

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 September 30, 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
SEPTEMBER 30, 1995 & DECEMBER 31, 1994
(Unaudited)

<TABLE>
<CAPTION>

	September 30, 1995	December 31, 1994
<S>	<C>	<C>
ASSETS		
Cash	\$ 83,475	\$ 232,843
Temporary cash investments	2,150,000	2,000,000
Accounts receivable	225,252	227,067
Accrued interest receivable	209,660	225,470
Federal income taxes receivable	117,827	--
Prepaid expenses	4,837	48,365
Notes receivable	4,944,353	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	52,440	45,966

Property, no value assigned (Note 2):		
Land (surface rights) situated in twenty-one counties in Texas -- 1,081,501.36 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.	--	--
	-----	-----
	\$14,632,180	\$14,971,994
	=====	=====
LIABILITIES AND CAPITAL		
Federal taxes on income	\$ --	\$ 218,708
Other taxes	290,796	13,084
Other liabilities	54,200	104,575
Escrow deposits - land sales	50,000	--
Deferred taxes	3,624,508	3,766,446
	-----	-----
Total liabilities	4,019,504	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 3,006,905 sub-shares in 1995 and 3,075,305 sub-shares in 1994	--	--
Net proceeds from all sources	10,612,676	10,869,181
	-----	-----
Total capital	10,612,676	10,869,181
	-----	-----
	\$14,632,180	\$14,971,994
	=====	=====

</TABLE>

See accompanying notes to financial statements.

(1)
TEXAS PACIFIC LAND TRUST
STATEMENTS OF INCOME

(Unaudited)

<TABLE>
<CAPTION>

	Three Months Ended September 30		Nine Months Ended September 30	
	1995	1994	1995	1994
	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>
Income:				
Rentals, royalties and sundry income	\$ 870,785	\$ 907,671	\$2,640,887	\$2,548,290
Land sales	41,600	1,659,401	1,818,718	3,941,319
Interest	161,240	148,868	471,470	400,337
	-----	-----	-----	-----
	1,073,625	2,715,940	4,931,075	6,889,946
	-----	-----	-----	-----
Expenses:				
Taxes, other than Federal taxes on income	135,675	138,349	410,035	409,173
General and administrative expenses	243,184	292,102	891,772	977,131
	-----	-----	-----	-----
	378,859	430,451	1,301,807	1,386,304
	-----	-----	-----	-----
Income before provision for Federal taxes on income	694,766	2,285,489	3,629,268	5,503,642
Provision for Federal taxes on income (Note 4)	202,709	742,746	1,084,768	1,772,238

Net income	----- \$ 492,057 =====	----- \$1,542,743 =====	----- \$2,544,500 =====	----- \$3,731,404 =====
Average number of sub-share certificates and equivalent sub-share certificates outstanding	----- 3,040,838 =====	----- 3,146,005 =====	----- 3,055,875 =====	----- 3,160,222 =====
Earnings per sub-share certificate	----- \$.16 =====	----- \$.49 =====	----- \$.83 =====	----- \$ 1.18 =====
Cash dividend per sub-share certificate	----- ----- =====	----- ----- =====	----- \$.40 =====	----- \$.40 =====

</TABLE>

See accompanying notes to financial statements.

(2)
TEXAS PACIFIC LAND TRUST
STATEMENTS OF CASH FLOWS

(Unaudited)

<TABLE>
<CAPTION>

	Nine Months Ended September 30	
	----- 1995 ----- <C>	----- 1994 ----- <C>
<S> Cash flows from operating activities:		
Net income	\$ 2,544,500	\$ 3,731,404
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	8,190	8,190
Deferred taxes	(141,938)	723,242
(Increase) decrease in assets:		
Notes and accounts receivable	405,409	(1,308,525)
Accrued interest receivable	15,810	(82,110)
Federal income taxes receivable	(117,827)	--
Prepaid expenses	43,528	39,592
Real estate acquired through foreclosure	--	(970,048)
Increase (decrease) in liabilities:		
Federal taxes on income	(218,708)	80,823
Other taxes	277,712	299,202
Escrow deposits on land sales	50,000	--
Other liabilities	(50,375)	(132,845)
Deferred revenue on land sales	--	(24,000)
Total adjustments	271,801	(1,366,479)
Net cash provided by operating activities	2,816,301	2,364,925
Cash flows from investing activities:		
Additions to water wells, leasehold improvements, furniture and equipment	(14,664)	(11,976)
Cash flows from financing activities:		
Sub-shares purchased for retirement	(1,578,203)	(1,049,083)
Dividends paid	(1,222,802)	(1,267,282)
Net cash used by financing activities	(2,801,005)	(2,316,365)
Net increase in cash and cash equivalents	632	36,584
Cash and cash equivalents at beginning of year	2,232,843	1,997,007
Cash and cash equivalents at end of period	\$ 2,233,475	\$ 2,033,591

</TABLE>

See accompanying notes to financial statements.

TEXAS PACIFIC LAND TRUST
 SEPTEMBER 30, 1995
 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 September 30, 1995 and December 31, 1994 and the results of its operations and its cash flows for the three and nine months ended September 30, 1995 and September 30, 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 nine months ended September 30, 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 nine months ended September 30, 1995 and 1994 is summarized as follows:

	1995	1994
	-----	-----
Federal income taxes paid	\$1,560,000	\$ 968,173
	=====	=====

There were no non-cash investing and financing activities during the nine months ended September 30, 1995 and 1994.

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

Earnings per sub-share certificate for the third quarter of 1995 were \$.16 compared with \$.49 in the third quarter of 1994. Earnings per sub-share certificate for nine months ended September 30 were \$.83 per sub-share compared with \$1.18 for the first nine months of last year.

In the third quarter of 1995, land sales were \$41,600 which was 640 acres at a price of \$65 per acre. In the comparable period of 1994, 7,749.27 acres were sold for \$1,659,401, an average of \$214 per acre. The first nine months of 1995 had total land sales of 25,039.95 acres for \$1,818,718, an average of \$73 per acre, compared to 15,148.73 acres for \$3,941,319, an average of \$260 per acre, in 1994.

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 were \$2,640,887 in the first nine months of 1995, which is an increase of 3.6% over the first nine months of 1994.

Oil and gas royalty revenue was \$593,006 in the third quarter of 1995, up just fractionally compared with the third quarter of 1994. Crude oil production subject to the Trust's royalty interest was up 2.2% in the third quarter, and the average price per barrel decreased 4.5%. Oil royalty revenue was \$434,518 down 2.4% for the period. Gas royalty revenue for the quarter was \$158,488 up 10.3% on a volume increase of 22.2%.

(5)

Management's Discussion (cont'd)

Oil and gas revenue for the first nine months of 1995 was \$1,790,753, up 16.1%. Oil royalty revenue was \$1,291,291 up 16.1%. Crude oil production was up 4.0% and the average price for crude oil increased 12.1% over the first nine months of 1994. Gas royalty revenue for the first nine months was \$499,462, compared to \$435,468 in 1994, an increase of 14.7%. Gas volume was increased by 31.0% and price was decreased by 12.0%.

Interest revenue increased 8.3% in the third quarter and 17.8% for the first nine months of 1995. Interest on notes receivable was \$124,771 for the third quarter 1995 compared to \$128,824 in 1994. Interest on notes receivable for the first nine months of 1995 was \$374,089 compared to \$355,436 in the 1994 period. At the end of September 1995 notes receivable were \$4,944,353 compared to \$6,129,273 at September 30, 1994. Prepaid principal on notes amounted to \$234,838 compared to \$104,264 the prior year.

Taxes, other than Federal taxes on income, were down 1.9% for the third quarter, but virtually unchanged for the first nine months of 1995 compared to 1994.

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 November 14, 1995

By /s/ ROY THOMAS

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

(7)

EXHIBIT INDEX

EXHIBIT
NUMBER

DESCRIPTION

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