

EASTERN AMERICAN NATURAL GAS TRUST  
Form 10-Q  
August 08, 2006

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT UNDER SECTION 13 OR 15 (d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2006

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 1-11748

**EASTERN AMERICAN NATURAL GAS TRUST**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**36-7034603**  
(I.R.S. Employer  
Identification No.)

**JPMorgan Chase Bank, N.A., Trustee**

**Institutional Trust Services**

**221 West Sixth Street, 1st Floor**

**Austin, Texas**

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(Address of principal executive offices)

**78701**

(Zip Code)

**(800) 852-1422**

(Registrant's telephone number, including area code)

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer (as defined in Exchange Act Rule 12b-2 of the Exchange Act).

Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

As of August 4, 2006, 5,900,000 Units of Beneficial Interest in Eastern American Natural Gas Trust were issued, outstanding and held by non-affiliates of the registrant (the Outstanding Units ). Of the Outstanding Units, 19,900 Units of Beneficial Interest (the Withdrawn Units ) have been withdrawn from trading by voluntary action of Holders and may not be traded unless such Holders comply with certain requirements provided in the related Trust Agreement.

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## PART I FINANCIAL INFORMATION

## ITEM 1. Financial Statements

## EASTERN AMERICAN NATURAL GAS TRUST

## CONDENSED STATEMENTS OF DISTRIBUTABLE INCOME

*(Unaudited)*

	Six Months Ended June 30		Three Months Ended June 30	
	2006	2005	2006	2005
Royalty Income	\$ 9,958,436	\$ 7,561,956	\$ 4,595,350	\$ 3,913,559
Operating Expenses				
Taxes on production and property	730,090	519,207	339,107	265,536
Operating cost charges	280,534	267,174	140,267	133,587
Total Operating Expenses	1,010,624	786,381	479,374	399,123
Net Proceeds to the Trust	8,947,812	6,775,575	4,115,976	3,514,436
General and Administrative Expenses	(783,310 )	(611,912 )	(336,090 )	(308,439 )
Interest Income		500		
Distributable Income	8,164,502	6,164,163	3,779,886	3,205,997
Cash Reserve		(185,000 )		(185,000 )
Distribution Amount	\$ 8,164,502	\$ 5,979,163	\$ 3,779,886	\$ 3,020,997
Distributable Income Per Unit (5,900,000 units authorized and outstanding)	\$ 1.3838	\$ 1.0448	\$ 0.6407	\$ 0.5434
Distribution Amount Per Unit (5,900,000 units authorized and outstanding)	\$ 1.3838	\$ 1.0134	\$ 0.6407	\$ 0.5120

The accompanying notes are an integral part of these condensed financial statements.

## EASTERN AMERICAN NATURAL GAS TRUST

## CONDENSED STATEMENTS OF ASSETS, LIABILITIES AND TRUST CORPUS

	June 30, 2006 (Unaudited)	December 31, 2005
Assets:		
Cash	\$ 1,046,108	\$ 43,478
Net Proceeds Receivable	4,115,976	5,408,091
Net Profits Interests in Gas Properties	93,162,180	93,162,180
Accumulated Amortization	(67,170,941	) (65,658,915 )
Total Assets	\$ 31,153,323	\$ 32,954,834
Liabilities and Trust Corpus:		
Trust General and Administrative Expenses Payable	\$ 182,198	\$ 318,120
Distributions Payable	3,779,886	3,933,449
Trust Corpus (5,900,000 Trust Units authorized and outstanding)	27,191,239	28,703,265
Total Liabilities and Trust Corpus	\$ 31,153,323	\$ 32,954,834

The accompanying notes are an integral part of these condensed financial statements.

**EASTERN AMERICAN NATURAL GAS TRUST**

**CONDENSED STATEMENT OF CHANGES IN TRUST CORPUS**

*(Unaudited)*

**Six Months**