

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

(Mark One)

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

For the quarterly period ended June 30, 1998

OR

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

For the transition period from _____ to _____

Commission file number 1-737

TEXAS PACIFIC LAND TRUST

(Exact name of registrant as specified in its charter)

NOT APPLICABLE 75-0279735

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

80 Broad Street, Suite 2700, New York, New York 10004

(Address of principal executive offices)
(Zip Code)

212/269-2266

(Registrant's telephone number, including area code)

NOT APPLICABLE

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No
--- ---

Part
I

FINANCIAL INFORMATION
TEXAS PACIFIC LAND TRUST
BALANCE SHEETS
JUNE 30, 1998 and DECEMBER 31, 1997

(Unaudited)

<TABLE>
<CAPTION>

December 31, 1997 ASSETS June 30, 1998

<S>	<C>
Cash	\$ 200,492
\$ 112,591	
Temporary cash investments, at cost which approximates market 1,800,000	1,450,000
Accounts receivable	402,504
386,781	
Accrued interest receivable	372,822
411,674	
Prepaid expenses	18,200
45,500	
Federal income taxes receivable	162,349
--	
Notes receivable for land sales	10,122,290
9,307,218	
Real estate acquired through foreclosure: (27,585.95 acres in 1998 and in 1997)	4,466,895
4,466,895	
Water wells, leasehold improvements, furniture and equipment - at cost less accumulated depreciation	114,267
142,630	
Property, no value assigned:	
Land (surface rights) situated in twenty-one counties in Texas - 1,040,256.00 acres in 1998 and 1,065,481.33 acres in 1997.	--
--	
Town lots in Iatan, Loraine and Morita - 628 lots in 1998 and 1997.	--
--	
1/16 nonparticipating perpetual royalty interest in 386,987.70 acres in 1998 and 1997.	--
--	
1/128 nonparticipating perpetual royalty interest in 85,413.60 acres in 1998 and 1997.	--
--	
-----	-----
\$16,673,289	\$17,309,819
=====	=====

LIABILITIES AND CAPITAL

Federal income taxes payable	\$ --
\$ 42,783	
Other taxes payable	170,012
24,372	
Other liabilities	394,115
93,072	
Escrow deposits on land sales	5,000
--	
Deferred taxes	4,548,764
4,291,856	
-----	-----
Total liabilities	5,117,891
4,452,083	
Capital	
Certificates of Proprietary Interest, par value \$100 each; outstanding one certificate in 1998 and 1997	--
--	
Sub-share Certificates in Certificates of Proprietary Interest, par value \$.16 2/3 each; outstanding 2,706,505 sub-shares in 1998 and 2,753,205 sub- shares in 1997	--
--	
Net proceeds from all sources	12,191,928
12,221,206	
-----	-----
Total capital	12,191,928
12,221,206	

\$16,673,289

\$17,309,819

=====
</TABLE>

See accompanying notes to financial statements.

(1)

TEXAS PACIFIC LAND TRUST
STATEMENTS OF INCOME

(Unaudited)

<TABLE>
<CAPTION>

Months Ended	Three Months Ended		Six
	June 30		
June 30	-----		-----
1997	1998	1997	1998
-	-----	-----	-----
<S>	<C>	<C>	<C>
<C>			
Income:			
Rentals, royalties and sundry income	\$1,233,545	\$1,145,581	\$2,699,061
\$2,431,527			
Land sales	291,427	2,344,150	2,170,827
4,532,322			
Interest	256,720	180,848	501,554
349,716			
-	-----	-----	-----
	1,781,692	3,670,579	5,371,442
7,313,565	-----	-----	-----
-			
Expenses:			
Taxes, other than Federal income taxes	121,522	137,900	245,940
290,335			
General and administrative expenses	294,470	349,381	642,113
648,437			
Basis in real estate sold	--	1,568,074	--
1,568,074	-----	-----	-----
-			
	415,992	2,055,355	888,053
2,506,846	-----	-----	-----
-			
Income before provision for			
Federal income taxes	1,365,700	1,615,224	4,483,389
4,806,719			
Provision for Federal income taxes	419,865	502,409	1,395,901
1,516,577	-----	-----	-----
-			
Net income	\$ 945,835	\$1,112,815	\$3,087,488
\$3,290,142	=====	=====	=====
===== Average number of sub-share certificates and equivalent sub-share certificates outstanding	2,735,072	2,820,572	2,743,030
2,831,739			

Average number of sub-share certificates
and equivalent sub-share certificates
outstanding
2,831,739

2,735,072 2,820,572 2,743,030

Basic earnings per sub-share certificate	\$.35	\$.39	\$ 1.13
\$ 1.16			
Cash dividend per sub-share certificate	--	--	\$.40
\$.40			

</TABLE>

See accompanying notes to financial statements.

(2)

TEXAS PACIFIC LAND TRUST
STATEMENTS OF CASH FLOWS

(Unaudited)

	Six Months Ended June 30	
	1998	1997
Cash flows from operating activities:	<C>	<C>
Net income	\$ 3,087,488	\$ 3,290,142
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	57,000	20,100
Deferred taxes	256,908	357,154
(Increase) decrease in assets:		
Accounts receivable	(15,723)	(4,332)
New notes receivable from land sales	(1,446,650)	(3,069,317)
Payments received on notes receivable	631,578	422,224
Accrued interest receivable	38,852	(45,004)
Federal income taxes receivable	(162,349)	(18,696)
Prepaid expenses	27,300	27,444
Real estate acquired through foreclosure	--	1,568,074
Increase (decrease) in liabilities:		
Federal income taxes	(42,783)	(99,824)
Other taxes payable	145,640	170,556
Escrow deposits on land sales	5,000	--
Other liabilities	301,043	79,002
Total adjustments	(204,184)	(592,619)
Net cash provided by operating activities	2,883,304	2,697,523
Cash flows from investing activities:		
Additions to water wells, leasehold improvements, furniture and equipment	(28,637)	(45,662)
Cash flows from financing activities:		
Sub-shares purchased for retirement	(2,013,964)	(1,173,232)

Dividends paid	(1,102,802)	(1,134,882)
	-----	-----
Net cash used by financing activities	(3,116,766)	(2,308,114)
	-----	-----
Net (decrease) increase in cash and cash equivalents	(262,099)	343,747
Cash and cash equivalents at beginning of period	1,912,591	1,794,898
Cash and cash equivalents at end of period	-----	-----
	\$ 1,650,492	\$ 2,138,645
	=====	=====

</TABLE>

See accompanying notes to financial statements.

(3)

TEXAS PACIFIC LAND TRUST
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1998

- (1) In the opinion of management, the accompanying unaudited financial statements contain all adjustments (consisting of only normal recurring accruals) necessary to present fairly the financial position of Texas Pacific Land Trust (Trust) as of June 30, 1998 and the results of its operations and its cash flows for the three and six months ended June 30, 1998 and June 30, 1997, respectively. These financial statements and footnotes included herein should be read in conjunction with the Trust's annual financial statements as of December 31, 1997 and 1996 and for each of the years in the three year period ended December 31, 1997 included in the Trust's Form 10-K.
- (2) No value is assigned to the land, unless acquired through foreclosure; consequently, no allowance for depletion is computed, and no charge to income is made therefor, and no cost is deducted from the proceeds of the land sales in computing gain or loss thereon.
- (3) The Sub-shares and the Certificates of Proprietary Interest are freely interchangeable in the ratio of one Certificate of Proprietary Interest for 600 Sub-shares or 600 Sub-shares for one Certificate of Proprietary Interest.
- (4) The Trust's effective Federal income tax rate is less than the 34% statutory rate because taxable income is reduced by statutory percentage depletion allowed on mineral royalty income.
- (5) The results of operations for the six months ended June 30, 1998 are not necessarily indicative of the results to be expected for the full year.
- (6) Cash in excess of daily requirements is invested in money market instruments with maturities of ninety days or less. Such investments are deemed to be cash equivalents for purposes of the statements of cash flows.

Supplemental cash flow information for the six months ended June 30, 1998 and 1997 is summarized as follows:

	1998	1997
	----	----
Federal income taxes paid	\$1,344,126	\$1,277,943
	=====	=====

There were no non-cash investing and financing activities during the six months ended June 30, 1998 and 1997.

Management's Discussion and
Analysis of Financial Condition and
Results of Operations for the
Six Months Ended
June 30, 1998 and 1997

Quarter Ended June 30, 1998 Compared to Quarter Ended June 30, 1997

Earnings per sub-share were \$.35 for the second quarter of 1998 compared to \$.39 in the second quarter of 1997. Total revenues were \$1,781,692 compared to \$3,670,579, a decrease of 51.5%. This decrease was caused by a decrease in land sales which, as noted below, may vary widely from quarter to quarter.

Land sales for the second quarter of 1998 consisted of 1,536.35 acres at an average price of \$190 per acre for a total of \$291,427. This compares to 881.7 acres at an average price of \$2,659 for a total of \$2,344,150 in the second quarter of 1997.

Land Sales may vary widely from year to year and quarter to quarter. The total dollar amount, the average price per acre, and the number of acres sold in any one year or quarter should not be assumed to be indicative of land sales in the future. The Trust is a passive seller of land; it does not actively solicit sales of land. The demand for and the sales price of any particular tract of the Trust's land is influenced by many factors including the national and local economies, the rate of residential and commercial development in nearby areas, livestock carrying capacity, and the conditions of the local agricultural industry which itself is influenced by range conditions and prices for livestock and other agricultural products. Approximately 99% of the Trust's land is classified as ranch land and intermingled with other ownerships to form ranching units. Ranch land sales are, therefore, largely dependent on the actions of the adjoining landowners.

Rentals, royalties and sundry income amounted to \$1,233,545 for the second quarter of 1998 compared to \$1,145,581 for the second quarter of 1997, up 7.7%.

Oil and gas royalty revenue was \$685,629 for the second quarter of 1998, down 15.6% compared to the second quarter of 1997. Oil royalty revenue was \$448,381, down 26.1% for the 1998 period. Crude oil production subject to the Trust's royalty interest was up 9.9% in the second quarter of 1998 and the average price per barrel was down 32.5%. Gas royalty revenue was \$237,248 in the second quarter of 1998, up 15.3% on a volume increase of 9.9%, and price increase of 4.6%.

Easement and other Sundry income was \$351,679 for the second quarter of 1998, up 138.9% over the second quarter of 1997. This was mainly due to increases in pipeline easement and seismic permit income both which cannot be predicted, and are not recurring.

Interest revenue was up 42.0% in the second quarter of 1998 compared to 1997. Interest from notes receivable amounted to \$231,461 up 48.8% for the 1998 period. Notes receivable for land sold were \$10,122,290 as of June 30, 1998, an increase of 31.2% over the second quarter of 1997. Sundry interest was \$25,259 for the second quarter of 1998 which was down \$77 compared to the second quarter of 1997.

Taxes, other than Federal income taxes, were down 11.9% due to the decrease of land inventory and decrease in royalty income in the second quarter of 1998 compared to the second quarter of 1997.

General and administrative expenses were down 15.7% in 1998 primarily resulting from a \$90,000 environmental cleanup expense taken in the second quarter of 1997 causing an unusual increase at that time.

Earnings per sub-share for the first six-months of 1998 were \$1.13 compared to \$1.16 in the first six-months of 1997. Total revenues were \$5,371,442 compared to \$7,313,565, a decrease of 26.6%. This decrease is due to the decrease in land sales for the period which as noted may vary widely from one period to another.

Land sales for the first six-months of 1998 were 25,224.35 acres at an average price of \$86 per acre for a total of \$2,170,827. This compares to 6,721.09 acres at an average price of \$674 per acre for a total of \$4,532,322 in the first six-months of 1997.

Rentals, royalties and sundry income amounted to \$2,699,061 for the first six-months of 1998 compared to \$2,431,527 in the first six-months of 1997, up 11.0%.

Oil and gas royalty revenue for the first six-months was \$1,440,616, down 22.9% compared to the first six-months of 1997. Oil royalty revenue was \$957,629, down 27.1% for the 1998 period. Crude oil production subject to the Trust's royalty interest was up 6.9% in the first six-months of 1998, and the average price per barrel was down 31.8%. Gas royalty revenue was \$482,987 in the first six-months of 1998, down 12.8% on a volume increase of 4.1% and price decrease of 16.1%.

Easement and other Sundry income was \$974,689 in the first six-months of 1998, up 240.6% over the first six-months of 1997. This was mainly due to increases in pipeline easement and seismic permit income, both which cannot be predicted and are not recurring.

Interest revenue was up 43.4% for the first six-months of 1998 compared to the first six-months of 1997. Interest from notes receivable amounted to \$442,156 up 50.1% for the 1998 period. Sundry interest was \$59,398, up 7.8% for the first six-months of 1998 over the first six-months of 1997.

Taxes, other than Federal income taxes in the first six-months of 1998 were down 15.3% compared to the first six-months of 1997. This is due to the decrease in land inventory and decrease in royalty income.

General and administrative expenses for the first six-months of 1998 were down 1.0% from the first six-months of 1997.

Liquidity and Capital Resource

The Trust's oil and gas royalty revenues, lease rentals and receipts of interest and principal on notes receivable has generated more than adequate amounts of cash to meet the Trust's needs and should continue to do so in the predictable future.

New Accounting Pronouncement

In June 1997, the FASB issued SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information". SFAS 131 establishes standards for reporting information about operating segments in interim and annual financial statements. It also establishes standards for related disclosures about products and services, geographic areas, and major customers. Although the implementation of SFAS 131 is not expected to have a significant impact on the Trust's financial statements, the disclosures required by SFAS 131 will be reflected in the Trust's 1998 annual financial statements.

(6)

PART II

OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits. Interim report furnished to shareholders upon request per sub-part Item 601 (19) Regulation S-K.

Exhibit 27 - Financial Data Schedule.

(b) Reports on Form 8-K. The registrant has filed no reports on Form 8-K during the quarter for which this report is filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TEXAS PACIFIC LAND TRUST

(Registrant)

Date 8/12/98 By /s/ ROY THOMAS

Roy Thomas, General Agent,
Authorized Signatory and Principal
Financial Officer

(7)

INDEX TO EXHIBITS

EXHIBIT
NUMBER

EXHIBIT

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