

**MESA
ROYALTY
TRUST**

2003

**FEDERAL INCOME TAX
INFORMATION**

MESA ROYALTY TRUST

FEDERAL INCOME TAX INFORMATION

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 2003, 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 2003 tax returns as if the Certificate Holder had held 100 Units during all of 2003.

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, 2003 would combine the results of February through December for 2002 and January for 2003.

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. Part I of Schedule A reports the royalty income and state severance taxes based on 100 Units held by an example Certificate Holder of record during each month. Part I of Schedule B reports the royalty income and state severance taxes on a one Unit basis for 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 on these investments is earned by the Trust from the end of a month to the next quarterly distribution date. 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. The interest income which is earned is distributed to the Certificate Holders in the month it is paid to the Trustee. The Trustee is paid interest in the month following each calendar quarter. For example, interest earned on net proceeds received from the working interest owners (net of administrative expenses) at the end of February 2003 was distributed in April 2003 to Certificate Holders of record for February 2003. Part II of Schedule B reflects, on a one Unit basis, the interest earned by the Trust on distributions received by the Trust from the working interest owners during 2003. The line labeled "Post Period" reflects the amounts of interest earned on Trust investments of the net proceeds received from the working interest owners (net of administration expenses) during a particular month which are paid to the Trustee and distributed to Certificate Holders in the month following the calendar quarter in which the net proceeds are received from the working interest owners. For example, a cash basis, calendar year Certificate Holder who held Units since the initial distribution from Mesa Petroleum Co. would include in 2003 gross income the interest income earned in the fourth quarter of 2002, which was paid in January of 2003 and interest income earned in the first, second and third quarters of 2003 and paid in the second, third and fourth quarters of 2003, respectively. Schedule A 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. Schedule A, Part II does not include \$0.00 of interest income earned in the fourth quarter of 2002 which was paid in January 2003. 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.

(iii) Administration expenses (if any) shown on each schedule represent amounts paid for and incurred during the period. Schedule A reports the administration expense based on 100 Units held by an example Certificate Holder of record during each month. Schedule B reports the administration expense on a one Unit basis for each month.

(c) *Taxable Year.* All schedules are prepared on a calendar year basis. Therefore, Certificate Holders with taxable years other than the calendar year or who are unable to use Schedule A should use Schedules B and C. Schedules B and C are prepared by month on a one 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, C and D 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 their 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 2003 and who file Form 1040, it is suggested that the items of income, deduction and credit for 2003 be reported in the following manner:

<u>Item</u>	<u>Form 1040</u>
Name of Royalty*	Line 1, Part I, Schedule E
Royalty Income	Line 4, Part I, Schedule E
Depletion	Line 20, Part I, Schedule E
Severance Taxes	Line 16, Part I, Schedule E
Interest Income	Line 1, Part I, Schedule B
Administration Expense	Line 22, Schedule A
Section 29 Credit**	Line 52, Form 1040

* 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.

** Mark box c on Line 52 and enter "FNS" on the line to the right of box c.

The Tax Reform Act of 1986 made changes as to the classification of certain income and expense items. Royalty income, net of depletion and severance taxes, is considered portfolio income. Interest income is also portfolio income. Administration expense is "investment expense." See Exhibits I through III 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 basis of a Unit. The adjusted basis of a Unit is the original cost or other basis of the Unit reduced by any depletion allowed or allowable and adjusted for any decrease (increase) 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. For dispositions after May 5, 2003, a long-term capital gains rate of 15% applies to most capital assets sold 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.

2. **Computation of Depletion.** 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. Therefore, unless Units were acquired after 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 depletion since that amount has been computed and is shown on Schedule C, Part I (on a one Unit basis). All other Certificate Holders should multiply their 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, 2003. 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 one 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 percent. 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 basis in the Units by his pro rata share of any increase in the Non-Tax Account and decrease his 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.

6. **Section 29 Credit.** The Trust receives royalty payments attributable to coal seam gas production from the Fruitland Coal Formation properties. Previously, Certificate Holders were potentially eligible to claim their share of the tax credit attributable to this production. The credit expired at the end of 2002. However, the credit is claimed on production sold prior to January 1, 2003. Since the Trust is on the cash basis, the Trust had production that was sold in December of 2002 for which cash was not collected and the corresponding revenue not reported until 2003. Therefore, Certificate Holders may be able to claim a Section 29 credit for January 2003 based on December 2002 production. Each Certificate Holder should consult his tax advisor regarding eligibility to claim the credit.

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.

JPMorgan Chase Bank
Corporate Trustee
P.O. Box 550
Austin, Texas 78789
(800) 852-1422

MESA ROYALTY TRUST
 EIN 74-6284806
 TAX INFORMATION FOR THE YEAR 2003

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	\$293.92	\$10.73
New Mexico	240.24	24.44
Colorado	0.00	0.00
Total	\$534.16	\$35.17

Part II - Other Income And Expenses

	Interest Income (Line 1, Part I, Sched. B)	Administration Expense (Line 22, Schedule A)
Period	\$0.74	\$2.53
Post Period	0.00	0.00
Total	\$0.74	\$2.53

Part III - Reconciliation Of Net Income and Cash Distribution

NET INCOME	
Royalty Income	\$534.16
Interest Income	0.74 *
Less: Severance Tax	(35.17)
Administration Expense	(2.53)
DECREASE (INCREASE) IN NON-TAX ACCT.	0.00
TOTAL (EQUALS CASH DISTRIBUTION)	\$497.20

* 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.

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year Totals
Part I - Royalty Information													
Royalty Income	\$0.219390	0.185494	0.272349	0.237820	0.244101	0.452052	0.217093	0.228456	0.227707	0.217218	0.219070	0.218441	\$2.939191
Kansas	\$0.145676	0.171728	0.203368	0.207981	0.266557	0.158479	0.203618	0.209527	0.217866	0.214964	0.193095	0.189494	\$2.402353
New Mexico													\$0.000000
Colorado	\$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	\$0.365066	0.357222	0.475717	0.445801	0.530658	0.610531	0.420711	0.437983	0.445573	0.432182	0.412165	0.407935	\$5.341544

Severance Taxes	\$0.007523	0.006012	0.009153	0.009086	0.008414	0.015801	0.008278	0.008596	0.009524	0.008771	0.008184	0.007947	\$0.107289
Kansas	\$0.017260	0.018353	0.019997	0.020447	0.029093	0.016815	0.020497	0.020905	0.021107	0.020581	0.020219	0.019135	\$0.244409
New Mexico													\$0.000000
Colorado	\$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	\$0.024783	0.024365	0.029150	0.029533	0.037507	0.032616	0.028775	0.029501	0.030631	0.029352	0.028403	0.027082	\$0.351698

Part II - Other Income And Expense													
Interest Income	\$0.000734	0.000510	0.000305	0.001471	0.001294	0.001027	0.000271	0.000283	0.000287	0.000644	0.000388	0.000206	\$0.007420
Period													
Post Period													\$0.000000
Totals	\$0.000734	0.000510	0.000305	0.001471	0.001294	0.001027	0.000271	0.000283	0.000287	0.000644	0.000388	0.000206	\$0.007420

Part III - Reconciliation Of Net Income And Cash Distribution Per Unit													
Net Income:	\$0.001894	0.001880	0.001716	0.003906	0.002304	0.001581	0.002544	0.001516	0.002344	0.001815	0.002585	0.001204	\$0.025289
Royalty Income	\$0.365066	0.357222	0.475717	0.445801	0.530658	0.610531	0.420711	0.437983	0.445573	0.432182	0.412165	0.407935	\$5.341544
Interest Income	\$0.000734	0.000510	0.000305	0.001471	0.001294	0.001027	0.000271	0.000283	0.000287	0.000644	0.000388	0.000206	\$0.007420
Less: Severance Tax	(\$0.024783)	(0.024365)	(0.029150)	(0.029533)	(0.037507)	(0.032616)	(0.028775)	(0.029501)	(0.030631)	(0.029352)	(0.028403)	(0.027082)	(\$0.351698)
Administration Expense	(\$0.001894)	(0.001880)	(0.001716)	(0.003906)	(0.002304)	(0.001581)	(0.002544)	(0.001516)	(0.002344)	(0.001815)	(0.002585)	(0.001204)	(\$0.025289)
Decrease (Increase) in Non-Tax Account	\$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
Total (equals cash distributions)*	\$0.339123	0.331487	0.445156	0.413833	0.492141	0.577361	0.389663	0.407249	0.412885	0.401659	0.381565	0.379855	\$4.971977

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

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SCHEDULE C: DEPLETION

See page 4 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: \$0.3542232 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.

Month	Cost depletion percentages per Unit for Calendar Year individuals who acquired their Units subsequent to the distribution from Mesa Petroleum Co.												Totals	Basis Allocation Percentage
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
1) Hugoton Royalty (Kansas)	0.7082%	0.6105%	0.7849%	0.6565%	0.5906%	0.6958%	0.6506%	0.6851%	0.64492%	0.6574%	0.5494%	0.6386%	7.9768%	44.06%
2) San Juan Royalty														
(a) New Mexico	0.5820%	0.5711%	0.5213%	0.5024%	0.5903%	0.5415%	0.5795%	0.5069%	0.5677%	0.6053%	0.5776%	0.5568%	6.7024%	56.00%
(b) Colorado	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.00%
(c) Total San Juan	0.5820%	0.5711%	0.5213%	0.5024%	0.5903%	0.5415%	0.5795%	0.5069%	0.5677%	0.6053%	0.5776%	0.5568%	6.7024%	56.00%
100.00%														

Part III

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

Month	Percentage depletion per Unit for Calendar Year individuals who acquired Units after October 11, 1990.												Totals
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1) Hugoton Royalty (Kansas)	\$0.032909	\$0.027824	\$0.040852	\$0.035673	\$0.036615	\$0.067808	\$0.032564	\$0.034268	\$0.034156	\$0.032583	\$0.032860	\$0.032766	\$0.440878
2) San Juan Royalty													
(a) New Mexico	\$0.021851	\$0.025759	\$0.030505	\$0.031197	\$0.042984	\$0.023772	\$0.030543	\$0.031429	\$0.032680	\$0.032245	\$0.028964	\$0.028424	\$0.360353
(b) Colorado	---	---	---	---	---	---	---	---	---	---	---	---	---
(c) Total San Juan	\$0.021851	\$0.025759	\$0.030505	\$0.031197	\$0.042984	\$0.023772	\$0.030543	\$0.031429	\$0.032680	\$0.032245	\$0.028964	\$0.028424	\$0.360353

MESA ROYALTY TRUST
EIN 74-6284806
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SCHEDULE D: SECTION 29 CREDIT PER UNIT

See page 4 of instructions for further discussion of the Section 29 Credit.

<u>Month</u>	<u>Section 29 Credit Per Unit</u>
January 31, 2003	\$ 0.019903
February 28, 2003	--
March 31, 2003	--
April 30, 2003	--
May 30, 2003	--
June 30, 2003	--
July 31, 2003	--
August 29, 2003	--
September 30, 2003	--
October 31, 2003	--
November 28, 2003	--
December 31, 2003	--
Total for 2003	<u><u>\$0.019903</u></u>

MESA ROYALTY TRUST
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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>	<small>OMB No. 1545-0074</small> 2003 <small>Attachment Sequence No. 13</small>
<small>▶ Attach to Form 1040 or Form 1041. ▶ See instructions for Schedule E (Form 1040).</small>		<small>Your social security number</small>
<small>Name(s) shown on return</small>		

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 or C-EZ (see page E-2). Report farm rental income or loss from Form 4835 on page 2, line 40.

1	Show the kind and location of each rental real estate property :	2		Yes	No
A	MESA ROYALTY TRUST 74-6284806	For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of: • 14 days or • 10% of the total days rented at fair rental value? (See page E-3.)	A		
B			B		
C			C		

		Properties			Totals
		A	B	C	(Add columns A, B, and C.)
Royalty Income	3				3
	4				4
	5				
	6				
	7				
	8				
	9				
	10				
	11				
	12				12
	13				
Severance Taxes	14				
	15				
	16				
	17				
	18				
	19				19
Depletion	20				20
	21				
	22				
	23				
	24				24
	25				25
	26				26

For Paperwork Reduction Act Notice, see Form 1040 instructions.

Cat. No. 11344L

Schedule E (Form 1040) 2003

MESA ROYALTY TRUST
EIN 74-6284806

Exhibit II

Individual Unit Holder's Specific Location Of Administration Expense On Schedule A

SCHEDULES A&B (Form 1040)		Schedule A—Itemized Deductions (Schedule B is on back)		OMB No. 1545-0074	
Department of the Treasury Internal Revenue Service (99)		▶ Attach to Form 1040. ▶ See instructions for Schedules A and B (Form 1040).		2003	
Name(s) shown on Form 1040				Your social security number	
Medical and Dental Expenses	1	Caution. Do not include expenses reimbursed or paid by others.			
	2	Enter amount from Form 1040, line 35 [2]			
	3	Multiply line 2 by 7.5% (.075).			
	4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-			
Taxes You Paid (See page A-2.)	5	State and local income taxes			
	6	Real estate taxes (see page A-2)			
	7	Personal property taxes			
	8	Other taxes. List type and amount ▶			
	9	Add lines 5 through 8			
Interest You Paid (See page A-3.)	10	Home mortgage interest and points reported to you on Form 1098			
	11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-3 and show that person's name, identifying no., and address ▶			
	12	Points not reported to you on Form 1098. See page A-3 for special rules			
	13	Investment interest. Attach Form 4952 if required. (See page A-4.)			
	14	Add lines 10 through 13			
Gifts to Charity If you made a gift and got a benefit for it, see page A-4.	15	Gifts by cash or check. If you made any gift of \$250 or more, see page A-4			
	16	Other than by cash or check. If any gift of \$250 or more, see page A-4. You must attach Form 8283 if over \$500			
	17	Carryover from prior year			
	18	Add lines 15 through 17			
	19	Casualty or theft loss(es). Attach Form 4684. (See page A-5.)			
Job Expenses and Most Other Miscellaneous Deductions Administration Expense → (See page A-5.)	20	Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-5.) ▶			
	21	Tax preparation fees			
	22	Other expenses—investment, safe deposit box, etc. List type and amount ▶ MESA ROYALTY TRUST 74-6284806			
	23	Add lines 20 through 22			
	24	Enter amount from Form 1040, line 35 [24]			
	25	Multiply line 24 by 2% (.02)			
	26	Subtract line 25 from line 23. If line 25 is more than line 23, enter -0-			
	27	Other—from list on page A-6. List type and amount ▶			
Total Itemized Deductions	28	Is Form 1040, line 35, over \$139,500 (over \$69,750 if married filing separately)? <input type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 27. Also, enter this amount on Form 1040, line 37. <input type="checkbox"/> Yes. Your deduction may be limited. See page A-6 for the amount to enter.			

For Paperwork Reduction Act Notice, see Form 1040 instructions.

Cat. No. 11330X

Schedule A (Form 1040) 2003

MESA ROYALTY TRUST
EIN 74-6284806

Exhibit III

Individual Unit Holder's Specific Location Of Interest Income On Schedule B

Schedules A&B (Form 1040) 2003 OMB No. 1545-0074 Page 2
Name(s) shown on Form 1040. Do not enter name and social security number if shown on other side. Your social security number

Schedule B—Interest and Ordinary Dividends

Attachment
Sequence No. **08**

**Interest
Income** →

**Part I
Interest**

(See page B-1 and the instructions for Form 1040, line 8a.)

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 page B-1 and list this interest first. Also, show that buyer's social security number and address ▶

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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, line 8a ▶

4

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

Amount

**Part II
Ordinary Dividends**

(See page B-1 and the instructions for Form 1040, line 9a.)

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 ▶

5

6 Add the amounts on line 5. Enter the total here and on Form 1040, line 9a ▶

6

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

**Part III
Foreign
Accounts
and Trusts**

(See page B-2.)

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

Yes No

7a At any time during 2003, did you have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? See page B-2 for exceptions and filing requirements for Form TD F 90-22.1

b If "Yes," enter the name of the foreign country ▶

8 During 2003, 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 page B-2



MESA ROYALTY TRUST
EIN 74-6284806

Exhibit IV

Individual Unit Holder's Specific Location Of Section 29 Credit On Form 1040, Pg. 2

Form 1040 (2003) Page 2

Tax and Credits	35 Amount from line 34 (adjusted gross income)		35
Standard Deduction for— • People who checked any box on line 36a or 36b or who can be claimed as a dependent, see page 34. • All others: Single or Married filing separately, \$4,750 Married filing jointly or Qualifying widower, \$9,500 Head of household, \$7,000	36a Check <input type="checkbox"/> You were born before January 2, 1939, <input type="checkbox"/> Blind, <input type="checkbox"/> Total bosses if: <input type="checkbox"/> Spouse was born before January 2, 1939, <input type="checkbox"/> Blind, checked ▶ 36a		
	b If you are married filing separately and your spouse itemizes deductions, or you were a dual-status alien, see page 34 and check here ▶ 36b <input type="checkbox"/>		
	37 Itemized deductions (from Schedule A) or your standard deduction (see left margin)		37
	38 Subtract line 37 from line 35		38
	39 If line 35 is \$104,625 or less, multiply \$3,050 by the total number of exemptions claimed on line 6d. If line 35 is over \$104,625, see the worksheet on page 35		39
	40 Taxable income. Subtract line 39 from line 38. If line 39 is more than line 38, enter -0-		40
	41 Tax (see page 36). Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972		41
	42 Alternative minimum tax (see page 38). Attach Form 6251		42
	43 Add lines 41 and 42 ▶		43
	44 Foreign tax credit. Attach Form 1116 if required		44
45 Credit for child and dependent care expenses. Attach Form 2441		45	
46 Credit for the elderly or the disabled. Attach Schedule R		46	
47 Education credits. Attach Form 8863		47	
48 Retirement savings contributions credit. Attach Form 8880		48	
49 Child tax credit (see page 40)		49	
50 Adoption credit. Attach Form 8839		50	
51 Credits from: a <input type="checkbox"/> Form 8396 b <input type="checkbox"/> Form 8859		51	
52 Other credits. Check applicable boxes: a <input type="checkbox"/> Form 3800 b <input type="checkbox"/> Form 8801 c <input checked="" type="checkbox"/> Specify FNS		52	
53 Add lines 44 through 52. These are your total credits ▶		53	
54 Subtract line 53 from line 43. If line 53 is more than line 43, enter -0- ▶		54	
Other Taxes	55 Self-employment tax. Attach Schedule SE		55
	56 Social security and Medicare tax on tip income not reported to employer. Attach Form 4137		56
	57 Tax on qualified plans, including IRAs, and other tax-favored accounts. Attach Form 5329 if required		57
	58 Advance earned income credit payments from Form(s) W-2		58
	59 Household employment taxes. Attach Schedule H		59
	60 Add lines 54 through 59. This is your total tax ▶		60
Payments	61 Federal income tax withheld from Forms W-2 and 1099		61
	62 2003 estimated tax payments and amount applied from 2002 return		62
	63 Earned income credit (EIC)		63
	64 Excess social security and tier 1 RRTA tax withheld (see page 56)		64
	65 Additional child tax credit. Attach Form 8812		65
	66 Amount paid with request for extension to file (see page 56)		66
	67 Other payments from: a <input type="checkbox"/> Form 2439 b <input type="checkbox"/> Form 4136 c <input type="checkbox"/> Form 8885		67
	68 Add lines 61 through 67. These are your total payments ▶		68
Refund	69 If line 68 is more than line 60, subtract line 60 from line 68. This is the amount you overpaid ▶		69
Direct deposit? See page 56 and fill in 70b, 70c, and 70d.	70a Amount of line 69 you want refunded to you ▶		70a
	▶ b Routing number <input type="text"/> ▶ c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
	▶ d Account number <input type="text"/>		
	71 Amount of line 69 you want applied to your 2004 estimated tax ▶ 71		71
Amount You Owe	72 Amount you owe. Subtract line 68 from line 60. For details on how to pay, see page 57 ▶		72
	73 Estimated tax penalty (see page 58)		73
Third Party Designee	Do you want to allow another person to discuss this return with the IRS (see page 58)? <input type="checkbox"/> Yes. Complete the following. <input type="checkbox"/> No		
	Designee's name ▶	Phone no. ▶ ()	Personal identification number (PIN) ▶
Sign Here	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
Joint return? See page 20. Keep a copy for your records.	Your signature	Date	Your occupation Daytime phone number ()
	Spouse's signature. If a joint return, both must sign.	Date	Spouse's occupation
Paid Preparer's Use Only	Preparer's signature ▶	Date	Check if self-employed <input type="checkbox"/> Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP code ▶	EIN	Phone no. ()

Include Section 29 Credit in Line 52 Total →

Mesa Royalty Trust

700 Lavaca

AUSTIN, TEXAS 78701