

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D. C. 20549

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1995

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-737

TEXAS PACIFIC LAND TRUST

(Exact name of registrant as specified in its charter)

NOT APPLICABLE 75-0279735

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

80 Broad Street, Suite 2700, New York, New York 10004

(Address of principal executive offices)  
(Zip Code)

212/269-2266

(Registrant's telephone number, including area code)

NOT APPLICABLE

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes  No

Part I  
FINANCIAL INFORMATION

TEXAS PACIFIC LAND TRUST  
BALANCE SHEETS  
MARCH 31, 1995 & DECEMBER 31, 1994

(Unaudited)

<TABLE>  
<CAPTION>

ASSETS	March 31, 1995	December 31, 1994
Cash	\$ 93,118	\$ 232,843
Temporary cash investments	1,500,000	2,000,000
Accounts receivable	231,701	227,067
Accrued interest receivable	226,823	225,470
Prepaid expenses	33,855	48,365
Notes receivable	5,297,632	5,347,947
Real estate acquired through foreclosure: 28,140.75 acres.	6,844,336	6,844,336
Water wells, leasehold improvements, furniture and equipment - at cost less accumulated depreciation	43,236	45,966

Property, no value assigned (Note 2):

Land (surface rights) situated in twenty-one counties in Texas -- 1,096,906.34 acres in 1995 and 1,106,607.34 acres in 1994.	--	--
Town lots in Iatan, Loraine and Morita -- 628 lots in 1995 and 1994.	--	--
1/16 nonparticipating perpetual royalty interest in 386,987.70 acres in 1995 and 1994.	--	--
1/128 nonparticipating perpetual royalty interest in 85,413.60 acres in 1995 and 1994.	--	--
	-----	-----
	\$14,270,701	\$14,971,994
	=====	=====

LIABILITIES AND CAPITAL

Federal taxes on income	\$ 362,861	\$ 218,708
Other taxes	96,369	13,084
Other liabilities	24,664	104,575
Escrow deposits on land sales	11,000	--
Deferred taxes	3,739,513	3,766,446
	-----	-----
Total liabilities	4,234,407	4,102,813
Capital (Note 3)		
Certificates of Proprietary Interest, par value \$100 each; outstanding one certificate in 1995 and 1994	--	--
Sub-share Certificates in Certificates of Proprietary Interest, par value \$.16 2/3 each; outstanding 3,049,505 sub-shares in 1995 and 3,075,305 sub-shares in 1994	--	--
Net proceeds from all sources	10,036,294	10,869,181
	-----	-----
Total capital	10,036,294	10,869,181
	-----	-----
	\$14,270,701	\$14,971,994
	=====	=====

</TABLE>

See accompanying notes to financial statements.

(1)  
TEXAS PACIFIC LAND TRUST  
STATEMENTS OF INCOME

(Unaudited)

<TABLE>  
<CAPTION>

	Three Months Ended March 31	
	1995	1994
	-----	-----
<S>	<C>	<C>
Income:		
Rentals, royalties and sundry income	\$ 795,162	\$ 757,171
Land sales	723,860	1,341,398
Interest	156,766	126,446
	-----	-----
	1,675,788	2,225,015
	-----	-----
Expenses:		
Taxes, other than Federal taxes on income	135,070	134,211
General and administrative expenses	331,990	379,142
	-----	-----
	467,060	513,353
	-----	-----
Income before provision for Federal taxes on income	1,208,728	1,711,662

Provision for Federal taxes on income (Note 4)	357,220	559,690
	-----	-----
Net income	\$ 851,508	\$ 1,151,972
	=====	=====
Average number of sub-share certificates and equivalent sub-share certificates outstanding	3,067,822	3,176,272
	=====	=====
Earnings per sub-share certificate	28 cents	36 cents
	=====	=====
Cash dividend per sub-share certificate	40 cents	40 cents
	=====	=====

</TABLE>

See accompanying notes to financial statements.

(2)  
TEXAS PACIFIC LAND TRUST  
STATEMENTS OF CASH FLOWS

(Unaudited)

<TABLE>  
<CAPTION>

	Three Months Ended March 31	
	1995	1994
	-----	-----
<S>	<C>	<C>
Cash flows from operating activities:		
Net income	\$ 851,508	\$ 1,151,972
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	2,730	2,730
Deferred taxes	(26,933)	294,263
(Increase) decrease in assets:		
Notes and accounts receivable	45,681	(855,576)
Accrued interest receivable	(1,353)	(74,178)
Prepaid expenses	14,510	13,197
Increase (decrease) in liabilities:		
Federal taxes on income	144,153	214,254
Other taxes	83,285	98,830
Other liabilities	(79,911)	(101,487)
Escrow deposits on land sales	11,000	(10,500)
	-----	-----
Total adjustments	193,162	(418,467)
	-----	-----
Net cash provided by operating activities	1,044,670	733,505
	-----	-----
Cash flows from investing activities:		
Water wells, leasehold improvements, furniture and equipment - at cost	--	(11,976)
	-----	-----
Cash flows from financing activities:		
Sub-shares purchased for retirement	(452,393)	(415,533)
Dividends paid	(1,232,002)	(1,267,282)
	-----	-----
Net cash used by financing activities	(1,684,395)	(1,682,815)
	-----	-----

Net decrease in cash and cash equivalents	(639,725)	(961,286)
Cash and cash equivalents at beginning of period	2,232,843	1,997,007
	-----	-----
Cash and cash equivalents at end of period	\$ 1,593,118	\$ 1,035,721
	=====	=====

</TABLE>

(3)  
NOTES TO FINANCIAL STATEMENTS

- (1) In the opinion of management the accompanying unaudited financial statements contain all adjustments (consisting of only normal recurring accruals) necessary to present fairly the financial position of the Trust as of March 31, 1995 and the results of its operations and its cash flows for the three months ended March 31, 1995 and March 31, 1994, respectively.
- (2) No value is assigned to the land; consequently, no allowance for depletion is computed, and no charge to income is made therefor, and no cost is deducted from the proceeds of the land sales in computing gain or loss thereon.
- (3) The Sub-shares and the Certificates of Proprietary Interest are freely interchangeable in the ratio of one Certificate of Proprietary Interest for 600 Sub-shares or 600 Sub-shares for one Certificate of Proprietary Interest.
- (4) The Trust's effective Federal income tax rate is less than the 34% statutory rate because taxable income is reduced by statutory percentage depletion allowed on mineral royalty income.
- (5) The results of operations for the three months ended March 31, 1995 are not necessarily indicative of the results to be expected for the full year.
- (6) Cash in excess of daily requirements is invested in money market instruments with maturities of ninety days or less. Such investments are deemed to be cash equivalents for purposes of the statements of cash flows.

Supplemental cash flow information for the three months ended March 31, 1995 and 1994 is summarized as follows:

<TABLE>  
<CAPTION>

	1995	1994
	-----	-----
<S>	<C>	<C>
Federal income taxes paid	\$ 240,000	\$ 51,173
	=====	=====

</TABLE>

There were no non-cash investing and financing activities during the three months ended March 31, 1995 and 1994.

(4)  
Management's Discussion and  
Analysis of Financial Condition and  
Results of Operations

Earnings per sub-share were \$.28 for the first quarter of 1995 compared with \$.36 in the first quarter of 1994.

Total revenues for the first quarter of 1995 were \$1,675,788 compared with \$2,225,015 in the first quarter of 1994, a decrease of 24.7%.

The Trust sold 9,689.30 acres of land for a total of \$723,860, an average of \$75 per acre, in the first quarter of 1995. In the comparable period of 1994 a total of 178.85 acres were sold for \$1,341,398, an average of \$7,500 per acre.

Land sales may vary widely from year to year and quarter to quarter. The total dollar amount, the average price per acre, and the number of acres sold in any

one year or quarter should not be assumed to be indicative of land sales in the future. The Trust is a passive seller of land; it does not actively solicit sales of land. The demand for and the sales price of any particular tract of the Trust's land is influenced by many factors including the national and local economies, the rate of residential and commercial development in nearby areas, livestock carrying capacity, and the conditions of the local agricultural industry which itself is influenced by range conditions and prices for livestock and other agricultural products. Approximately 99% of the Trust's land is classified as ranch land and intermingled with other ownerships to form ranching units. Ranch land sales are, therefore, largely dependent on the actions of the adjoining landowners.

Rentals, royalties and sundry income amounted to \$795,162 in the first quarter of 1995, an increase of 5.0% compared with the first quarter of 1994.

Oil and gas royalty revenue was \$565,643, up 23.5% compared with the first quarter of 1994. Oil royalty revenue was \$399,135, up 25.9% compared with 1994. Crude oil production subject to the Trust's royalty interest was up 2.5% in the first quarter, and the average price per barrel was up 22.9% compared with 1994. Gas royalty revenue was \$166,508 in the first quarter, up 18.0% on a volume increase of 27.3% and a price decrease of 7.0%.

(5)

Management's Discussion (cont'd)

Interest revenue increased 24.0% in the first quarter of 1995, compared with 1994. Interest from notes receivable amounted to \$122,924, an increase of 10.1%. Notes receivable were \$5,297,632 as of March 31, 1995, a decrease of 6.7% for the comparable period. Sundry interest was \$33,842, up 129.1% compared with 1994.

Taxes, other than Federal taxes on income, were up just fractionally in the first quarter of 1995 compared with last year.

The Trust's oil and gas royalty revenues, lease rentals and receipts of interest and principal on notes receivable has generated more than adequate amounts of cash to meet the Trust's needs and should continue to do so in the predictable future.

(6)

PART II

OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

- (a) Exhibits. Interim report furnished to shareholders upon request per sub-part Item 601 (19) Regulation S-K.

Exhibit 27 - Financial Data Schedule

- (b) Reports on Form 8-K. The registrant has filed no reports on Form 8-K during the quarter for which this report is filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TEXAS PACIFIC LAND TRUST

-----  
(Registrant)

Date May 8, 1995

By: /s/ ROY THOMAS

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Roy Thomas, General Agent,  
Authorized Signatory and Principal  
Financial Officer

(7)  
EXHIBIT INDEX

Exhibit No.  
27

Financial Data Schedule

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