

	MONTHLY DISTRIBUTIONS PAID ON:				Total
	(\$/UNIT EXCEPT COST DEPLETION FACTORS)				
	May 14, 2019	June 14, 2019	July 15, 2019		
Gross Income.....	\$ 0.003317	\$ 0.004172	\$ 0.000000	\$ 0.007489	
Less Severance Taxes	(0.000650)	(0.000871)	(0.000000)	(0.001521)	
Interest Income	0.000044	0.000046	0.000050	0.000140	
Less Administration Expenses.....	(0.001768)	(0.000914)	(0.000984)	(0.003666)	
Reconciling Items	(0.000943)	(0.002433)	0.000934	(0.002442)	
NET CASH DISTRIBUTION	\$ 0.000000	\$ 0.000000	\$ 0.000000	\$ 0.000000	

Cost Depletion Factors:

Kansas - 80%	0.000000	0.000000	0.000000	0.000000
Oklahoma - 80%	0.000000	0.000000	0.000000	0.000000
Wyoming - 80%	0.195535	0.246057	0.000000	0.441592

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

Hugoton Royalty Trust 2911 Turtle Creek Blvd, Ste 850, Dallas, TX 75219
 855.588.7839 • Simmons Bank, Trustee • www.hgt-hugoton.com

Hugoton Royalty Trust



2nd
 Quarter Report
 2019

To Unitholders:

For the quarter ended June 30, 2019, net profits income was \$238,725 as compared to \$0 for second quarter 2018. This increase in net profits income is primarily the result of decreased development costs (\$5.2 million) and higher gas prices (\$1.6 million), partially offset by net excess costs activity (\$3.8 million), decreased oil and gas production (\$1.3 million), increased production expenses (\$0.7 million), increased taxes, transportation and other costs (\$0.4 million), lower oil prices (\$0.2 million), and increased overhead (\$0.2 million).

After adding interest income of \$5,632, deducting administration expense of \$146,636, and partially replenishing \$97,721 of the expense reserve to pay Trust expenses, distributable income for the quarter ended June 30, 2019 was \$0, or \$0.000000 per unit of beneficial interest. Administration expense for the quarter decreased \$212,021 as compared to the prior year quarter, primarily related to the timing of receipt and payment of Trust expenses and terms of professional services. Changes in interest income are attributable to fluctuations in net profits income and interest rates. For second quarter 2018, distributable income was \$0 or \$0.000000 per unit.

Distributions to unitholders for the quarter ended June 30, 2019 were:

RECORD DATE	PAYMENT DATE	DISTRIBUTION PER UNIT
April 30, 2019	May 14, 2019	\$ 0.000000
May 31, 2019	June 14, 2019	0.000000
June 28, 2019	July 15, 2019	0.000000
		<u>\$ 0.000000</u>

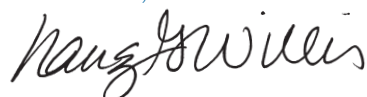
Liquidity and Going Concern

The accompanying condensed financial statements have been prepared assuming that the Trust will continue as a going concern. Please see Note 1 to the Condensed Financial Statements included in the Trust's Form 10-Q filing for quarter ending June 30, 2019, for additional information regarding the liquidity of the Trust and certain conditions that raise substantial doubt about its ability to continue as a going concern.

Please see Note 4 to the Condensed Financial Statements included in the Trust's Form 10-Q filing for quarter ending June 30, 2019, for information regarding the arbitration proceeding relating to the *Chieftain* class action royalty case.

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

Hugoton Royalty Trust
By: Simmons Bank, Trustee



By: Nancy Willis
Vice President

Hugoton Royalty Trust Financial Statements

Condensed Statements of Assets, Liabilities and Trust Corpus (Unaudited)

	June 30, 2019	December 31, 2018
Assets		
Cash and Short-term Investments	\$ 1,071,199	\$ 1,128,157
Net Profits Interests in Oil and Gas Properties – Net	15,681,533	15,816,990
	<u>\$ 16,752,732</u>	<u>\$16,945,147</u>
Liabilities and Trust Corpus		
Distribution Payable to Unitholders	\$ —	\$ —
Expense Reserve ^(a)	1,071,199	1,128,157
Trust Corpus (40,000,000 Units of Beneficial Interest Authorized and Outstanding)	15,681,533	15,816,990
	<u>\$ 16,752,732</u>	<u>\$ 16,945,147</u>

^(a) The expense reserve allows the Trustee to pay its obligations should it be unable to pay them out of the net profits income.

Condensed Statements of Distributable Income (Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	2019	2018	2019	2018
Net Profits Income	\$ 238,725	\$ —	\$ 369,458	\$ 1,590,949
Interest Income	5,632	6,457	11,912	9,755
TOTAL INCOME	244,357	6,457	381,370	1,600,704
Administration Expense	146,636	358,657	438,328	660,455
Cash Reserves Withheld (used) for Trust Expenses	97,721	(352,200)	(56,958)	570,209
Distributable Income	\$ —	\$ —	\$ —	\$ 370,040
Distributable Income per Unit (40,000,000 Units)	<u>\$ 0.000000</u>	<u>\$ 0.000000</u>	<u>\$ 0.000000</u>	<u>\$ 0.009251</u>

Condensed Statements of Changes in Trust Corpus (Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	2019	2018	2019	2018
Trust Corpus, Beginning of Period	\$15,773,557	\$ 15,816,990	\$ 15,816,990	\$ 16,379,749
Amortization of Net Profits Interests	(92,024)	—	(135,457)	(562,759)
Distributable Income	—	—	—	370,040
Distributions Declared	—	—	—	(370,040)
Trust Corpus, End of Period	<u>\$15,681,533</u>	<u>\$ 15,816,990</u>	<u>\$ 15,681,533</u>	<u>\$ 15,816,990</u>

These Condensed Financial Statements should be read in conjunction with the Condensed Financial Statements and notes thereto included in the Trust's quarterly report on Form 10-Q for the quarter ended June 30, 2019.