



ENDURO
ROYALTY TRUST

2017

TAX INFORMATION BOOKLET

601 Travis, 16th Floor
Houston, TX 77002
Telephone (512) 236-6545
EIN: 45-6259461

2017

This booklet provides 2017 tax information which will allow unitholders to determine their pro rata share of income and deductions attributable to their investment in Enduro Royalty Trust (the “Trust”). Each unitholder is encouraged to read the entire booklet very carefully. The material herein is not intended and should not be construed as professional tax or legal advice. Each unitholder should consult the unitholder’s own tax advisor regarding all tax compliance matters relating to the units.

Instructions for Schedules A, B and Supplemental Tax Tables

Schedule A

For unitholders who file income tax returns on the basis of the calendar year and the cash method during 2017, the Trustee has prepared Schedule A, which summarizes the income and expenses on a per unit basis required to prepare 2017 tax returns as if the unitholder had held its units during all of 2017 (i.e. January 1, 2017 through December 31, 2017).

Schedule B

Schedules B-1 through B-12 summarize the monthly income and expenses on a per unit basis. Each unitholder should compute its tax information by using the relevant information for each month that it was a unitholder of record. The results of all appropriate months should be combined. Thus, a unitholder with a taxable year ending January 31, 2018 would combine the results of February through December for 2017 and January for 2018.

Supplemental Tax Tables

Supplemental Tax Tables I through XI should only be used by calendar-year unitholders who acquired units after January 2017, or sold or exchanged units any time during 2017. Unitholders who have a taxable year other than December 31, as well as unitholders subject to state income tax who did not own units the full calendar year, should continue to use Schedules B-1 through B-12. Unitholders who have held units the entire year should use Schedule A.

I. FEDERAL INCOME TAX INFORMATION

1. Reporting of Income and Expense

(a) *Direct Ownership Reporting.* Enduro Royalty Trust is taxable as a grantor trust for federal income tax purposes. Each unitholder of the Trust is taxable on its pro rata share of the income and expenses of the Trust as if it were the direct owner of a pro rata share of the Trust’s income and assets. Thus, the taxable year for reporting a unitholder’s share of the Trust’s income and expense is controlled by its taxable year and its method of accounting, not by the taxable year and method of accounting of the Trust. Therefore, a cash-basis unitholder would report its pro rata share of income or expense of the Trust, received or paid by the Trust, during its tax year. An accrual-basis unitholder should report its pro rata share of income and expenses of the Trust accrued during its tax year.

The Trust was formed in May 2011 by Enduro Resource Partners LLC to own a net profits interest representing the right to receive 80% of the net profits from the sale of oil and natural gas production from certain properties in the states of Texas, Louisiana, and New Mexico held by Enduro Resource Partners LLC as of the date of the conveyance of the net profits interest to the Trust. The net profits interest was conveyed to the Trust on November 8, 2011 in connection with the initial public offering of Trust units.

(b) *Taxable Year.* Since 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 its taxable year. For example, a unitholder with a fiscal year ending January 31, 2018, and who has owned the same number of units during such year would combine the results of Schedules B-2 through B-12 for 2017 and Schedule B-1 for 2018. For the convenience of unitholders who report on the calendar year and who have owned the same number of units during such calendar year, Schedule A, which combines the results of Schedules B-1 through B-12, is included. Calendar year unitholders who purchased or sold units during the year should consult the Supplemental Tax Tables.

(c) *Types and Reporting of Trust Income and Deduction.*

(i) In general, the income attributable to each royalty is computed for each monthly period based on proceeds collected in the preceding months by the owner of the interests burdened by such royalty from oil and gas produced from such interests and sold in an earlier month, less certain designated costs and expenses paid or accrued. The gross amount of the net profits interest royalty income received by the Trust during the period is reported in Column (a) of Part I.

(ii) Severance tax allocated to the Trust during the period is reported in Column (b) of Part I.

(iii) Production quantities provided in Column (g) of Part I are for information only.

(iv) The Trustee invests the net proceeds received from the working interest owners (net of administration expenses) each month. The interest income earned on the net proceeds received from the working interest owners (net of administration expenses) at the end of a month is distributed to the unitholders of record for that month. Item 1 of Part II reports, on a per unit basis, the interest earned by the Trust on distributions received by the Trust from the working interest owners during 2017.

(v) Administration expenses represent amounts paid for and incurred during the period. The amount incurred and paid during the period covered is reported as Item 2 of Part II.

(vi) The net proceeds resulting from the Permian divestiture are reported as Item 3 of Part II. Please see the third section further below titled “Permian Divestiture – Computation of Gain or Loss” for a more detailed explanation on this one.

(d) *Unit Multiplication.* Because each schedule shows results on a per-unit basis, it will be necessary to 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 a unitholder on the monthly record date of the applicable period to obtain the amount to be reported on its tax return for that period. Income and deductions (other than depletion) may be computed directly from the appropriate schedules. Depletion per unit must be computed as provided in instruction 2 on the following page.

(e) *Individual Taxpayer.* For unitholders who held units as an investment during 2017 and who file Form 1040, it is suggested that the items of income and deduction for 2017 be reported in the following manner:

<u>Item</u>	<u>Form 1040</u>
Royalty Income*	Line 4, Part I, Schedule E
Depletion	Line 18, Part I, Schedule E
Severance Taxes	Line 16, Part I, Schedule E
Interest Income	Line 1, Part I, Schedule B
Permian Divestiture Sales Proceeds	Line 20, Part III, Form 4797
Administration Expense	Line 19, Part I, Schedule E

* The Enduro royalty is divided into three parts for state tax purposes. For federal income tax purposes, it may be shown as a single royalty.

On the following pages, we have reproduced Form 1040 Schedules E, B, and Form 4797 and identified the specific location of each item of income and expense listed above. These pages are entitled "Individual Unitholder's Specific Location of Items of Income and Expense on Form 1040 Schedules E, B, and Form 4797."

For the convenience of unitholders who acquired or sold units during 2017, Tables I, II, IV, and V are enclosed to assist in the computation of Gross Royalty Income, Interest Income, Severance Tax, and Administration Expense. These tables are only for those unitholders who have a calendar year as their taxable year.

(f) *Nominee Reporting.* Nominees should report the distributions from the Trust as royalty income on Form 1099-MISC. The taxable amount before depletion should be reported per the attached schedules. In years where there are no reconciling items, the net taxable income excluding depletion (see instruction 2) will equal the cash distributions from the Trust. Also, see the WHFIT Classification section regarding tax information reporting by middlemen.

2. Computation of Depletion

Each unitholder should determine its depletion allowance by computing depletion for each royalty. A taxpayer who purchased units should be entitled to claim depletion allowable based on the greater of cost or (if allowable) percentage depletion.

A Depletion Worksheet is enclosed to assist unitholders in computing their cost or percentage depletion deduction. The Worksheet is divided into two parts. Part A pertains to units that were held the entire calendar year, and Part B pertains to units that were acquired or sold in 2017. Unitholders who use Part B should obtain their cost depletion factors from Tables VI through VIII and percentage depletion factors from Tables IX through XI for their applicable period of ownership in 2017.

(a) *Percentage 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, and may continue after basis is reduced to zero.

(b) *Cost Depletion and Apportionment of Basis.* Each unitholder is entitled to compute cost depletion with respect to its share of royalty income received by the Trust from each royalty on its basis in such royalty. To compute cost depletion for the period covered, each unitholder should multiply its basis in

each royalty (reduced by prior years' depletion, if any) by the factor indicated in Column (d) of Part I, which factor was calculated by dividing the quantity produced and sold during the period by the estimated quantity of reserves at the beginning of the year.

The Enduro royalty is a single royalty for federal tax purposes. However, it is necessary for the unitholder to apportion its basis in the royalty into three parts for state tax purposes. With respect to units acquired by purchase, a unitholder's basis in each royalty is determined by apportioning its basis in such units among each royalty in proportion to the relative fair market values of each on the date the units were acquired. Note 2 of the Specific Instructions for Depletion Worksheet and Column (f) 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. A unitholder should allocate its basis in accordance with the basis allocation factor in Note 2 of the Specific Instructions for Depletion Worksheet or in Column (f) of Part I for the year in which units are acquired and should not thereafter reallocate its basis. The trustee intends to redetermine the relative values of the royalties annually, and change the basis allocation factor in Note 2 of the Specific Instructions for Depletion Worksheet and in Column (f) of Part I based on such redetermination.

3. Permian Divestiture – Computation of Gain or Loss

In June 2017, Enduro Resource Partners LLC, the owner of the working interests in properties underlying the Trust, entered into eight separate purchase and sale agreements (the "PSAs") to divest properties in the Permian Basin that constituted part of the properties underlying the Trust (the "Divestiture Properties"). The PSAs were subject to the approval of Trust unitholders to release the Trust's net profits interest in the Divestiture Properties. At a special meeting of Trust unitholders held on August 30, 2017, unitholders approved several proposals, including approval of the Trust's release of its 80% net profits interest in the Divestiture Properties in exchange for 80% of the net proceeds of the sales. In September 2017, Enduro Resource Partners LLC completed the sale of the Divestiture Properties and the Trust released its net profits interest in the Divestiture Properties. The Divestiture Properties consisted of producing wells and undeveloped acreage, with the majority of the proceeds allocated to undeveloped acreage. The Trust's proved reserves only included producing properties, and the Divestiture Properties accounted for 1.72% of the total proved reserves of the properties underlying the Trust, with 59.93% of the Divestiture Properties reserves located in NM and 40.07% located in Texas. The proceeds from the divestiture are reported on Schedule A and Schedule B-10 in Part II. The net proceeds allocable to Trust unitholders as a result of 80% of the net proceeds of the sales of the Divestiture Properties amounted to \$38.7 million, or \$1.172732 per Trust unit. After deducting \$0.75 million for the indemnity holdback under the PSAs, \$37.95 million, or \$1.150005 per Trust unit, was distributed as a special distribution to unitholders in October 2017.

Gain or loss is computed under the usual tax principles as the difference between the sales proceeds and the adjusted basis of the properties sold. The adjusted basis of a property sold is the original cost or other basis of the property reduced by any depletion allowed or allowable. The amount of gain, if any, realized upon the disposition of an oil and gas property is treated as ordinary income to the extent of the depletion previously claimed with respect to such property which reduced the taxpayer's basis in the property. The balance of any gain or any loss will be a capital gain or loss if such property was held by the unitholder as a capital asset - either long-term, if held more than 12 months, or short-term if held less than 12 months.

An example gain or loss calculation has been enclosed as Exhibit III to assist unitholders in computing their gain or loss related to the Permian Divestiture. The amounts used in Exhibit III are for illustration purposes only. Each unitholder should calculate their gain or loss based on their individual information.

4. Reconciliation of Net Income and Cash Distributions - Non-Tax Account

The difference between the per unit net income for a period and the per unit cash distributions reported for that period (even though distributed in a later period) is attributable to adjustments in Part III, Line 2, labeled Non-Tax Account. The Non-Tax Account is increased by expenditures which are not deductible and by increases in the cash reserves established by the Trustee for the payment of future expenditures. The Non-Tax Account is decreased by the recoupment of capital items and by reductions in previously established cash reserves.

5. Adjustments to Basis

Each unitholder should reduce its tax basis (but not below zero) in each royalty by the amount of depletion allowable with respect to that royalty and its tax basis in its units by the amount of depletion allowable with respect to all royalties. Each unitholder should also increase its tax basis in the units by its pro rata share of any increase in the Non-Tax Account and decrease its tax basis in the units by its pro rata share of any decrease in the Non-Tax Account.

6. Federal Income Tax Reporting of Units Sold

The sale, exchange, or other disposition of a unit is a taxable transaction for federal income tax purposes. Gain or loss is computed under the usual tax principles as the difference between the selling price and the adjusted basis of the unit. The adjusted basis of a unit is the original cost or other basis of the unit reduced by any depletion allowed or allowable. The amount of gain, if any, realized upon the disposition of an oil and gas property is treated as ordinary income to the extent of the depletion previously claimed with respect to such property which reduced the taxpayer's basis in the property. The balance of any gain or any loss will be a capital gain or loss if such unit was held by the unitholder as a capital asset - either long-term, if held more than 12 months, or short-term if held less than 12 months.

7. Portfolio Income

Royalty income is generally considered portfolio income under the passive loss rules enacted by the Tax Reform Act of 1986. Therefore, it appears that unitholders should not consider the taxable income from the Trust to be passive income in determining net passive income or loss. Unitholders should consult their tax advisors for further information.

8. WHFIT Classification

The Trustee assumes that some Trust units are held by a middleman, 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 custodian in street name). Therefore, the Trustee considers the Trust to be a non-mortgage widely held fixed investment trust ("WHFIT") for U.S. federal income tax purposes. The Bank of New York Mellon Trust Company, N.A. ("Trustee"), 601 Travis, 16th Floor, Houston, TX 77002, telephone number (512) 236-6545, is the representative of the Trust that will provide tax information in accordance with applicable U.S. Treasury Regulations governing the information reporting requirements of the Trust as a WHFIT. Notwithstanding the foregoing, the middlemen holding 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 units, including the issuance of IRS Forms 1099 and certain written tax statements. Unitholders whose 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 units.

9. Unrelated Business Taxable Income

Certain organizations that are generally exempt from tax under IRC Section 501 are subject to tax on certain types of business income defined in IRC Section 512 as unrelated business income. In the opinion of the Trust's tax counsel, the income of the Trust is not expected to 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 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.

II. STATE INCOME TAX RETURNS

All revenues from the Trust are from sources within Texas, Louisiana or New Mexico, as reflected on Schedules A and B.

Louisiana and New Mexico presently have income taxes which tax income of nonresidents from real property located within that state. Louisiana and New Mexico tax nonresidents on royalty income from the royalties located in that state. Louisiana and New Mexico also impose a corporate income tax which may apply to unitholders organized as corporations. Business entities and entities providing limited liability protection, unless otherwise exempt, are currently subject to the Texas franchise tax which is partly based on federal income principles and which would generally include income from the Trust. The Trust has been advised by Texas tax counsel that the Trust should be currently exempt from the Texas franchise tax as a passive entity. However, each unitholder that is a business entity or limited liability entity should consult with its tax advisor regarding royalty income from the Trust (as such income may be taxable to certain unitholders, despite the fact that it was not taxable to the Trust as a passive entity) and compliance with Texas franchise tax law.

The revenues and expenses attributable to the royalties located in each state are reflected in Part I to assist unitholders in complying with state tax obligations. If units were owned less than a full year, the unitholder must obtain state income tax information from Schedule B for each of the months units were owned. Each unitholder should consult its tax advisor regarding the requirements for filing state income tax returns for its state of residence, and the states from which the Trust's income is derived.

III. CERTAIN TAX MATTERS

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

Specific Instructions for 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, if any. However, there could be other taxable events which cause the original basis to be revised. Please consult your tax advisor concerning your original basis. The original

basis should be entered in each blank of the first column of the Depletion Worksheet 1. The portion of your original basis that was allocated to the Permian Divestiture (See Exhibit III) should reduce your depletable basis after October 2017 on Depletion Worksheet 2.

Note 2: There is one depletable property for federal income tax purpose because the net profits interest was conveyed to the Trust on November 8, 2011 under a single conveyance agreement thereby creating a single property. However, three basis allocation factors for the property have been provided to assist you with your state income tax reporting. The basis allocation factors are to be used only in the year units are purchased or otherwise acquired. Once the basis allocation factor is applied to the original basis of the units acquired (cost or other basis), generally, the basis allocation is not changed again.

Note 3: Depletion allowed or allowable in prior years is the cumulative depletion amount, whether cost depletion or percentage depletion. The portion of your accumulated depletion that was allocated to the Permian Divestiture (See Exhibit III) should reduce your accumulated depletion after October 2017 on Depletion Worksheet 2.

Note 4: As a result of the Permian Divestiture, unitholders who received the Special Distribution will need to complete their depletion allowance through October 2017 on Depletion Worksheet 1 and then reduce their Original Cost basis (Note 1) and their accumulated depletion (Note 3) for amounts that were allocated to the Permian Divestiture for purposes of computing their depletion allowance for the remainder of the year on Depletion Worksheet 2. The total of column (m) for Depletion Worksheet 1 and Depletion Worksheet 2 should result in your total sustained assumed allowable depletion for 2017.

Note 5: After cost depletion and percentage depletion are calculated, the unitholder is entitled to deduct the greater of the two for each royalty.

Note 6: When units are acquired, sold or exchanged during the year, the cost depletion factor and percentage depletion amount for each royalty should be the factors provided in the supplemental tables (Table VI through Table XI).

The Bank of New York Mellon Trust Company, N.A.
Corporate Trustee
601 Travis, 16th Floor
Houston, Texas 77002
(512) 236-6545

Individual Unitholder's Specific Location of Items of Income and Expense on Form 1040 Schedule E

SCHEDULE E (Form 1040) Department of the Treasury Internal Revenue Service (IRS)	Supplemental Income and Loss (From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.) Attach to Form 1040, 1040NR, or Form 1041. Go to www.irs.gov/ScheduleE for instructions and the latest information.	OMB No. 1545-0074 2017 Attachment Sequence No. 13
Name(s) shown on return		Your social security number

Part I **Income or Loss From Rental Real Estate and Royalties** Note: If you are in the business of renting personal property, use Schedule C or C-EZ (see instructions). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

A Did you make any payments in 2017 that would require you to file Form(s) 1099? (see instructions) Yes No
B If "Yes," did you or will you file required Forms 1099? Yes No

1a Physical address of each property (street, city, state, ZIP code)					
A ENDURO ROYALTY TRUST 45-6259461					
B					
C					
1b	Type of Property (from list below)	2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions.	Fair Rental Days	Personal Use Days	QJV
A		A			<input type="checkbox"/>
B		B			<input type="checkbox"/>
C		C			<input type="checkbox"/>

Type of Property:
 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)

Income:	Properties:	A	B	C
3 Rents received	3			
4 Royalties received	4 →			
Expenses:				
5 Advertising	5			
6 Auto and travel (see instructions)	6			
7 Cleaning and maintenance	7			
8 Commissions	8			
9 Insurance	9			
10 Legal and other professional fees	10			
11 Management fees	11			
12 Mortgage interest paid to banks, etc. (see instructions)	12			
13 Other interest	13			
14 Repairs	14			
15 Supplies	15			
16 Taxes	16 →			
17 Utilities	17 →			
18 Depreciation expense or depletion	18 →			
19 Other (list) ▶	19 →			
20 Total expenses. Add lines 5 through 19	20			
21 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 Form 6198	21			
22 Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	22 () () ()			
23a Total of all amounts reported on line 3 for all rental properties	23a			
b Total of all amounts reported on line 4 for all royalty properties	23b			
c Total of all amounts reported on line 12 for all properties	23c			
d Total of all amounts reported on line 18 for all properties	23d			
e Total of all amounts reported on line 20 for all properties	23e			
24 Income. Add positive amounts shown on line 21. Do not include any losses	24			
25 Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25 () () ()			
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26			

4. Gross Royalty Income

16. Severance Taxes

18. Depletion

19. Administration Exp.

Individual Unitholder's Specific Location of Items of Income on Form 1040 Schedule B

<p>SCHEDULE B (Form 1040A or 1040)</p> <p>Department of the Treasury Internal Revenue Service (99)</p> <p>Name(s) shown on return</p>	<p>Interest and Ordinary Dividends</p> <p>▶ Attach to Form 1040A or 1040. ▶ Go to www.irs.gov/ScheduleB for instructions and the latest information.</p>	<p>OMB No. 1545-0074</p> <p>2017 Attachment Sequence No. 08</p> <p>Your social security number</p>																																																		
<p>Part I Interest</p> <p>(See instructions and the instructions for Form 1040A, or Form 1040, line 8a.)</p> <p>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.</p>																																																				
<p>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 ▶</p> <p>ENDURO ROYALTY TRUST 46-6259461</p>		<p>Amount</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td></tr> <tr><td style="text-align: center;">1</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td style="text-align: center;">2</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td style="text-align: center;">3</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td style="text-align: center;">4</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> </table>											1										2										3										4									
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<p>2 Add the amounts on line 1</p> <p>3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815</p> <p>4 Subtract line 3 from line 2. Enter the result here and on Form 1040A, or Form 1040, line 8a ▶</p>																																																				
<p>Note: If line 4 is over \$1,500, you must complete Part III.</p>																																																				
<p>Part II Ordinary Dividends</p> <p>(See instructions and the instructions for Form 1040A, or Form 1040, line 9a.)</p> <p>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.</p>																																																				
<p>5 List name of payer ▶</p>		<p>Amount</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td><td style="width:10%;"></td></tr> <tr><td style="text-align: center;">5</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> <tr><td style="text-align: center;">6</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> </table>											5										6																													
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<p>6 Add the amounts on line 5. Enter the total here and on Form 1040A, or Form 1040, line 9a ▶</p>																																																				
<p>Note: If line 6 is over \$1,500, you must complete Part III.</p>																																																				
<p>Part III Foreign Accounts and Trusts</p> <p>(See instructions.)</p> <p>7a At any time during 2017, 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</p> <p>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</p> <p>b If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located ▶</p> <p>8 During 2017, 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</p>																																																				
	Yes	No																																																		

Interest Income

Permian Divestiture Example Gain or Loss Calculation

The below example is provided for illustration purposes only and is not intended and should not be construed as professional tax or legal advice. Each unitholder should consult the unitholder's own tax advisor regarding the calculation of their gain or loss resulting from the divestiture.

Information You Will Need (as of October 2017)

- 1) Number of Trust Units Owned
- 2) Proceeds per Unit (See Schedule A or Schedule B-10 Part II)
- 3) Total Cost Basis from original acquisition
- 4) Accumulated Depletion Claimed Through October 2017

Example Calculation (for illustration purposes only):

Trust Units Owned	10,000										
Proceeds per Unit	1.172732										
Total Cost Basis	50,000										
Accumulated Depletion	5,008										
	A	B	C	D=(B+C)	E=(A-D)	F	G=(ExF)	H	I=(H-G)	J=(Fx D)	K=(I-J)
	Original	Depletion	Depletion	Accumulated	Net Basis	Percentage	Portion of	Proceeds	Example	Example	Example
	Basis	Allowance	Claimed	Depletion	in Property	Sold in	Net Basis	From	Gain or	Section	Capital
	Allocated	Claimed	Through	Through	Through	Divestiture	Sold	Divestiture	Loss from	1254	Gain or
		Prior Years	October 2017	October 2017	October 2017	(NOTE C)	(NOTE D)	(NOTE C)	Divestiture	Ordinary	(Loss)
		(NOTE A)	(NOTE B)							Income	
Royalty											
Texas	<u>27,704</u>	- <u>1,591</u>	- <u>698</u>	= <u>2,289</u>	<u>25,415</u>	<u>1.720000%</u>	<u>437</u>	<u>4,699</u>	<u>4,262</u>	<u>39</u>	<u>4,223</u>
Louisiana	<u>2,613</u>	- <u>214</u>	- <u>233</u>	= <u>448</u>	<u>2,165</u>	<u>0.000000%</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
New Mexico	<u>19,684</u>	- <u>1,265</u>	- <u>1,008</u>	= <u>2,272</u>	<u>17,412</u>	<u>1.720000%</u>	<u>299</u>	<u>7,028</u>	<u>6,729</u>	<u>39</u>	<u>6,690</u>
Total Federal	<u><u>50,000</u></u>	- <u><u>3,069</u></u>	- <u><u>1,939</u></u>	= <u><u>5,008</u></u>	<u><u>44,992</u></u>	<u><u>1.720000%</u></u>	<u><u>774</u></u>	<u><u>11,727</u></u>	<u><u>10,953</u></u>	<u><u>86</u></u>	<u><u>10,867</u></u>

NOTE A: This amount can be obtained from your prior tax year Depletion Worksheet for all tax years since you have been a unitholder.

NOTE B: You can obtain your depletion allowance through October 2017 by completing your 2017 Depletion Worksheet 1 or from the Supplemental Tax Tables.

NOTE C: The divestiture properties contained 1.72% of the total proved reserves of the underlying properties, where 59.93% of the divestiture reserves were in NM and 40.07% were in TX.

NOTE D: No portion of the Underlying Properties in Louisiana were sold. As a result, the portion of your net basis sold in column G, for state income tax purposes, will not add up to the total Federal basis sold. Since the NPI is one unit of property for federal income tax purposes, you should use your Total Federal line for determining your gain or loss to be reported on your Federal Income Tax return and not the total of the separate state amounts.

Individual Unitholder's Specific Location of Items of Income on Form 4797

References below are to Exhibit III

Form 4797 Department of the Treasury Internal Revenue Service	Sales of Business Property (Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2)) ▶ Attach to your tax return. ▶ Go to www.irs.gov/Form4797 for instructions and the latest information.	OMB No. 1545-0184 2017 Attachment Sequence No. 27
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Name(s) shown on return	Identifying number
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1 Enter the gross proceeds from sales or exchanges reported to you for 2017 on Form(s) 1099-B or 1099-S (or substitute statement) that you are including on line 2, 10, or 20. See instructions	1	
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Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft—Most Property Held More Than 1 Year (see instructions)

2	(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) Gain or (loss) Subtract (f) from the sum of (d) and (e)

3 Gain, if any, from Form 4684, line 39	3	
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37	4	
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824	5	
6 Gain, if any, from line 32, from other than casualty or theft	6	K
7 Combine lines 2 through 6. Enter the gain or (loss) here and on the appropriate line as follows:	7	K
Partnerships (except electing large partnerships) and S corporations. Report the gain or (loss) following the instructions for Form 1065, Schedule K, line 10, or Form 1120S, Schedule K, line 9. Skip lines 8, 9, 11, and 12 below. Individuals, partners, S corporation shareholders, and all others. If line 7 is zero or a loss, enter the amount from line 7 on line 11 below and skip lines 8 and 9. If line 7 is a gain and you didn't have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain from line 7 as a long-term capital gain on the Schedule D filed with your return and skip lines 8, 9, 11, and 12 below.		
8 Nonrecaptured net section 1231 losses from prior years. See instructions	8	
9 Subtract line 8 from line 7. If zero or less, enter -0-. If line 9 is zero, enter the gain from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below and enter the gain from line 9 as a long-term capital gain on the Schedule D filed with your return. See instructions	9	

Part II Ordinary Gains and Losses (see instructions)

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):							

11 Loss, if any, from line 7	11	
12 Gain, if any, from line 7 or amount from line 8, if applicable	12	
13 Gain, if any, from line 31	13	J
14 Net gain or (loss) from Form 4684, lines 31 and 38a	14	
15 Ordinary gain from installment sales from Form 6252, line 25 or 36	15	
16 Ordinary gain or (loss) from like-kind exchanges from Form 8824	16	
17 Combine lines 10 through 16	17	
18 For all except individual returns, enter the amount from line 17 on the appropriate line of your return and skip lines a and b below. For individual returns, complete lines a and b below:		
a If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here. Enter the part of the loss from income-producing property on Schedule A (Form 1040), line 28, and the part of the loss from property used as an employee on Schedule A (Form 1040), line 23. Identify as from "Form 4797, line 18a." See instructions		
	18a	
b Redetermine the gain or (loss) on line 17 excluding the loss, if any, on line 18a. Enter here and on Form 1040, line 14		
	18b	

Individual Unitholder's Specific Location of Items of Income on Form 4797

References below are to Exhibit III

Form 4797 (2017)

Page 2

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1252, 1254, and 1255
(see instructions)

19	(a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A	ENDURO ROYALTY TRUST 45-6259461 - PERMIAN DIVESTITURE	01/01/2016	09/29/2017
B			
C			
D			
	These columns relate to the properties on lines 19A through 19D. ▶		
20	Gross sales price (Note: See line 1 before completing.)	20	H
21	Cost or other basis plus expense of sale	21	A x F
22	Depreciation (or depletion) allowed or allowable	22	D x F
23	Adjusted basis. Subtract line 22 from line 21.	23	G
24	Total gain. Subtract line 23 from line 20.	24	I
25	If section 1245 property:		
a	Depreciation allowed or allowable from line 22	25a	
b	Enter the smaller of line 24 or 25a	25b	
26	If section 1250 property: If straight line depreciation was used, enter -0- on line 26g, except for a corporation subject to section 291.		
a	Additional depreciation after 1975. See instructions	26a	
b	Applicable percentage multiplied by the smaller of line 24 or line 26a. See instructions	26b	
c	Subtract line 26a from line 24. If residential rental property or line 24 isn't more than line 26a, skip lines 26d and 26e	26c	
d	Additional depreciation after 1969 and before 1976.	26d	
e	Enter the smaller of line 26c or 26d	26e	
f	Section 291 amount (corporations only)	26f	
g	Add lines 26b, 26e, and 26f.	26g	
27	If section 1252 property: Skip this section if you didn't dispose of farmland or if this form is being completed for a partnership (other than an electing large partnership).		
a	Soil, water, and land clearing expenses	27a	
b	Line 27a multiplied by applicable percentage. See instructions	27b	
c	Enter the smaller of line 24 or 27b	27c	
28	If section 1254 property:		
a	Intangible drilling and development costs, expenditures for development of mines and other natural deposits, mining exploration costs, and depletion. See instructions	28a	J
b	Enter the smaller of line 24 or 28a	28b	J
29	If section 1255 property:		
a	Applicable percentage of payments excluded from income under section 126. See instructions	29a	
b	Enter the smaller of line 24 or 29a. See instructions	29b	
Summary of Part III Gains. Complete property columns A through D through line 29b before going to line 30.			
30	Total gains for all properties. Add property columns A through D, line 24	30	I
31	Add property columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13	31	J
32	Subtract line 31 from line 30. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	32	K

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less
(see instructions)

	(a) Section 179	(b) Section 280F(b)(2)
33 Section 179 expense deduction or depreciation allowable in prior years.	33	
34 Recomputed depreciation. See instructions	34	
35 Recapture amount. Subtract line 34 from line 33. See the instructions for where to report	35	

Enduro Royalty Trust

Form 1041, GRANTOR TRUST

Schedule A

EIN 45-6259461

2017

PART I - ROYALTY INFORMATION PER UNIT

ROYALTY PROPERTIES	Gross Income (a)	Severance Tax (b)	Net Royalty Payment (c)	Cost Depletion Factor (d)	Percentage Depletion (e)	Basis Allocation Factor (f)	Production (g)
TEXAS							
Oil	\$ 0.107083	\$ 0.021368	\$ 0.085714				0.011386 Bbls
Gas	0.013772	0.002870	0.010903				0.025362 Mcf
Total Oil & Gas	<u>0.120855</u>	<u>0.024238</u>	<u>0.096617</u>	0.032077	0.018128	0.556415	
LOUISIANA							
Oil	0.000267	0.000046	0.000222				0.000033 Bbls
Gas	0.015826	0.003497	0.012329				0.035799 Mcf
Total Oil & Gas	<u>0.016094</u>	<u>0.003543</u>	<u>0.012551</u>	0.116792	0.002414	0.051108	
NEW MEXICO							
Oil	0.123156	0.024367	0.098789				0.006556 Bbls
Gas	0.034376	0.007464	0.026912				0.031085 Mcf
Total Oil & Gas	<u>0.157532</u>	<u>0.031831</u>	<u>0.125701</u>	0.065649	0.023630	<u>0.392477</u>	
TOTAL FOR YEAR	<u>\$ 0.294481</u>	<u>\$ 0.059612</u>	<u>\$ 0.234869</u>	A		<u>1.000000</u>	

PART II - OTHER INCOME AND EXPENSE PER UNIT

	Total
Interest Income	\$ 0.000464 B
Administration Expense	\$ 0.020695 C
Net Proceeds from Divestiture	\$ 1.172732 D

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

	Total
Taxable Income Per Unit, Excluding Depletion (A+B-C+D)	\$ 1.387370
Reconciling Items (Non-Tax Account)	0.029110
Cash Distribution Per Unit	<u>\$ 1.358260</u>

Enduro Royalty Trust

Form 1041, GRANTOR TRUST -

Schedule B-1

EIN 45-6259461

JANUARY 2017

PART I - ROYALTY INFORMATION PER UNIT

ROYALTY PROPERTIES	Gross Income (a)	Severance Tax (b)	Net Royalty Payment (c)	Cost Depletion Factor (d)	Percentage Depletion (e)	Basis Allocation Factor (f)	Production (g)
TEXAS							
Oil	\$ 0.017690	\$ 0.001814	\$ 0.015876				0.000987 Bbls
Gas	0.002110	0.000216	0.001894				0.002047 Mcf
Total Oil & Gas	<u>0.019800</u>	<u>0.002031</u>	<u>0.017769</u>	0.006204	0.002970	0.556415	
LOUISIANA							
Oil	0.000000	0.000000	0.000000				0.000000 Bbls
Gas	0.000672	0.000672	0.000000				0.001272 Mcf
Total Oil & Gas	<u>0.000672</u>	<u>0.000672</u>	<u>0.000000</u>	0.000000	0.000101	0.051108	
NEW MEXICO							
Oil	0.017215	0.001923	0.015291				0.000559 Bbls
Gas	0.005246	0.000586	0.004660				0.003018 Mcf
Total Oil & Gas	<u>0.022460</u>	<u>0.002509</u>	<u>0.019951</u>	0.011805	0.003369	<u>0.392477</u>	
TOTAL FOR MONTH	<u>\$ 0.042933</u>	<u>\$ 0.005212</u>	<u>\$ 0.037720</u>	A		<u>1.000000</u>	

PART II - OTHER INCOME AND EXPENSE PER UNIT

	Total
Interest Income	\$ 0.000003 B
Administration Expense	\$ 0.003815 C
Net Proceeds from Divestiture	\$ 0.000000 D

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

	Total
Taxable Income Per Unit, Excluding Depletion (A+B-C+D)	\$ 0.033909
Reconciling Items (Non-Tax Account)	(0.002296)
Cash Distribution Per Unit	<u>\$ 0.036205</u>

Enduro Royalty Trust

Form 1041, GRANTOR TRUST -

Schedule B-2

EIN 45-6259461

FEBRUARY 2017

PART I - ROYALTY INFORMATION PER UNIT

ROYALTY PROPERTIES	Gross Income (a)	Severance Tax (b)	Net Royalty Payment (c)	Cost Depletion Factor (d)	Percentage Depletion (e)	Basis Allocation Factor (f)	Production (g)
TEXAS							
Oil	\$ 0.004170	\$ 0.002032	\$ 0.002138				0.000944 Bbls
Gas	0.000585	0.000285	0.000300				0.002120 Mcf
Total Oil & Gas	<u>0.004755</u>	<u>0.002317</u>	<u>0.002438</u>	0.000889	0.000713	0.556415	
LOUISIANA							
Oil	0.000193	0.000004	0.000189				0.000007 Bbls
Gas	0.010764	0.000247	0.010517				0.006418 Mcf
Total Oil & Gas	<u>0.010957</u>	<u>0.000252</u>	<u>0.010706</u>	0.098743	0.001644	0.051108	
NEW MEXICO							
Oil	0.006921	0.002717	0.004204				0.000519 Bbls
Gas	0.002468	0.000969	0.001499				0.002901 Mcf
Total Oil & Gas	<u>0.009389</u>	<u>0.003686</u>	<u>0.005703</u>	0.003519	0.001408	<u>0.392477</u>	
TOTAL FOR MONTH	<u>\$ 0.025101</u>	<u>\$ 0.006255</u>	<u>\$ 0.018847</u>	A		<u>1.000000</u>	

PART II - OTHER INCOME AND EXPENSE PER UNIT

	Total
Interest Income	\$ 0.000003 B
Administration Expense	\$ 0.002745 C
Net Proceeds from Divestiture	\$ 0.000000 D

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

	Total
Taxable Income Per Unit, Excluding Depletion (A+B-C+D)	\$ 0.016105
Reconciling Items (Non-Tax Account)	(0.001226)
Cash Distribution Per Unit	<u>\$ 0.017331</u>

Enduro Royalty Trust

Form 1041, GRANTOR TRUST -

Schedule B-3

EIN 45-6259461

MARCH 2017

PART I - ROYALTY INFORMATION PER UNIT

ROYALTY PROPERTIES	Gross Income (a)	Severance Tax (b)	Net Royalty Payment (c)	Cost Depletion Factor (d)	Percentage Depletion (e)	Basis Allocation Factor (f)	Production (g)
TEXAS							
Oil	\$ 0.011348	\$ 0.001985	\$ 0.009363				0.000987 Bbls
Gas	0.001283	0.000224	0.001059				0.002172 Mcf
Total Oil & Gas	<u>0.012631</u>	<u>0.002210</u>	<u>0.010421</u>	0.003432	0.001895	0.556415	
LOUISIANA							
Oil	0.000038	0.000005	0.000033				0.000003 Bbls
Gas	0.002074	0.000262	0.001812				0.002826 Mcf
Total Oil & Gas	<u>0.002112</u>	<u>0.000267</u>	<u>0.001845</u>	0.018050	0.000317	0.051108	
NEW MEXICO							
Oil	0.029462	0.002473	0.026989				0.000827 Bbls
Gas	0.004277	0.000359	0.003918				0.002473 Mcf
Total Oil & Gas	<u>0.033740</u>	<u>0.002833</u>	<u>0.030907</u>	0.013695	0.005061	<u>0.392477</u>	
TOTAL FOR MONTH	<u>\$ 0.048483</u>	<u>\$ 0.005309</u>	<u>\$ 0.043173</u>	A		<u>1.000000</u>	

PART II - OTHER INCOME AND EXPENSE PER UNIT

	Total
Interest Income	\$ 0.000004 B
Administration Expense	\$ 0.000509 C
Net Proceeds from Divestiture	\$ 0.000000 D

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

	Total
Taxable Income Per Unit, Excluding Depletion (A+B-C+D)	\$ 0.042668
Reconciling Items (Non-Tax Account)	0.001767
Cash Distribution Per Unit	<u>\$ 0.040901</u>

Enduro Royalty Trust

Form 1041, GRANTOR TRUST -

Schedule B-4

EIN 45-6259461

APRIL 2017

PART I - ROYALTY INFORMATION PER UNIT

ROYALTY PROPERTIES	Gross Income (a)	Severance Tax (b)	Net Royalty Payment (c)	Cost Depletion Factor (d)	Percentage Depletion (e)	Basis Allocation Factor (f)	Production (g)
TEXAS							
Oil	\$ 0.022229	\$ 0.001330	\$ 0.020899				0.000985 Bbls
Gas	0.002621	0.000157	0.002465				0.001951 Mcf
Total Oil & Gas	<u>0.024851</u>	<u>0.001487</u>	<u>0.023364</u>	0.007378	0.003728	0.556415	
LOUISIANA							
Oil	0.000002	0.000002	(0.000000)				0.000002 Bbls
Gas	0.000217	0.000217	0.000000				0.003126 Mcf
Total Oil & Gas	<u>0.000219</u>	<u>0.000219</u>	<u>0.000000</u>	0.000000	0.000033	0.051108	
NEW MEXICO							
Oil	0.012997	0.001946	0.011051				0.000540 Bbls
Gas	0.003620	0.000542	0.003078				0.002361 Mcf
Total Oil & Gas	<u>0.016617</u>	<u>0.002488</u>	<u>0.014129</u>	0.007176	0.002493	<u>0.392477</u>	
TOTAL FOR MONTH	<u>\$ 0.041687</u>	<u>\$ 0.004194</u>	<u>\$ 0.037493</u>	A		<u>1.000000</u>	

PART II - OTHER INCOME AND EXPENSE PER UNIT

	Total
Interest Income	\$ 0.000003 B
Administration Expense	\$ 0.001888 C
Net Proceeds from Divestiture	\$ 0.000000 D

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

	Total
Taxable Income Per Unit, Excluding Depletion (A+B-C+D)	\$ 0.035607
Reconciling Items (Non-Tax Account)	0.000387
Cash Distribution Per Unit	<u>\$ 0.035220</u>

Enduro Royalty Trust

Form 1041, GRANTOR TRUST -

Schedule B-5

EIN 45-6259461

MAY 2017

PART I - ROYALTY INFORMATION PER UNIT

ROYALTY PROPERTIES	Gross Income (a)	Severance Tax (b)	Net Royalty Payment (c)	Cost Depletion Factor (d)	Percentage Depletion (e)	Basis Allocation Factor (f)	Production (g)
TEXAS							
Oil	\$ 0.010326	\$ 0.001949	\$ 0.008376				0.000891 Bbls
Gas	0.001504	0.000284	0.001220				0.001962 Mcf
Total Oil & Gas	<u>0.011830</u>	<u>0.002233</u>	<u>0.009596</u>	0.002998	0.001774	0.556415	
LOUISIANA							
Oil	0.000004	0.000004	(0.000000)				0.000003 Bbls
Gas	0.000238	0.000238	0.000000				0.002936 Mcf
Total Oil & Gas	<u>0.000242</u>	<u>0.000242</u>	<u>0.000000</u>	0.000000	0.000036	0.051108	
NEW MEXICO							
Oil	0.014996	0.002367	0.012629				0.000505 Bbls
Gas	0.005418	0.000855	0.004563				0.002515 Mcf
Total Oil & Gas	<u>0.020414</u>	<u>0.003222</u>	<u>0.017192</u>	0.008422	0.003062	<u>0.392477</u>	
TOTAL FOR MONTH	<u>\$ 0.032486</u>	<u>\$ 0.005697</u>	<u>\$ 0.026789</u>	A		<u>1.000000</u>	

PART II - OTHER INCOME AND EXPENSE PER UNIT

	Total
Interest Income	\$ 0.000006 B
Administration Expense	\$ 0.001895 C
Net Proceeds from Divestiture	\$ 0.000000 D

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

	Total
Taxable Income Per Unit, Excluding Depletion (A+B-C+D)	\$ 0.024900
Reconciling Items (Non-Tax Account)	0.001899
Cash Distribution Per Unit	<u>\$ 0.023001</u>

Enduro Royalty Trust

Form 1041, GRANTOR TRUST -

Schedule B-6

EIN 45-6259461

JUNE 2017

PART I - ROYALTY INFORMATION PER UNIT

ROYALTY PROPERTIES	Gross Income (a)	Severance Tax (b)	Net Royalty Payment (c)	Cost Depletion Factor (d)	Percentage Depletion (e)	Basis Allocation Factor (f)	Production (g)
TEXAS							
Oil	\$ 0.011058	\$ 0.001865	\$ 0.009193				0.000985 Bbls
Gas	0.001368	0.000231	0.001138				0.001862 Mcf
Total Oil & Gas	<u>0.012426</u>	<u>0.002096</u>	<u>0.010330</u>	0.003391	0.001864	0.556415	
LOUISIANA							
Oil	0.000007	0.000007	0.000000				0.000004 Bbls
Gas	0.000277	0.000277	(0.000000)				0.002860 Mcf
Total Oil & Gas	<u>0.000283</u>	<u>0.000283</u>	<u>(0.000000)</u>	0.000000	0.000042	0.051108	
NEW MEXICO							
Oil	0.009027	0.001842	0.007185				0.000541 Bbls
Gas	0.002601	0.000531	0.002071				0.002341 Mcf
Total Oil & Gas	<u>0.011628</u>	<u>0.002373</u>	<u>0.009255</u>	0.004630	0.001744	<u>0.392477</u>	
TOTAL FOR MONTH	<u>\$ 0.024337</u>	<u>\$ 0.004752</u>	<u>\$ 0.019586</u>	A		<u>1.000000</u>	

PART II - OTHER INCOME AND EXPENSE PER UNIT

	Total
Interest Income	\$ 0.000007 B
Administration Expense	\$ 0.001270 C
Net Proceeds from Divestiture	\$ 0.000000 D

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

	Total
Taxable Income Per Unit, Excluding Depletion (A+B-C+D)	\$ 0.018322
Reconciling Items (Non-Tax Account)	0.003282
Cash Distribution Per Unit	<u>\$ 0.015040</u>

Enduro Royalty Trust

Form 1041, GRANTOR TRUST -

Schedule B-7

EIN 45-6259461

JULY 2017

PART I - ROYALTY INFORMATION PER UNIT

ROYALTY PROPERTIES	Gross Income (a)	Severance Tax (b)	Net Royalty Payment (c)	Cost Depletion Factor (d)	Percentage Depletion (e)	Basis Allocation Factor (f)	Production (g)
TEXAS							
Oil	\$ 0.008915	\$ 0.001597	\$ 0.007318				0.000924 Bbls
Gas	0.000938	0.000168	0.000770				0.001772 Mcf
Total Oil & Gas	<u>0.009853</u>	<u>0.001765</u>	<u>0.008088</u>	0.002644	0.001478	0.556415	
LOUISIANA							
Oil	0.000003	0.000003	0.000000				0.000002 Bbls
Gas	0.000251	0.000251	0.000000				0.003224 Mcf
Total Oil & Gas	<u>0.000254</u>	<u>0.000254</u>	<u>0.000000</u>	0.000000	0.000038	0.051108	
NEW MEXICO							
Oil	0.007424	0.001963	0.005461				0.000527 Bbls
Gas	0.001994	0.000527	0.001467				0.002517 Mcf
Total Oil & Gas	<u>0.009418</u>	<u>0.002490</u>	<u>0.006928</u>	0.003826	0.001413	<u>0.392477</u>	
TOTAL FOR MONTH	<u>\$ 0.019524</u>	<u>\$ 0.004509</u>	<u>\$ 0.015015</u>	A		<u>1.000000</u>	

PART II - OTHER INCOME AND EXPENSE PER UNIT

	Total
Interest Income	\$ 0.000007 B
Administration Expense	\$ 0.003264 C
Net Proceeds from Divestiture	\$ 0.000000 D

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

	Total
Taxable Income Per Unit, Excluding Depletion (A+B-C+D)	\$ 0.011757
Reconciling Items (Non-Tax Account)	0.000530
Cash Distribution Per Unit	<u>\$ 0.011227</u>

Enduro Royalty Trust

Form 1041, GRANTOR TRUST -

Schedule B-8

EIN 45-6259461

AUGUST 2017

PART I - ROYALTY INFORMATION PER UNIT

ROYALTY PROPERTIES	Gross Income (a)	Severance Tax (b)	Net Royalty Payment (c)	Cost Depletion Factor (d)	Percentage Depletion (e)	Basis Allocation Factor (f)	Production (g)
TEXAS							
Oil	\$ 0.005641	\$ 0.001461	\$ 0.004179				0.000933 Bbls
Gas	0.001027	0.000266	0.000761				0.003105 Mcf
Total Oil & Gas	<u>0.006668</u>	<u>0.001728</u>	<u>0.004940</u>	0.001869	0.001000	0.556415	
LOUISIANA							
Oil	0.000006	0.000006	0.000000				0.000004 Bbls
Gas	0.000264	0.000264	0.000000				0.002951 Mcf
Total Oil & Gas	<u>0.000269</u>	<u>0.000269</u>	<u>0.000000</u>	0.000000	0.000040	0.051108	
NEW MEXICO							
Oil	0.007109	0.001540	0.005569				0.000494 Bbls
Gas	0.002359	0.000511	0.001848				0.002625 Mcf
Total Oil & Gas	<u>0.009468</u>	<u>0.002052</u>	<u>0.007417</u>	0.004320	0.001420	<u>0.392477</u>	
TOTAL FOR MONTH	<u>\$ 0.016405</u>	<u>\$ 0.004048</u>	<u>\$ 0.012357</u>	A		<u>1.000000</u>	

PART II - OTHER INCOME AND EXPENSE PER UNIT

	Total
Interest Income	\$ 0.000007 B
Administration Expense	\$ 0.000691 C
Net Proceeds from Divestiture	\$ 0.000000 D

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

	Total
Taxable Income Per Unit, Excluding Depletion (A+B-C+D)	\$ 0.011673
Reconciling Items (Non-Tax Account)	0.002346
Cash Distribution Per Unit	<u>\$ 0.009327</u>

Enduro Royalty Trust

Form 1041, GRANTOR TRUST -

Schedule B-9

EIN 45-6259461

SEPTEMBER 2017

PART I - ROYALTY INFORMATION PER UNIT

ROYALTY PROPERTIES	Gross Income (a)	Severance Tax (b)	Net Royalty Payment (c)	Cost Depletion Factor (d)	Percentage Depletion (e)	Basis Allocation Factor (f)	Production (g)
TEXAS							
Oil	\$ 0.002082	\$ 0.001774	\$ 0.000308				0.000907 Bbls
Gas	0.000292	0.000249	0.000043				0.001960 Mcf
Total Oil & Gas	<u>0.002374</u>	<u>0.002022</u>	<u>0.000351</u>	0.000128	0.000356	0.556415	
LOUISIANA							
Oil	0.000003	0.000003	0.000000				0.000003 Bbls
Gas	0.000224	0.000224	(0.000000)				0.002926 Mcf
Total Oil & Gas	<u>0.000227</u>	<u>0.000227</u>	<u>(0.000000)</u>	0.000000	0.000034	0.051108	
NEW MEXICO							
Oil	0.005506	0.001955	0.003551				0.000511 Bbls
Gas	0.001950	0.000692	0.001257				0.002754 Mcf
Total Oil & Gas	<u>0.007456</u>	<u>0.002647</u>	<u>0.004808</u>	0.002949	0.001118	<u>0.392477</u>	
TOTAL FOR MONTH	<u>\$ 0.010056</u>	<u>\$ 0.004897</u>	<u>\$ 0.005159</u>	A		<u>1.000000</u>	

PART II - OTHER INCOME AND EXPENSE PER UNIT

	Total
Interest Income	\$ 0.000010 B
Administration Expense	\$ 0.000247 C
Net Proceeds from Divestiture	\$ 0.000000 D

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

	Total
Taxable Income Per Unit, Excluding Depletion (A+B-C+D)	\$ 0.004923
Reconciling Items (Non-Tax Account)	0.001279
Cash Distribution Per Unit	<u>\$ 0.003644</u>

Enduro Royalty Trust

Form 1041, GRANTOR TRUST - Schedule B-10

EIN 45-6259461

OCTOBER 2017

PART I - ROYALTY INFORMATION PER UNIT

ROYALTY PROPERTIES	Gross Income (a)	Severance Tax (b)	Net Royalty Payment (c)	Cost Depletion Factor (d)	Percentage Depletion (e)	Basis Allocation Factor (f)	Production (g)
TEXAS							
Oil	\$ 0.001845	\$ 0.001845	\$ 0.000000				0.000964 Bbls
Gas	0.000233	0.000233	0.000000				0.001947 Mcf
Total Oil & Gas	<u>0.002078</u>	<u>0.002078</u>	<u>0.000000</u>	0.000000	0.000312	0.556415	
LOUISIANA							
Oil	0.000002	0.000002	(0.000000)				0.000002 Bbls
Gas	0.000189	0.000189	0.000000				0.002645 Mcf
Total Oil & Gas	<u>0.000191</u>	<u>0.000191</u>	<u>(0.000000)</u>	0.000000	0.000029	0.051108	
NEW MEXICO							
Oil	0.001701	0.001701	0.000000				0.000505 Bbls
Gas	0.000539	0.000539	0.000000				0.002499 Mcf
Total Oil & Gas	<u>0.002240</u>	<u>0.002240</u>	<u>0.000000</u>	0.000000	0.000336	<u>0.392477</u>	
TOTAL FOR MONTH	<u>\$ 0.004509</u>	<u>\$ 0.004509</u>	<u>\$ (0.000000)</u>	A		<u>1.000000</u>	

PART II - OTHER INCOME AND EXPENSE PER UNIT

	Total
Interest Income	\$ 0.000011 B
Administration Expense	\$ 0.003629 C
Net Proceeds from Divestiture	\$ 1.172732 D

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

	Total
Taxable Income Per Unit, Excluding Depletion (A+B-C+D)	\$ 1.169114
Reconciling Items (Non-Tax Account)	0.019109
Cash Distribution Per Unit	<u>\$ 1.150005</u>

Enduro Royalty Trust

Form 1041, GRANTOR TRUST -

Schedule B-11

EIN 45-6259461

NOVEMBER 2017

PART I - ROYALTY INFORMATION PER UNIT

ROYALTY PROPERTIES	Gross Income (a)	Severance Tax (b)	Net Royalty Payment (c)	Cost Depletion Factor (d)	Percentage Depletion (e)	Basis Allocation Factor (f)	Production (g)
TEXAS							
Oil	\$ 0.001722	\$ 0.001722	\$ (0.000000)				0.000946 Bbls
Gas	0.000246	0.000246	0.000000				0.002183 Mcf
Total Oil & Gas	<u>0.001968</u>	<u>0.001968</u>	<u>(0.000000)</u>	0.000000	0.000295	0.556415	
LOUISIANA							
Oil	0.000005	0.000005	0.000000				0.000002 Bbls
Gas	0.000328	0.000328	0.000000				0.002304 Mcf
Total Oil & Gas	<u>0.000333</u>	<u>0.000333</u>	<u>0.000000</u>	0.000000	0.000050	0.051108	
NEW MEXICO							
Oil	0.001815	0.001815	0.000000				0.000524 Bbls
Gas	0.000563	0.000563	0.000000				0.002192 Mcf
Total Oil & Gas	<u>0.002378</u>	<u>0.002378</u>	<u>0.000000</u>	0.000000	0.000357	<u>0.392477</u>	
TOTAL FOR MONTH	<u>\$ 0.004679</u>	<u>\$ 0.004679</u>	<u>\$ (0.000000)</u>	A		<u>1.000000</u>	

PART II - OTHER INCOME AND EXPENSE PER UNIT

	Total
Interest Income	\$ 0.000396 B
Administration Expense	\$ 0.000539 C
Net Proceeds from Divestiture	\$ 0.000000 D

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

	Total
Taxable Income Per Unit, Excluding Depletion (A+B-C+D)	\$ (0.000143)
Reconciling Items (Non-Tax Account)	(0.000143)
Cash Distribution Per Unit	<u>\$ (0.000000)</u>

Enduro Royalty Trust

Form 1041, GRANTOR TRUST - Schedule B-12

EIN 45-6259461

DECEMBER 2017

PART I - ROYALTY INFORMATION PER UNIT

ROYALTY PROPERTIES	Gross Income (a)	Severance Tax (b)	Net Royalty Payment (c)	Cost Depletion Factor (d)	Percentage Depletion (e)	Basis Allocation Factor (f)	Production (g)
TEXAS							
Oil	\$ 0.010058	\$ 0.001994	\$ 0.008064				0.000933 Bbls
Gas	0.001564	0.000310	0.001254				0.002281 Mcf
Total Oil & Gas	<u>0.011623</u>	<u>0.002304</u>	<u>0.009319</u>	0.003144	0.001743	0.556415	
LOUISIANA							
Oil	0.000005	0.000005	0.000000				0.000002 Bbls
Gas	0.000329	0.000329	0.000000				0.002313 Mcf
Total Oil & Gas	<u>0.000334</u>	<u>0.000334</u>	<u>0.000000</u>	0.000000	0.000050	0.051108	
NEW MEXICO							
Oil	0.008983	0.002124	0.006859				0.000505 Bbls
Gas	0.003341	0.000790	0.002551				0.002889 Mcf
Total Oil & Gas	<u>0.012324</u>	<u>0.002914</u>	<u>0.009411</u>	0.005309	0.001849	<u>0.392477</u>	
TOTAL FOR MONTH	<u>\$ 0.024281</u>	<u>\$ 0.005552</u>	<u>\$ 0.018729</u>	A		<u>1.000000</u>	

PART II - OTHER INCOME AND EXPENSE PER UNIT

	Total
Interest Income	\$ 0.000009 B
Administration Expense	\$ 0.000201 C
Net Proceeds from Divestiture	\$ 0.000000 D

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

	Total
Taxable Income Per Unit, Excluding Depletion (A+B-C+D)	\$ 0.018537
Reconciling Items (Non-Tax Account)	0.002178
Cash Distribution Per Unit	<u>\$ 0.016359</u>

Enduro Royalty Trust

EIN 45-6259461

2017

The following may help you calculate the depletion to be reported on your Federal Income Tax Return

A. If you owned the units for the entire year, your depletion would be calculated as follows

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)												
Royalty	Original Basis (NOTE 1)	x	Basis Allocation Factors (NOTE 2)	=	Basis Allocated	-	Depletion Allowed or Allowable In Prior Years (NOTE 3)	=	Basis Allocated Less Depletion Allowed or Allowable in Prior Years	x	Cost Depletion Factor	=	Cost Depletion	=	Percentage Depletion Per Unit	x	Units	=	Percentage Depletion	=	Greater of Cost Depletion (g) or Percentage Depletion (j) (NOTE 5)	x	Short Period Permian Divestiture Factor	=	Greater of Cost Depletion or Percentage Depletion Period 1
Texas	A	x		=		-		=		x	0.032077	=		=	0.018128	x		=		=		x	0.833333	=	
Louisiana	B	x		=		-		=		x	0.116792	=		=	0.002414	x		=		=		x	0.833333	=	
New Mexico	C	x		=		-		=		x	0.065649	=		=	0.023630	x		=		=		x	0.833333	=	
Total Federal (A+B+C)		x	1.00	=		-		=		x	0.049583	=		=	0.044172	x		=		=		x	0.833333	=	Period 1 Depletion

Cost Depletion Factor - Due to the allocation of your tax basis shown in column C to Texas, Louisiana, and New Mexico, the ending cost depletion rates shown in column F will not sum to the total federal rate. Once the cost depletion factors are applied to the allocated basis, shown in column G, the sum of the three states will equal the federal amount.

Permian Divestiture - If you received the Special Distribution in October 2017, it will be necessary for you to complete two Depletion Worksheets to properly compute your depletion allowance for 2017 due to the Permian Divestiture. You will need to complete Depletion Worksheet 1 to compute your depletion allowance through October 2017, which will assist you in calculating your gain or loss on the Permian Divestiture (See Exhibit III for an example). In completing Depletion Worksheet 2, you will need to reduce your Original Basis in column (a) and your Depletion Allowed or Allowable in Prior Years in Column (d) by the amounts you allocated against the Permian Divestiture proceeds in determining your gain or loss on the divestiture.

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

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)												
Royalty	Original Basis (NOTE 1)	x	Basis Allocation Factors (NOTE 2)	=	Basis Allocated	-	Depletion Allowed or Allowable In Prior Years (NOTE 3)	=	Basis Allocated Less Depletion Allowed or Allowable in Prior Years	x	Partial Year Cost Depletion Factor (NOTE 4)	=	Cost Depletion	=	Percentage Depletion Per Unit	x	Units	=	Percentage Depletion	=	Greater of Cost Depletion (g) or Percentage Depletion (j) (NOTE 5)	x	Short Period Permian Divestiture Factor	=	Greater of Cost Depletion or Percentage Depletion Period 1
Texas	A	x		=		-		=		x		=		=		x		=		=		x		=	
Louisiana	B	x		=		-		=		x		=		=		x		=		=		x		=	
New Mexico	C	x		=		-		=		x		=		=		x		=		=		x		=	
Total Federal (A+B+C)		x	1.00	=		-		=		x		=		=		x		=		=		x		=	Period 1 Depletion

Enduro Royalty Trust

EIN 45-6259461

2017

The following may help you calculate the depletion to be reported on your Federal Income Tax Return

A. If you owned the units for the entire year, your depletion would be calculated as follows

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Royalty	Original Basis (NOTES 1,4) x	Basis Allocation Factors (NOTE 2)	= Basis Allocated	- Depletion Allowed or Allowable In Prior Years (NOTES 3,4)	= Basis Allocated Less Depletion Allowed or Allowable in Prior Years	x Cost Depletion Factor	= Cost Depletion	Percentage Depletion Per Unit	x Units	= Percentage Depletion	Greater of Cost Depletion (g) or Percentage Depletion (j) (NOTE 5) x	Short Period Permian Divestiture Factor	= Greater of Cost Depletion or Percentage Depletion Period 2
Texas	A	x	=	-	=	x 0.032077	=	0.018128	x	=	x	0.166667	=
Louisiana	B	x	=	-	=	x 0.116792	=	0.002414	x	=	x	0.166667	=
New Mexico	C	x	=	-	=	x 0.065649	=	0.023630	x	=	x	0.166667	=
Total Federal (A+B+C)		x 1.00	=	-	=	x 0.049583	=	0.044172	x	=	x	0.166667	=

Period 2 Depletion

Cost Depletion Factor - Due to the allocation of your tax basis shown in column C to Texas, Louisiana, and New Mexico, the ending cost depletion rates shown in column F will not sum to the total federal rate. Once the cost depletion factors are applied to the allocated basis, shown in column G, the sum of the three states will equal the federal amount.

Permian Divestiture - If you received the Special Distribution in October 2017, it will be necessary for you to complete two Depletion Worksheets to properly compute your depletion allowance for 2017 due to the Permian Divestiture. You will need to complete Depletion Worksheet 1 to compute your depletion allowance through October 2017, which will assist you in calculating your gain or loss on the Permian Divestiture (See Exhibit III for an example). In completing Depletion Worksheet 2, you will need to reduce your Original Basis in column (a) and your Depletion Allowed or Allowable in Prior Years in Column (d) by the amounts you allocated against the Permian Divestiture proceeds in determining your gain or loss on the divestiture.

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

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Royalty	Original Basis (NOTES 1,4) x	Basis Allocation Factors (NOTE 2)	= Basis Allocated	- Depletion Allowed or Allowable In Prior Years (NOTES 3,4)	= Basis Allocated Less Depletion Allowed or Allowable in Prior Years	x Partial Year Cost Depletion Factor (NOTE 4)	= Cost Depletion	Percentage Depletion Per Unit	x Units	= Percentage Depletion	Greater of Cost Depletion (g) or Percentage Depletion (j) (NOTE 5) x	Short Period Permian Divestiture Factor	= Greater of Cost Depletion or Percentage Depletion Period 2
Texas	A	x	=	-	=	x	=		x	=	x		=
Louisiana	B	x	=	-	=	x	=		x	=	x		=
New Mexico	C	x	=	-	=	x	=		x	=	x		=
Total Federal (A+B+C)		x 1.00	=	-	=	x	=		x	=	x		=

Period 2 Depletion