

**MESA
ROYALTY
TRUST**

2018

**FEDERAL INCOME TAX
INFORMATION**

MESA ROYALTY TRUST
(The “Trust”)

2018

FEDERAL INCOME TAX INFORMATION

This booklet provides 2018 tax information which will allow Certificate Holders to determine their pro rata share of income and deductions attributable to their investment in Mesa Royalty Trust (the “Trust”). Each Certificate Holder is encouraged to read the entire booklet very carefully. The material herein is not intended and should not be construed as professional tax or legal advice. Each Certificate Holder should consult the Certificate Holder’s own tax advisor regarding all tax compliance matters relating to the Units.

Instructions for Schedules A, B and C

Schedule A

For Certificate Holders who file income tax returns on the basis of the calendar year and the cash method during 2018, the Trustee has prepared Schedule A as an **EXAMPLE** which summarizes the income and expenses (for depletion computation see Schedule C below) required to prepare 2018 tax returns as if the Certificate Holder had held 100 Units during all of 2018.

Schedule B

Schedule B summarizes the monthly income and expenses (for depletion computation see Schedule C below) on a one Unit basis. Each Certificate Holder should compute his tax information by using the relevant information for each month that he was a Certificate Holder of record. The results of all appropriate months should be combined. Thus, a Certificate Holder with a taxable year ending January 31, 2018 would combine the results of February through December for 2018 and January for 2019.

Schedule C

Schedule C should be used by all Certificate Holders to compute depletion. Schedule C summarizes monthly depletion rates for each royalty interest on a one Unit basis. Calendar year Certificate Holders who acquired their Units in the initial distribution from Mesa Petroleum Co. and continue to own those Units should use Schedule C, Part I. Other Certificate Holders who acquired their Units subsequent to the initial distribution from Mesa Petroleum Co. should use Schedule C, Part II. Certificate Holders who acquired Units after October 11, 1990 may be entitled to percentage depletion on royalty income attributable to those Units and should also use Schedule C, Part III.

I. FEDERAL INCOME TAX INFORMATION

1. Reporting of Income and Deductions.

(a) *Direct Ownership Reporting.* Each Certificate Holder is taxable on his pro rata share of the income and expense of the Trust as if he were the direct owner of a pro rata share of the Trust assets. Thus, the taxable year for reporting a Certificate Holder’s share of the Trust’s income and expense is controlled by his taxable year and his method of accounting; the taxable year and method of accounting of the Trust are irrelevant, as is the period in which distributions are made by the Trust.

(b) *Types and Reporting of Trust Income and Deductions.*

(i) In general, royalty income is computed monthly based on proceeds realized in the preceding month by the Lease Owner from sales of oil and gas produced in an earlier month, and is received by the Trustee in the same month that the amount thereof is computed. Each schedule reports the amount received during the period covered by that schedule. Schedule B, Part I reports the royalty income, state severance taxes and administrative expenses on a per Unit basis for each month. Schedule A, Part I reports the royalty income, state severance taxes and administrative expenses based on 100 Units held by an example Certificate Holder of record during each month.

(ii) The Trustee invests the net proceeds received from the working interest owners (net of administration expenses) at the end of each month. The interest income earned on the net proceeds received from the working interest owners (net of administration expenses) at the end of a month is distributed to the Certificate Holders of record for that month. Schedule B, Part II reports, on a per Unit basis, the interest earned by the Trust on distributions received by the Trust from the working interest owners during 2018. Schedule A, Part II reports interest income based on 100 Units held by an example Certificate Holder of record during each month and assumes the Certificate Holder utilizes the cash method of accounting for federal income tax purposes. Accrual basis taxpayers should report interest income in the period it accrues regardless of when it is received. Cash basis taxpayers should report interest income in the period it is received by the Trustee.

(c) *Taxable Year.* All schedules are prepared on a calendar year basis. Certificate Holders with taxable years other than the calendar year should use Schedules B and C. Schedules B and C are prepared by month on a per Unit basis to permit Certificate Holders to obtain their tax information by computing the relevant information for each month during their taxable year and then combining the results of each month.

(d) *Unit Multiplication.* Because Schedules B and C show only results per Unit, it will be necessary to multiply the results shown by the number of Units owned by the Certificate Holder during the applicable period to obtain the amount to be reported on his tax return. Income and deductions other than depletion may be taken directly from the appropriate schedules. Depletion per Unit must be computed as provided in paragraph 2 below.

(e) *Individual Taxpayer.* For Certificate Holders who held Units as an investment during 2018 and who file Form 1040, it is suggested that the items of income and deduction for 2018 be reported in the following manner:

<u>Item</u>	<u>Form 1040</u>
Royalty Income*	Line 4, Part I, Schedule E
Depletion	Line 18, Part I, Schedule E
Severance Taxes	Line 16, Part I, Schedule E
Administrative Expenses	Line 19, Part I, Schedule E
Interest Income	Line 1, Part I, Schedule B

<u>Item</u>	<u>Form 8960</u>
Schedule E Items (Royalties; Depletion)	Line 4a, Part I
Schedule B Items (Interest Income)	Line 1, Part I
Schedule D Items (Capital Gain/Loss)	Line 5a, Part I

* The San Juan royalty is divided into two parts for state tax purposes. For federal income tax purposes, it may be shown as a single royalty.

The Tax Reform Act of 1986 made changes as to the classification of certain income and expense items. Royalty income, net of depletion, severance taxes and administrative expenses, is considered portfolio income. Interest income is also portfolio income.

An individual having adjusted gross income in excess of \$200,000 (or \$250,000 for married taxpayers filing joint returns) is subject to the Net Investment Income Tax of 3.8% on the lesser of such excess or the individual's net investment income. Net investment income generally includes interest income and royalty income derived from investments such as the Units as well as any net gain from the disposition of Units. The Net Investment Income Tax should be computed on Form 8960 for an individual.

See Exhibits I through IV for examples of how to report the items listed above.

(f) *Sale of Units.* The sale, exchange or other disposition of a Unit is a taxable transaction for federal income tax purposes and may be a taxable transaction for state income tax purposes. Gain or loss is computed under the usual tax principles as the difference between the selling price and the adjusted tax basis of a Unit. The adjusted tax basis of a Unit is the original cost or other basis of the Unit adjusted to reduce for any depletion allowed or allowable and for any increases or decreases in the Non-Tax Account during the time the Units were owned. Effective for property placed in service after December 31, 1986, the amount of gain, if any, realized upon the disposition of oil and gas property is treated as ordinary income to the extent of the intangible drilling and development costs incurred with respect to the property and depletion claimed with respect to that property to the extent it reduced the taxpayer's basis in the property. Under this provision, depletion attributable to a Unit acquired after 1986 will be subject to recapture as ordinary income upon disposition of the Unit or upon disposition of the oil and gas property to which the depletion is attributable. The balance of any gain or any loss will be capital gain or loss if those Units were held by the Certificate Holder as a capital asset, either long-term or short-term depending on the holding period of the Units. That capital gain or loss will be long-term if a Certificate Holder's holding period for those Units exceeded one year as of the date of sale or exchange. A long-term capital gains rate of 20% applies to most capital assets sold after December 31, 2012 with a holding period of more than one year. Capital gain or loss will be short-term if the Unit has not been held for more than one year at the time of the disposition. Capital gain or loss should be reported on Schedule D, Form 1040 for an individual. Gain may also be subject to the 3.8% Net Investment Income Tax in certain circumstances.

(g) *Widely Held Fixed Investment Trust Information.* The Trustee assumes that some Units are held by a middleman, 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 custodian in street name). Therefore, the Trustee considers the Trust to be a non-mortgage widely held fixed investment trust ("WHFIT") for U.S. federal income tax purposes. BNY Mellon Trust Company, N.A. ("Trustee"), 601 Travis Street, Floor 17, Houston, Texas 77002, telephone number 1-512-236-6545, 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. Notwithstanding the foregoing, the middlemen holding Units on behalf of Certificate 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 Units, including the issuance of IRS Forms 1099 and certain written tax statements. Certificate Holders whose 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 Units.

2. Computation of Depletion. Subject to the date restrictions for percentage depletion discussed herein, each Certificate Holder should determine his depletion allowance by taking the greater of cost or percentage depletion allowable. Percentage depletion with respect to the fixed contract gas from the Hugoton royalty is no longer available due to the expiration (at the end of 1989) of the underlying gas contract. However, as a result of the Revenue Reconciliation Act of 1990 (the "1990 Act"), Certificate Holders may be eligible for percentage depletion with respect to royalty income attributable to Units acquired after October 11, 1990. Consequently, if Units were acquired on or before October 11, 1990, Certificate Holders need only determine cost depletion.

(a) *Cost Depletion.* Certificate Holders who acquired their Units in the initial distribution from Mesa Petroleum Co. and continue to own those Units need not compute cost depletion since that amount has been computed and is shown on Schedule C, Part I (on a per Unit basis). All other Certificate Holders should multiply their adjusted basis in each royalty by the percentage indicated on Schedule C, Part II. This percentage was obtained by dividing gross royalty income realized during the period by total estimated gross income from the royalty. A Certificate Holder's basis in each royalty is determined by apportioning his basis in the Units among the royalties based on the relative fair market value of each on the date the Units were acquired by him. Schedule C, Part II ("Basis Allocation Percentage") sets forth the Trustee's opinion of the relative fair market values of the royalties on December 31, 2018. The Trustee intends to redetermine the relative values of the royalties annually.

(b) *Percentage Depletion.* Generally, prior to the 1990 Act, the transferee of an oil and gas property could not claim percentage depletion with respect to production from that property if it was proven at the time of transfer. As a result of the 1990 Act, this rule will not be applicable in the case of transfers of properties after October 11, 1990. Eligible Certificate Holders that acquired Units after October 11, 1990, may be entitled to claim an allowance for percentage depletion with respect to royalty income from each royalty (Hugoton or San Juan)

attributable to those Units to the extent that this allowance exceeds cost depletion with respect to that royalty (Hugoton or San Juan) as computed above for the relevant period. Percentage depletion with respect to those Units may be calculated using the per Unit factors on Schedule C, Part III. These factors were obtained by multiplying the corresponding royalty income factors on Schedule B by the statutory percentage depletion rate of 15%. Percentage depletion should then be compared to the cost depletion calculated for the relevant period for those Units. The depletion allowance with respect to Units acquired after October 11, 1990 will be the greater of cost or percentage depletion.

3. Reconciliation of Net Income and Cash Distributions - Non-Tax Account. The difference between the per Unit net income for a period and the per Unit cash distributions reported for that period (even though distributed in a later period) is attributable to adjustments in the Non-Tax Account. The Non-Tax Account is increased by expenditures which are not deductible and by increases in the cash reserves established by the Trustee for the payment of future expenditures. The Non-Tax Account is decreased by the recoupment of capital items and by reductions in previously established cash reserves.

4. Adjustments to Basis. Each Certificate Holder should reduce his tax basis in each royalty by the amount of depletion allowable with respect to that royalty and his tax basis in his Units by the amount of depletion allowable with respect to all royalties. Each Certificate Holder should also increase his tax basis in the Units by his pro rata share of any increase in the Non-Tax Account and decrease his tax basis in the Units by his pro rata share of any decrease in the Non-Tax Account.

5. Foreign Persons. The federal income taxation of non-resident aliens and foreign corporations is highly complex, and it is recommended that such persons consult their own tax advisors.

II. STATE INCOME TAX RETURNS

Schedules A, B and C set forth the states from which the income of the Trust is derived. Each Certificate Holder should consult his tax advisor regarding the requirements for filing state income tax returns in his state of residence and the states from which the Trust's income is derived.

BNY Mellon Trust Company, N.A.
Corporate Trustee
601 Travis Street, Floor 17
Houston, Texas 77002
(512) 236-6545

MESA ROYALTY TRUST
 EIN 74-6284806
 TAX INFORMATION FOR THE YEAR 2018

SCHEDULE A: CERTIFICATE HOLDER CALCULATIONS

For Certificate Holders Filing Returns On The Basis of Calendar Year and the Cash Method

EXAMPLE

The calculations below are based on 100 Units held each month.
 (See Schedule B for factors used in the calculations).

<u>Month</u>	<u>Jan.</u>	<u>Feb.</u>	<u>Mar.</u>	<u>Apr.</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug.</u>	<u>Sep.</u>	<u>Oct.</u>	<u>Nov.</u>	<u>Dec.</u>
Units held	100	100	100	100	100	100	100	100	100	100	100	100

Part I - Royalty Information

	Royalty Income (Line 4, Part I, Sched. E)	Severance Taxes (Line 16, Part I, Sched. E)
Kansas	\$40.73	\$0.00
New Mexico	\$72.50	\$9.95
Colorado	\$23.38	\$1.51
Total	<u>\$136.61</u>	<u>\$11.46</u>

Part II - Other Income And Expenses

	Interest Income (Line 1, Part I, Sched. B)	Administration Expense (Line 23, Schedule A)
Period	\$1.23	\$7.29
Post Period	\$0.00	\$0.00
Total	<u>\$1.23</u>	<u>\$7.29</u>

Part III - Reconciliation Of Net Income and Cash Distribution

NET INCOME	
Royalty Income	\$136.61
Interest Income	1.23 *
Less: Severance Tax	(11.46)
Administration Expense	(7.29)
TOTAL (EQUALS CASH DISTRIBUTION)	<u>\$119.09</u>

* Includes taxes withheld from amounts distributable to non-resident aliens and foreign corporations.

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SCHEDULE B: ONE UNIT FACTORS

Multiply amounts per unit shown below by the number of units owned at the end of each record month. Combine the results and report where indicated on Form 1040.

<u>Month</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Full Year Totals</u>
Part I - Royalty Information													
Royalty Income													
Kansas	\$0.076210	\$0.044403	\$0.045359	\$0.045463	\$0.030856	\$0.000000	\$0.007640	\$0.031031	\$0.024984	\$0.036996	\$0.033618	\$0.030739	\$0.407299
New Mexico	\$0.060424	\$0.060424	\$0.060424	\$0.060424	\$0.060424	\$0.060424	\$0.060424	\$0.060424	\$0.060424	\$0.060424	\$0.060424	\$0.060424	\$0.725088
Colorado	\$0.027937	\$0.019694	\$0.032586	\$0.031273	\$0.024025	\$0.027767	\$0.002809	\$0.010044	\$0.013830	\$0.027553	\$0.022599	(\$0.006314)	\$0.233803
Totals	<u>\$0.164571</u>	<u>\$0.124521</u>	<u>\$0.138369</u>	<u>\$0.137160</u>	<u>\$0.115305</u>	<u>\$0.088191</u>	<u>\$0.070873</u>	<u>\$0.101499</u>	<u>\$0.099238</u>	<u>\$0.124973</u>	<u>\$0.116641</u>	<u>\$0.084849</u>	<u>\$1.366190</u>
Severance Taxes													
Kansas	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
New Mexico	\$0.008294	\$0.008294	\$0.008294	\$0.008294	\$0.008294	\$0.008294	\$0.008294	\$0.008294	\$0.008294	\$0.008294	\$0.008294	\$0.008294	\$0.099528
Colorado	\$0.001530	\$0.001783	\$0.001590	\$0.001371	\$0.001058	\$0.000854	\$0.000863	\$0.001057	\$0.001633	\$0.001224	\$0.001113	\$0.001070	\$0.015146
Totals	<u>\$0.009824</u>	<u>\$0.010077</u>	<u>\$0.009884</u>	<u>\$0.009665</u>	<u>\$0.009352</u>	<u>\$0.009148</u>	<u>\$0.009157</u>	<u>\$0.009351</u>	<u>\$0.009927</u>	<u>\$0.009518</u>	<u>\$0.009407</u>	<u>\$0.009364</u>	<u>\$0.114674</u>
PART II - Other Income And Expense													
Interest Income													
Period	\$0.000812	\$0.000948	\$0.000686	\$0.001015	\$0.001180	\$0.000940	\$0.001079	\$0.001244	\$0.000898	\$0.001068	\$0.001311	\$0.001134	\$0.012315
Post Period	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
Totals	<u>\$0.000812</u>	<u>\$0.000948</u>	<u>\$0.000686</u>	<u>\$0.001015</u>	<u>\$0.001180</u>	<u>\$0.000940</u>	<u>\$0.001079</u>	<u>\$0.001244</u>	<u>\$0.000898</u>	<u>\$0.001068</u>	<u>\$0.001311</u>	<u>\$0.001134</u>	<u>\$0.012315</u>
Administration Expense													
Period	\$0.007675	\$0.003866	\$0.013302	\$0.014700	\$0.003973	\$0.001501	\$0.018391	\$0.008369	\$0.003416	\$0.011664	\$0.009389	(\$0.023359)	\$0.072887
Post Period	--	--	--	--	--	--	--	--	--	--	--	--	\$0.000000
Totals	<u>\$0.007675</u>	<u>\$0.003866</u>	<u>\$0.013302</u>	<u>\$0.014700</u>	<u>\$0.003973</u>	<u>\$0.001501</u>	<u>\$0.018391</u>	<u>\$0.008369</u>	<u>\$0.003416</u>	<u>\$0.011664</u>	<u>\$0.009389</u>	<u>(\$0.023359)</u>	<u>\$0.072887</u>
Part III - Reconciliation Of Net Income And Cash Distribution Per Unit													
Net Income:													
Royalty Income	\$0.164571	\$0.124521	\$0.138369	\$0.137160	\$0.115305	\$0.088191	\$0.070873	\$0.101499	\$0.099238	\$0.124973	\$0.116641	\$0.084849	\$1.366190
Interest Income	\$0.000812	\$0.000948	\$0.000686	\$0.001015	\$0.001180	\$0.000940	\$0.001079	\$0.001244	\$0.000898	\$0.001068	\$0.001311	\$0.001134	\$0.012315
Less: Severance Tax	\$0.009824	\$0.010077	\$0.009884	\$0.009665	\$0.009352	\$0.009148	\$0.009157	\$0.009351	\$0.009927	\$0.009518	\$0.009407	\$0.009364	\$0.114674
Administration Expense	\$0.007675	\$0.003866	\$0.013302	\$0.014700	\$0.003973	\$0.001501	\$0.018391	\$0.008369	\$0.003416	\$0.011664	\$0.009389	(\$0.023359)	\$0.072887
Total (equals cash distributions)*	<u>\$0.147884</u>	<u>\$0.111526</u>	<u>\$0.115869</u>	<u>\$0.113810</u>	<u>\$0.103160</u>	<u>\$0.078482</u>	<u>\$0.044404</u>	<u>\$0.085023</u>	<u>\$0.086793</u>	<u>\$0.104859</u>	<u>\$0.099156</u>	<u>\$0.099978</u>	<u>\$1.190944</u>

* Includes taxes withheld from amounts otherwise distributable to non-resident aliens and foreign corporations.

MESA ROYALTY TRUST
 EIN 74-6284806
 TAX INFORMATION FOR THE YEAR 2018

SCHEDULE C: DEPLETION

See page 3 of instructions for the computation of depletion.
 The amounts shown below are per unit.

Part I

Cost depletion for Calendar Year individuals who acquired their Units as a distribution from Mesa Petroleum Co. on Nov. 16, 1979 and continue to own those Units.

Depletion: \$ 0.08215567 Per Unit

Part II

Cost depletion percentages per Unit for Calendar Year individuals who acquired their Units subsequent to the distribution from Mesa Petroleum Co.

<u>Month</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>2018 Annual Rate</u>	<u>Basis Allocation Percentage</u>
Cost Depletion Percentage														
1) Hugoton Royalty (Kansas)	3.512122%	3.520264%	3.627427%	3.759081%	3.381555%	3.794459%	3.989105%	4.081068%	3.677732%	4.353032%	4.456483%	4.624850%	37.950051%	12.390925%
2) San Juan Royalty														
(a) New Mexico	0.706466%	0.711493%	0.716591%	0.721763%	0.727011%	0.732335%	0.737738%	0.743221%	0.748786%	0.754435%	0.760170%	0.765993%	8.477597%	68.502694%
(b) Colorado	2.237568%	2.422422%	2.467052%	2.247494%	2.445627%	2.333314%	2.599266%	2.485433%	2.704785%	2.668731%	2.656470%	2.783628%	26.240736%	19.106381%
(c) Total San Juan	2.944034%	3.133915%	3.183643%	2.969257%	3.172638%	3.065649%	3.337004%	3.228654%	3.453571%	3.423166%	3.416640%	3.549621%	34.718333%	87.609075%
														100.00%

Part III

Percentage depletion per Unit for Calendar Year individuals who acquired Units after October 11, 1990.

<u>Month</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Totals</u>
Percentage Depletion													
1) Hugoton Royalty (Kansas)	\$0.011431	\$0.006660	\$0.006804	\$0.006819	\$0.004628	\$0.000000	\$0.001146	\$0.004655	\$0.003748	\$0.005549	\$0.005043	\$0.004611	\$0.061094
2) San Juan Royalty													
(a) New Mexico	\$0.009064	\$0.009064	\$0.009064	\$0.009064	\$0.009064	\$0.009064	\$0.009064	\$0.009064	\$0.009064	\$0.009064	\$0.009064	\$0.009064	\$0.108768
(b) Colorado	\$0.004190	\$0.002954	\$0.004888	\$0.004691	\$0.003604	\$0.004165	\$0.000421	\$0.001507	\$0.002074	\$0.004133	\$0.003390	-\$0.000947	\$0.035070
(c) Total San Juan	\$0.013254	\$0.012018	\$0.013952	\$0.013755	\$0.012668	\$0.013229	\$0.009485	\$0.010571	\$0.011138	\$0.013197	\$0.012454	\$0.008117	\$0.143838

MESA ROYALTY TRUST
EIN 74-6284806

Exhibit I

Individual Unit Holder's Specific Location Of Items On Schedule E

SCHEDULE E (Form 1040) <small>Department of the Treasury Internal Revenue Service (99)</small>	Supplemental Income and Loss <small>(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)</small> ▶ Attach to Form 1040, 1040NR, or Form 1041. ▶ Go to www.irs.gov/ScheduleE for instructions and the latest information.	OMB No. 1545-0074 2018 Attachment Sequence No. 13																																																																																																																												
Name(s) shown on return		Your social security number																																																																																																																												
Part I Income or Loss From Rental Real Estate and Royalties <small>Note: If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.</small>																																																																																																																														
A Did you make any payments in 2018 that would require you to file Form(s) 1099? (see instructions) <input type="checkbox"/> Yes <input type="checkbox"/> No B If "Yes," did you or will you file required Forms 1099? <input type="checkbox"/> Yes <input type="checkbox"/> No																																																																																																																														
1a Physical address of each property (street, city, state, ZIP code)																																																																																																																														
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:10%;">A</td> <td style="width:10%;"></td> </tr> <tr> <td>B</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>C</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>			A								B								C																																																																																																											
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<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:30%;">1b Type of Property (from list below)</th> <th style="width:30%;">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.</th> <th style="width:10%;">Fair Rental Days</th> <th style="width:10%;">Personal Use Days</th> <th style="width:10%;">QJV</th> </tr> <tr> <td>A</td> <td></td> <td></td> <td></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td>B</td> <td></td> <td></td> <td></td> <td align="center"><input type="checkbox"/></td> </tr> <tr> <td>C</td> <td></td> <td></td> <td></td> <td align="center"><input type="checkbox"/></td> </tr> </table>			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				<input type="checkbox"/>	B				<input type="checkbox"/>	C				<input type="checkbox"/>																																																																																																								
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Royalty
Income



Severance
Taxes



Depletion
General and
Administrative
Expenses



MESA ROYALTY TRUST
EIN 74-6284806

Exhibit III

Individual Unit Holder's Specific Location of Investment Income Items on Form 8960

Schedule B Items
Including Interest
Income →

Schedule E Items
Including Royalty
Income and Depletion →

Schedule D Items
Including Capital
Gain/Loss →

Form 8960 Department of the Treasury Internal Revenue Service (90)	Net Investment Income Tax— Individuals, Estates, and Trusts Attach to your tax return. Go to www.irs.gov/Form8960 for instructions and the latest information.	OMB No. 1545-2227 2018 Attachment Sequence No. 72
Name(s) shown on your tax return		Your social security number or EIN
Part I Investment Income <input type="checkbox"/> Section 6013(g) election (see instructions) <input type="checkbox"/> Section 6013(h) election (see instructions) <input type="checkbox"/> Regulations section 1.1411-10(g) election (see instructions)		
1 Taxable interest (see instructions)	1	
2 Ordinary dividends (see instructions)	2	
3 Annuities (see instructions)	3	
4a Rental real estate, royalties, partnerships, S corporations, trusts, etc. (see instructions)	4a	
b Adjustment for net income or loss derived in the ordinary course of a non-section 1411 trade or business (see instructions)	4b	
c Combine lines 4a and 4b	4c	
5a Net gain or loss from disposition of property (see instructions)	5a	
b Net gain or loss from disposition of property that is not subject to net investment income tax (see instructions)	5b	
c Adjustment from disposition of partnership interest or S corporation stock (see instructions)	5c	
d Combine lines 5a through 5c	5d	
6 Adjustments to investment income for certain CFCs and PFICs (see instructions)	6	
7 Other modifications to investment income (see instructions)	7	
8 Total investment income. Combine lines 1, 2, 3, 4c, 5d, 6, and 7	8	
Part II Investment Expenses Allocable to Investment Income and Modifications		
9a Investment interest expenses (see instructions)	9a	
b State, local, and foreign income tax (see instructions)	9b	
c Miscellaneous investment expenses (see instructions)	9c	
d Add lines 9a, 9b, and 9c	9d	
10 Additional modifications (see instructions)	10	
11 Total deductions and modifications. Add lines 9d and 10	11	
Part III Tax Computation		
12 Net investment income. Subtract Part II, line 11, from Part I, line 8. Individuals, complete lines 13-17. Estates and trusts, complete lines 18a-21. If zero or less, enter -0-	12	
Individuals:		
13 Modified adjusted gross income (see instructions)	13	
14 Threshold based on filing status (see instructions)	14	
15 Subtract line 14 from line 13. If zero or less, enter -0-	15	
16 Enter the smaller of line 12 or line 15	16	
17 Net investment income tax for individuals. Multiply line 16 by 3.8% (0.038). Enter here and include on your tax return (see instructions)	17	
Estates and Trusts:		
18a Net investment income (line 12 above)	18a	
b Deductions for distributions of net investment income and deductions under section 642(c) (see instructions)	18b	
c Undistributed net investment income. Subtract line 18b from 18a (see instructions). If zero or less, enter -0-	18c	
19a Adjusted gross income (see instructions)	19a	
b Highest tax bracket for estates and trusts for the year (see instructions)	19b	
c Subtract line 19b from line 19a. If zero or less, enter -0-	19c	
20 Enter the smaller of line 18c or line 19c	20	
21 Net investment income tax for estates and trusts. Multiply line 20 by 3.8% (0.038). Enter here and include on your tax return (see instructions)	21	