5% (SRT 2023 TAX)

interest in the Trust, income tax is required to be withheld from any proceeds distributed to Foreign Taxpayers at the rate of 15% of the amount realized by Foreign Taxpayers upon the sale, exchange or other disposition of a Unit. In addition, distributions, if any, that represent the Foreign Taxpayer's allocable share of gain realized upon the sale, exchange or other disposition of a United States real property interest by the Trust will generally be subject to withholding tax at a 21% rate. The federal income tax withheld under FIRPTA should be considered a credit by the Foreign Taxpayer in computing any federal income tax liabilities.

In order to avoid withholding under FIRPTA, Foreign Taxpayers will be required to furnish the applicable withholding agent with an exemption certificate certifying why such withholding is not required.

Pursuant to the Foreign Account Tax Compliance Act (commonly referred to as "FATCA"), distributions from the Trust to "foreign financial institutions" and certain other "non-financial foreign entities" may be subject to U.S. withholding taxes. Specifically, certain "withholdable payments" (including certain royalties, interest and other gains or income from U.S. sources) made to a foreign financial institution or non-financial foreign entity will generally be subject to the withholding tax unless the foreign financial institution or non-financial foreign entity complies with certain information reporting, withholding, identification, certification and related requirements imposed by FATCA. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

According to Treasury Department guidance, the FATCA withholding rules described above generally will apply to qualifying payments made after June 30, 2014. Foreign Taxpayer Unit holders are encouraged to consult their own tax advisors regarding the possible implications of these withholding provisions on their investment in Trust Units.

Foreign Taxpayers are encouraged to consult their own tax advisors concerning the tax consequences of their investment in the Trust.

Sale or Exchange of Units

Generally, a Unit holder realizes gain or loss upon the sale or exchange of any Unit measured by the difference between the amount realized from the sale or exchange and the adjusted tax basis of such Unit. The adjusted tax basis of a Unit is the original basis of such Unit reduced by depletion deductions allowable (whether deducted or not) with respect to such Unit and by any purchase price adjustment that constitutes a return of capital. Trust income allocable to such Unit is taxable to the selling Unit holder until the date of sale. The purchaser of a Unit is taxable on Trust income allocable to such Unit from the date of purchase forward. For federal income tax purposes, Trust income should generally be allocable only to the holder of record of a Unit on each Monthly Record Date.

For federal income tax purposes, the sale of a Unit will be treated as a sale by a Unit holder of his interest in a royalty interest. Gain or loss on the sale of Units by a Unit holder who is not a dealer with respect to such Units and who has a holding period for the Units of more than one year generally will be treated as long-term capital gain or loss except to the extent of the depletion recapture amount. The depletion recapture amount is ordinary income and equals the lesser of (1) the gain on such sale attributable to the disposition of the royalty interest, or (2) the sum of the prior depletion deductions taken with respect to the royalty interests (but not in excess of the initial basis of such Units allocated to the royalty interests).

Backup Withholding

A payor is required under specified circumstances to withhold tax at the rate of 24 percent on "reportable interest or dividend payments" and "other reportable payments" (including certain oil and gas royalty payments). Generally, this "backup withholding" is required on payments if the payee has failed to furnish the payor a taxpayer identification number or if the payor is notified by the Secretary of the Treasury to withhold taxes on such payments with respect to the payee.

Amounts withheld by payors pursuant to the backup withholding provisions are remitted to the Internal Revenue Service and are considered a credit against the payee's federal income tax liability. If the payee does not incur a federal income tax liability for the year in which the taxes are withheld, the payee will be required to file the appropriate income tax return to claim a refund of the taxes withheld.

State Tax

Unit holders may be required to file state tax returns and may be liable for state tax as a result of their ownership of Trust Units. The Properties are located in Florida, Louisiana, Mississippi, New Mexico, Oklahoma and Texas. The tax information included in this booklet is presented in a manner to enable Unit holders to compute the income and deductions of the Trust attributable to each of these states. Unit holders will need this information to comply with the state tax filing requirements in those states imposing a tax. The laws pertaining to tax in any given state may vary from those of another state and from those applicable to federal income tax. Accordingly, Unit holders should consult their own tax advisors concerning state tax compliance matters relating to ownership of Units.

The Trustee has been informed that certain states have contacted Unit holders regarding underpayments of the state tax imposed on the Unit holders' income from the Trust. Failure by Unit holders to report their state tax liability properly could result in the direct withholding of state taxes from Trust distributions. Accordingly, Unit holders are urged to review carefully the various filing requirements of the states in which the Properties are located to determine if a state tax liability exists as a result of the ownership of Units in the Trust.

Florida does not impose a personal income tax. Florida imposes an income tax on resident and nonresident corporations (except for S corporations not subject to the built-in-gains tax or passive investment income tax), which will be applicable to royalty income allocable to a corporate Unit holder from Properties located within Florida.

Louisiana, Mississippi, New Mexico, and Oklahoma each impose taxes applicable to both resident and nonresident individuals and/or corporations (subject to certain exceptions for S corporations and limited liability companies, depending on their treatment for federal tax purposes), which will apply to royalty income allocable to a Unit holder from Properties located within those states. Even though there are variances from state to state, taxable income for state tax purposes is often computed in a manner similar to the computation of taxable income for federal income tax purposes.

New Mexico and Oklahoma impose a withholding tax on payments to nonresidents of oil and gas proceeds derived from royalty interests. To reduce the administrative burden imposed by these rules, the Trustee has opted to allow the payors of oil and gas proceeds to withhold on royalty payments made to the Trust. The Trust has filed New Mexico and Oklahoma tax returns, obtained a refund, and distributed that refund to Unit holders. Unit holders who transfer their Units before either the New Mexico or Oklahoma tax refunds are received by the Trust or after the refunds are received but before the next Monthly Record Date will not receive any portion of the refund. As a result, such Unit holders may effectively incur a double tax—first, through the reduced distribution received from the Trust (as withholding at the Trust level reduces the amount of cash available for distribution); and second, by the tax payment made directly to New Mexico or Oklahoma taxing authorities with the filing of their New Mexico or Oklahoma income tax returns.

Texas imposes a franchise tax at a rate of 0.75% on gross revenues less certain deductions, as specifically set forth in the Texas franchise tax statutes. Entities subject to the Texas franchise tax generally include trusts and most other types of entities that provide limited liability protection, unless otherwise exempt. Trusts that receive at least 90% of their federal gross income from certain passive sources, including royalties from mineral properties and other non-operated mineral interest income, and do not receive more than 10% of their income from operating an active trade or business generally are exempt from the Texas franchise tax as "passive entities." The Trust has been and expects to continue to be exempt from Texas franchise tax as a passive entity. Because the Trust should be exempt from Texas franchise tax at the Trust level as a passive entity, each Unit holder that is a taxable entity under the Texas franchise tax generally will be required to include its portion of Trust revenues in its own Texas franchise (SRT 2023 TAX)

tax computation. This revenue is sourced to Texas under provisions of the Texas Administrative Code providing that such income is sourced according to the principal place of business of the Trust, which is Texas.

All states have not adopted federal law with respect to percentage depletion nor are the methods for computing percentage depletion consistent among the various states. It should be noted, however, that cost depletion generally is allowed by those states in which the Properties are located (Unit holders should note that a special depletion rule applies in Oklahoma). Information is included previously within this booklet to assist you in determining the respective allowable cost depletion deductions by state.

Unit holders should consult their own tax advisor regarding the possible state tax implications of owning Trust Units.

Following is a list of names and addresses of the various state taxing authorities from which you may obtain additional information:

Florida		Florida Department of Revenue Mail Stop 3-2000 5050 W. Tennessee Street Tallahassee, FL 32399-0112 (850) 488-6800 http://floridarevenue.com
New Mexico	Individuals:	New Mexico Taxation and Revenue Department Attention: Personal Income Tax Correspondence P.O. Box 25122 Santa Fe, NM 87504-5122 (505) 827-0700, (505) 827-0951 Call Center: 1-866-285-2996 www.tax.newmexico.gov
	Corporations:	New Mexico Taxation and Revenue Department Attention: Corporate Income Tax P.O. Box 25127 Santa Fe, NM 87504-5127 (505) 827-0825 Call Center: 1-866-285-2996 www.tax.newmexico.gov
Mississippi		Mississippi Department of Revenue P.O. Box 23058 Jackson, MS 39225-3058 (601) 923-7700 www.dor.ms.gov
Louisiana		Department of Revenue and Taxation State of Louisiana P.O. Box 201 Baton Rouge, LA 70821-0201 (855) 307-3893 http://revenue.louisiana.gov
Oklahoma	Individuals:	Oklahoma Tax Commission Oklahoma City, OK 73194 (405) 521-3160 www.ok.gov/tax/
	Corporations:	Oklahoma Tax Commission Oklahoma City, OK 73194 (405) 521-3160 www.ok.gov/tax/
Texas		Texas Comptroller of Public Accounts P.O. Box 13528, Capitol Station Austin, TX 78711-3528 (800) 252-1381 http://comptroller.texas.gov/

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TAX INFORMATION 2023

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