Texas Pacific Land Trust

REPORT

for the

Year Ended December 31, 2012

Texas Pacific Land Trust

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for the

Year Ended December 31, 2012

TEXAS PACIFIC LAND TRUST

1700 Pacific Avenue, Suite 2770

Dallas, Texas 75201

To Sub-share and Certificate Holders:

In 2012, the Trust had earnings per sub-share of $2.20, only one cent less than the record setting year of 2011. The Trust continues to see increased oil and gas production activity in areas where royalty interests are held, due in part to the enhanced technology now available.

In December 2012, the Trust declared and paid a dividend of $.25 per sub-share. This took the place of the dividend normally paid in March and represents the tenth consecutive annual dividend increase.

Land sales in 2012 were $5,809,747 compared to $11,873,112 in 2011. These sales represented 17.8% of the Trust's income and interest income earned from investments in 2012, compared to 34.6% in 2011. The Trust sold a total of 7,252 acres located in seven of the eighteen counties in which surface ownership is held. Because land sales may vary significantly from year to year, the total dollar volume of such sales in any one year should not be assumed to be indicative of sales in the future.

2012 income (exclusive of land sales) and interest income earned from investments were $26,797,144 and consisted of the following:

- Oil and gas royalty revenue of $14,670,915 compared to $14,685,502 in 2011, a decrease of 0.1%. Crude oil production was up 5.8%, but the average price per barrel was 1.8% below that of 2011. Total gas production in 2012 increased 26.0% compared to 2011; however, the average price decreased 31.7% in the same period.
- In 2012, interest on notes receivable was $706,252, down from $879,749 in 2011. In the same period interest on investments was $19,435, up slightly from $18,528 in 2011.

- Other revenues for 2012 totaled $11,400,542, consisting of $488,694 from grazing lease rentals and $10,911,848 from easements and sundry income. Grazing lease rental income was down 2.1% from 2011. Easements and sundry income increased 71.5% from 2011 due to a continued increase in drilling and exploration activity on land owned by the Trust.

The Trust received total cash principal payments on notes receivable of $2,596,919 in 2012, which included $940,145 of prepaid principal. At 2012 year end, the principal amount of notes receivable from land sales was $8,370,984 compared to $10,354,103 at 2011 year end.

Total expenses for 2012 were $12,959,073, which include Federal and state taxes of $10,616,825. The comparable 2011 figures were $13,724,267 and $11,084,100, respectively.

In 2012, the Trust purchased and retired 380,156 sub-shares for $20,183,747, or an average price of $53.09 per sub-share. The number of sub-shares purchased and retired in 2012 amounted to 4.1% of the total number of sub-shares outstanding on December 31, 2011. During 2012, the market price of sub-shares on the New York Stock Exchange ranged from a low of $39.86 to a high of $61.51. It will continue to be the practice of the Trust to purchase and cancel outstanding certificates and sub-shares as provided in Article Seventh of the Declaration of Trust. These purchases are generally made in the open market and there is no arrangement, contractual or otherwise, with any person for any such purchase. The Trust may negotiate prices on unsolicited blocks of sub-shares which it may be offered.

The range of reported sales prices for sub-shares on the New York Stock Exchange for each calendar quarter during the past two years was as follows:

	2012		2011	
	High	Low	High	Low
1st quarter	$47.67	$39.86	$47.82	$35.05
2nd quarter	$61.51	$47.32	$49.54	$42.26
3rd quarter	$60.94	$53.36	$47.10	$34.76
4th quarter	$59.50	$52.00	$43.89	$33.62

Certificates of proprietary interest and sub-shares are interchangeable in the ratio of one certificate for 3,000 sub-shares or 3,000 sub-shares for one certificate of proprietary interest.

There follows a report dated February 26, 2013 by Mr. Roy Thomas, the General Agent of the Trustees, showing the operations of the Trust for 2012.

Maurice Meyer III,

John R. Norris III,

James K. Norwood,

Trustees.

To Messrs.

Maurice Meyer III
John R. Norris III } Trustees,
James K. Norwood

GENTLEMEN:

The following is a report of the operations in connection with the properties of Texas Pacific Land Trust for the year 2012. A summary of land sales is shown in the table below:

LAND TRANSACTIONS — 2012

County	*Acres*	*Consideration*	*Cash*	*Deferred Payments*
Land sales:				
Ector	545.60	$ 818,400.00	$ 204,600.00	$613,800.00
Glasscock	1,920.00	1,344,000.00	1,344,000.00	0.00
Howard	606.21	424,347.00	424,347.00	0.00
Loving	640.00	1,000,000.00	1,000,000.00	0.00
Reagan	1,280.00	704,000.00	704,000.00	0.00
Reeves	980.00	815,000.00	815,000.00	0.00
Sterling	1,280.00	704,000.00	704,000.00	0.00
Total	7,251.81	$5,809,747.00	$5,195,947.00	$613,800.00

NET CHANGES IN ACREAGE

County	*Land Sales*	*Exchange of Property*		*Total*
Ector	545.60–			545.600–
Glasscock	1,920.00–			1,920.000–
Howard	606.21–			606.210–
Hudspeth		1,215.00–	1,307.438+	92.438+
Loving	640.00–			640.000–
Reagan	1,280.00–			1,280.000–
Reeves	980.00–			980.000–
Sterling	1,280.00–			1,280.000–
Total	7,251.81–	1,215.00–	1,307.438+	7,159.372–

Of the $5,809,747 received by the Trust from 2012 land sales, $5,195,947 (89.4%) was in cash with a deferred balance of $613,800, in the aggregate, payable in annual installments over fifteen years at an annual interest rate of 7.5%. The land sold in 2012 was rural ranch type located in Ector, Glasscock, Howard, Loving, Reagan, Reeves and Sterling counties. Sales were to ranchers or to oil producers. Land sales totaled 7,251.81 acres and averaged $801 per acre. In Hudspeth County the Trust completed an exchange of 1,215 acres for 1,307.438 acres.

COMPARATIVE STATEMENT OF TAXES
For The Past Two Years

Taxes	2012	2011	*Percentage Increase + Decrease –*
Income	$ 9,675,068	$10,161,149	4.8 –
Ad valorem	128,391	102,625	25.1 +
Crude oil and gas production	756,076	769,807	1.8 –
Payroll and other taxes	57,290	50,519	13.4 +
Total	$10,616,825	$11,084,100	4.2 –

GRAZING LEASES

Grazing lease rental revenue was $488,694 in 2012, an average of 53.8¢ per acre, compared to $499,400 in 2011, an average of 55.6¢ per acre. At year end, grazing leases were in effect on 908,019 acres (99%) of the Trust's lands.

LOCATION OF UNSOLD LANDS AND NONPARTICIPATING PERPETUAL ROYALTY INTERESTS

As of December 31, 2012

	ACREAGE		
County	*Surface*	*1/128 Royalty*	*1/16 Royalty*
Callahan			80.00
Coke			1,183.50
Crane	4,007.56	264.65	5,198.15
Culberson	299,894.39		111,513.14
Ector	19,887.46	33,633.45	11,792.88
El Paso	16,628.86		
Fisher			320.00
Glasscock	21,467.00	3,600.00	11,110.91
Howard	5,013.64	3,098.54	2,320.00
Hudspeth	156,045.88		1,008.00
Jeff Davis	14,304.87		7,554.65
Loving	73,791.51	6,106.66	48,066.00
Martin			320.00
Midland	37,357.85	13,425.00	15,360.00
Mitchell	1,599.00	1,760.00	585.91
Nolan	1,600.00	2,487.73	3,157.43
Palo Pinto			800.00
Pecos	43,407.12	320.00	16,895.31
Presidio			3,200.00
Reagan		6,162.15	1,273.63
Reeves	187,166.87	3,013.34	116,690.98
Stephens		2,817.33	160.00
Sterling	5,232.46	640.00	2,080.00
Taylor	689.73		966.00
Upton	25,717.82	6,903.00	9,100.60
Winkler	7,803.69	1,181.75	3,040.00
Total	921,615.71	85,413.60	373,777.09

A map showing the general location of the above described surface acreage appears on the last page of this Report.

OIL AND GAS

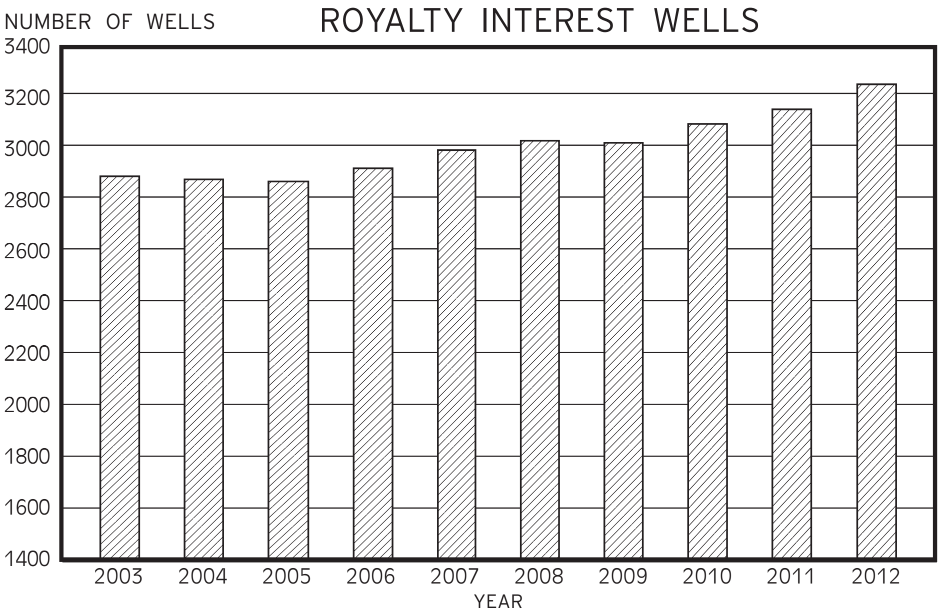
Oil and gas royalty revenue in 2012 was $14,670,915, down just fractionally compared to $14,685,502 in 2011. In 2012, oil royalty revenue was $11,870,354, up 3.8%, and gas royalty revenue was $2,800,561, down 13.9%, compared to 2011. Gas royalty revenue amounted to 19.1% of total oil and gas royalty revenue in 2012 compared to 22.1% in 2011.

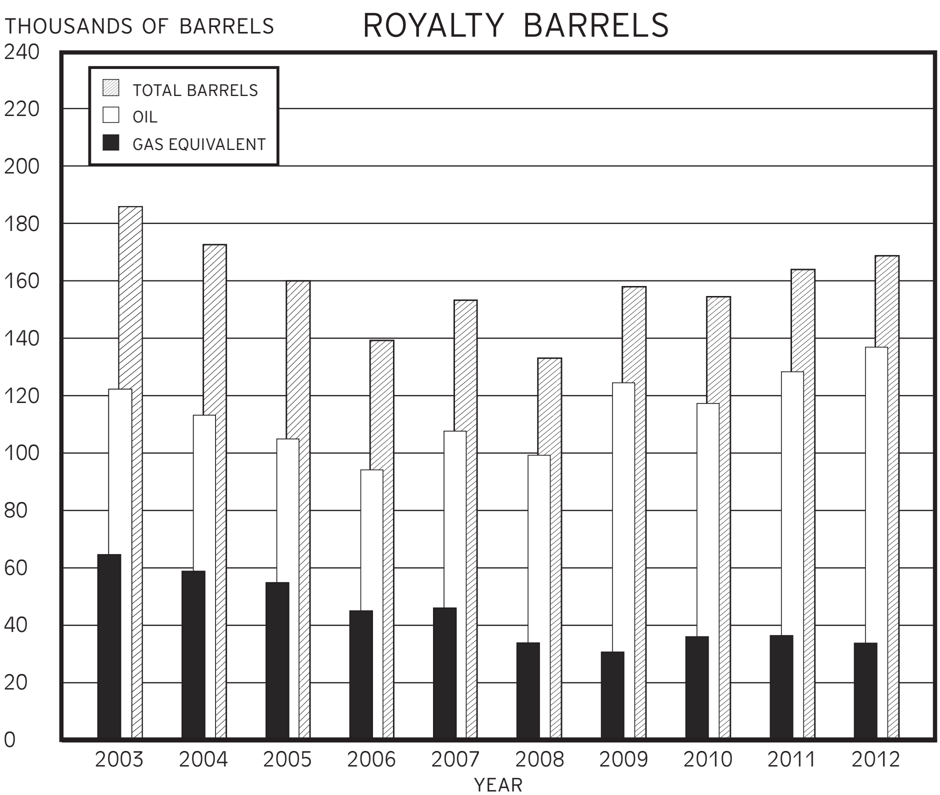
Crude oil production increased 5.8% in 2012 compared to 2011. The average price received in 2012 was $87.56 per barrel compared to $89.21 in 2011. Gas production increased 26.0% in 2012. The average price of gas decreased to $3.88 per MCF in 2012 from $5.68 in 2011. State oil and gas production taxes were $756,076 in 2012 compared to $769,807 in 2011.

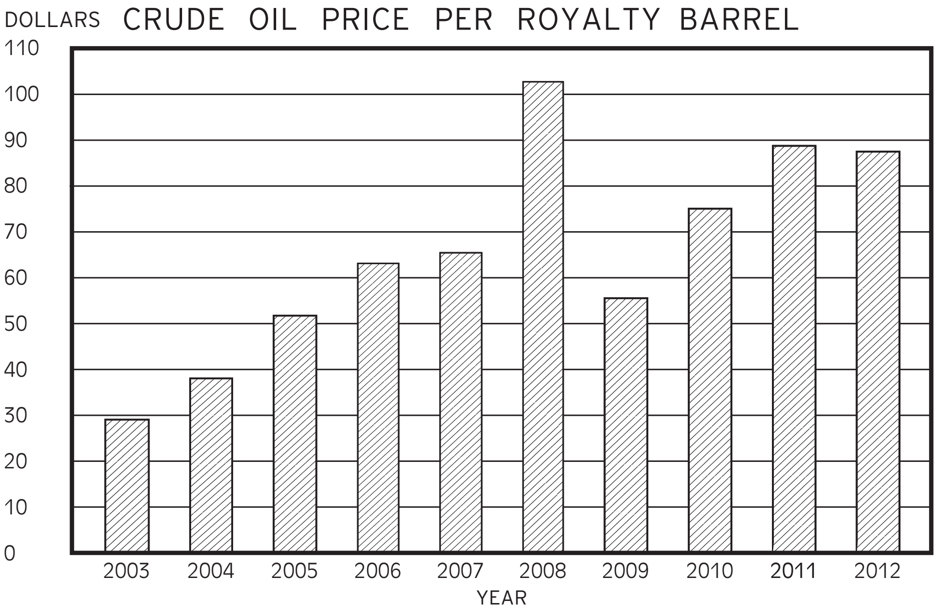
Total production increased by 7,391 oil royalty barrels and decreased by 4,099 gas equivalent royalty barrels as shown in the two-year comparison of royalty barrels and royalty revenue.

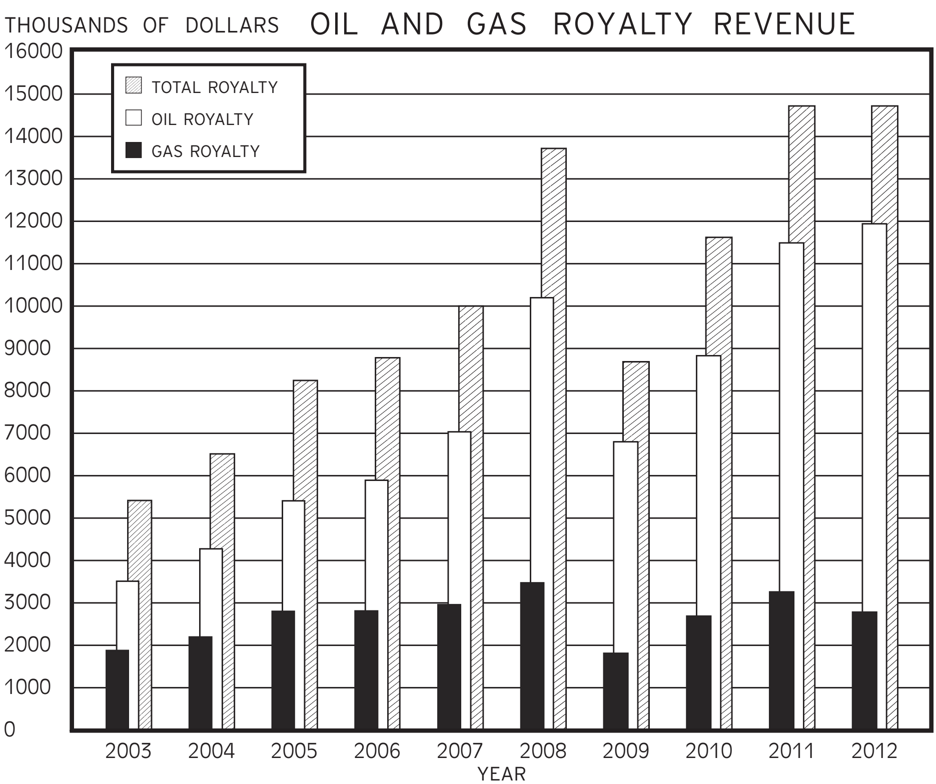
	Royalty Production	
	2012	*2011*
Oil, Bbls.	135,561	128,170
Gas, Mcf.	721,560	572,506
Gas, Bbls. Equiv.	31,984	36,083
Total, Bbls. Equiv.	167,545	164,253

	Royalty Revenue	
	2012	*2011*
Oil	$11,870,354	$11,434,640
Gas	$ 2,800,561	$ 3,250,862
Total	$14,670,915	$14,685,502


NUMBER OF WELLS
ROYALTY INTEREST WELLS
3400
3200
3000
2800
2600
2400
2200
2000
1800
1600
1400
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
YEAR


THOUSANDS OF BARRELS
ROYALTY BARRELS
TOTAL BARRELS
OIL
GAS EQUIVALENT
240
220
200
180
160
140
120
100
80
60
40
20
0
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
YEAR


DOLLARS
CRUDE OIL PRICE PER ROYALTY BARREL
110
100
90
80
70
60
50
40
30
20
10
0
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
YEAR


THOUSANDS OF DOLLARS
OIL AND GAS ROYALTY REVENUE
TOTAL ROYALTY
OIL ROYALTY
GAS ROYALTY
16000
15000
14000
13000
12000
11000
10000
9000
8000
7000
6000
5000
4000
3000
2000
1000
0
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
YEAR

NEW WELLS DEVELOPED DURING 2012
SUBJECT TO THE TRUST'S NONPARTICIPATING
PERPETUAL ROYALTY INTEREST

County and Field	NUMBER OF WELLS *1/128* Royalty*	NUMBER OF WELLS *1/16* Royalty*
CULBERSON COUNTY		
Ford, West-4,100' — Cherry Canyon Sand		8
ECTOR COUNTY		
Azalea — Strawn		1
Bradford Ranch — Strawn		1
Goldsmith — Clearfork	16	
Mosswell — 8,720' Strawn		1
Sallie Ann — Spraberry — Wolfcamp	1	1
Spraberry — Strawn		1
Spraberry Trend Area		2
GLASSCOCK COUNTY		
Blalock Lake, Southeast — Wolfcamp		1
LOVING COUNTY		
Sandbar — Bonespring		3
MIDLAND COUNTY		
Azalea — Strawn		3
Bradford Ranch — Strawn		3
Spraberry Trend Area		1
Virey — Spraberry	3	
REEVES COUNTY		
Hoban — Wolfcamp		1
Wolfbone Trend Area		1
STEPHENS COUNTY		
Stephens County Regular	2	
UPTON COUNTY		
Amacker Tippett N — Strawn		3
King Mountain North — Strawn		4
Pegasus — Wolfcamp	1	
Spraberry Trend Area		16
	23	51

* *Subject to adjustment for unitization or producing units.*

Seventy-four oil wells were completed in 2012 at producing depths ranging from 3,228 feet to 13,217 feet and were assigned an average allowable of 97 barrels of oil per well per day.

Two wells located in Ector and Loving counties were reworked and completed in different producing formations. Two depleted wells were plugged and abandoned.

At the end of 2012, the Trust had 3,237 royalty wells consisting of 960 oil and 60 gas wells, subject to a 1/16 royalty interest, and 2,150 oil and 67 gas wells, subject to a 1/128 royalty interest.

Respectfully submitted,

ROY THOMAS,
General Agent

Dallas, Texas
February 26, 2013

FIVE YEAR STATEMENT OF INCOME
AND SELECTED FINANCIAL DATA

Income:

Oil and gas royalties
Grazing lease rentals
Land sales
Interest income from notes receivable
Easements and sundry income

Expenses:

Taxes, other than income taxes
Salaries and related employee benefits
General expense, supplies and travel
Basis in real estate sold
Legal and professional fees
Depreciation
Trustees' compensation

Operating income

Interest income earned from investments

Income before income taxes

Income taxes

Net income

Net income per Sub-share Certificate

Cash dividends per Sub-share Certificate

Total assets, exclusive of all property with no assigned value

Year Ended December 31,				
2012	2011	2010	2009	2008
$14,670,915	$14,685,502	$11,573,563	$ 8,686,187	$13,694,843
488,694	499,400	506,211	492,802	482,193
5,809,747	11,873,112	2,738,070	523,010	823,440
706,252	879,749	1,082,019	1,216,480	1,361,364
10,911,848	6,362,745	4,166,102	2,166,381	2,934,426
32,587,456	34,300,508	20,065,965	13,084,860	19,296,266
941,757	922,951	775,380	611,448	898,619
1,106,599	1,002,489	1,003,748	999,116	890,077
601,590	571,705	537,127	519,613	572,947
—	36,445	—	—	—
609,555	1,008,853	1,327,845	913,206	1,313,600
16,504	12,675	15,391	42,141	36,803
8,000	8,000	8,000	8,000	8,000
3,284,005	3,563,118	3,667,491	3,093,524	3,720,046
29,303,451	30,737,390	16,398,474	9,991,336	15,576,220
19,435	18,528	25,707	53,427	228,746
29,322,886	30,755,918	16,424,181	10,044,763	15,804,966
9,675,068	10,161,149	5,115,470	3,130,720	4,865,193
$19,647,818	$20,594,769	$11,308,711	$ 6,914,043	$10,939,773
$2.20	$2.21	$1.17	$.69	$1.06
$.48*	$.21	$.20	$.19	$.18
$21,186,872	$27,432,257	$24,989,360	$26,787,620	$30,785,034

* *Includes a cash dividend of $.25 per sub-share which would customarily have been paid in 2013, but was accelerated into 2012.*

BALANCE SHEETS

December 31, 2012 and 2011

ASSETS

	2012	2011
Cash and cash equivalents	$ 8,424,907	$13,029,578
Accrued receivables	2,700,855	2,793,288
Other assets	82,082	82,057
Prepaid income taxes	416,882	—
Notes receivable for land sales ($1,801,666 due in 2013 and $1,707,767 due in 2012) (note 2)	8,370,984	10,354,103
Water wells, vehicles, furniture, and equipment — at cost less accumulated depreciation	66,103	48,172
Real estate acquired (notes 2 and 4)	1,125,059	1,125,059
Real estate and royalty interests assigned through the 1888 Declaration of Trust, no value assigned (note 2):		
Land (surface rights) situated in eighteen counties in Texas — 911,491 acres in 2012 and 918,650 acres in 2011	—	—
Town lots in Loraine and Morita, Texas — 318 lots in 2012 and 2011	—	—
1/16 nonparticipating perpetual royalty interest in 373,777.09 acres	—	—
1/128 nonparticipating perpetual royalty interest in 85,413.60 acres	—	—
Total assets	$21,186,872	$27,432,257

(Continued)

BALANCE SHEETS

December 31, 2012 and 2011

LIABILITIES AND CAPITAL

	2012	2011
Accounts payable and accrued expenses	$ 1,075,256	$ 1,079,310
Income taxes payable	240,887	1,380,212
Other taxes payable	108,816	97,707
Unearned revenue (note 2)	1,017,693	834,120
Deferred taxes (note 6)	2,274,496	2,953,703
Pension plan liability (note 5)	873,579	539,971
Total liabilities	5,590,727	6,885,023
Commitments and contingencies (note 7)	—	—
Capital (notes 1, 2 and 8):		
Certificates of Proprietary Interest, par value $100 each; outstanding 0 Certificates	—	—
Sub-share Certificates in Certificates of Proprietary Interest, par value $.03 1/3 each; outstanding 8,795,258 Sub-shares in 2012 and 9,175,414 Sub-shares in 2011	—	—
Accumulated other comprehensive income (loss)	(953,965)	(834,314)
Net proceeds from all sources	16,550,110	21,381,548
Total capital	15,596,145	20,547,234
Total liabilities and capital	$21,186,872	$27,432,257

See accompanying notes to financial statements.

STATEMENTS OF INCOME AND TOTAL COMPREHENSIVE INCOME

Years Ended December 31, 2012, 2011 and 2010

	2012	2011	2010
Income:			
Oil and gas royalties	$14,670,915	$14,685,502	$11,573,563
Grazing lease rentals	488,694	499,400	506,211
Land sales	5,809,747	11,873,112	2,738,070
Interest income from notes receivable	706,252	879,749	1,082,019
Easements and sundry income	10,911,848	6,362,745	4,166,102
	32,587,456	34,300,508	20,065,965
Expenses:			
Taxes, other than income taxes	941,757	922,951	775,380
Salaries and related employee benefits	1,106,599	1,002,489	1,003,748
General expense, supplies, and travel	601,590	571,705	537,127
Basis in real estate sold	—	36,445	—
Legal and professional fees	609,555	1,008,853	1,327,845
Depreciation	16,504	12,675	15,391
Trustees' compensation	8,000	8,000	8,000
	3,284,005	3,563,118	3,667,491
Operating income	29,303,451	30,737,390	16,398,474
Interest income earned from investments	19,435	18,528	25,707
Income before income taxes	29,322,886	30,755,918	16,424,181
Income taxes (note 6):			
Current	10,287,844	11,318,631	5,545,503
Deferred	(612,776)	(1,157,482)	(430,033)
	9,675,068	10,161,149	5,115,470
Net income	$19,647,818	$20,594,769	$11,308,711
Amortization of net actuarial costs and prior service costs, net of income taxes of $42,812, $24,467, and $20,989 respectively	79,507	45,438	38,979
Net actuarial loss on pension plan net of income taxes of $(109,244), $(196,015), and $(35,729) respectively	(199,158)	(364,028)	(66,355)
Total other comprehensive loss	(119,651)	(318,590)	(27,376)
Total comprehensive income	$19,528,167	$20,276,179	$11,281,335
Net income per Sub-share Certificate	$2.20	$2.21	$1.17

See accompanying notes to financial statements.

STATEMENTS OF NET PROCEEDS FROM ALL SOURCES

Years Ended December 31, 2012, 2011 and 2010

	Sub-share Certificates of Proprietary Interest	Accumulated Other Comprehensive Income (Loss)	Net Proceeds From All Sources	Total
Balances at December 31, 2009	9,894,514	$(488,348)	$ 20,192,345	$ 19,703,997
Net income	—	—	11,308,711	11,308,711
Periodic pension costs, net of income taxes of $14,740	—	(27,376)	—	(27,376)
Cost of 346,070 Sub-share Certificates in Certificates of Proprietary Interest purchased and cancelled	(346,070)	—	(10,715,045)	(10,715,045)
Dividends paid — $.20 per Sub-share Certificate	—	—	(1,968,061)	(1,968,061)
Balances at December 31, 2010	9,548,444	(515,724)	18,817,950	18,302,226
Net income	—	—	20,594,769	20,594,769
Periodic pension costs, net of income taxes of $171,548	—	(318,590)	—	(318,590)
Cost of 373,030 Sub-share Certificates in Certificates of Proprietary Interest purchased and cancelled	(373,030)	—	(16,030,938)	(16,030,938)
Dividends paid — $.21 per Sub-share Certificate	—	—	(2,000,233)	(2,000,233)
Balances at December 31, 2011	9,175,414	(834,314)	21,381,548	20,547,234
Net income	—	—	19,647,818	19,647,818
Periodic pension costs, net of income taxes of $66,432	—	(119,651)	—	(119,651)
Cost of 380,156 Sub-share Certificates in Certificates of Proprietary Interest purchased and cancelled	(380,156)	—	(20,183,747)	(20,183,747)
Dividends paid — $.48 per Sub-share Certificate	—	—	(4,295,509)	(4,295,509)
Balances at December 31, 2012	8,795,258	$(953,965)	$ 16,550,110	$ 15,596,145

See accompanying notes to financial statements.

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2012, 2011 and 2010

	2012	2011	2010
Cash flows from operating activities:			
Net income	$ 19,647,818	$ 20,594,769	$ 11,308,711
Adjustments to reconcile net income to net cash provided by operating activities:			
Deferred taxes	(679,207)	(1,329,030)	(444,773)
Depreciation and amortization	16,504	12,675	15,391
(Gain) loss on disposal of fixed assets	2,470	(1,424)	2,884
Changes in operating assets and liabilities:			
Accrued receivables and other assets	92,408	(637,244)	(534,636)
Income taxes payable	(1,139,325)	1,230,979	(48,854)
Prepaid income taxes	(416,882)	57,893	(57,893)
Notes receivable for land sales	1,983,119	3,988,795	1,386,027
Real estate acquired	—	36,445	—
Accounts payable, accrued expenses and other liabilities	404,585	(22,650)	69,762
Net cash provided by operating activities	19,911,490	23,931,208	11,696,619
Cash flows from investing activities:			
Proceeds from sale of fixed assets	13,500	17,250	12,500
Purchase of fixed assets	(50,405)	(37,261)	(27,670)
Net cash used in investing activities	(36,905)	(20,011)	(15,170)
Cash flows from financing activities:			
Purchase of Sub-share Certificates in Certificates of Proprietary Interest	(20,183,747)	(16,030,938)	(10,715,045)
Dividends paid	(4,295,509)	(2,000,233)	(1,968,061)
Net cash used in financing activities	(24,479,256)	(18,031,171)	(12,683,106)
Net increase (decrease) in cash and cash equivalents	(4,604,671)	5,880,026	(1,001,657)
Cash and cash equivalents, beginning of period	13,029,578	7,149,552	8,151,209
Cash and cash equivalents, end of period	$ 8,424,907	$ 13,029,578	$ 7,149,552

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 2012, 2011 and 2010

(1) Nature of Operations

Texas Pacific Land Trust (Trust) was organized under a Declaration of Trust, dated February 1, 1888, to receive and hold title to extensive tracts of land in the State of Texas, previously the property of the Texas and Pacific Railway Company, and to issue transferable Certificates of Proprietary Interest pro rata to the original holders of certain debt securities of the Texas and Pacific Railway Company.

The Trust is organized to manage land, including royalty interests, for the benefit of its owners. The Trust's income is derived primarily from land sales, oil and gas royalties, grazing and sundry leases, interest on notes receivable, and interest on investments.

(2) Summary of Significant Accounting Policies

(a) *Basis of Presentation*

These financial statements are presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The most significant accounting policies include the valuation of real estate and royalty interests assigned through the 1888 Declaration of Trust and revenue recognition policies.

(b) *Use of Estimates*

The preparation of financial statements in accordance with the accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

(c) Revenue Recognition

Oil and gas royalties

Oil and gas royalties (royalties) are received in connection with royalty interests owned by the Trust. Royalties are recognized as revenue when crude oil and gas products are removed from the respective mineral reserve locations. Royalty payments are generally received one to three months after the crude oil and gas products are removed. An accrual is included in accrued receivables for amounts not received during the month removed based on historical trends.

The Trust has analyzed public reports of drilling activities by the oil companies with which it has entered into royalty interest leases in an effort to identify unpaid royalties associated with royalty interests owned by the Trust. Rights to certain royalties believed by the Trust to be due and payable may be subject to dispute with the oil company involved as a result of disagreements with respect to drilling and related engineering information. Disputed royalties are recorded when these contingencies are resolved.

Grazing lease rentals

The Trust leases land to the ranching industry for grazing purposes. Lease income is recognized when earned. These leases generally require fixed annual payments and terms range from three to five years. Lease cancellations are allowed. Advance lease payments are deferred (unearned revenue) and amortized over the appropriate accounting period. Lease payments not paid are recorded as accrued receivables.

Land sales

Income is recognized on land sales during the periods in which such sales are closed and sufficient amounts of cash down payments are received using the full accrual method of gain recognition. For income tax purposes, land sales are recognized on the installment method. The sales price of land sales are reflected as income and the cost (basis) of the respective parcels of land are reflected as expenses as these parcels of land are not primarily held as income-producing "operating" properties.

Interest income from notes receivable

Interest income is recognized when earned, using the simple interest method. Accrued interest not received is reflected in accrued receivables.

Easements and sundry income

Easement contracts represent contracts which permit companies to install pipe lines, pole lines and other equipment on land owned by the Trust. Easement income is recognized when the Trust receives a signed contract and when the Trust makes available the respective parcel of land to the grantee.

Sundry income represents leasing arrangements to companies in a wide array of industries, including: agricultural, oil and gas, construction, wind power and other industries. Lease income is recognized when earned. These leases generally require fixed annual payments or royalties. Lease terms generally range from month-to-month arrangements to ten years. Lease cancellations are allowed.

Advance lease payments are deferred and amortized over the appropriate accounting period. Lease payments not paid are included in accrued receivables.

(d) *Statements of Cash Flows*

Cash and cash equivalents consist of bank deposit and savings accounts. The Trust considers all highly liquid debt instruments with original maturities of three months or less to be cash equivalents. At times the cash may exceed federally insured limits. The Trust maintains its cash and cash equivalents in two large financial institutions. The Trust monitors the credit quality of these institutions and does not anticipate any losses.

Cash disbursed for income taxes in 2012, 2011 and 2010 was $11,844,051, $10,029,759, and $5,652,250, respectively. New loans made by the Trust in connection with land sales amounted to $613,800, $174,750, and $0 for the years ended December 31, 2012, 2011 and 2010, respectively.

(e) *Accrued Receivables*

Accrued receivables consist primarily of amounts due under oil and gas royalty leases and unpaid interest on notes receivable for land sales. Accrued receivables are reflected at their net realizable value based on historical royalty and interest receipt information and other factors anticipated to affect valuation. A valuation allowance is recorded if amounts expected to be received are considered impaired. No allowance was considered necessary at December 31, 2012 and 2011.

(f) Depreciation

Provision for depreciation of depreciable assets is made by charges to income at straight-line and accelerated rates considered to be adequate to amortize the cost of such assets over their useful lives, which generally range from three to five years. Accumulated depreciation as of December 31, 2012 and 2011 is $104,192 and $99,387, respectively.

(g) *Notes Receivable for Land Sales*

Notes receivable for land sales (notes receivable) consists of installment notes received as partial payment on land sales and are reflected at the principal amounts due net of an allowance for loan losses, if any. The Trust generally receives cash payments on land sales of 25% or more. Thereafter, annual principal and interest payments are required by the Trust. Notes receivable bear interest rates ranging from 7.0% to 9.0%

as of December 31, 2012 and are secured by first lien deeds of trust on the properties sold. The weighted average interest rate is 7.2% as of December 31, 2012. The annual installments on notes are generally payable over terms of 10 to 15 years. There is no penalty for prepayment of principal, and prepayments in 2012, 2011 and 2010 were $940,145, $2,683,841, and $60,417, respectively. The interest rates on notes receivable are considered comparable with current rates on similar land sales and, accordingly, the carrying value of such notes receivable approximates fair value.

Management of the Trust monitors delinquencies to assess the propriety of the carrying value of its notes receivable. Accounts are considered delinquent thirty days after the contractual due dates. At the point in time that notes receivable become delinquent, management reviews the operations information of the debtor and the estimated fair value of the collateral held as security to determine whether an allowance for losses is required. There was no allowance for uncollectible notes receivable at December 31, 2012 and 2011.

Three customers represented approximately 80% of notes receivable at December 31, 2012 and 84% at December 31, 2011.

The maturities of notes receivable for each of the five years subsequent to December 31, 2012 are:

Year ending December 31,	Amount
2013	$1,801,666
2014	1,778,036
2015	772,704
2016	668,575
2017	717,660
Thereafter	2,632,343
	$8,370,984

(h) *Real Estate Acquired*

While the Trust is generally not a purchaser of land, parcels are purchased from time to time at the discretion of the Trustees. Newly acquired real estate is recorded at cost.

Real estate acquired through foreclosure is recorded at the aggregate of the outstanding principal balance, accrued interest, past due ad valorem taxes, and other fees incurred relating to the foreclosure.

Real estate acquired is carried at the lower of cost or market. Valuations are periodically performed or obtained by management whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairments, if any, are recorded by a charge to net income and a valuation allowance if the carrying value of the property exceeds its estimated fair value. Minimal, if any, real estate improvements are made to land.

(i) *Real Estate and Royalty Interests Assigned Through the 1888 Trust Indenture*

The fair market value of the Trust's land and royalty interests was not determined in 1888 when the Trust was formed; therefore, no value is assigned to the land, town lots, royalty interests, Certificates of Proprietary Interest, and Sub-share Certificates in Certificates of Proprietary Interest in the accompanying balance sheets. Consequently, in the statements of income and total comprehensive income, no allowance is made for depletion and no cost is deducted from the proceeds of original land sales. Even though the 1888 value of real properties cannot be precisely determined, it has been concluded that the effect of this matter can no longer be significant to the Trust's financial position or results of operations. For Federal income tax purposes, however, deductions are made for depletion, computed on the statutory percentage basis of income received from royalties. Minimal, if any, real estate improvements are made to land.

(j) *Net Income per Sub-share*

The cost of Sub-share Certificates purchased and retired is charged to net proceeds from all sources. Net income per Sub-share Certificate is based on the weighted average number of Sub-share Certificates in Certificates of Proprietary Interest and equivalent Sub-share Certificates of Proprietary Interest outstanding during each period (8,939,045 in 2012, 9,336,998 in 2011 and 9,679,921 in 2010).

(k) *Income Taxes*

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry-forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

When tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would be ultimately sustained. The benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold are measured as the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above is reflected as a liability for unrecognized tax benefits in the accompanying balance sheet along with any associated interest and penalties that would be payable to the taxing authorities upon examination. The liability for unrecognized tax benefits is zero at December 31, 2012 and 2011.

(l) *Recent Accounting Pronouncements*

In January 2010, the FASB issued ASU No. 2010-06, *Fair Value Measurements and Disclosures (Topic 820) — Improving Disclosures about Fair Value Measurements* ("ASU 2010-06"). This update requires the following new disclosures: (i) the amounts of significant transfers in and out of Level 1 and Level 2 fair value measurements and a description of the reasons for the transfers; and (ii) a reconciliation for fair value measurements using significant unobservable inputs (Level 3), including separate information about purchases, sales, issuances, and settlements. The update also clarifies existing requirements about fair value measurement disclosures and disclosures about inputs and valuation techniques. The new disclosures and clarifications of existing disclosures were effective for interim and annual reporting periods beginning after December 15, 2009, except for the reconciliation of Level 3 activity, which was effective for the Company in the first quarter of 2011. Adoption of this guidance had no effect on the Company's results of operations, financial position and cash flows.

In June 2011, the FASB issued Accounting Standards Update No. 2011-05, *"Comprehensive Income (Topic 220): Presentation of Comprehensive Income"* ("ASU 2011-05"). ASU 2011-05 amends existing guidance by allowing only two options for presenting the components of net income and other comprehensive income: (1) in a single continuous financial statement, statement of comprehensive income or (2) in two separate but consecutive financial statements, consisting of an income statement followed by a separate statement of other comprehensive income. ASU No. 2011-05 requires retrospective application, and it is effective for fiscal years beginning after December 15, 2011. We adopted the provisions of ASU 2011-05 as of January 1, 2012 using the single continuous statement presentation. The adoption of this guidance did not have a material effect on our financial statements.

No other effective or pending accounting pronouncements are expected to affect the Trust.

(m) *Comprehensive Income (Loss)*

Comprehensive income (loss) consists of net income and other gains and losses affecting capital that, under accounting principles generally accepted in the United States of America, are excluded from net income.

(3) Segment Information

Segment information has been considered in accordance with applicable accounting standards. GAAP suggests using a management approach based on the way that management organizes the segments within the enterprise for making operating decisions and assessing performance. The Trust's management views its operations as one segment and believes the only significant activity is managing the land, which was conveyed to the Trust in 1888. Managing the land includes sales and leases of such land, and the retention of oil and gas royalties. The cost structure of the Trust is centralized and not segmented.

(4) Real Estate Acquired

Real estate acquired included the following activity for the years ended December 31, 2012 and 2011:

	2012		*2011*	
	Acres	*Book Value*	*Acres*	*Book Value*
Balance at January 1:	10,124.78	$1,125,059	10,793.23	$1,161,504
Additions	—	—	—	—
Sales	—	—	(668.45)	(36,445)
Balance at December 31:	10,124.78	$1,125,059	10,124.78	$1,125,059

No valuation allowance was necessary at December 31, 2012 and 2011.

(5) Employee Benefit Plans

The Trust has a defined contribution plan available to all regular employees having one or more years of continuous service. Contributions are at the discretion of the Trustees of the Trust. The Trust contributed $42,454, $38,918, and $43,824, in 2012, 2011, and 2010, respectively.

The Trust has a noncontributory pension plan (Plan) available to all regular employees having one or more years of continuous service. The Plan provides for normal retirement at age 65. Contributions to the Plan reflect benefits attributed to employees' services to date, as well as services expected in the future.

The following table sets forth the Plan's changes in benefit obligation, changes in fair value of plan assets, and funded status as of December 31, 2012 and 2011 using a measurement date of December 31:

	2012	2011
Change in projected benefits obligation:		
Projected benefit obligation at beginning of year	$3,640,465	$3,073,740
Service cost	67,083	96,083
Interest cost	168,122	171,493
Actuarial (gain) loss	297,638	424,503
Benefits paid	(142,460)	(125,354)
Projected benefit obligation at end of year	$4,030,848	$3,640,465
Change in plan assets:		
Fair value of plan assets at beginning of year	$3,100,494	$2,637,397
Actual return on plan assets	199,235	45,312
Contributions by employer	—	543,139
Benefits paid	(142,460)	(125,354)
Fair value of plan assets at end of year	$3,157,269	$3,100,494
Unfunded status at end of year	$ (873,579)	$ (539,971)

Amounts recognized in the balance sheets as of December 31 consist of:

	2012	2011
Assets	$ —	$ —
Liabilities	(873,579)	(539,971)
	$(873,579)	$(539,971)

Amounts recognized in accumulated other comprehensive income (loss) consist of the following at December 31:

	2012	2011
Net actuarial loss	$(1,453,722)	$(1,259,043)
Prior service cost	(15,921)	(24,517)
Amounts recognized in accumulated other comprehensive income (loss), before taxes	(1,469,643)	(1,283,560)
Income tax benefit	515,678	449,246
Amounts recognized in accumulated other comprehensive income (loss), after taxes	$ (953,965)	$ (834,314)

Net periodic benefit cost for the years ended December 31, 2012, 2011 and 2010 include the following components:

	2012	2011	2010
Components of net periodic benefit cost:			
Service cost	$ 67,083	$ 96,083	$ 96,251
Interest cost	168,122	171,493	169,460
Expected return on plan assets	(209,999)	(180,852)	(153,147)
Amortization of net loss	113,723	61,309	50,553
Amortization of prior service cost	8,596	8,596	9,416
Net periodic benefit cost	$ 147,525	$ 156,629	$ 172,533

Other changes in plan assets and benefit obligations recognized in other comprehensive income:

	2012	2011	2010
Net actuarial loss	$ 308,402	$560,043	$102,084
Recognized actuarial loss	(113,723)	(61,309)	(50,553)
Recognized prior service cost	(8,596)	(8,596)	(9,416)
Total recognized in other comprehensive income, before taxes	$ 186,083	$490,138	$ 42,115
Total recognized in net benefit cost and other comprehensive income, before taxes	$ 333,608	$646,767	$214,648

The estimated net actuarial loss and prior service cost for the Plan that will be amortized from accumulated other comprehensive income (loss) into net periodic benefit cost over the next fiscal year are $104,854 and $6,840, respectively.

The following table summarizes the projected benefit obligation in excess of Plan assets and the accumulated benefit obligation in excess of Plan assets at December 31, 2012 and 2011:

	2012	2011
Projected benefit obligation in excess of plan assets:		
Projected benefit obligation	$4,030,848	$3,640,465
Fair value of plan assets	$3,157,269	$3,100,494
Accumulated benefit obligation in excess of plan assets:		
Accumulated benefit obligation	$3,390,382	$3,076,051
Fair value of plan assets	$3,157,269	$3,100,494

The following are weighted-average assumptions used to determine benefit obligations and costs at December 31, 2012, 2011, and 2010:

	2012	2011	2010
Weighted average assumptions used to determine benefit obligations as of December 31:			
Discount rate	4.25%	4.75%	5.75%
Rate of compensation increase	7.29	7.29	7.29
Weighted average assumptions used to determine benefit costs for the years ended December 31:			
Discount rate	4.75%	5.75%	6.25%
Expected return on plan assets	7.00	7.00	7.00
Rate of compensation increase	7.29	7.29	7.29

The expected return on Plan assets assumption of 7.0% was selected by the Trust based on historical real rates of return for the current asset mix and an assumption with respect to future inflation. The rate was determined based on a long-term allocation of about two-thirds fixed income and one-third equity securities; historical real rates of return of about 2.5% and 8.5% for fixed income and equity securities, respectively; and assuming a long-term inflation rate of 2.5%.

The Plan has a formal investment policy statement. The Plan's investment objective is balanced income, with a moderate risk tolerance. This objective emphasizes current income through a 60% to 80% allocation to fixed income securities, complemented by a secondary consideration for capital appreciation through an equity allocation in the range of 20% to 40%. Diversification is achieved through investment in mutual funds and bonds. The asset allocation is reviewed annually with respect to the target allocations and rebalancing adjustments and/or target allocation changes are made as appropriate. The Trust's current funding policy is to maintain the Plan's fully funded status on an ERISA minimum funding basis.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date.

The fair value accounting standards establish a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect our assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs used in measuring fair value, as follows:

Level 1 — Inputs are based on unadjusted quoted prices in active markets for identical assets or liabilities that we have the ability to access. Since inputs are based on quoted prices that are readily and regularly available in an active market, Level 1 inputs require the least judgment.

Level 2 — Inputs are based on quoted prices for similar instruments in active markets, or are observable either directly or indirectly. Inputs are obtained from various sources including financial institutions and brokers.

Level 3 — Inputs that are unobservable and significant to the overall fair value measurement. The degree of judgment exercised by us in determining fair value is greatest for fair value measurements categorized in Level 3.

The fair values of plan assets by major asset category at December 31, 2012 and 2011, respectively, are as follows:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and Cash Equivalents				
Money Markets	$ 296,745	$ 296,745	$ —	$ —
Equities	58,773	58,773	—	—
Mutual Funds				
Equity Funds	1,223,629	1,223,629	—	—
Fixed Income Funds	1,578,122	1,578,122	—	—
Total	$3,157,269	$3,157,269	$ —	$ —

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and Cash Equivalents				
Money Markets	$ 801,651	$ 801,651	$ —	$ —
Mutual Funds				
Equity Funds	1,026,046	1,026,046	—	—
Fixed Income Funds	1,272,797	1,272,797	—	—
Total	$3,100,494	$3,100,494	$ —	$ —

Management intends to fund the minimum ERISA amount for 2013. The Trust may make some discretionary contributions to the Plan, the amounts of which have not yet been determined.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid for the following ten year period:

Year ending December 31,	Amount
2013	$ 211,413
2014	207,756
2015	204,017
2016	204,168
2017	201,076
2018 to 2022	1,270,581

(6) INCOME TAXES

The income tax provision charged to operations for the years ended December 31, 2012, 2011, and 2010 was as follows:

	2012	2011	2010
Current:			
U.S. federal	$10,046,442	$11,053,133	$5,396,269
State and local	241,402	265,498	149,234
	10,287,844	11,318,631	5,545,503
Deferred expense	(612,776)	(1,157,482)	(430,033)
	$ 9,675,068	$10,161,149	$5,115,470

The Trust is taxed as if it were a corporation. Total income tax expense differed from the amounts computed by applying the U.S. Federal income tax rate of 35% (34% for 2010) to income before Federal income taxes as a result of the following:

	2012	2011	2010
Computed tax expense at the statutory rate	$10,263,010	$10,764,571	$5,584,222
Reduction in income taxes resulting from:			
Statutory depletion	(799,957)	(802,104)	(614,358)
State taxes	227,718	238,860	140,559
Other, net	(15,703)	(40,178)	5,047
	$ 9,675,068	$10,161,149	$5,115,470

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities at December 31, 2012 and 2011 are as follows:

	2012	2011
Basis difference in pension plan liability	$ 311,868	$ 183,590
Total deferred tax assets	311,868	183,590
Basis differences in real estate acquired through foreclosure	237,697	226,378
Deferred installment revenue on land sales for tax purposes	2,348,667	2,910,915
Total deferred tax liability	2,586,364	3,137,293
Net deferred tax liability	$2,274,496	$2,953,703

The Trust files a United States Federal income tax return. With few exceptions, the Trust is no longer subject to U.S. Federal income tax examination by tax authorities for years before 2009.

(7) Lease Commitments

The Trust is a lessee under an operating lease in connection with its administrative offices located in Dallas, Texas. This lease agreement requires monthly rent of approximately $5,867 and expires in October 2014. Future minimum lease payments were as follows at December 31, 2012:

Year ending December 31,	Amount
2013	$ 70,400
2014	58,667
2015	—
2016	—
Thereafter	—
	$129,067

Rent expense amounted to $70,400 for each of the years ended December 31, 2012, 2011, and 2010, respectively.

(8) Capital

Certificates of Proprietary Interest (Certificates) and Sub-share Certificates in Certificates of Proprietary Interest (Sub-shares) are exchangeable in the ratio of one Certificate to 3,000 Sub-shares. No Certificates were exchanged for Sub-shares in 2012 and 2011.

The number of Certificates authorized for issuance at a given date is the number then outstanding plus one/three-thousandth of the number of Sub-shares then outstanding. The number of Sub-shares authorized for issuance at a given date is the number then outstanding plus three thousand times the number of Certificates then outstanding.

The Declaration of Trust was executed and delivered in New York. In the opinion of counsel for the Trust, under the laws of the State of New York, the Certificate and Sub-share Certificate holders are not subject to any personal liability for the acts or obligations of the Trust.

The assets of the Trust are located in Texas. In the opinion of Texas counsel, under the laws of the State of Texas, the Certificate and Sub-share Certificate holders may be held personally liable with respect to claims against the Trust, but only after the assets of the Trust first have been exhausted.

(9) Subsequent Events

We evaluated events that occurred after the balance sheet date through the date these financial statements were issued, and no event that met recognition or disclosure criteria was identified.

(10) Oil and Gas Producing Activities (Unaudited)

The Trust's share of oil and gas produced, all of which is from royalty interests, was as follows for the years ended December 31, 2012, 2011 and 2010, respectively: oil (in barrels) — 135,561, 128,170, and 118,220, and gas (in thousands of cubic feet) — 721,560, 572,506 and 499,615. Reserves related to the Trust's royalty interests are not presented because the information is unavailable.

(11) Selected Quarterly Financial Data (Unaudited)

The following tables present unaudited financial data of the Trust for each quarter of 2012 and 2011:

	Quarter ended			
	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012
Income	$7,276,793	$7,043,281	$8,706,738	$9,580,079
Income before income taxes	$6,218,508	$6,369,983	$7,956,109	$8,778,286
Net income	$4,113,797	$4,311,092	$5,284,674	$5,938,255
Net income per Sub-share Certificate	$ 0.47	$ 0.48	$ 0.59	$ 0.65

	Quarter ended			
	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011
Income	$11,239,562	$8,560,379	$8,798,987	$5,720,108
Income before income taxes	$10,009,760	$7,848,114	$8,012,551	$4,885,493
Net income	$ 6,560,335	$5,258,936	$5,415,929	$3,359,569
Net income per Sub-share Certificate	$ 0.71	$ 0.56	$ 0.58	$ 0.35

LANE GORMAN TRUBITT PLLC
Accountants & Advisors

Report of Independent Registered Public Accounting Firm

To the Trustees and Certificate Holders
Texas Pacific Land Trust

We have audited the accompanying balance sheets of Texas Pacific Land Trust (the Trust) as of December 31, 2012 and 2011 and the related statements of income and total comprehensive income, net proceeds from all sources, and cash flows for each of the three years in the period ended December 31, 2012. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Texas Pacific Land Trust as of December 31, 2012 and 2011 and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2012, in conformity with accounting principles generally accepted in the United States of America.

Lane Gorman Trubitt, PLLC

Dallas, Texas
March 11, 2013

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TEXAS PACIFIC LAND TRUST

OFFICERS

ROY THOMAS, *General Agent and Secretary, Chief Executive Officer*
Dallas, Texas

DAVID M. PETERSON, *Assistant General Agent, Chief Financial Officer*
Dallas, Texas

REGISTRAR

COMPUTERSHARE
Jersey City, N.J.

TRANSFER AGENT

COMPUTERSHARE
Jersey City, N.J.

PRINCIPAL MARKET FOR SUB-SHARE CERTIFICATES

NEW YORK STOCK EXCHANGE
Ticker Symbol — TPL

Copies of the Trust's Form 10-K Annual Report filed with the Securities and Exchange Commission will be made available to shareholders who request it, without charge (except for Exhibits). To obtain copies please write to Texas Pacific Land Trust, 1700 Pacific Avenue, Suite 2770, Dallas, TX 75201, or visit us on line at http://www.TPLTrust.com.

Computershare

Transfer Agent and Registrar

Shareholder correspondence should be mailed to:
Computershare
P.O. Box 43006
Providence, RI 02940-3006

Overnight correspondence should be mailed to:
Computershare
250 Royall Street
Canton, MA 02021

Telephone: 1-877-296-3711

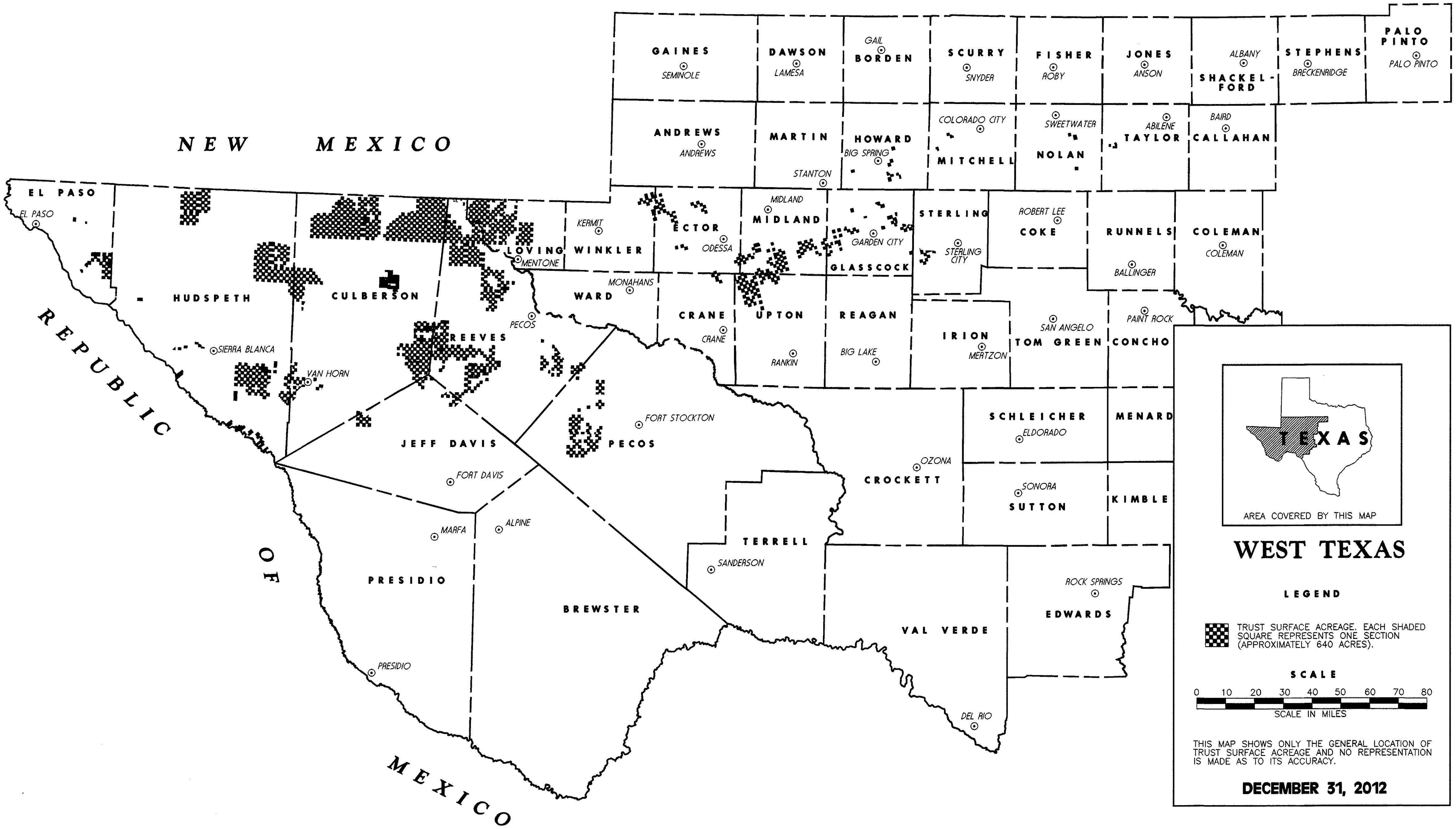
Shareholder website
www.computershare.com/investor
Shareholder online inquiries
https://www-us.computershare.com/investor/Contact

As a Texas Pacific Land Trust shareholder, you are invited to take advantage of our convenient shareholder services or request more information about Texas Pacific Land Trust.

Computershare

Computershare, our transfer agent, maintains the records for our registered shareholders and can help you with a variety of shareholder related services at no charge including:

- Change of name and/or address
- Consolidation of accounts
- Duplicate mailings
- Lost stock certificates
- Transfer of stock to another person
- Additional administrative services



NEW MEXICO
REPUBLIC OF MEXICO
EL PASO
EL PASO
HUDSPETH
SIERRA BLANCA
CULBERSON
VAN HORN
REEVES
PECOS
LOVING
MENTONE
WINKLER
KERMIT
WARD
MONAHANS
ECTOR
ODESSA
CRANE
CRANE
JEFF DAVIS
FORT DAVIS
PECOS
FORT STOCKTON
PRESIDIO
MARFA
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BREWSTER
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SNYDER
COLORADO CITY
MITCHELL
STERLING
STERLING CITY
IRION
MERTZON
FISHER
ROBY
SWEETWATER
NOLAN
ROBERT LEE
COKE
SAN ANGELO
TOM GREEN
JONES
ANSON
ABILENE
TAYLOR
RUNNELS
BALLINGER
PAINT ROCK
CONCHO
ALBANY
SHACKEL-FORD
BAIRD
CALLAHAN
COLEMAN
COLEMAN
STEPHENS
BRECKENRIDGE
PALO PINTO
PALO PINTO
CROCKETT
OZONA
SCHLEICHER
ELDORADO
MENARD
SUTTON
SONORA
KIMBLE
VAL VERDE
DEL RIO
EDWARDS
ROCK SPRINGS
TEXAS
AREA COVERED BY THIS MAP
WEST TEXAS
LEGEND
TRUST SURFACE ACREAGE. EACH SHADED SQUARE REPRESENTS ONE SECTION (APPROXIMATELY 640 ACRES).
SCALE
0 10 20 30 40 50 60 70 80
SCALE IN MILES
THIS MAP SHOWS ONLY THE GENERAL LOCATION OF TRUST SURFACE ACREAGE AND NO REPRESENTATION IS MADE AS TO ITS ACCURACY.
DECEMBER 31, 2012