

# Permian Basin Royalty Trust

## TAX INFORMATION 2025

### Individual Unitholder Tax Worksheets

2024 was the last year that the Trust provided individual unitholder tax information worksheets (“worksheets”). This decision was made after carefully considering the cost-benefit of providing those worksheets: taking into account the monthly cost of the third-party data gathering service, the cost to print the tax booklets and letters, as well as the cost to mail the tax booklets and letters, including the man hours needed for the drafting, proofreading, and validating the factors used to create the letters. The same information can be derived using both the tax calculator and the cost depletion calculator on the Trust’s website, along with the tax booklet that is also posted on the Trust’s website. If a unitholder needs a printed copy of the tax booklet, the Trust will mail a printed copy of the tax booklet to them free of charge.

This booklet contains tax information relevant to ownership of units of Permian Basin Royalty Trust and should be retained.

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# PERMIAN BASIN ROYALTY TRUST

3838 Oak Lawn Avenue,  
Suite 1720  
Dallas, Texas 75219  
Telephone (855) 588-7839

March 3, 2026

## IMPORTANT TAX INFORMATION

### TO UNITHOLDERS:

We enclose the following material, which provides unitholders with some of the information necessary to compute the 2025 federal income tax consequences of owning units:

- (a) Grantor Trust Schedule A for 2025.
- (b) Instructions for Schedules A and B-1 through B-12.
- (c) Supplemental Tax Tables and Worksheet.

Unitholders are encouraged to read all of the enclosed material very carefully and to retain it as part of their tax records. The information and instructions contained herein are designed to assist unitholders who are U.S. citizens in complying with their federal and state income tax reporting requirements and should not be construed as advice to any unitholder. Unitholders should also consult any Internal Revenue Service ("IRS") Forms 1099 and written tax statements issued by certain middlemen (discussed on pages 4 and 5) that hold Trust units on your behalf.

All unitholders must compute their depletion deduction for federal tax reporting purposes. See Part I, Paragraph 2 in the attached Instructions for Schedules A and B-1 Through B-12. **For your convenience, income/expense and cost depletion calculators are now available on the Permian Basin Royalty Trust website at [www.pbt-permian.com](http://www.pbt-permian.com) on the home page.**

**An error was discovered in the December 2025 Administration Expense table in the tax booklet that was published on February 9, 2026. In Table IV on page 10 of the tax booklet, the December 2025 per unit amount was originally \$0.003090, when it should have been \$0.003095. This results in a total per unit Administration Expense of \$0.039223, which is now reflected in the tax booklet on Schedule A and in Table IV on page 10, respectively. There is no change to the total Taxable Income per Unit of \$0.306807 on Schedule A.**

Each unitholder should consult their own tax advisor regarding any tax compliance matters relating to their units.

Argent Trust Company, Trustee

By: 

Nancy Willis  
Director of Royalty Trust

**PERMIAN BASIN ROYALTY TRUST**  
**EIN 75-6280532 CUSIP# 71423610**  
**SCHEDULE A To**  
**IRS FORM 1041, GRANTOR TRUST**  
**For Year Ended December 31, 2025**

*Federal and State Income Tax Information*  
*See Instructions Before Filing*

**PART I**  
**ROYALTY INFORMATION PER UNIT**

	(a)	(b)	(c)	(d)	(f)	(g)
	Gross Income	Severance Tax	Net Royalty Payment	Cost Depletion Factor	Basis Allocation Factor	Production
<b>WADDELL RANCH PROPERTIES—TEXAS</b>						
1. Oil . . . . .	0.000000	0.000000	0.000000	0.000000	0.482745	0.000000 BBLs
2. Gas . . . . .	0.000000	0.000000	0.000000	0.000000	0.299655	0.000000 MCF
3. Lawsuit Settlement . . . . .	0.096548	0.000000	0.096548	0.000000		
Total Oil, Gas & Settlement . . . . .	<u>0.096548</u>	<u>0.000000</u>	<u>0.096548</u>			
<b>ROYALTY PROPERTIES—TEXAS</b>						
1. Oil . . . . .	0.237481	0.010502	0.226979			0.003607 BBLs
2. Gas . . . . .	0.021830	0.000888	0.020942			0.002464 MCF
3. Total Oil & Gas . . . . .	<u>0.259311</u>	<u>0.011390</u>	<u>0.247921</u>	0.072691	0.217600	
TOTAL FOR YEAR . . . . .	<u>\$0.355859</u>	<u>\$0.011390</u>	<u>\$0.344469</u>	<b>A</b>	<u>1.000000</u>	

**PART II**  
**OTHER INCOME AND EXPENSE PER UNIT**

	<u>Total</u>
1. Interest Income . . . . .	\$ 0.001561 <b>B</b>
2. Administration Expense . . . . .	(\$0.039223) <b>C</b>

**PART III**  
**RECONCILIATION OF TAXABLE INCOME AND CASH DISTRIBUTION PER UNIT**

	<u>Total</u>
1. Taxable Income per Unit, Excluding Depletion <b>(A+B-C)</b> . . . . .	\$0.306807
2. Reconciling Items . . . . .	\$0.000000
3. Cash Distribution per Unit . . . . .	<u>\$0.306807</u>

## PERMIAN BASIN ROYALTY TRUST

3838 Oak Lawn Avenue,

Suite 1720

Dallas, Texas 75219

Telephone Toll-Free 1-855-588-7839

### Instructions for Schedules A and B-1 Through B-12

#### I. FEDERAL INCOME TAX INFORMATION

##### 1. Reporting of Income and Deductions.

(a) *Direct Ownership Reporting.* The Permian Basin Royalty Trust (the “Trust”) is a grantor trust for federal income tax purposes. Each unitholder is taxable on their pro rata share of the income and expenses of the Trust as if the unitholder was the direct owner of a pro rata share of the Trust income and assets. Thus, the taxable year for reporting a unitholder’s share of the Trust’s income and expense is determined by the taxable year and method of accounting of the unitholder, not by the taxable year and method of accounting of the Trust. Therefore, cash method unitholders should report their pro rata share of income or expense received or paid by the Trust during their tax year. Accrual method unitholders should report their pro rata share of income or expense accrued by the Trust during their tax year.

Because the Trust is a grantor trust for federal income tax purposes, proper classification of Trust income and expense will be dependent upon the relevant facts and circumstances of each unitholder. Accordingly, unitholders should consult their own tax advisor regarding all tax compliance matters related to the units.

(b) *Taxable Year.* Because the Trust distributes its income monthly to unitholders of record at the end of each month, Schedules B-1 through B-12 are prepared for each month during the year to permit unitholders using a fiscal year to develop their own tax data by computing the relevant information for each month the unitholder owned units during their taxable year. For example, a unitholder with a fiscal year ending January 31, 2026, who owned the same number of units throughout the fiscal year would combine the results of Schedules B-2 through B-12 for 2025 and Schedule B-1 for 2026. For the convenience of unitholders who report on the calendar year and who have owned the same number of units throughout the calendar year, Schedule A, which combines the results of Schedules B-1 through B-12, is attached. Schedules B-1 through B-12 are unnecessary for most unitholders as individualized schedules are provided summarizing taxable income for the calendar year, and accordingly, Schedules B-1 through B-12 are not included herein. Unitholders whose units are held by a nominee or broker, or any other unitholders requiring Schedules B-1 through B-12, may contact the Trustee. See also Subsections (f) and (g) of this Paragraph 1 below for additional information relating to units held by nominees, brokers and other middlemen.

(c) *Types and Reporting of Trust Income and Deductions.* The Trust holds two net overriding royalties—one in oil and gas properties known as the Waddell Ranch Properties-Texas and the other in oil and gas properties known as the Royalty Properties-Texas (herein referred to collectively as the “Royalties” and individually as a “Royalty”). In general, the net overriding royalty income is computed monthly based on proceeds realized in the preceding month by the owner of the interests burdened by the Royalties from oil and gas produced in an earlier month, less applicable costs and expenses. Such net overriding royalty income is received by the Trustee on the last day of the monthly period.

(i) *Gross Income.* The gross amount of net overriding royalty income received by the Trust from each Royalty during the period is reported on a per-Unit basis in Column (a) of Part I.

(ii) *Severance Tax.* Severance tax paid by the Trust during the period covered is reported on a per-Unit basis in Column (b) of Part I.

(iii) *Interest Income.* Interest income received by the Trustee during the period covered is reported on a per-Unit basis as Item 1 of Part II.

(iv) *Administration Expenses.* Administration expenses are paid on the last day of the month in which they were incurred. The amount incurred and paid during such period is reported on a per-Unit basis as Item 2 of Part II.

(d) *Unit Multiplication.* Because each schedule shows results only on a per-Unit basis, each unitholder must determine the aggregate amounts for all units held by the unitholder to obtain the amounts to report on the unitholder's tax return. Unitholders should multiply the gross royalty income and severance tax shown in Part I and the interest income and administration expense shown in Part II by the number of units owned by the unitholder during the applicable period. Income and deductions (other than depletion) may be computed directly from the appropriate schedules. Depletion per unit must be computed as provided in paragraph 2 below.

(e) *Individual Taxpayers.* For unitholders who hold the units as an investment and who are required to file IRS Form 1040 for a period beginning in 2025, it is suggested that the items of income and deduction computed from the appropriate schedules be reported in the following manner:

<u>Item</u>	<u>Form 1040</u>
Name of Royalty	Line 1a, Part 1, Schedule E
Gross Royalty Income	Line 4, Part I, Schedule E
Depletion	Line 18, Part I, Schedule E
Severance Tax	Line 16, Part I, Schedule E
Interest Income	Line 1, Part I, Schedule B
Administration Expenses	Line 19, Part I, Schedule E

On pages 4 and 5, we have reproduced Schedules E and B of IRS Form 1040 and identified the specific location of each item of income and expense listed above.

For the convenience of unitholders who acquired or sold units during 2025, Tables I through IV are enclosed to assist in the computation of gross royalty income, severance tax, interest income, and administration expenses. These tables are only for those unitholders who have a calendar year as their taxable year.

(f) *Nominee Reporting.* Nominees and brokers should report the distributions from the Trust as royalty income on IRS Form 1099-MISC. The taxable amount before depletion should be reported in accordance with the attached schedules. In years when there are no reconciling items, the net taxable income before depletion (see Part I, Paragraph 2 below) will equal the cash distributions from the Trust. See also Subsection (g) of this Paragraph 1 below for additional information relating to units held by nominees, brokers and other middlemen.

(g) *WHFIT Information.* The Trustee assumes that some Trust units are held by middlemen, as such term is broadly defined in U.S. Treasury Regulations (and includes custodians, nominees, certain joint owners, and brokers holding an interest for a customer in street name, referred to herein collectively as "middlemen"). Therefore, the Trustee considers the Trust to be a non-mortgage widely held fixed investment trust ("WHFIT") for U.S. federal income tax purposes. Argent Trust Company, EIN: 62-1437218, 3838 Oak Lawn Avenue, Suite 1720, Dallas, Texas 75219, telephone number (855) 588-7839, email address trustee@pbt-permian.com, is the representative of the Trust that will provide tax information in accordance with the applicable U.S. Treasury Regulations governing the information reporting requirements of the Trust as a WHFIT. Tax information is also posted by the Trustee at [www.pbt-permian.com](http://www.pbt-permian.com). Notwithstanding the foregoing, the middlemen holding Trust units on behalf of unitholders, and not the Trustee of the Trust, are solely responsible for complying with the information reporting requirements under the U.S. Treasury Regulations with respect to such Trust units, including the issuance of IRS Forms 1099 and certain written tax statements. Unitholders whose Trust units are held by middlemen should consult with such middlemen regarding the information that will be reported to them by the middlemen with respect to the Trust units.

**2. Computation of Depletion.** Each unitholder's allowable depletion on units acquired before October 12, 1990 is the amount of cost depletion with respect to each Royalty. **For units acquired after**

**October 11, 1990, each unitholder's allowable depletion is the greater of cost depletion or percentage depletion with respect to each Royalty.**

(a) *Percentage Depletion.* The tax law allows percentage depletion on proven properties acquired after October 11, 1990. For units acquired after such date, the unitholder should separately compute both percentage depletion and cost depletion from each property and claim the greater of the two amounts as a deduction on their income tax return. Unlike cost depletion, the allowance for percentage depletion continues to be deductible after the unitholder's tax basis is reduced to zero. **The Trustee and its independent accountants have estimated the percentage depletion for January through December 2025, and it appears that, depending on the unitholder's individual circumstances, percentage depletion may exceed cost depletion.**

If available, percentage depletion is equal to 15% of the gross income attributable to a royalty, limited to 100% of the net income from such royalty. The amount of percentage depletion should then be compared to the amount of cost depletion calculated using instructions in Subsection (b) of this Paragraph 2. The greater of cost depletion or percentage depletion is the deduction to be taken on the unitholder's income tax return. The worksheet and instructions provided on pages 11-13 assume a unitholder will take the cost depletion deduction. Some unitholders may be entitled to a percentage depletion deduction in lieu of a cost depletion deduction, in which case Table VIII (on page 15) should be used to compute such unitholder's depletion deduction.

For unitholders who acquired their units before October 12, 1990, no percentage depletion is allowable under the exemption for independent producers and royalty owners provided by Internal Revenue Code ("IRC") Section 613A(c), because the Royalties were proven properties at the time of their transfer. No percentage depletion is allowable under the exemption for certain gas wells provided by IRC Section 613A(b), because none of the gross income from the Royalties constitutes income from "natural gas sold under a fixed contract" under that section.

(b) *Cost Depletion and Apportionment of Basis.* To compute cost depletion, each unitholder should multiply their tax basis in each Royalty (reduced by the aggregate prior years' depletion, if any) by the factor indicated on Column (d) of Part I, which factor was obtained by dividing the quantity produced and sold during the period by the estimated quantity of reserves at the beginning of the year. A unitholder's basis in each Royalty is determined by apportioning the unitholder's basis in the units among each Royalty in proportion to the relative fair market value of each on the date the units were acquired by such unitholder. Note 2 of the enclosed Specific Instructions for Cost Depletion Worksheet and Column (e) of Part I set forth a factor for apportioning basis based on the Trustee's determination of the relative fair market value of the Royalties. In the case of the Royalty known as the Waddell Ranch Properties-Texas, a unitholder's basis is further apportioned between oil and gas because both have significant value and substantially different production rates. A unitholder should allocate their basis in accordance with the basis allocation factors in Note 2 of the enclosed Specific Instructions for Cost Depletion Worksheet or in Column (e) of Part I in the monthly Grantor Trust Schedule (B-1 through B-12) for the month in which they acquired units and should not thereafter reallocate their basis. The Trustee intends to redetermine the relative values of the Royalties annually and make appropriate adjustments to the basis allocation factor in Note 2 of the enclosed Specific Instructions for Cost Depletion Worksheet or in Column (e) of Part I based on such redetermination.

A Cost Depletion Worksheet is enclosed to assist unitholders in computing their cost depletion deduction. The Worksheet is divided into two parts. Part A pertains to units that have been held the entire calendar year, and Part B pertains to units that were acquired or sold during 2025. Unitholders who use Part B should obtain their cost depletion factors for their applicable period of ownership in 2025 from Tables V, VI, and VII. Notes are contained in the Specific Instructions for Cost Depletion Worksheet to explain certain aspects of the depletion calculation.

For your convenience, a cost depletion calculator is now available on the Permian Basin Royalty Trust website at: [www.pbt-permian.com](http://www.pbt-permian.com).

# Individual Unitholder's Specific Location of Items of Income and Expense On IRS Form 1040 Schedules E and B

<b>SCHEDULE E</b> (Form 1040)  Department of the Treasury Internal Revenue Service	<b>Supplemental Income and Loss</b> (From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)  Attach to Form 1040, 1040-SR, 1040-NR, or 1041. Go to <a href="http://www.irs.gov/ScheduleE">www.irs.gov/ScheduleE</a> for instructions and the latest information.	OMB No. 1545-0074 <b>2025</b> Attachment Sequence No. <b>13</b>																																																																																																																												
Name(s) shown on return		Your social security number																																																																																																																												
<b>Part I Income or Loss From Rental Real Estate and Royalties</b> Note: If you are in the business of renting personal property, use <b>Schedule C</b> . See instructions. If you are an individual, report farm rental income or loss from <b>Form 4835</b> on page 2, line 40.																																																																																																																														
<b>A</b> Did you make any payments in 2025 that would require you to file Form(s) 1099? See instructions . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No <b>B</b> If "Yes," did you or will you file required Form(s) 1099? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No																																																																																																																														
1a Physical address of each property (street, city, state, ZIP code)																																																																																																																														
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<b>Type of Property:</b> 1 Single Family Residence    3 Vacation/Short-Term Rental    5 Land    7 Self-Rental 2 Multi-Family Residence    4 Commercial    6 Royalties    8 Other (describe) _____																																																																																																																														
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 60%;">Income:</th> <th colspan="3" style="text-align: center;">Properties:</th> </tr> <tr> <td></td> <th style="width: 15%;">A</th> <th style="width: 15%;">B</th> <th style="width: 10%;">C</th> </tr> <tr> <td><b>3</b> Rents received . . . . .</td> <td><b>3</b></td> <td></td> <td></td> </tr> <tr> <td><b>4</b> Royalties received . . . . .</td> <td><b>4</b></td> <td></td> <td></td> </tr> <tr> <td colspan="4"><b>Expenses:</b></td> </tr> <tr> <td><b>5</b> Advertising . . . . .</td> <td><b>5</b></td> <td></td> <td></td> </tr> <tr> <td><b>6</b> Auto and travel (see instructions) . . . . .</td> <td><b>6</b></td> <td></td> <td></td> </tr> <tr> <td><b>7</b> Cleaning and maintenance . . . . .</td> <td><b>7</b></td> <td></td> <td></td> </tr> <tr> <td><b>8</b> Commissions . . . . .</td> <td><b>8</b></td> <td></td> <td></td> </tr> <tr> <td><b>9</b> Insurance . . . . .</td> <td><b>9</b></td> <td></td> <td></td> </tr> <tr> <td><b>10</b> Legal and other professional fees . . . . .</td> <td><b>10</b></td> <td></td> <td></td> </tr> <tr> <td><b>11</b> Management fees . . . . .</td> <td><b>11</b></td> <td></td> <td></td> </tr> <tr> <td><b>12</b> Mortgage interest paid to banks, etc. (see instructions)</td> <td><b>12</b></td> <td></td> <td></td> </tr> <tr> <td><b>13</b> Other interest . . . . .</td> <td><b>13</b></td> <td></td> <td></td> </tr> <tr> <td><b>14</b> Repairs . . . . .</td> <td><b>14</b></td> <td></td> <td></td> </tr> <tr> <td><b>15</b> Supplies . . . . .</td> <td><b>15</b></td> <td></td> <td></td> </tr> <tr> <td><b>16</b> Taxes . . . . .</td> <td><b>16</b></td> <td></td> <td></td> </tr> <tr> <td><b>17</b> Utilities . . . . .</td> <td><b>17</b></td> <td></td> <td></td> </tr> <tr> <td><b>18</b> Depreciation expense or depletion . . . . .</td> <td><b>18</b></td> <td></td> <td></td> </tr> <tr> <td><b>19</b> Other (list) . . . . .</td> <td><b>19</b></td> <td></td> <td></td> </tr> <tr> <td><b>20</b> Total expenses. Add lines 5 through 19 . . . . .</td> <td><b>20</b></td> <td></td> <td></td> </tr> <tr> <td><b>21</b> Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file <b>Form 6198</b> . . . . .</td> <td><b>21</b></td> <td></td> <td></td> </tr> <tr> <td><b>22</b> Deductible rental real estate loss after limitation, if any, on <b>Form 8582</b> (see instructions) . . . . .</td> <td><b>22</b></td> <td>( )</td> <td>( )</td> </tr> <tr> <td><b>23a</b> Total of all amounts reported on line 3 for all rental properties . . . . .</td> <td><b>23a</b></td> <td></td> <td></td> </tr> <tr> <td><b>b</b> Total of all amounts reported on line 4 for all royalty properties . . . . .</td> <td><b>23b</b></td> <td></td> <td></td> </tr> <tr> <td><b>c</b> Total of all amounts reported on line 12 for all properties . . . . .</td> <td><b>23c</b></td> <td></td> <td></td> </tr> <tr> <td><b>d</b> Total of all amounts reported on line 18 for all properties . . . . .</td> <td><b>23d</b></td> <td></td> <td></td> </tr> <tr> <td><b>e</b> Total of all amounts reported on line 20 for all properties . . . . .</td> <td><b>23e</b></td> <td></td> <td></td> </tr> <tr> <td><b>24</b> <b>Income.</b> Add positive amounts shown on line 21. <b>Do not</b> include any losses . . . . .</td> <td><b>24</b></td> <td></td> <td></td> </tr> <tr> <td><b>25</b> <b>Losses.</b> Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here . . . . .</td> <td><b>25</b></td> <td>( )</td> <td></td> </tr> <tr> <td><b>26</b> <b>Total rental real estate and royalty income or (loss).</b> Combine lines 24 and 25. Enter the result here. If Parts II, III, and IV, and line 40 on page 2 do not apply to you, also enter this amount on Schedule 1 (Form 1040), line 5. Otherwise, include this amount in the total on line 41 on page 2 . . . . .</td> <td><b>26</b></td> <td></td> <td></td> </tr> </table>			Income:	Properties:				A	B	C	<b>3</b> Rents received . . . . .	<b>3</b>			<b>4</b> Royalties received . . . . .	<b>4</b>			<b>Expenses:</b>				<b>5</b> Advertising . . . . .	<b>5</b>			<b>6</b> Auto and travel (see instructions) . . . . .	<b>6</b>			<b>7</b> Cleaning and maintenance . . . . .	<b>7</b>			<b>8</b> Commissions . . . . .	<b>8</b>			<b>9</b> Insurance . . . . .	<b>9</b>			<b>10</b> Legal and other professional fees . . . . .	<b>10</b>			<b>11</b> Management fees . . . . .	<b>11</b>			<b>12</b> Mortgage interest paid to banks, etc. (see instructions)	<b>12</b>			<b>13</b> Other interest . . . . .	<b>13</b>			<b>14</b> Repairs . . . . .	<b>14</b>			<b>15</b> Supplies . . . . .	<b>15</b>			<b>16</b> Taxes . . . . .	<b>16</b>			<b>17</b> Utilities . . . . .	<b>17</b>			<b>18</b> Depreciation expense or depletion . . . . .	<b>18</b>			<b>19</b> Other (list) . . . . .	<b>19</b>			<b>20</b> Total expenses. Add lines 5 through 19 . . . . .	<b>20</b>			<b>21</b> Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file <b>Form 6198</b> . . . . .	<b>21</b>			<b>22</b> Deductible rental real estate loss after limitation, if any, on <b>Form 8582</b> (see instructions) . . . . .	<b>22</b>	( )	( )	<b>23a</b> Total of all amounts reported on line 3 for all rental properties . . . . .	<b>23a</b>			<b>b</b> Total of all amounts reported on line 4 for all royalty properties . . . . .	<b>23b</b>			<b>c</b> Total of all amounts reported on line 12 for all properties . . . . .	<b>23c</b>			<b>d</b> Total of all amounts reported on line 18 for all properties . . . . .	<b>23d</b>			<b>e</b> Total of all amounts reported on line 20 for all properties . . . . .	<b>23e</b>			<b>24</b> <b>Income.</b> Add positive amounts shown on line 21. <b>Do not</b> include any losses . . . . .	<b>24</b>			<b>25</b> <b>Losses.</b> Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here . . . . .	<b>25</b>	( )		<b>26</b> <b>Total rental real estate and royalty income or (loss).</b> Combine lines 24 and 25. Enter the result here. If Parts II, III, and IV, and line 40 on page 2 do not apply to you, also enter this amount on Schedule 1 (Form 1040), line 5. Otherwise, include this amount in the total on line 41 on page 2 . . . . .	<b>26</b>		
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For Paperwork Reduction Act Notice, see the separate instructions.    Cat. No. 11344L    Schedule E (Form 1040) 2025 Created 5/6/25																																																																																																																														

Name of Royalty →

Gross Royalty Income →

Severance Tax →

Depletion →

Administration Expense →

**SCHEDULE B  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Interest and Ordinary Dividends**

Attach to Form 1040 or 1040-SR.  
Go to [www.irs.gov/ScheduleB](http://www.irs.gov/ScheduleB) for instructions and the latest information.

OMB No. 1545-0074

**2025**  
Attachment  
Sequence No. **08**

Name(s) shown on return

Your social security number

Interest Income →

**Part I  
Interest**

(See instructions and the Instructions for Form 1040, line 2b.)

**Note:** If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

**1** List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address:

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<b>2</b> Add the amounts on line 1 . . . . .	<b>2</b>
<b>3</b> Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815 . . . . .	<b>3</b>
<b>4</b> Subtract line 3 from line 2. Enter the result here and on Form 1040 or 1040-SR, line 2b	<b>4</b>

**Note:** If line 4 is over \$1,500, you must complete Part III.

**Part II  
Ordinary Dividends**

(See instructions and the Instructions for Form 1040, line 3b.)

**Note:** If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

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<b>6</b> Add the amounts on line 5. Enter the total here and on Form 1040 or 1040-SR, line 3b	<b>6</b>

**Note:** If line 6 is over \$1,500, you must complete Part III.

**Part III  
Foreign Accounts and Trusts**

**Caution:** If required, failure to file FinCEN Form 114 may result in substantial penalties. Additionally, you may be required to file Form 8938, Statement of Specified Foreign Financial Assets. See instructions.

You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

	Yes	No
<b>7a</b> At any time during 2025, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions . . . . .		
If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements . . . . .		
<b>b</b> If you are required to file FinCEN Form 114, list the name(s) of the foreign country(-ies) where the financial account(s) is (are) located: -----		
<b>8</b> During 2025, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions . . . . .		

**3. Reconciliation of Net Income and Cash Distributions.** The difference, if any, between the per-Unit taxable income for a period and the per-Unit cash distributions, if any, reported for such period is attributable to adjustments in Part III, Line 2, labeled Reconciling Items. The Reconciling Items consist of (i) items that reduce cash distributions but are not currently deductible, such as increases in cash reserves established by the Trustee for the payment of future expenditures and capital items, and (ii) items that increase cash distributions but do not constitute taxable income, such as reductions in previously established cash reserves. It is expected that normally the Reconciling Items will be negligible. In 2025, there were no increases or decreases to the cash reserve maintained by the Trust. Thus, there were no Reconciling Items for 2025.

**4. Adjustments to Basis.** Each unitholder should reduce their tax basis (i) in each Royalty by the amount of depletion allowable with respect to such Royalty and (ii) in their units by the aggregate amount of depletion allowable with respect to all of the Royalties.

**5. Federal Income Tax Reporting of Units Sold.** The sale, exchange, or other disposition of a unit generally is a taxable transaction for federal income tax purposes. Gain or loss is computed under general tax principles as the difference between the selling price and the adjusted basis of the unit. The adjusted basis in a unit is the original cost or other basis of the unit reduced (but not below zero) by any depletion that reduced the adjusted basis of the interest in the Royalty represented by such unit. For unitholders who acquired their units after 1986, upon subsequent disposition of such unit, a portion of the gain (if any) will be recaptured as ordinary income. The depletion recapture amount is an amount equal to the lesser of (i) the gain on such sale attributable to the disposition of the Royalty or (ii) the sum of the prior depletion deductions taken with respect to the Royalty (but not in excess of the initial basis of such units allocated to the Royalty). The remaining gain or any loss from the disposition of a unit will be a capital gain or loss if such unit was held by the unitholder as a capital asset. The capital gain or loss will be long-term, if held more than 12 months, or short-term, if held for 12 months or less.

**6. Portfolio Income.** Interest and Royalty income attributable to ownership of Trust units and any gain on the sale thereof are generally considered portfolio income and not income from a “passive activity,” to the extent a unitholder acquires and holds Trust units as an investment and not in the ordinary course of a trade or business. Therefore, in general, interest and Royalty income attributable to ownership of Trust units may not be offset by losses from any passive activities. Unitholders should consult their tax advisor for further information.

**7. Unrelated Business Taxable Income.** Certain organizations that are generally exempt from federal income tax under IRC Section 501 are subject to tax on certain types of business income defined in IRC Section 512 as unrelated business taxable income. The income of the Trust should not be unrelated business taxable income to such organizations, so long as the Trust units are not “debt-financed property” within the meaning of IRC Section 514(b). In general, a Trust unit would be debt-financed property if the Trust unitholder incurs debt to acquire a Trust unit or otherwise incurs or maintains a debt that would not have been incurred or maintained if the Trust unit had not been acquired.

**8. Backup Withholding.** A payor is required under specified circumstances to withhold tax at the rate of 24 percent on “reportable interest or dividend payments” and “other reportable payments” (including certain oil and gas royalty payments). Generally, this “backup withholding” is required on payments if the payee has failed to furnish the payor a taxpayer identification number or if the payor is notified by the Secretary of the Treasury to withhold taxes on such payments with respect to the payee. Amounts withheld by payors pursuant to the backup withholding provisions are remitted to the IRS and are considered a credit against the payee’s federal income tax liability. If the payee does not incur a federal income tax liability for the year in which the taxes are withheld, the payee will be required to file the appropriate income tax return to claim a refund of the taxes withheld.

Unitholders, other than foreign taxpayers, who have had amounts withheld in 2025 pursuant to the federal backup withholding provisions should have received an IRS Form 1099-MISC from the Trust. The IRS Form 1099-MISC reflects the total federal income tax withheld from distributions. Unlike other IRS Forms 1099 that you may receive, the amount reported on the IRS Form 1099-MISC received from the Trust should not be included as additional income in computing taxable income, as such amount is already included in the per-Unit income items on the income and expense schedules included herein. The federal

income tax withheld, as reported on the IRS Form 1099-MISC, should be considered as a credit by the unitholder in computing any federal income tax liability. Individual unitholders should include the amount of backup withholding in the "Payments" section of the unitholder's 2025 IRS Form 1040.

**9. Investment Income Tax.** IRC Section 1411 imposes a 3.8% Medicare tax on certain investment income earned by individuals, estates, and trusts. For these purposes, investment income generally will include a unitholder's allocable share of the Trust's interest and royalty income plus the gain recognized from a sale of Trust units. In the case of an individual, the tax is imposed on the lesser of (i) the individual's net investment income from all investments, or (ii) the amount by which the individual's modified adjusted gross income exceeds specified threshold levels depending on such individual's federal income tax filing status (\$250,000 for married persons filing a joint return, \$125,000 for married persons filing separately, and \$200,000 in most other cases). In the case of an estate or trust, the tax is imposed on the lesser of (i) undistributed net investment income, or (ii) the excess adjusted gross income over the dollar amount at which the highest income tax bracket applicable to an estate or trust begins (\$15,650 for 2025).

**10. Lawsuit Settlement.** On August 19, 2025, Argent Trust Company, as Trustee of the Trust announced that it had reached a settlement agreement in connection with its litigation against Blackbeard Operating, LLC ("Blackbeard"), the operator of the properties in the Waddell Ranch, in Crane County, Texas, in which the Trust holds a 75% net overriding royalty. Pursuant to the lawsuit, the Trustee had sought to recover more than \$9 million in damages it alleged resulted from Blackbeard's failure to properly calculate and pay royalties due and owing the Trust.

Pursuant to the settlement agreement, Blackbeard agreed to pay the Trust \$9,000,000, of which \$4,500,000 was paid in September 2025, with the remaining \$4,500,000 being paid to the Trust in equal amounts in each quarter in 2026. Pursuant to IRS regulations and court rulings, the Blackbeard settlement proceeds have been included as gross income from the Waddell Ranch properties, which is presented in Schedule A at the front of this booklet and in Table I on page nine. Since cost depletion is calculated based on the amounts sold during the period divided by the estimated quantity of reserves and the settlement originates from Blackbeard's failure to calculate the net royalty payable to the Trust (rather than the amounts sold), the settlement income is included in the calculation of percentage depletion but not cost depletion. Percentage depletion is presented in Table VIII, on page 15.

## II. STATE TAX RETURNS

All revenues from the Trust are from sources within Texas, which has no individual income tax. Texas imposes a franchise tax at a rate of 0.75% on gross revenues less certain deductions, as specifically set forth in the Texas franchise tax statutes. Entities subject to tax generally include trusts and most other types of entities having limited liability protection, unless otherwise exempt. Trusts that receive at least 90% of their federal gross income from designated passive sources, including royalties from mineral properties and other non-operated mineral interest income, and do not receive more than 10% of their income from operating an active trade or business, generally are exempt from the Texas franchise tax as "passive entities." The Trust has been and expects to continue to be exempt from Texas franchise tax as a passive entity. Because the Trust should be exempt from Texas franchise tax at the Trust level as a passive entity, each unitholder that is a taxable entity under the Texas franchise tax generally will be required to include its portion of Trust revenues in its own Texas franchise tax computation. This revenue is sourced to Texas under provisions of the Texas Administrative Code providing that such income is sourced according to the principal place of business of the Trust, which is Texas.

Unitholders should consult their tax advisor concerning all Texas tax compliance matters relating to the units.

## III. CERTAIN FEDERAL INCOME TAX MATTERS

Under current law (i) the Trust should be treated as a grantor trust for federal income tax purposes, and the income of the Trust should be taxable to the unitholders as if amounts owed or paid to the Trust were owed or paid directly to the unitholders pro rata; and (ii) each unitholder should be entitled to depletion deductions equal to the greater of cost depletion based on their basis in the units or (under certain circumstances) percentage depletion. The IRS has issued private letter rulings and technical

advice memoranda indicating that royalty trusts similar to the Trust are taxable as grantor trusts. However, no rulings have been issued to the Trust and private letter rulings issued to other taxpayers do not bind the IRS in connection with the Trust. Hence, there can be no assurance that the IRS will not challenge this treatment.

**THE INFORMATION AND INSTRUCTIONS CONTAINED IN THIS BOOKLET ARE DESIGNED TO ASSIST UNITHOLDERS WHO ARE U.S. CITIZENS IN COMPLYING WITH THEIR FEDERAL INCOME TAX AND TEXAS STATE TAX REPORTING REQUIREMENTS BASED ON THE TREATMENT OF THE TRUST AS A GRANTOR TRUST AND SHOULD NOT BE CONSTRUED AS TAX ADVICE TO ANY SPECIFIC UNITHOLDER. A UNITHOLDER SHOULD CONSULT THE UNITHOLDER’S OWN TAX ADVISOR REGARDING ALL TAX COMPLIANCE MATTERS RELATING TO THE TRUST.**

**SUPPLEMENTAL TAX TABLES AND WORKSHEET**

In addition to Schedule A and the instructions contained herein, the Supplemental Tax Tables and Worksheet are provided for certain unitholders. The Supplemental Tax Tables and Worksheet are comprised of eight tables and a Cost Depletion Worksheet.

For purposes of computing income and expenses (excluding cost and percentage depletion), Tables I-IV should only be used by calendar-year unitholders who acquired, sold or exchanged units during 2025. unitholders who have a taxable year end other than December 31 should continue to use Schedules B-1 through B-12. Unitholders who have held units the entire year should use Schedule A.

To assist all unitholders in calculating their cost depletion deduction, Tables V-VII and the Cost Depletion Worksheet are provided. Notes are contained in the Specific Instructions for Cost Depletion Worksheet to explain and assist in preparing a unitholder’s cost depletion deduction.

This worksheet assumes a unitholder will take the cost depletion deduction. Some unitholders may be entitled to a percentage depletion deduction in lieu of a cost depletion deduction, in which case Table VIII (on page 15) should be used to compute such unitholder’s depletion deduction. See pages 2 and 3 of this booklet for additional information regarding depletion deductions.

A brief example illustrating the computation of the income and expenses excluding cost and percentage depletion should be helpful. A unitholder acquires 1,000 units on May 7, 2025, and sells these units on November 10, 2025. For these units, the unitholder received cash distributions for May through October; therefore, the income and expenses attributable to these units will be for this same period. To use each table (I-IV), a unitholder should go down the left-hand column to the specific month when the units were purchased and across the page to the column that corresponds to the month for which the last cash distribution was received. In the above example, the unitholder should go down the left-hand column to the fifth line and across the page to the column titled October. This procedure would be done on each of the four tables. The income and expense in the above example are summarized below.

<u>Description</u>	<u>Table</u>	<u>Per Unit</u>	<u>x</u>	<u>Units</u>	<u>=</u>	<u>Amount</u>
Gross Royalty Income . . . . .	I	0.223878	x	1,000	=	223.88
Severance Tax . . . . .	II	0.005514	x	1,000	=	5.51
Interest Income . . . . .	III	0.000783	x	1,000	=	0.78
Administration Expense . . . . .	IV	0.020084	x	1,000	=	20.08

**PERMIAN BASIN ROYALTY TRUST**

**Table I 2025 Gross Royalty Income (Cumulative \$ per Unit)**

For a unit acquired of record during the month of:	And the last cash distribution on such unit owned on the monthly record date in 2025 for the month of:											
	2025											
	January	February	March	April	May	June	July	August	September	October	November	December
JANUARY . . . . .	0.023128	0.044257	0.068413	0.094111	0.115919	0.137733	0.157857	0.178612	0.296159	0.317989	0.338753	0.355859
FEBRUARY . . . . .		0.021129	0.045285	0.070983	0.092791	0.114605	0.134729	0.155484	0.273031	0.294861	0.315625	0.332731
MARCH . . . . .			0.024156	0.049854	0.071662	0.093476	0.113600	0.134355	0.251902	0.273732	0.294496	0.311602
APRIL . . . . .				0.025698	0.047506	0.069320	0.089444	0.110199	0.227746	0.249576	0.270340	0.287446
MAY . . . . .					0.021808	0.043622	0.063746	0.084501	0.202048	0.223878	0.244642	0.261748
JUNE . . . . .						0.021814	0.041938	0.062693	0.180240	0.202070	0.222834	0.239940
JULY . . . . .							0.020124	0.040879	0.158426	0.180256	0.201020	0.218126
AUGUST . . . . .								0.020755	0.138302	0.160132	0.180896	0.198002
SEPTEMBER . . . . .									0.117547	0.139377	0.160141	0.177247
OCTOBER . . . . .										0.021830	0.042594	0.059700
NOVEMBER . . . . .											0.020763	0.037870
DECEMBER . . . . .												0.017107

**Table II 2025 Severance Tax (Cumulative \$ per Unit)**

For a unit acquired of record during the month of:	And the last cash distribution on such unit owned on the monthly record date in 2025 for the month of:											
	2025											
	January	February	March	April	May	June	July	August	September	October	November	December
JANUARY . . . . .	0.000983	0.001921	0.002874	0.004035	0.004899	0.005899	0.006678	0.007638	0.008594	0.009549	0.010460	0.011390
FEBRUARY . . . . .		0.000938	0.001891	0.003052	0.003916	0.004916	0.005695	0.006655	0.007611	0.008566	0.009477	0.010407
MARCH . . . . .			0.000953	0.002114	0.002978	0.003978	0.004757	0.005717	0.006673	0.007628	0.008539	0.009469
APRIL . . . . .				0.001161	0.002025	0.003025	0.003804	0.004764	0.005720	0.006675	0.007586	0.008516
MAY . . . . .					0.000863	0.001864	0.002643	0.003602	0.004559	0.005514	0.006425	0.007355
JUNE . . . . .						0.001001	0.001780	0.002739	0.003695	0.004650	0.005562	0.006491
JULY . . . . .							0.000779	0.001738	0.002694	0.003649	0.004561	0.005490
AUGUST . . . . .								0.000959	0.001915	0.002870	0.003782	0.004711
SEPTEMBER . . . . .									0.000956	0.001911	0.002823	0.003752
OCTOBER . . . . .										0.000955	0.001867	0.002796
NOVEMBER . . . . .											0.000912	0.001841
DECEMBER . . . . .												0.000929

## PERMIAN BASIN ROYALTY TRUST

### Table III 2025 Interest Income (Cumulative \$ per Unit)

For a unit acquired of record during the month of:	And the last cash distribution on such unit owned on the monthly record date in 2025 for the month of:											
	2025											
	January	February	March	April	May	June	July	August	September	October	November	December
JANUARY . . . . .	0.000128	0.000248	0.000355	0.000472	0.000576	0.000692	0.000805	0.000906	0.001015	0.001255	0.001451	0.001561
FEBRUARY . . . . .		0.000120	0.000226	0.000343	0.000448	0.000564	0.000676	0.000778	0.000887	0.001127	0.001322	0.001433
MARCH . . . . .			0.000106	0.000224	0.000328	0.000444	0.000556	0.000658	0.000767	0.001007	0.001202	0.001313
APRIL . . . . .				0.000117	0.000222	0.000338	0.000450	0.000552	0.000661	0.000901	0.001096	0.001207
MAY . . . . .					0.000105	0.000221	0.000333	0.000434	0.000544	0.000783	0.000979	0.001089
JUNE . . . . .						0.000116	0.000228	0.000330	0.000439	0.000679	0.000874	0.000985
JULY . . . . .							0.000112	0.000214	0.000323	0.000563	0.000758	0.000869
AUGUST . . . . .								0.000102	0.000211	0.000451	0.000646	0.000756
SEPTEMBER . . . . .									0.000109	0.000349	0.000545	0.000655
OCTOBER . . . . .										0.000240	0.000435	0.000546
NOVEMBER . . . . .											0.000195	0.000306
DECEMBER . . . . .												0.000110

### Table IV 2025 Trust Administration Expense (Cumulative \$ per Unit)

For a unit acquired of record during the month of:	And the last cash distribution on such unit owned on the monthly record date in 2025 for the month of:											
	2025											
	January	February	March	April	May	June	July	August	September	October	November	December
JANUARY . . . . .	0.001763	0.004929	0.010191	0.015230	0.017437	0.025389	0.029535	0.033014	0.034221	0.035314	0.036128	0.039223
FEBRUARY . . . . .		0.003166	0.008428	0.013467	0.015674	0.023626	0.027772	0.031251	0.032458	0.033551	0.034365	0.037460
MARCH . . . . .			0.005262	0.010301	0.012508	0.020460	0.024606	0.028085	0.029292	0.030385	0.031199	0.034294
APRIL . . . . .				0.005039	0.007246	0.015198	0.019344	0.022823	0.024030	0.025123	0.025937	0.029032
MAY . . . . .					0.002207	0.010160	0.014306	0.017784	0.018991	0.020084	0.020898	0.023993
JUNE . . . . .						0.007952	0.012098	0.015577	0.016784	0.017877	0.018691	0.021786
JULY . . . . .							0.004146	0.007625	0.008832	0.009925	0.010739	0.013834
AUGUST . . . . .								0.003479	0.004685	0.005779	0.006593	0.009688
SEPTEMBER . . . . .									0.001207	0.002300	0.003114	0.006209
OCTOBER . . . . .										0.001093	0.001907	0.005002
NOVEMBER . . . . .											0.000814	0.003909
DECEMBER . . . . .												0.003095

**PERMIAN BASIN ROYALTY TRUST**

**2025 Cost Depletion Worksheet**

The following may help you calculate your *cost depletion* to be reported on your federal income tax return.

A. If you *owned* the units during the *entire year*, your cost depletion would be calculated as follows:

	<b>Original Basis (NOTE 1)</b>	<b>x</b>	<b>Basis Allocation Factors (NOTE 2)</b>	<b>=</b>	<b>Basis Allocated</b>	<b>-</b>	<b>Cost Depletion Allowed or Allowable in Prior Years</b>	<b>=</b>	<b>Basis Allocated Less Cost Depletion Allowed or Allowable in Prior Years</b>	<b>x</b>	<b>Cost Depletion Factor</b>	<b>=</b>	<b>Cost Depletion</b>
Waddell Ranch-Oil . . . . .	_____	x	_____	=	_____	-	_____	=	_____	x	0.000000	=	_____
Waddell Ranch-Gas . . . . .	_____	x	_____	=	_____	-	_____	=	_____	x	0.000000	=	_____
Royalty Properties . . . . .	_____	x	_____	=	_____	-	_____	=	_____	x	0.072692	=	_____
											Total		=====

B. If you *sold or acquired* the units during the year, your cost depletion for the portion of the year that you held the units would be calculated as follows:

	<b>Original Basis (NOTE 1)</b>	<b>x</b>	<b>Basis Allocation Factors (NOTE 2)</b>	<b>=</b>	<b>Basis Allocated</b>	<b>-</b>	<b>Cost Depletion Allowed or Allowable in Prior Years</b>	<b>=</b>	<b>Basis Allocated Less Cost Depletion Allowed or Allowable in Prior Years</b>	<b>x</b>	<b>Cost Depletion Factor For Allocable Portion of Year</b>	<b>=</b>	<b>Cost Depletion</b>
Waddell Ranch-Oil . . . . .	_____	x	_____	=	_____	-	_____	=	_____	x	_____	=	_____
Waddell Ranch-Gas . . . . .	_____	x	_____	=	_____	-	_____	=	_____	x	_____	=	_____
Royalty Properties . . . . .	_____	x	_____	=	_____	-	_____	=	_____	x	_____	=	_____
											Total		=====

## Specific Instructions for Cost Depletion Worksheet

**Note 1:** The original basis of your units must be determined from your records and generally will be the amount paid for the units, including broker's commissions, or the fair market value of such units on the date they were distributed (November 3, 1980). However, there could be other taxable events that cause the original basis to be revised. For example, the original basis of units passing through an estate will generally be changed to reflect the fair market value of the units on the date of death of the decedent. Please consult your tax advisor concerning your original basis. The original basis should be entered in each blank of the first column of the Cost Depletion Worksheet.

**Note 2:** There are three basis allocation factors because the Trust has three separate properties for depletion purposes. The Waddell Ranch and Royalty Properties are separate and distinct properties for tax purposes. Each property is subject to depletion at a different rate. There are two different basis allocation factors for the Waddell Ranch because there are two different minerals—oil and gas. Each mineral has significant value, and each mineral is depleting at a different rate.

The following basis allocation factors are to be used only in the year units are purchased or acquired. Once the basis allocation factor is applied to the original basis of the units acquired (cost or other basis), the basis allocation is not changed again. By multiplying the original basis of the units acquired by the basis allocation factors, a unitholder has computed the portion of their original basis applicable to each depletable Royalty held by the Trust, which will be depleted over the remaining productive life of that property.

Royalties	Purchase Dates								
	3/90-2/91	3/91-2/92	3/92-2/93	3/93-2/94	3/94-2/95	3/95-2/96	3/96-2/97	3/97-2/98	3/98-2/99
Waddell Ranch-Oil . . . . .	0.431257	0.470732	0.400585	0.445910	0.370861	0.439193	0.462933	0.413676	0.357948
Waddell Ranch-Gas . . . . .	0.150358	0.199595	0.223342	0.230089	0.295248	0.218702	0.208031	0.327439	0.248759
Royalty Properties . . . . .	0.418365	0.329673	0.376073	0.323101	0.333891	0.342105	0.329036	0.258885	0.393293

Royalties	Purchase Dates								
	3/99-2/00	3/00-2/01	3/01-2/02	3/02-2/03	3/03-2/04	3/04-2/05	3/05-2/06	3/06-2/07	3/07-12/07
Waddell Ranch-Oil . . . . .	0.357948	0.376662	0.382276	0.317757	0.326370	0.319633	0.303084	0.294110	0.291568
Waddell Ranch-Gas . . . . .	0.248759	0.272278	0.318977	0.297549	0.318960	0.305469	0.316912	0.309450	0.308062
Royalty Properties . . . . .	0.393293	0.351160	0.298746	0.384693	0.354660	0.375602	0.380002	0.396440	0.400370

Royalties	Purchase Dates								
	1/08-12/08	1/09-12/09	1/10-12/10	1/11-12/11	1/12-12/12	1/13-12/13	1/14-12/14	1/15-12/15	1/16-12/16
Waddell Ranch-Oil . . . . .	0.329649	0.246094	0.274327	0.300060	0.318616	0.333115	0.336120	0.391039	0.353665
Waddell Ranch-Gas . . . . .	0.302271	0.268410	0.256273	0.283766	0.282267	0.261230	0.220360	0.136932	0.085025
Royalty Properties . . . . .	0.368080	0.485496	0.469400	0.416174	0.399117	0.405656	0.443520	0.472030	0.561310

Royalties	Purchase Dates								
	1/17-12/17	1/18-12/18	1/19-12/19	1/20-12/20	1/21-12/21	1/22-12/22	1/23-12/23	1/24-12/24	1/25-12/25
Waddell Ranch-Oil . . . . .	0.337623	0.251604	0.193068	0.186757	0.266566	0.468938	0.561353	0.557465	0.482745
Waddell Ranch-Gas . . . . .	0.093997	0.218702	0.170959	0.124979	0.145021	0.191743	0.256871	0.259435	0.299655
Royalty Properties . . . . .	0.568380	0.529694	0.635973	0.688263	0.588413	0.339319	0.181776	0.183100	0.217600

For your convenience, a cost depletion calculator is now available on the Permian Basin Royalty Trust website at: [www.pbt-permian.com](http://www.pbt-permian.com).

**Note 3:** When units are acquired, sold or exchanged during the year, the cost depletion factor for each Royalty is calculated using one of the following procedures:

(a) *UNITS ACQUIRED PRIOR TO 2025 AND SOLD DURING 2025.*

Example: A unitholder acquired units prior to 2025 that he sold in May 2025. To calculate their cost depletion for each of the three Royalties for 2025, the unitholder would use the cost depletion factor for January through April 2025 for each such Royalty obtained from Tables V, VI, and VII. For example, using Table V (Waddell Ranch-Oil) the factor would be 0.000000. The factor would be 0.000000 from Table VI (Waddell Ranch-Gas) and 0.024237 from Table VII (Royalty Properties).

(b) *UNITS ACQUIRED AND SOLD DURING 2025.*

Example: A unitholder acquired units in July 2025 and sold them in September 2025. To calculate their cost depletion for each of the three Royalties for 2025, the unitholder would use the cost depletion factor for July through August 2025 for each such Royalty obtained from Tables V, VI, and VII. For example, using Table V (Waddell Ranch-Oil) the factor would be 0.000000. The factor would be 0.000000 from Table VI (Waddell Ranch-Gas) and 0.012822 from Table VII (Royalty Properties).

(c) *UNITS ACQUIRED DURING 2025 AND STILL OWNED AT THE END OF 2025.*

Example: A unitholder acquired units in March 2025 and still owned them at the end of the year. To calculate their cost depletion for each of the three Royalties for 2025, the unitholder would use the cost depletion factor for March 2025 through December 2025 for each such Royalty obtained from Tables V, VI, and VII. For example, using Table V (Waddell Ranch-Oil) the factor would be 0.000000. The factor would be 0.000000 from Table VI (Waddell Ranch-Gas) and 0.060969 from Table VII (Royalty Properties).

**PERMIAN BASIN ROYALTY TRUST**

**Table V 2025 Cost Depletion Factors—Waddell Ranch-Oil (Cumulative)**

For a unit acquired of record during the month of:	And the last cash distribution on such unit owned on the monthly record date in 2025 for the month of:											
	2025											
	January	February	March	April	May	June	July	August	September	October	November	December
JANUARY . . . . .	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
FEBRUARY . . . . .		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
MARCH . . . . .			0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
APRIL . . . . .				0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
MAY . . . . .					0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
JUNE . . . . .						0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
JULY . . . . .							0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AUGUST . . . . .								0.000000	0.000000	0.000000	0.000000	0.000000
SEPTEMBER . . . . .									0.000000	0.000000	0.000000	0.000000
OCTOBER . . . . .										0.000000	0.000000	0.000000
NOVEMBER . . . . .											0.000000	0.000000
DECEMBER . . . . .												0.000000

**Table VI 2025 Cost Depletion Factors—Waddell Ranch-Gas (Cumulative)**

For a unit acquired of record during the month of:	And the last cash distribution on such unit was attributable to the monthly record date for the month of:											
	2025											
	January	February	March	April	May	June	July	August	September	October	November	December
JANUARY . . . . .	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
FEBRUARY . . . . .		0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
MARCH . . . . .			0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
APRIL . . . . .				0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
MAY . . . . .					0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
JUNE . . . . .						0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
JULY . . . . .							0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
AUGUST . . . . .								0.000000	0.000000	0.000000	0.000000	0.000000
SEPTEMBER . . . . .									0.000000	0.000000	0.000000	0.000000
OCTOBER . . . . .										0.000000	0.000000	0.000000
NOVEMBER . . . . .											0.000000	0.000000
DECEMBER . . . . .												0.000000

**Table VII 2025 Cost Depletion Factors—Royalty Properties (Cumulative)**

For a unit acquired of record during the month of:	And the last cash distribution on such unit was attributable to the monthly record date for the month of:											
	2025											
	January	February	March	April	May	June	July	August	September	October	November	December
JANUARY . . . . .	0.006115	0.011722	0.017931	0.024237	0.029970	0.035908	0.041846	0.048730	0.055453	0.061565	0.067546	0.072691
FEBRUARY . . . . .		0.005607	0.011816	0.018122	0.023855	0.029793	0.035731	0.042615	0.049338	0.055450	0.061431	0.066576
MARCH . . . . .			0.006209	0.012515	0.018248	0.024186	0.030124	0.037008	0.043731	0.049843	0.055824	0.060969
APRIL . . . . .				0.006306	0.012039	0.017977	0.023915	0.030799	0.037522	0.043634	0.049615	0.054760
MAY . . . . .					0.005734	0.011671	0.017609	0.024493	0.031216	0.037328	0.043309	0.048454
JUNE . . . . .						0.005937	0.011876	0.018760	0.025483	0.031594	0.037575	0.042720
JULY . . . . .							0.005939	0.012822	0.019545	0.025657	0.031638	0.036783
AUGUST . . . . .								0.006884	0.013607	0.019719	0.025700	0.030845
SEPTEMBER . . . . .									0.006723	0.012835	0.018816	0.023961
OCTOBER . . . . .										0.006112	0.012093	0.017238
NOVEMBER . . . . .											0.005981	0.011126
DECEMBER . . . . .												0.005145

**Table VIII 2025 Percentage Depletion Factors (Cumulative \$ per Unit)**

For a unit acquired of record during the month of:	And the last cash distribution on such unit was attributable to the monthly record date for the month of:											
	2025											
	January	February	March	April	May	June	July	August	September	October	November	December
JANUARY . . . . .	0.003469	0.006639	0.010262	0.014117	0.017388	0.020660	0.023679	0.026792	0.044424	0.047698	0.050813	0.053379
FEBRUARY . . . . .		0.003169	0.006793	0.010648	0.013919	0.017191	0.020209	0.023323	0.040955	0.044229	0.047344	0.049910
MARCH . . . . .			0.003623	0.007478	0.010749	0.014021	0.017040	0.020153	0.037785	0.041060	0.044174	0.046740
APRIL . . . . .				0.003855	0.007126	0.010398	0.013417	0.016530	0.034162	0.037436	0.040551	0.043117
MAY . . . . .					0.003271	0.006543	0.009562	0.012675	0.030307	0.033582	0.036696	0.039262
JUNE . . . . .						0.003272	0.006291	0.009404	0.027036	0.030310	0.033425	0.035991
JULY . . . . .							0.003019	0.006132	0.023764	0.027038	0.030153	0.032719
AUGUST . . . . .								0.003113	0.020745	0.024020	0.027134	0.029700
SEPTEMBER . . . . .									0.017632	0.020907	0.024021	0.026587
OCTOBER . . . . .										0.003275	0.006389	0.008955
NOVEMBER . . . . .											0.003115	0.005681
DECEMBER . . . . .												0.002566

# Permian Basin Royalty Trust

TAX INFORMATION  
2025

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