Texas Pacific Land Trust

REPORT

for the

Year Ended December 31, 2015

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REPORT

for the

Year Ended December 31, 2015

TEXAS PACIFIC LAND TRUST

1700 Pacific Avenue, Suite 2770

Dallas, Texas 75201

To Sub-share and Certificate Holders:

This was an excellent year for the Trust. Land sales totaling $22,616,635 and easement income of $19,726,900 were the highest in the Trust's 128 year history. The Trust's net income for the year 2015 was $50,038,507 compared to $34,765,020 in 2014, an increase of 43.9%. Total revenues amounted to $79,442,293, producing net income per sub-share of $6.10 versus $4.14 in 2014.

The Trustees, for a number of years, have followed the practice of declaring an annual cash dividend at their meeting in February. A cash dividend of $.29 per sub-share was declared February 25, 2015 and paid March 16, 2015. At their February 2016 meeting, the Trustees declared a cash dividend of $0.31 per sub-share, payable March 16, 2016 to sub-shareholders of record at the close of business on March 9, 2016. This is the thirteenth consecutive year that the annual dividend has been increased.

Land sales in 2015 were $22,616,635 compared to $3,698,312 in 2014 and were 28.5% of the Trust's total revenues. The Trust sold a total of 20,940.73 acres located in seven of the eighteen counties in which surface ownership is held. That total included a single land sale in Upton and Crane counties of 19,607 acres for $19,840,000. Because land sales may vary significantly from year to year, the total dollar volume of land sales in any one year should not be assumed to be indicative of sales in the future.

Total revenues in 2015, exclusive of land sales, were $56,825,658 and consisted of the following:

- Oil and gas royalty revenue of $24,860,205 compared to $29,346,103 in 2014, a decrease of 15.3%. Crude oil production was up 47.2% and the average price per barrel was $48.46. Total gas production increased 39.4% and the average price of gas was $3.27 per MCF.

- Interest on notes receivable was $40,866 and interest on investments was $27,440. This compares to interest on notes receivable of $140,291 and interest on investments of $14,523 in 2014.

- Other revenues totaled $31,897,147, consisting of $483,989 from grazing lease rentals and $31,413,158 from easements and sundry income. Grazing lease rental income was down 3.3% compared to 2014. Easements and sundry income increased 46.0% from 2014.

In 2015, the Trust received total cash principal payments on notes receivable of $784,001, of which $713,062 was prepaid principal. At 2015 year end, the principal amount of notes receivable outstanding from land sales was $139,114 compared to $923,115 at 2014 year end.

Total expenses for 2015 were $29,403,786, $26,721,091 of which were Federal and state taxes. The comparable 2014 figures were $20,451,733 and $18,358,790, respectively.

In 2015, the Trust purchased and retired 204,335 sub-shares at a cost of $28,771,073, representing an average cost of $140.80 per sub-share. The number of sub-shares purchased and retired in 2015 amounted to 2.5% of the total number of sub-shares outstanding as of December 31, 2014. The market price of sub-shares on the New York Stock Exchange ranged from a low of $96.54 to a high of $164.47 during 2015. As provided in Article Seventh of the Declaration of Trust, dated February 1, 1888, establishing the Trust, it will continue to be the practice of the Trustees to purchase and cancel outstanding certificates and sub-shares. These purchases are generally made in the open market and there is no arrangement, contractual or otherwise, with any person for any such purchase. As permitted by the Declaration, the Trust may negotiate prices on unsolicited blocks of sub-shares which it may be offered from time to time.

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:

	2015		2014	
	High	Low	High	Low
1st quarter	$151.49	$106.24	$147.80	$ 93.00
2nd quarter	$164.47	$140.06	$173.86	$125.00
3rd quarter	$148.61	$ 96.54	$242.00	$157.98
4th quarter	$153.60	$119.80	$193.70	$103.57

A report showing the operations of the Trust for 2015, prepared by General Agent David M. Peterson, follows.

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 2015. A summary of land sales is shown in the table below:

LAND TRANSACTIONS — 2015

County	Acres	Consideration	Cash	Deferred Payments
Land sales:				
Crane	386.20	$ 390,789.00	$ 390,789.00	$0.00
Culberson	111.05	832,875.00	832,875.00	0.00
Howard	60.00	250,000.00	250,000.00	0.00
Hudspeth	640.00	128,000.00	128,000.00	0.00
Loving	45.88	350,000.00	350,000.00	0.00
Reeves	320.00	160,000.00	160,000.00	0.00
Upton	19,377.60	20,504,971.00	20,504,971.00	0.00
Total	20,940.73	$22,616,635.00	$22,616,635.00	$0.00

NET CHANGES IN ACREAGE

County	Land Sales	Total
Crane	386.2000–	386.2000–
Culberson	111.0500–	111.0500–
Howard	60.0000–	60.0000–
Hudspeth	640.0000–	640.0000–
Loving	45.8760–	45.8760–
Reeves	320.0000–	320.0000–
Upton	19,377.6000–	19,377.6000–
Total	20,940.7260–	20,940.7260–

The total consideration for land sales in 2015, $22,616,635, was received in cash with no deferred payments. The Upton and Crane County land sales comprised 92.4% of the Trust's total dollar volume of sales. These sales totaled 19,763.80 acres for $20,895,760. Four additional purchases were made by oil and gas companies for lands located in Culberson, Howard and Loving counties for the construction of facilities and infrastructure. These sales totaled $1,432,875 for 216.93 acres, an average of approximately $6,605 per acre. The remaining sales were ranch type property located in Hudspeth and Reeves counties, totaling 960 acres for $288,000 (an average of $300 per acre). The Trust holds only a limited amount of land near any metropolitan area.

COMPARATIVE STATEMENT OF TAXES

For The Past Two Years

Taxes	2015	2014	*Percentage Increase + Decrease –*
Income	$25,244,515	$16,666,534	51.5 +
Ad valorem	94,219	97,054	2.9 –
Crude oil and gas production	1,324,909	1,540,735	14.0 –
Payroll and other taxes	57,448	54,467	5.5 +
Total	$26,721,091	$18,358,790	45.5 +

GRAZING LEASES

Grazing lease rental revenue was $483,989 in 2015, an average of 54.6¢ per acre, compared to $500,292 in 2014 at an average of 55.1¢ per acre. At 2015 year end, grazing leases were in effect on 886,647 acres (99.8%) of the Trust's lands.

LOCATION OF UNSOLD LANDS AND NONPARTICIPATING PERPETUAL ROYALTY INTERESTS

As of December 31, 2015

	ACREAGE		
County	*Surface*	*1/128 Royalty*	*1/16 Royalty*
Callahan			80.00
Coke			1,183.50
Crane	3,621.36	264.65	5,198.15
Culberson	299,693.49		111,513.14
Ector	19,887.46	33,633.45	11,792.88
El Paso	16,628.40		
Fisher			320.00
Glasscock	20,712.70	3,600.00	11,110.91
Howard	4,788.04	3,098.54	2,320.00
Hudspeth	155,405.88		1,008.00
Jeff Davis	13,117.24		7,554.65
Loving	73,608.62	6,106.66	48,066.00
Martin			320.00
Midland	29,007.55	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	185,529.85	3,013.34	116,690.98
Stephens		2,817.33	160.00
Sterling	5,212.46	640.00	2,080.00
Taylor	689.73		966.00
Upton	6,020.22	6,903.00	9,100.60
Winkler	7,803.69	1,181.75	3,040.00
Total	888,332.81	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

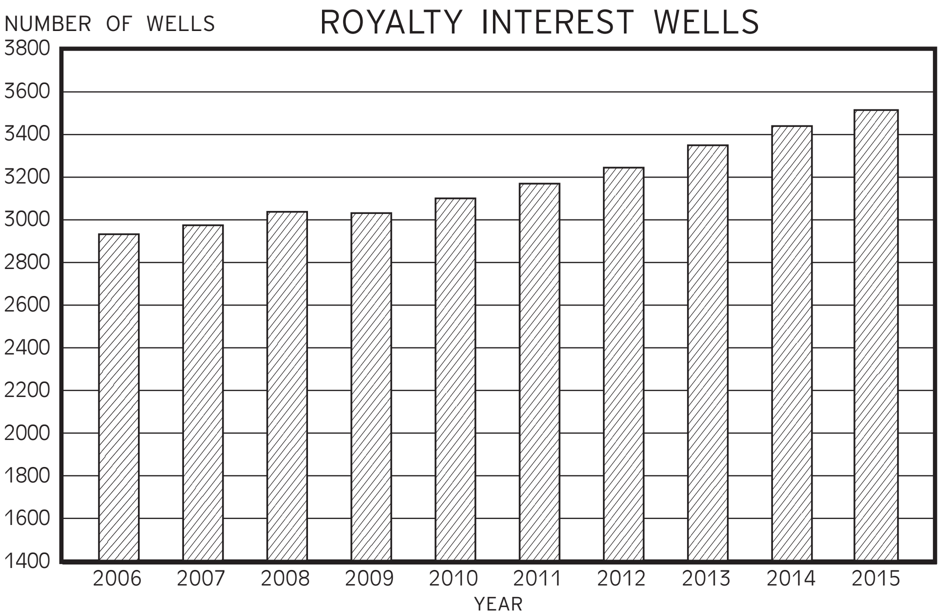
Oil and gas royalty revenue was $24,860,205 in 2015, down 15.3% from 2014. Oil royalty revenue was $18,607,031, down 18.3% and gas royalty revenue was $6,253,174, down 5.0%.

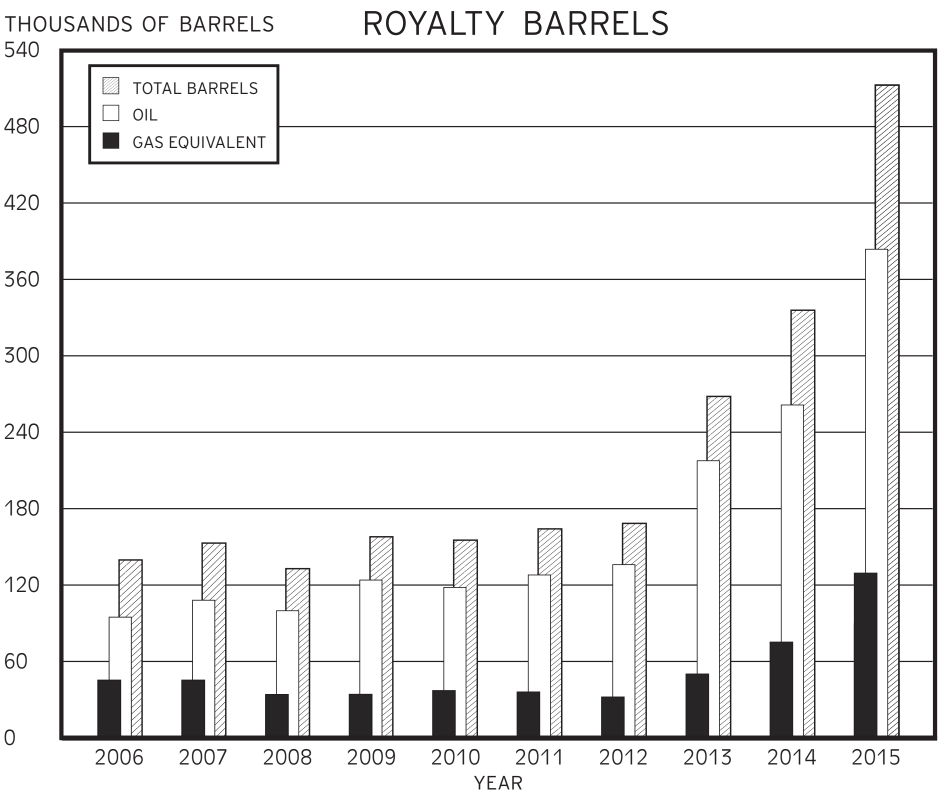
Crude oil production increased 47.2% in 2015 compared to 2014. The average price received by the Trust in 2015 was $48.46 per barrel, compared to $87.28 in 2014. Gas production increased 39.4% in 2015. The average price of gas decreased to $3.27 per MCF in 2015 from $4.80 in 2014. State oil and gas production taxes were $1,324,909 in 2015 compared to $1,540,735 in 2014.

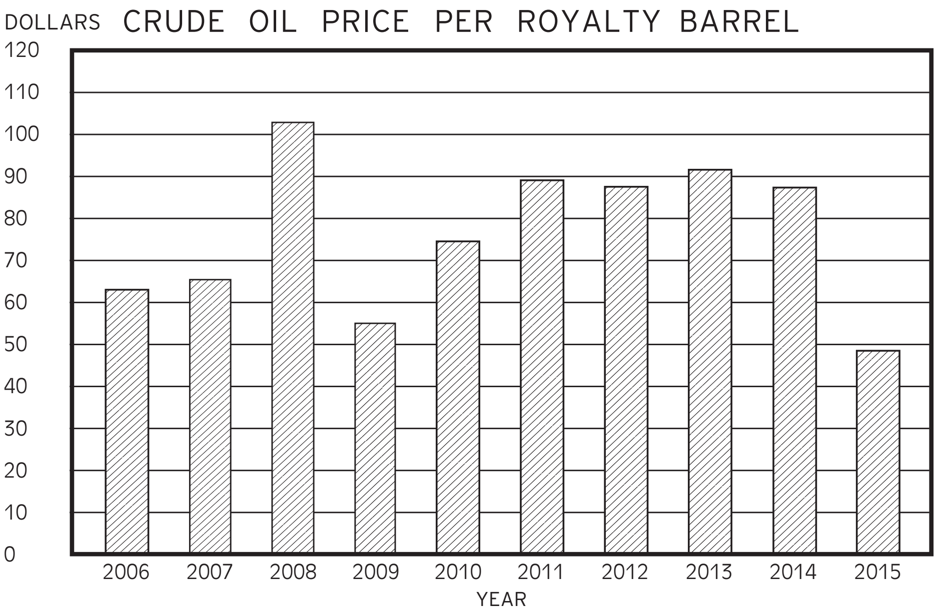
Total production increased by 123,132 oil royalty barrels and 53,652 gas equivalent royalty barrels, as shown in the two-year comparison of royalty production and royalty revenue below.

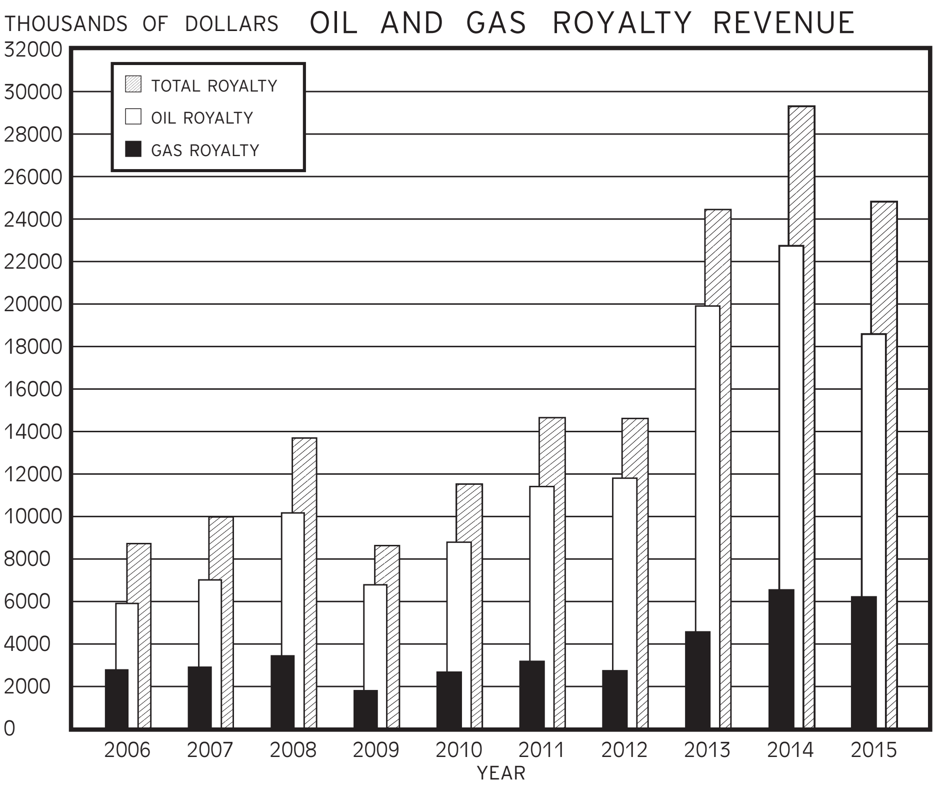
	Royalty Production	
	2015	*2014*
Oil, Bbls.	383,961	260,829
Gas, Mcf.	1,910,389	1,370,377
Gas, Bbls. Equiv.	129,036	75,384
Total, Bbls. Equiv.	512,997	336,213

	Royalty Revenue	
	2015	*2014*
Oil	$18,607,031	$22,766,264
Gas	$ 6,253,174	$ 6,579,839
Total	$24,860,205	$29,346,103


NUMBER OF WELLS
ROYALTY INTEREST WELLS
3800
3600
3400
3200
3000
2800
2600
2400
2200
2000
1800
1600
1400
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
YEAR


THOUSANDS OF BARRELS
ROYALTY BARRELS
TOTAL BARRELS
OIL
GAS EQUIVALENT
540
480
420
360
300
240
180
120
60
0
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
YEAR


DOLLARS
CRUDE OIL PRICE PER ROYALTY BARREL
120
110
100
90
80
70
60
50
40
30
20
10
0
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
YEAR


THOUSANDS OF DOLLARS
OIL AND GAS ROYALTY REVENUE
TOTAL ROYALTY
OIL ROYALTY
GAS ROYALTY
32000
30000
28000
26000
24000
22000
20000
18000
16000
14000
12000
10000
8000
6000
4000
2000
0
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
YEAR

NEW WELLS DEVELOPED DURING 2015 SUBJECT TO THE TRUST'S NONPARTICIPATING PERPETUAL ROYALTY INTEREST

	NUMBER OF WELLS	
County and Field	*1/128* Royalty*	*1/16* Royalty*
CRANE COUNTY		
Spraberry Trend Area		6
CULBERSON COUNTY		
Derby — Bonespring		3
Ford, West — Wolfcamp		5
ECTOR COUNTY		
Goldsmith	1	
Goldsmith — Clearfork	4	
Harper	1	
Spraberry Trend Area		1
GLASSCOCK COUNTY		
Frysak Farms — Devonian	1	
Petey — Fusselman		2
Spraberry Trend Area		3
LOVING COUNTY		
Ford, West — Wolfcamp	2	
Phantom — Wolfcamp		4
Sandbar — Bonespring		5
MIDLAND COUNTY		
Parks — Consolidated		1
Pegasus — Consolidated	1	
Spraberry Trend Area		7
REEVES COUNTY		
Ford, West		1
Phantom — Wolfcamp	3	9
UPTON COUNTY		
Davis — Pennsylvanian		1
Pegasus — Consolidated	5	
Spraberry Trend Area		7
Spraberry Trend Area — Atoka		3
	18	58

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

Seventy-six oil wells were completed in 2015.

At the end of the year, the Trust's royalty wells totaled 3,509 consisting of 1,167 oil wells and 60 gas wells, each subject to a 1/16 royalty interest, and 2,214 oil wells and 68 gas wells, each subject to a 1/128 royalty interest.

Respectfully submitted,

David M. Peterson,
General Agent

Dallas, Texas
February 25, 2016

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 dividend per Sub-share Certificate . . . .

Total assets, exclusive of all property with no assigned value . . . .

Year Ended December 31,				
2015	2014	2013	2012	2011
$24,860,205	$29,346,103	$24,496,851	$14,670,915	$14,685,502
483,989	500,292	494,210	488,694	499,400
22,616,635	3,698,312	6,413,588	5,809,747	11,873,112
40,866	140,291	484,238	706,252	879,749
31,413,158	21,517,232	12,220,187	10,911,848	6,362,745
79,414,853	55,202,230	44,109,074	32,587,456	34,300,508
1,476,576	1,692,256	1,420,635	941,757	922,951
1,195,598	917,726	1,189,141	1,106,599	1,002,489
777,842	629,990	589,307	601,590	571,705
10,458	—	—	—	36,445
665,423	517,497	755,132	609,555	1,008,853
25,374	19,730	16,286	16,504	12,675
8,000	8,000	8,000	8,000	8,000
4,159,271	3,785,199	3,978,501	3,284,005	3,563,118
75,255,582	51,417,031	40,130,573	29,303,451	30,737,390
27,440	14,523	12,005	19,435	18,528
75,283,022	51,431,554	40,142,578	29,322,886	30,755,918
25,244,515	16,666,534	12,924,070	9,675,068	10,161,149
$50,038,507	$34,765,020	$27,218,508	$19,647,818	$20,594,769
$ 6.10	$ 4.14	$ 3.16	$ 2.20	$ 2.21
$ .29	$ .27	$ .00	$ .48*	$ .21
$50,435,545	$33,102,488	$22,356,948	$21,186,872	$27,432,257

* *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, 2015 and 2014

ASSETS

	2015	2014
Cash and cash equivalents	$45,011,969	$26,814,759
Accrued receivables	3,787,534	3,220,020
Other assets	121,426	114,491
Prepaid income taxes	—	815,937
Notes receivable for land sales ($32,906 due in 2016 and $75,185 due in 2015) (note 2)	139,114	923,115
Water wells, vehicles, furniture, and equipment — at cost less accumulated depreciation	260,901	89,107
Real estate acquired (notes 2 and 4)	1,114,601	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 — 878,268 acres in 2015 and 899,149 acres in 2014	—	—
1/16 nonparticipating perpetual royalty interest in 373,777 acres	—	—
1/128 nonparticipating perpetual royalty interest in 85,414 acres	—	—
Total assets	$50,435,545	$33,102,488

LIABILITIES AND CAPITAL

	2015	2014
Accounts payable and accrued expenses	$ 868,807	$ 828,672
Income taxes payable	634,911	406,945
Other taxes payable	167,290	159,301
Unearned revenue (note 2)	2,579,406	3,940,353
Deferred taxes (note 6)	163,213	293,140
Pension plan liability (note 5)	333,239	754,260
Total liabilities	4,746,866	6,382,671
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 8,118,064 Sub-shares in 2015 and 8,322,399 Sub-shares in 2014	—	—
Accumulated other comprehensive income (loss)	(1,248,906)	(1,352,794)
Net proceeds from all sources	46,937,585	28,072,611
Total capital	45,688,679	26,719,817
Total liabilities and capital	$50,435,545	$33,102,488

See accompanying notes to financial statements.

STATEMENTS OF INCOME AND TOTAL COMPREHENSIVE INCOME

Years Ended December 31, 2015, 2014 and 2013

	2015	2014	2013
Income:			
Oil and gas royalties	$24,860,205	$29,346,103	$24,496,851
Grazing lease rentals	483,989	500,292	494,210
Land sales	22,616,635	3,698,312	6,413,588
Interest income from notes receivable	40,866	140,291	484,238
Easements and sundry income	31,413,158	21,517,232	12,220,187
	79,414,853	55,202,230	44,109,074
Expenses:			
Taxes, other than income taxes	1,476,576	1,692,256	1,420,635
Salaries and related employee benefits	1,195,598	917,726	1,189,141
General expense, supplies, and travel	777,842	629,990	589,307
Basis in real estate sold	10,458	—	—
Legal and professional fees	665,423	517,497	755,132
Depreciation	25,374	19,730	16,286
Trustees' compensation	8,000	8,000	8,000
	4,159,271	3,785,199	3,978,501
Operating income	75,255,582	51,417,031	40,130,573
Interest income earned from investments	27,440	14,523	12,005
Income before income taxes	75,283,022	51,431,554	40,142,578
Income taxes (note 6):			
Current	25,430,382	17,641,531	13,708,995
Deferred	(185,867)	(974,997)	(784,925)
	25,244,515	16,666,534	12,924,070
Net income	$50,038,507	$34,765,020	$27,218,508
Amortization of net actuarial costs and prior service costs, net of income taxes of $51,638, $18,109, and $39,093 respectively	95,899	33,632	72,601
Net actuarial gain (loss) on pension plan net of income taxes of $4,302, $(423,848), and $145,211 respectively	7,989	(764,414)	259,352
Total other comprehensive gain (loss)	103,888	(730,782)	331,953
Total comprehensive income	$50,142,395	$34,034,238	$27,550,461
Net income per Sub-share Certificate	$6.10	$4.14	$3.16

See accompanying notes to financial statements.

STATEMENTS OF NET PROCEEDS FROM ALL SOURCES

Years Ended December 31, 2015, 2014 and 2013

	Sub-share Certificates of Proprietary Interest	Accumulated Other Comprehensive Income (Loss)	Net Proceeds From All Sources	Total
Balances at December 31, 2012	8,795,258	$ (953,965)	$ 16,550,110	$ 15,596,145
Net income	—	—	27,218,508	27,218,508
Periodic pension costs, net of income taxes of $184,304	—	331,953	—	331,953
Cost of 322,056 Sub-share Certificates in Certificates of Proprietary Interest purchased and cancelled	(322,056)	—	(25,216,940)	(25,216,940)
Dividends paid — $.00 per Sub-share Certificate	—	—	—	—
Balances at December 31, 2013	8,473,202	(622,012)	18,551,678	17,929,666
Net income	—	—	34,765,020	34,765,020
Periodic pension costs, net of income taxes of $(405,739)	—	(730,782)	—	(730,782)
Cost of 150,803 Sub-share Certificates in Certificates of Proprietary Interest purchased and cancelled	(150,803)	—	(22,963,786)	(22,963,786)
Dividends paid — $.27 per Sub-share Certificate	—	—	(2,280,301)	(2,280,301)
Balances at December 31, 2014	8,322,399	(1,352,794)	28,072,611	26,719,817
Net income	—	—	50,038,507	50,038,507
Periodic pension costs, net of income taxes of $55,940	—	103,888	—	103,888
Cost of 204,335 Sub-share Certificates in Certificates of Proprietary Interest purchased and cancelled	(204,335)	—	(28,771,073)	(28,771,073)
Dividends paid — $.29 per Sub-share Certificate	—	—	(2,402,460)	(2,402,460)
Balances at December 31, 2015	8,118,064	$(1,248,906)	$ 46,937,585	$ 45,688,679

See accompanying notes to financial statements.

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2015, 2014 and 2013

	2015	2014	2013
Cash flows from operating activities:			
Net income	$ 50,038,507	$ 34,765,020	$ 27,218,508
Adjustments to reconcile net income to net cash provided by operating activities:			
Deferred taxes	(129,927)	(1,380,735)	(600,621)
Depreciation and amortization	25,374	19,730	16,286
(Gain) loss on disposal of fixed assets	(712)	5,083	2,795
Changes in operating assets and liabilities:			
Accrued receivables and other assets	(563,991)	689,129	(1,240,703)
Income taxes payable	227,966	52,258	113,800
Prepaid income taxes	815,937	(815,937)	416,882
Notes receivable for land sales	784,001	2,964,791	4,483,078
Accounts payable, accrued expenses and other liabilities	(1,629,956)	2,553,084	(344,671)
Net cash provided by operating activities	49,567,199	38,852,423	30,065,354
Cash flows from investing activities:			
Proceeds from sale of fixed assets	25,000	21,000	20,500
Purchase of fixed assets	(221,456)	(53,788)	(54,610)
Net cash used in investing activities	(196,456)	(32,788)	(34,110)
Cash flows from financing activities:			
Purchase of Sub-share Certificates in Certificates of Proprietary Interest	(28,771,073)	(22,963,786)	(25,216,940)
Dividends paid	(2,402,460)	(2,280,301)	—
Net cash used in financing activities	(31,173,533)	(25,244,087)	(25,216,940)
Net increase in cash and cash equivalents	18,197,210	13,575,548	4,814,304
Cash and cash equivalents, beginning of period	26,814,759	13,239,211	8,424,907
Cash and cash equivalents, end of period	$ 45,011,969	$ 26,814,759	$ 13,239,211

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015, 2014 and 2013

(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, easements, 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 oil and gas royalties which the Trust receives are dependent upon the market prices for oil and gas. The market prices for oil and gas are subject to national and international economic and political conditions and, in the past, have been subject to significant price fluctuations.

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 received 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 received 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 2015, 2014 and 2013 was $24,386,479, $18,405,210, and $13,178,312, respectively. No new loans were made by the Trust in connection with land sales for the years ended December 31, 2015, 2014 and 2013, respectively.

(e) Accrued Receivables

Accrued receivables consist primarily of amounts due under oil and gas royalty leases and sundry leases. Accrued receivables are reflected at their net realizable value based on historical royalty and lease 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, 2015 and 2014.

(f) 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 7.5% as of December 31, 2015 and are secured by first lien deeds of trust on the properties sold. The weighted average interest rate is 7.1% as of December 31, 2015. 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 2015, 2014 and 2013 were $713,062, $1,764,928, and $2,736,616, 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, 2015 and 2014.

Three customers represented 100% of notes receivable at December 31, 2015 and approximately 90% at December 31, 2014.

The maturities of notes receivable for each of the five years subsequent to December 31, 2015 are:

Year ending December 31,	Amount
2016	$ 32,906
2017	30,688
2018	32,860
2019	35,165
2020	7,495
Thereafter	—
	$139,114

(g) 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, 2015 and 2014 is $132,677 and $117,247, respectively.

(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 Declaration of Trust

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, 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 Certificate

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 (8,197,632 in 2015, 8,397,314 in 2014 and 8,601,171 in 2013).

(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, 2015 and 2014.

(l) Recent Accounting Pronouncements

In May 2014, the FASB issued ASU 2014-09 that introduces a new five-step revenue recognition model in which an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU also requires disclosures sufficient to enable users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers, including qualitative and quantitative disclosures about contracts with customers, significant judgments and changes in judgments, and assets recognized from the costs to obtain or fulfill a contract. This standard is effective for fiscal years beginning after December 31, 2017, including interim periods within that reporting period. The Trust is currently evaluating the new guidance to determine the impact it will have 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.

(n) Significant Customers

Two customers represented 18.8%, 29.1% and 20.5% of the Trust's total revenues for the year ended December 31, 2015, 2014 and 2013, respectively.

(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, 2015 and 2014:

	2015		2014	
	Acres	Book Value	Acres	Book Value
Balance at January 1:	10,124.78	$1,125,059	10,124.78	$1,125,059
Additions	—	—	—	—
Sales	(60.00)	(10,458)	—	—
Balance at December 31:	10,064.78	$1,114,601	10,124.78	$1,125,059

No valuation allowance was necessary at December 31, 2015 and 2014.

(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 $46,519, $41,172 and $49,327, in 2015, 2014 and 2013, 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, 2015 and 2014 using a measurement date of December 31:

	2015	2014
Change in projected benefits obligation:		
Projected benefit obligation at beginning of year	$5,093,080	$3,887,518
Service cost	160,133	100,480
Interest cost	199,538	189,163
Actuarial (gain) loss	(355,346)	1,134,525
Benefits paid	(213,105)	(218,606)
Projected benefit obligation at end of year	$4,884,300	$5,093,080
Change in plan assets:		
Fair value of plan assets at beginning of year	$4,338,820	$4,082,642
Actual return on plan assets	(46,609)	224,784
Contributions by employer	471,955	250,000
Benefits paid	(213,105)	(218,606)
Fair value of plan assets at end of year	$4,551,061	$4,338,820
Funded (unfunded) status at end of year	$ (333,239)	$ (754,260)

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

	2015	2014
Assets	$ —	$ —
Liabilities	(333,239)	(754,260)
	$(333,239)	$(754,260)

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

	2015	2014
Net actuarial loss	$(1,930,079)	$(2,086,396)
Prior service cost	—	(3,511)
Amounts recognized in accumulated other comprehensive income (loss), before taxes	(1,930,079)	(2,089,907)
Income tax benefit	681,173	737,113
Amounts recognized in accumulated other comprehensive income (loss), after taxes	$(1,248,906)	$(1,352,794)

Net periodic benefit cost for the years ended December 31, 2015, 2014 and 2013 include the following components:

	2015	2014	2013
Components of net periodic benefit cost:			
Service cost	$ 160,133	$ 100,480	$ 104,920
Interest cost	199,538	189,163	166,865
Expected return on plan assets	(296,446)	(278,521)	(234,523)
Amortization of net loss	144,026	46,171	104,854
Amortization of prior service cost	3,511	5,570	6,840
Net periodic benefit cost	$ 210,762	$ 62,863	$ 148,956

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

	2015	2014	2013
Net actuarial (gain) loss	$ (12,291)	$1,188,262	$(404,563)
Recognized actuarial loss	(144,026)	(46,171)	(104,854)
Recognized prior service cost	(3,511)	(5,570)	(6,840)
Total recognized in other comprehensive income, before taxes	$(159,828)	$1,136,521	$(516,257)
Total recognized in net benefit cost and other comprehensive income, before taxes	$ 50,934	$1,199,384	$(367,301)

The Trust reclassified $95,899, $33,632 and $72,601, net of income tax of $51,638, $18,109 and $39,093, out of accumulated other comprehensive income (loss) for net periodic benefit cost in 2015, 2014 and 2013, respectively. This amount is reflected in our Statements of Income and Total Comprehensive Income within salaries and related employee benefits. The estimated net actuarial loss and prior service cost for the Plan that will be amortized from accumulated other comprehensive income (loss) into salaries and related employee benefits over the next fiscal year are $140,649 and $0, respectively.

The following table summarizes the projected benefit obligation in excess of Plan assets and the Plan assets in excess of accumulated benefit obligation at December 31, 2015 and 2014:

	2015	2014
Projected benefit obligation in excess of Plan assets:		
Projected benefit obligation	$4,884,300	$5,093,080
Fair value of plan assets	$4,551,061	$4,338,820
Plan assets in excess of accumulated benefit obligation:		
Accumulated benefit obligation	$4,059,334	$4,157,653
Fair value of plan assets	$4,551,061	$4,338,820

The following are weighted-average assumptions used to determine benefit obligations and costs at December 31, 2015, 2014 and 2013

	2015	2014	2013
Weighted average assumptions used to determine benefit obligations as of December 31:			
Discount rate	4.50%	4.00%	5.00%
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	4.00%	5.00%	4.25%
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 30% 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 60%. 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, 2015 and 2014, 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	$ 827,692	$ 827,692	$ —	$ —
Equities	196,380	196,380	—	—
Mutual Funds				
Equity Funds	1,730,404	1,730,404	—	—
Fixed Income Funds	1,796,585	1,796,585	—	—
Total	$4,551,061	$4,551,061	$ —	$ —

	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	$ 430,755	$ 430,755	$ —	$ —
Equities	177,000	177,000	—	—
Mutual Funds				
Equity Funds	1,817,935	1,817,935	—	—
Fixed Income Funds	1,913,130	1,913,130	—	—
Total	$4,338,820	$4,338,820	$ —	$ —

Management intends to fund the minimum ERISA amount for 2016. 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
2016	$ 215,184
2017	212,812
2018	243,354
2019	267,752
2020	282,652
2021 to 2025	1,342,944

(6) Income Taxes

The income tax provision charged to operations for the years ended December 31, 2015, 2014 and 2013 was as follows:

	2015	2014	2013
Current:			
U.S. Federal	$25,029,693	$17,243,130	$13,381,265
State and local	400,689	398,401	327,730
	25,430,382	17,641,531	13,708,995
Deferred expense	(185,867)	(974,997)	(784,925)
	$25,244,515	$16,666,534	$12,924,070

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% to income before Federal income taxes as a result of the following:

	2015	2014	2013
Computed tax expense at the statutory rate	$26,349,057	$18,001,044	$14,049,902
Reduction in income taxes resulting from:			
Statutory depletion	(1,320,605)	(1,569,762)	(1,317,177)
State taxes	256,876	246,534	203,021
Other, net	(40,813)	(11,282)	(11,676)
	$25,244,515	$16,666,534	$12,924,070

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities at December 31, 2015 and 2014 are as follows:

	2015	2014
Basis difference in pension plan liability	$118,967	$269,271
Total deferred tax asset	118,967	269,271
Basis differences in real estate acquired through foreclosure	235,130	237,697
Deferred installment revenue on land sales for tax purposes	47,050	324,714
Total deferred tax liability	282,180	562,411
Net deferred tax liability	$163,213	$293,140

The Trust files a U. S. 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 2012.

(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 payments and expires in March 2025. Future minimum lease payments were as follows at December 31, 2015:

Year ending December 31,	Amount
2016	$ 72,608
2017	75,224
2018	77,841
2019	80,457
2020	83,074
Thereafter	382,009
	$771,213

Rent expense amounted to $79,415, $70,400 and $70,400 for the years ended December 31, 2015, 2014 and 2013, 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 2015 and 2014.

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

The Trust evaluated events that occurred after the balance sheet date through the date these financial statements were issued, and the following events that met recognition or disclosure criteria was identified:

At their February 2016 meeting, the Trustees declared a cash dividend of $0.31 per Sub-share, payable March 16, 2016 to Sub-share holders of record at the close of business on March 9, 2016.

(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, 2015, 2014 and 2013, respectively: oil (in barrels) — 383,961, 260,829 and 217,682, and gas (in thousands of cubic feet) — 1,910,389, 1,370,377 and 1,065,458. 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 2015 and 2014:

	Quarter ended			
	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015
Income	$14,721,058	$18,186,748	$11,795,134	$34,739,353
Income before income taxes	$13,345,170	$17,233,208	$10,949,033	$33,755,611
Net income	$ 8,995,057	$11,461,349	$ 7,416,012	$22,166,089
Net income per Sub-share Certificate	$ 1.10	$ 1.40	$ 0.90	$ 2.67

	Quarter ended			
	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014
Income	$13,295,068	$14,756,468	$15,583,264	$11,581,953
Income before income taxes	$12,200,547	$13,878,547	$14,712,912	$10,639,548
Net income	$ 8,234,892	$ 9,366,043	$ 9,914,167	$ 7,249,918
Net income per Sub-share Certificate	$ 0.99	$ 1.11	$ 1.17	$ 0.86

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, 2015 and 2014 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, 2015. The Trust's management is responsible for these financial statements. 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, 2015 and 2014 and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2015, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Trust's internal control over financial reporting as of December 31, 2015, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 29, 2016, expressed an unqualified opinion.

Lane Gorman Trubitt, PLLC

Dallas, Texas
February 29, 2016

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TEXAS PACIFIC LAND TRUST

OFFICERS

DAVID M. PETERSON
General Agent and Secretary, Chief Executive Officer
Dallas, Texas

ROBERT J. PACKER
Chief Financial Officer
Dallas, Texas

REGISTRAR

AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC
Brooklyn, NY

TRANSFER AGENT

AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC
Brooklyn, NY

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.

Transfer Agent and Registrar

American Stock Transfer & Trust Company, LLC
6201 15th Avenue
Brooklyn, NY 11219

By mail, contact our Transfer Agent at the below address:
Texas Pacific Land Trust
c/o American Stock Transfer & Trust Company, LLC
6201 15th Avenue
Brooklyn, NY 11219

Shareholder website
Online: www.amstock.com
Telephone: 1-800-937-5449

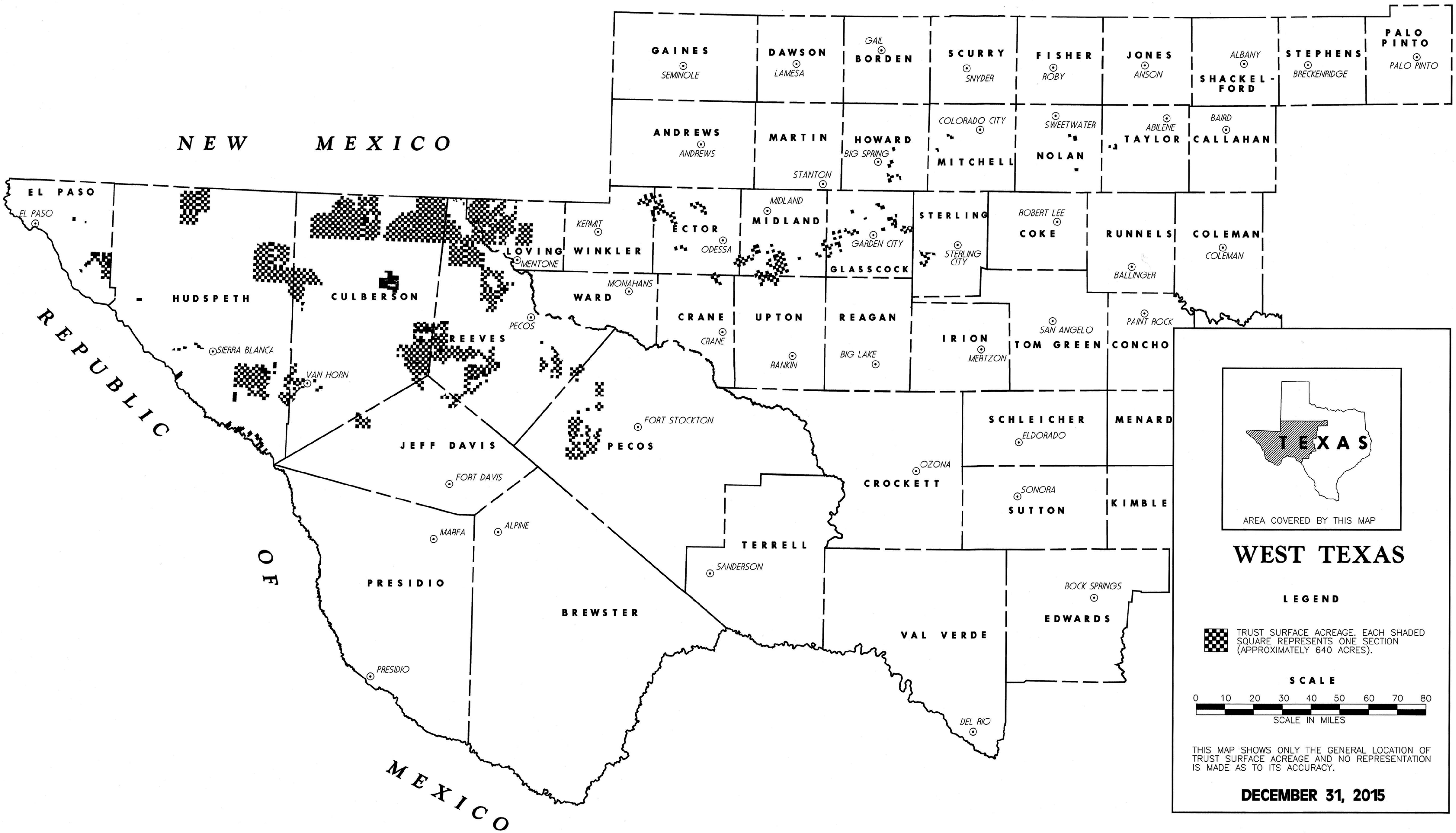
TDD for hearing impaired: 718-921-8386; 866-703-9077
Foreign shareowners: 718-921-8386;866-703-9077

As a Texas Pacific Land Trust shareholder we encourage you to access your account(s) online at www.amstock.com. Here you can easily initiate a number of transactions and inquiries as well as access important details about our portfolio and general stock transfer information.

American Stock Transfer & Trust Company, LLC

AST, our transfer agent, maintains the records for our registered shareholders and can help you with a variety of shareholder related services.

- Update your mailing address
- Access statement information
- Print a duplicate 1099 tax form
- Consolidate accounts
- Enroll in our Direct Stock Purchase Plan
- Request a replacement dividend check
- Download stock transfer forms
- And more



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EDWARDS
EL PASO
SIERRA BLANCA
VAN HORN
MENTONE
KERMIT
MONAHANS
PECOS
ODESSA
MIDLAND
STANTON
BIG SPRING
GARDEN CITY
STERLING CITY
ROBERT LEE
BALLINGER
COLEMAN
SEMINOLE
LAMESA
GAIL
SNYDER
ROBY
ANSON
ALBANY
BRECKENRIDGE
PALO PINTO
ANDREWS
COLORADO CITY
SWEETWATER
ABILENE
BAIRD
CRANE
RANKIN
BIG LAKE
MERTZON
SAN ANGELO
PAINT ROCK
FORT STOCKTON
FORT DAVIS
MARFA
ALPINE
ELDORADO
OZONA
SONORA
SANDERSON
ROCK SPRINGS
PRESIDIO
DEL RIO
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, 2015