

CROSS TIMBERS ROYALTY TRUST  
Form 10-Q  
October 27, 2011

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Form 10-Q

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

For the quarterly period ended September 30, 2011

OR

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

Commission File Number: 1-10982

Cross Timbers Royalty Trust  
(Exact name of registrant as specified in its charter)

Texas	75-6415930
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

U.S. Trust, Bank of America Private Wealth Management P.O. Box 830650, Dallas, Texas	75283-0650
(Address of principal executive offices)	(Zip Code)

(877) 228-5084  
(Registrant's telephone number, including  
area code)

NONE  
(Former name, former address and former fiscal year, if change  
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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§

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232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2). Yes  No

Indicate the number of units of beneficial interest outstanding, as of the latest practicable date:

Outstanding as of October 1, 2011  
6,000,000

CROSS TIMBERS ROYALTY TRUST

FORM 10-Q FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2011

TABLE OF CONTENTS

	Page
Glossary of Terms	3
<b>PART I. FINANCIAL INFORMATION</b>	
Item 1. Financial Statements	4
Condensed Statements of Assets, Liabilities and Trust Corpus at September 30, 2011 and December 31, 2010	5
Condensed Statements of Distributable Income for the Three and Nine Months Ended September 30, 2011 and 2010	6
Condensed Statements of Changes in Trust Corpus for the Three and Nine Months Ended September 30, 2011 and 2010	7
Notes to Condensed Financial Statements	8
Item 2. Trustee’s Discussion and Analysis	10
Item 3. Quantitative and Qualitative Disclosures about Market Risk	14
Item 4. Controls and Procedures	14
<b>PART II. OTHER INFORMATION</b>	
Item 1A. Risk Factors	15
Item 6. Exhibits	15
Signatures	16

CROSS TIMBERS ROYALTY TRUST

GLOSSARY OF TERMS

The following are definitions of significant terms used in this Form 10-Q:

Bbl	Barrel (of oil)
Mcf	Thousand cubic feet (of natural gas)
MMBtu	One million British Thermal Units, a common energy measurement
net proceeds	Gross proceeds received by XTO Energy from sale of production from the underlying properties, less applicable costs, as defined in the net profits interest conveyances
net profits income	Net proceeds multiplied by the applicable net profits percentage of 75% or 90%, which is paid to the trust by XTO Energy. "Net profits income" is referred to as "royalty income" for income tax purposes.
net profits interest	<p>An interest in an oil and gas property measured by net profits from the sale of production, rather than a specific portion of production. The following defined net profits interests were conveyed to the trust from the underlying properties:</p> <p>90% net profits interests - interests that entitle the trust to receive 90% of the net proceeds from the underlying properties that are royalty or overriding royalty interests in Texas, Oklahoma and New Mexico</p> <p>75% net profits interests - interests that entitle the trust to receive 75% of the net proceeds from the underlying properties that are working interests in Texas and Oklahoma</p>
royalty interest (and overriding royalty interest)	A nonoperating interest in an oil and gas property that provides the owner a specified share of production without any production expense or development costs
underlying properties	XTO Energy's interest in certain oil and gas properties from which the net profits interests were conveyed. The underlying properties include royalty and overriding royalty interests in producing and nonproducing properties in Texas, Oklahoma and New Mexico, and working interests in producing properties located in Texas and Oklahoma.
working interest	An operating interest in an oil and gas property that provides the owner a specified share of production that is subject to all production expense and development costs



CROSS TIMBERS ROYALTY TRUST

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

The condensed financial statements included herein are presented, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in annual financial statements have been condensed or omitted pursuant to such rules and regulations, although the trustee believes that the disclosures are adequate to make the information presented not misleading. These condensed financial statements should be read in conjunction with the financial statements and the notes thereto included in the trust's latest Annual Report on Form 10-K. In the opinion of the trustee, all adjustments, consisting only of normal recurring adjustments, necessary to present fairly the assets, liabilities and trust corpus of the Cross Timbers Royalty Trust at September 30, 2011, and the distributable income and changes in trust corpus for the three- and nine-month periods ended September 30, 2011 and 2010, have been included. Distributable income for such interim periods is not necessarily indicative of distributable income for the full year.

## CROSS TIMBERS ROYALTY TRUST

## Condensed Statements of Assets, Liabilities and Trust Corpus

	September 30, 2011 (Unaudited)	December 31, 2010
<b>ASSETS</b>		
Cash and short-term investments	\$ 1,617,927	\$ 1,413,665
Interest to be received	33	37
Net profits interests in oil and gas properties - net (Note 1)	13,656,982	14,521,347
	\$ 15,274,942	\$ 15,935,049
<b>LIABILITIES AND TRUST CORPUS</b>		
Distribution payable to unitholders	\$ 1,617,960	\$ 1,413,702
Trust corpus (6,000,000 units of beneficial interest authorized and outstanding)	13,656,982	14,521,347
	\$ 15,274,942	\$ 15,935,049

The accompanying notes to condensed financial statements are an integral part of these statements.

CROSS TIMBERS ROYALTY TRUST

Condensed Statements of Distributable Income (Unaudited)

	Three Months Ended September 30		Nine Months Ended September 30	
	2011	2010	2011	2010
Net profits income	\$5,257,619	\$4,142,789	\$14,177,476	\$13,011,163
Interest income	131	43	274	185
Total income	5,257,750	4,142,832	14,177,750	13,011,348
Administration expense	91,828	79,542	357,524	366,078
Distributable income	\$5,165,922	\$4,063,290	\$13,820,226	\$12,645,270
Distributable income per unit (6,000,000 units)	\$0.860987	\$0.677215	\$2.303371	\$2.107545

The accompanying notes to condensed financial statements are an integral part of these statements.



## CROSS TIMBERS ROYALTY TRUST

## Condensed Statements of Changes in Trust Corpus (Unaudited)

	Three Months Ended September 30		Nine Months Ended September 30	
	2011	2010	2011	2010
Trust corpus, beginning of period	\$ 13,959,258	\$ 15,378,318	\$ 14,521,347	\$ 16,188,498
Amortization of net profits interests	(302,276 )	(391,668 )	(864,365 )	(1,201,848 )
Distributable income	5,165,922	4,063,290	13,820,226	12,645,270
Distributions declared	(5,165,922 )	(4,063,290 )	(13,820,226 )	(12,645,270 )
Trust corpus, end of period	\$ 13,656,982	\$ 14,986,650	\$ 13,656,982	\$ 14,986,650

The accompanying notes to condensed financial statements are an integral part of these statements.

CROSS TIMBERS ROYALTY TRUST

Notes to Condensed Financial Statements (Unaudited)

1. Basis of Accounting

The financial statements of Cross Timbers Royalty Trust are prepared on the following basis and are not intended to present financial position and results of operations in conformity with U.S. generally accepted accounting principles (“GAAP”):

-Net profits income recorded for a month is the amount computed and paid by XTO Energy Inc., the owner of the underlying properties, to Bank of America, N.A., as trustee for the trust. XTO Energy is a wholly owned subsidiary of Exxon Mobil Corporation. Net profits income consists of net proceeds received by XTO Energy from the underlying properties in the prior month, multiplied by net profit percentages of 90% for the 90% net profits interests, and 75% for the 75% net profits interests.

Costs deducted in the calculation of net proceeds for the 90% net profits interests generally include applicable taxes, transportation, marketing and legal costs, and do not include production expense or development costs. For the 75% net profits interests, costs deducted in the calculation of net proceeds include production expense, development costs, applicable taxes, transportation, marketing and legal costs, operating charges and other costs.

-Net profits income is computed separately for each of five conveyances under which the net profits interests were conveyed to the trust. If monthly costs exceed revenues for any conveyance, such excess costs must be recovered, with accrued interest, from future net proceeds of that conveyance and cannot reduce net proceeds from the other conveyances.

-Interest income, interest to be received and distribution payable to unitholders include interest to be earned from the monthly record date (last business day of the month) through the date of the next distribution to unitholders.

-Trust expenses are recorded based on liabilities paid and cash reserves established by the trustee for liabilities and contingencies.

- Distributions to unitholders are recorded when declared by the trustee.

The financial statements of the trust differ from those prepared in conformity with U.S. GAAP because revenues are recognized when received rather than accrued in the month of production, expenses are recognized when paid rather than when incurred, and certain cash reserves may be established by the trustee for contingencies which would not be recorded under U.S. GAAP. This comprehensive basis of accounting other than U.S. GAAP corresponds to the accounting permitted for royalty trusts by the U.S. Securities and Exchange Commission, as specified by Staff Accounting Bulletin Topic 12:E, Financial Statements of Royalty Trusts.

Most accounting pronouncements apply to entities whose financial statements are prepared in accordance with U.S. GAAP, directing such entities to accrue or defer revenues and expenses in a period other than when such revenues were received or expenses were paid. Because the trust’s financial statements are prepared on the modified cash basis, as described above, most accounting pronouncements are not applicable to the trust’s financial statements.

The initial carrying value of the net profits interests of \$61,100,449 represents XTO Energy's historical net book value for the interests on February 12, 1991, the creation date of the trust. Amortization of the net profits interests is calculated on a unit-of-production basis and is charged directly to trust corpus. Accumulated amortization was \$47,443,467 as of September 30, 2011 and \$46,579,102 as of December 31, 2010.

2. Federal Income Taxes

For federal income tax purposes, the trust constitutes a fixed investment trust which is taxed as a grantor trust. A grantor trust is not subject to tax at the trust level. The unitholders are considered to own the trust's income and principal as though no trust were in existence. The income of the trust is deemed to have been received or accrued by each unitholder at the time such income is received or accrued by the trust and not when distributed by the trust.

The net profits interests constitute "economic interests" in oil and gas properties for federal income tax purposes. Unitholders must report their share of the net profits income as ordinary income from oil and gas properties and are entitled to claim depletion with respect to such income. The classification of the trust's income for purposes of the passive loss rules may be important to a unitholder. Net profits income generally is treated as portfolio income and does not offset passive losses.

Some trust units are held by middlemen, 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 customer in street name, collectively referred to herein as "middlemen"). Therefore, the trustee considers the trust to be a non-mortgage widely held fixed investment trust ("WHFIT") for U.S. federal income tax purposes. U.S. Trust, Bank of America Private Wealth Management, EIN: 56-0906609, Post Office Box 830650, Dallas, Texas. 75283-0650, telephone number 1-877-228-5084, email address trustee@crosstimertrust.com, 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. Tax information is also posted by the trustee at www.crosstimertrust.com. Notwithstanding the foregoing, the middlemen holding trust units on behalf of unitholders, 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 trust units, including the issuance of IRS Forms 1099 and certain written tax statements. Unitholders whose trust 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 trust units.

Unitholders should consult their tax advisors regarding trust tax compliance matters.

3. State Taxes

All revenues from the trust are from sources within either Texas, Oklahoma or New Mexico. Oklahoma and New Mexico tax the income of nonresidents from real property located within those states, and the trust has been advised by counsel that those states will each tax nonresidents on income from the net profits interests located in those states. Oklahoma and New Mexico also impose a corporate income tax which may apply to unitholders organized as corporations. Business entities and entities providing limited liability protection, unless otherwise exempt, are currently subject to the Texas franchise tax, which is partly based on federal income tax principles and which would generally include income from the trust. The trust has been advised by counsel that the trust should be currently exempt from the Texas franchise tax as a passive entity.

Each unitholder should consult his or her own tax advisor regarding state tax requirements, if any, applicable to such person's ownership of trust units.

4. Contingencies

Several states have enacted legislation requiring state income tax withholding from nonresident recipients of oil and gas proceeds. After consultation with its tax counsel, the trustee believes that it is not required to withhold on payments made to the unitholders. However, regulations are subject to change by the various states, which could change this conclusion. Should amounts be withheld on payments made to the trust or the unitholders, distributions to the unitholders would be reduced by the required amount, subject to the filing of a claim for refund by the trust or unitholders for such amount.

Item 2. Trustee's Discussion and Analysis.

The following discussion should be read in conjunction with the trustee's discussion and analysis contained in the trust's 2010 Annual Report on Form 10-K, as well as the condensed financial statements and notes thereto included in this Quarterly Report on Form 10-Q. The trust's Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and all amendments to those reports are available on the trust's web site at [www.crosstimbertrust.com](http://www.crosstimbertrust.com).

Distributable Income

Quarter

For the quarter ended September 30, 2011, net profits income was \$5,257,619 compared to \$4,142,789 for third quarter 2010. This 27% increase in net profits income is primarily the result of higher oil and gas prices (\$1.7 million), partially offset by decreased gas sales volumes (\$0.6 million). See "Net Profits Income" on following page.

After considering interest income of \$131 and administration expense of \$91,828, distributable income for the quarter ended September 30, 2011 was \$5,165,922, or \$0.860987 per unit of beneficial interest. Administrative expense for the quarter increased \$12,286 from the prior year quarter. For third quarter 2010, distributable income was \$4,063,290, or \$0.677215 per unit. Distributions to unitholders for the quarter ended September 30, 2011 were:

Record Date	Payment Date	Distribution per Unit
July 29, 2011	August 12, 2011	\$ 0.336788
August 31, 2011	September 15, 2011	0.254539
September 30, 2011	October 17, 2011	0.269660
		\$ 0.860987

### Nine Months

For the nine months ended September 30, 2011, net profits income was \$14,177,476 compared to \$13,011,163 for the same 2010 period. This 9% increase in net profits income is primarily the result of higher oil prices (\$2.0 million), partially offset by decreased gas sales volumes (\$1.0 million). See “Net Profits Income” below.

After considering interest income of \$274 and administration expense of \$357,524, distributable income for the nine months ended September 30, 2011 was \$13,820,226, or \$2.303371 per unit of beneficial interest. For the nine months ended September 30, 2010, distributable income was \$12,645,270, or \$2.107545 per unit.

### Net Profits Income

Net profits income is recorded when received by the trust, which is the month following receipt by XTO Energy and generally two months after oil production and three months after gas production. Net profits income is generally affected by three major factors:

- oil and gas sales volumes,
- oil and gas sales prices, and
- costs deducted in the calculation of net profits income.

Because properties underlying the 90% net profits interests are royalty and overriding royalty interests, the calculation of net profits income from these interests only includes deductions for production and property taxes, legal costs, and marketing and transportation charges. In addition to these costs, the calculation of net profits income from the 75% net profits interests includes deductions for production expense and development costs since the related underlying properties are working interests.

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The following is a summary of the calculation of net profits income received by the trust:

	Three Months			Nine Months		
	Ended September 30 (a) 2011	2010	Increase (Decrease)	Ended September 30 (a) 2011	2010	Increase (Decrease)
<b>Sales Volumes</b>						
<b>Oil (Bbls) (b)</b>						
Underlying properties	50,994	49,192	4%	150,292	148,703	1%
Average per day	554	535	4%	551	545	1%
Net profits interests	29,514	24,421	21%	84,999	75,178	13%
<b>Gas (Mcf) (b)</b>						
Underlying properties	467,079	551,104	(15)%	1,387,085	1,548,653	(10)%
Average per day	5,133	6,056	(15)%	5,081	5,673	(10)%
Net profits interests	413,280	486,840	(15)%	1,224,361	1,363,182	(10)%
<b>Average Sales Prices</b>						
Oil (per Bbl)	\$92.53	\$69.13	34%	\$88.27	\$71.61	23%
Gas (per Mcf)	\$8.07	\$6.54	23%	\$7.27	\$7.23	1%
<b>Revenues</b>						
Oil sales	\$4,718,348	\$3,400,765	39%	\$13,266,380	\$10,648,499	25%
Gas sales	3,769,185	3,606,181	5%	10,080,154	11,201,650	(10)%
Total Revenues	8,487,533	7,006,946	21%	23,346,534	21,850,149	7%
<b>Costs</b>						
Taxes, transportation and other	1,144,178	1,011,950	13%	3,162,677	3,176,436	-
Production expense (c)	1,103,132	1,122,354	(2)%	3,256,477	3,387,559	(4)%
Development costs	116,207	115,678	-	412,210	309,034	33%
Total Costs	2,363,517	2,249,982	5%	6,831,364	6,873,029	(1)%
Net Proceeds	\$6,124,016	\$4,756,964	29%	\$16,515,170	\$14,977,120	10%
Net Profits Income	\$5,257,619	\$4,142,789	27%	\$14,177,476	\$13,011,163	9%

(a) Because of the interval between time of production and receipt of royalty income by the trust, (1) oil and gas sales for the quarter ended September 30 generally represent oil production for the May through July and gas production for the period April through June and (2) oil and gas sales for the nine months ended September 30 generally represent oil production for the period November through July and gas production for the period October through June.

(b) Oil and gas sales volumes are allocated to the net profits interests based upon a formula that considers oil and gas prices and the total amount of production expense and development costs. As product prices change, the trust's share of the production volumes is impacted as the quantity of production to cover expenses in reaching the net profits break-even level changes inversely with price. As such, the underlying property production volume changes may not correlate with the trust's net profit share of those volumes in any given period. Therefore, comparative discussion of oil and gas sales volumes is based on the underlying properties.

(c)

Production expense is primarily from seven working interest properties in the 75% net profits interest. Five of these properties are not operated by XTO Energy or ExxonMobil. Production expense includes an overhead charge which is deducted and retained by the operator. As of September 30, 2011, this charge was \$34,211 per month (including monthly overhead charges of \$2,666 which XTO Energy deducts as operator of the Penwell Unit and \$4,507 which ExxonMobil deducts as operator of the Hewitt Unit) and is subject to adjustment each May based on an oil and gas industry index.

The following are explanations of significant variances on the underlying properties from third quarter 2010 to third quarter 2011 and from the first nine months of 2010 to the comparable period in 2011:

#### Sales Volumes

##### Oil

Oil sales volumes increased 4% for third quarter 2011 and 1% for the first nine months of 2011 as compared with the same 2010 periods primarily because of the timing of cash receipts and increased production from new wells and workovers, partially offset by natural production decline.

##### Gas

Gas sales volumes decreased 15% for third quarter 2011 and 10% for the first nine months of 2011 as compared with the same 2010 periods primarily because of the timing of cash receipts and natural production decline, partially offset by increased production from new wells and workovers.

The rate of natural production decline on the underlying oil and gas properties is approximately 6% to 8% a year.

#### Sales Prices

##### Oil

The average oil price increased 34% to \$92.53 per Bbl for the third quarter and 23% to \$88.27 per Bbl for the nine-month period. Oil prices are expected to remain volatile. The third quarter 2011 oil price is primarily related to production from May through July 2011, when the average NYMEX price was \$98.15 per Bbl. The average NYMEX price for August and September 2011 was \$85.78 per Bbl. At October 13, 2011, the average NYMEX futures price for the following twelve months was \$85.59 per Bbl.

##### Gas

The average gas price increased 23% to \$8.07 per Mcf for the third quarter and 1% to \$7.27 per Mcf for the nine-month period. Natural gas prices are affected by the level of North American production, weather, crude oil and natural gas liquids prices, the U.S. economy, storage levels and import levels of liquefied natural gas. Natural gas prices are expected to remain volatile. The third quarter 2011 gas price is primarily related to production from April through June 2011, when the average NYMEX price was \$4.31 per MMBtu. The average NYMEX price for July through September 2011 was \$4.19 per MMBtu. At October 13, 2011, the average NYMEX futures price for the following twelve months was \$3.98 per MMBtu.

#### Costs

##### Taxes, Transportation and Other

Taxes, transportation and other increased 13% for the third quarter primarily because of increased oil and gas production taxes related to higher oil and gas revenues and increased property taxes related to the timing of expenditures, partially offset by decreased other deductions as a percentage of oil and gas revenues. Taxes, transportation and other remained relatively flat for the nine-month period primarily because increased oil production taxes related to higher oil revenues and increased property taxes related to the timing of expenditures were offset by decreased gas production taxes and other deductions related to lower gas revenues.





#### Production Expense

Production expense was 2% lower for the third quarter primarily because of decreased power and fuel, labor, plugging and abandonment, carbon dioxide injection and chemical and treating costs, partially offset by increased outside operated costs. Production expense was 4% lower for the nine-month period primarily because of decreased carbon dioxide injection, repairs and maintenance, power and fuel, plugging and abandonment and overhead costs on non-operated properties, partially offset by increased outside operated costs.

#### Development

Development costs increased 33% for the nine-month period primarily because of increased activity and costs related to the Texas and Oklahoma properties underlying the 75% net of profits interest.

#### Contingencies

Several states have enacted legislation requiring state income tax withholding from nonresident recipients of oil and gas proceeds. After consultation with its tax counsel, the trustee believes that it is not required to withhold on payments made to the unitholders. However, regulations are subject to change by the various states, which could change this conclusion. Should amounts be withheld on payments made to the trust or the unitholders, distributions to the unitholders would be reduced by the required amount, subject to the filing of a claim for refund by the trust or unitholders for such amount.

#### Forward-Looking Statements

Statements in this report relating to future plans, predictions, events or conditions are forward-looking statements. All statements other than statements of historical fact included in this Form 10-Q including, without limitation, statements regarding the net profits interests, underlying properties, development activities, development, production and other costs and expenses, oil and gas prices and differentials to NYMEX prices, distributions to unitholders and industry and market conditions, are forward-looking statements that are subject to risks and uncertainties which are detailed in Part I, Item 1A of the trust's Annual Report on Form 10-K for the year ended December 31, 2010, which is incorporated by this reference as though fully set forth herein. XTO Energy, ExxonMobil and the trustee assume no duty to update these statements as of any future date.

#### Item 3. Quantitative and Qualitative Disclosures about Market Risk.

There have been no material changes in the trust's market risks from the information disclosed in Part II, Item 7A of the trust's Annual Report on Form 10-K for the year ended December 31, 2010.

#### Item 4. Controls and Procedures.

As of the end of the period covered by this report, the trustee carried out an evaluation of the effectiveness of the trust's disclosure controls and procedures pursuant to Exchange Act Rules 13a-15 and 15d-15. Based upon that evaluation, the trustee concluded that the trust's disclosure controls and procedures are effective in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the trust in the reports that it files or submits under the Securities Exchange Act of 1934 and are effective in ensuring that information required to be disclosed by the trust in the reports that it files or submits under the Securities Exchange Act of 1934 is accumulated and communicated to the trustee to allow timely decisions regarding required disclosure. In its evaluation of disclosure controls and procedures, the trustee has relied, to the extent considered reasonable, on information provided by XTO Energy. There has not been any change in the trust's internal control over financial

reporting during the period covered by this report that has materially affected, or is reasonably likely to materially affect, the trust's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1.

Not applicable.

Item 1A. Risk Factors.

There have been no material changes in the risk factors disclosed under Part I, Item 1A of the trust's Annual Report on Form 10-K for the year ended December 31, 2010.

Items 2 through 5.

Not applicable.

Item 6. Exhibits.

(a) Exhibits.

Exhibit Number  
and Description

(31)	Rule 13a-14(a)/15d-14(a) Certification
(32)	Section 1350 Certification
(99)	Items 1A, 7 and 7A to the Annual Report on Form 10-K for Cross Timbers Royalty Trust filed with the Securities and Exchange Commission on February 24, 2011 (incorporated herein by reference)

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.

CROSS TIMBERS ROYALTY TRUST  
By BANK OF AMERICA, N.A., TRUSTEE

By /s/ Nancy G. Willis  
Nancy G. Willis  
Vice President

EXXON MOBIL CORPORATION

Date: October 27, 2011

By /s/ Patrick T. Mulva  
Patrick T. Mulva  
Vice President and Controller