MINERAL RIGHTS REPORT

2026

TEXAS ROYALTY BROKERS

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WHY TEXAS ROYALTY BROKERS

Today, mineral owners have more information available than ever before, but finding the right partner to help you understand your mineral ownership is still difficult.

A quick search online can lead to dozens of companies, buyers, brokers, and AI-generated answers, all claiming to help.

If you have received an offer in the mail, inherited minerals from family, or simply want to understand what your mineral rights may be worth, it can be hard to know who to trust.

CLEAR GUIDANCE IN A CONFUSING MARKET

At Texas Royalty Brokers, our goal is to help mineral owners make informed decisions with confidence. We believe mineral owners deserve straightforward answers and transparent guidance.

Since 2012, our team has helped mineral owners across Texas understand the value of their mineral rights, evaluate offers, and navigate the selling process when the time is right. Whether you are actively considering a sale or simply trying to learn more, we want Texas Royalty Brokers to be the place you turn to when you have questions about your mineral rights.

A BETTER PROCESS WHEN YOU ARE READY TO SELL

In our experience, creating a competitive market for mineral rights often results in meaningfully higher offers. After taking commission into account, our clients typically see an increase of 10% to 30% over existing offers they found on their own.

How is this possible? When you receive a few offers in the mail or solicit a few bids on your own, you are typically contacting less than 1% of the mineral buyers in the market. To maximize value, your mineral rights need to be listed in a competitive environment where thousands of buyers are competing to pay you the highest price.

Many mineral owners naturally start by comparing the offers they have already received or by contacting a few buyers they find online. While this can provide a starting point, it rarely creates the full competitive environment needed to determine true market value and secure the best price.

At Texas Royalty Brokers, we help mineral owners navigate the process of selling mineral rights. We make everything simple and transparent. We will guide you through each step of the process and ensure you sell for maximum value.

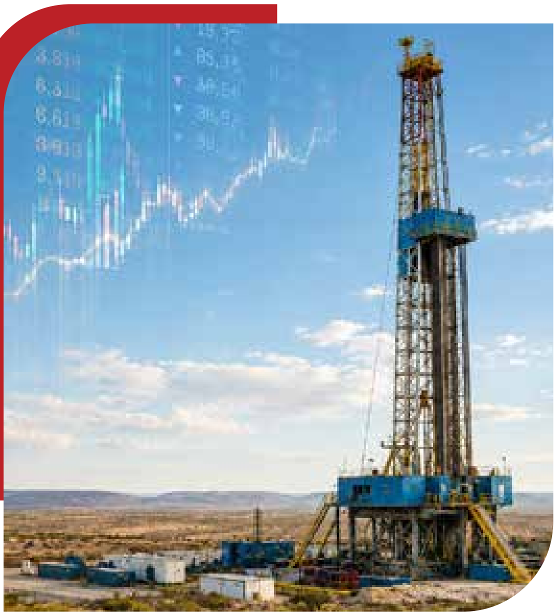
Whether you are considering a sale or simply have questions, we hope Texas Royalty Brokers can be a trusted resource for you now and in the future.

Sincerely,

Eric Winegar
Managing Partner

Free Consultation

Scan the QR code with your phone camera to contact us.



MARKET UPDATE 2026

As we enter the second half of 2026, the mineral rights market is in an interesting position. As a mineral owner, it's important to keep an eye on world events and how they may impact your mineral rights.

There are two primary themes at play.

The conflict with Iran continues to be a major driving force. The headlines change the story daily, but the impact on oil prices has been notable. We have seen oil prices surge above $100 per barrel, fall back to pre-conflict levels, and then rise again as the conflict continues.

While the conflict with Iran is creating supply constraints in the oil market, the other major story is AI-driven power demand. This demand is likely to push the natural gas side of the market. We expect this trend to develop gradually, as the AI infrastructure buildout will take years.

What does this mean for mineral owners in 2026 and 2027?

We expect oil prices to remain volatile until the conflict with Iran is resolved and supply through the Strait of Hormuz is fully restored. Once supply normalizes, we expect volatility to decline and oil prices to move lower until the market finds equilibrium.

While oil prices may move lower in response to the supply side of the market returning to normal, we believe there is a natural floor on oil prices. This is due to the Strategic Petroleum Reserve (SPR) being depleted during the conflict. If oil prices are depressed, we would expect the government to take advantage of that and start refilling the reserve. This should create a natural floor on oil prices.

As power demand from AI continues to increase, we expect natural gas prices to also benefit over time. Natural gas prices have historically been volatile, but we believe natural gas is positioned well for the future.

Is 2026-2027 going to be a good time to sell mineral rights?

The best time to sell mineral rights is always when it makes the most sense for you on a personal level. Trying to time the market is impossible, especially in a volatile market like oil and gas.

Right now, we see buyers aggressively purchasing. Buyers see the conflict with Iran, a depleted Strategic Petroleum Reserve, and AI demand as strong support for the market, making them optimistic. If the conflict resolves, the SPR is refilled, and AI demand fades, that picture could change. For now, we believe market conditions are favorable for mineral owners considering a sale, particularly when selling fits into their broader financial plans.

MINERAL RIGHTS VALUE

Curious about mineral rights value in Texas?

Mineral rights value in Texas is complicated. There is no simple formula to determine mineral rights value. The most important thing to understand about mineral rights value in Texas is that there is **no way** to know the value until you sell.

The reason is that each mineral rights ownership is unique. There are five factors that dramatically impact the value of mineral rights in Texas.

NET MINERAL ACRES OWNED

The most important factor is how many net mineral acres you own. You are paid royalty income based on how many net mineral acres you own out of the total unit.

ROYALTY RATE

The royalty rate determines how much of the oil and gas produced gets paid to you after the oil and gas operator takes their share. The higher the royalty rate, the more money you make. All other things being equal, someone with a 25% royalty rate is going to get twice as much as someone with a 12.5% royalty rate.

TIMING

The value of mineral rights is very closely related to the price of oil and gas. Ultimately you own the oil and gas underground. If the value of that oil and gas goes up or down, the value of what you own goes up or down.

ROYALTY INCOME

Your current royalty income has a very large impact on the value. If you are getting consistent royalty income, this is going to appeal to a large audience of mineral buyers.

POTENTIAL INCOME

The last factor is the future upside potential. This is the hardest factor to estimate! This factor alone can cause offers to swing dramatically from one buyer to the next.

There are many other factors that affect the value of mineral rights in Texas. While those factors are also important, the factors above are what swing the value dramatically from one ownership to the next.

If you have questions about what your mineral rights are worth, please reach out to us for a free consultation.

Free Consultation

Scan the QR code with your phone camera to contact us.

HOW TO SELL MINERAL RIGHTS

Thinking about selling mineral rights in Texas?

At Texas Royalty Brokers, we can guide you through the entire process of selling mineral rights. We'll ensure you get the absolute highest price and make the process simple.

The number one mistake mineral owners make when selling mineral rights in Texas is not using a broker. **Without an experienced broker who knows the industry, you simply can't reach enough buyers to get a fair price.**

When you sell mineral rights in Texas on your own, you are almost always going to sell below market value. Why? There is no competition. You're allowing a few mineral buyers to compete for your minerals when there are thousands of mineral buyers.

A lot of mineral buyers in Texas have made a fortune reaching out directly with offers. Most mineral owners will talk to a few mineral buyers. They negotiate the best price they can, and then sell. These mineral owners don't realize that they could have walked away with substantially more had they simply gotten competitive bids.

Finding an offer to sell mineral rights is easy. Locating the mineral buyer who is willing to pay the absolute highest price is the difficult part.

It is extremely common for mineral owners to come to us with an offer they have already negotiated higher. We'll then hit the market and typically see a **10% to 30% price improvement** over an existing offer. If you have a $1,000,000 offer, a 10% to 30% price improvement would be $100,000 to $300,000 extra dollars in your pocket. This is significant.

To provide an example, Texas Royalty Brokers had a client who wanted to sell their mineral rights. They had an offer for $1.6MM. After listing at Texas Royalty Brokers, the client received an offer for $2.3MM after commission. This client walked away with over $700,000 more, or a 44% increase over their existing offer. We can't guarantee results like this for every client, but this example highlights our ability to generate significant value for our clients.

Competition is crucial when selling mineral rights in Texas. You absolutely must get competitive bids or you are nearly always selling below market value.

To sell mineral rights or learn more about how the process works, please visit our website or call us for a free consultation.

Free Consultation

Scan the QR code with your phone camera to contact us.

SHOULD YOU SELL MINERAL RIGHTS?

Remember that each situation is unique. Deciding whether you should sell is personal. Never let anyone put pressure on you to sell mineral rights or hold onto mineral rights. Take a look at your situation and make the right decision for you.

Many mineral owners hear the advice to “never sell mineral rights” and feel conflicted about selling.

While we are biased to encourage mineral owners to sell, we firmly believe that most mineral owners should sell for two important reasons.

1. TAXES

The **number one** reason to sell mineral rights is to save money on taxes. Even if you are fully diversified, you will save a fortune in taxes by selling compared to collecting royalty income. The reason is that royalty income is taxed as ordinary income and selling is tax advantaged. We discuss this more in depth on the next page and on our website, but selling mineral rights is the best decision for most mineral owners based on the tax advantages.

If you inherited mineral rights, there is almost no scenario where collecting royalty income makes more sense than selling.

2. DIVERSIFICATION

If you have more than 5% of your net worth / retirement savings in mineral rights, you should diversify. It simply doesn’t make sense to hold mineral rights.

The reason is that you have no control over the asset. The operator controls all aspects of managing the property and the value generated fluctuates daily based on oil and gas prices. Imagine if you owned a rental property but the rent paid each month by the tenant was decided by an outside force you had no control over.

Owning mineral rights can make sense if it represents a very small amount of your overall net worth and is simply a diversification vehicle to complement other assets. For most mineral owners, selling will substantially reduce risk and allow you to invest in other assets that produce more consistent returns.

MINERAL RIGHTS TAXES

While taxes are a boring topic, it is also a topic that can save you thousands of dollars if you understand how mineral rights are taxed.

The most important thing to understand is how a sale is taxed vs how collecting royalty income is taxed. If you collect royalty income, that income is taxed at **ordinary income** tax rates. When selling mineral rights, they will be taxed at **capital gains** tax rates. If you inherited the mineral rights, they will be taxed at **capital gains** tax rates **using a step-up basis**.

These topics are too in depth to cover here, but let's look at how taxes play a role in collecting royalty income and selling mineral rights:

COLLECT ROYALTY INCOME	
Gross Income:	$1,000,000
Tax Rate:	25%
Tax Paid:	$250,000
Net Income:	$750,000

SELL – CAPITAL GAINS	
Gross Income:	$900,000
Tax Rate:	15%
Tax Paid:	$135,000
Net Income:	$765,000

SELL – STEP-UP BASIS EXAMPLE	
Gross Income:	$900,000
Tax Rate:	5%
Tax Paid:	$45,000
Net Income:	$855,000

Important: In the "Step-up basis" example above, we are simply providing a hypothetical situation that would result in a 5% effective tax rate. Some mineral owners will owe 0% and some will owe 10%+. It depends on the price of oil and/or gas at the time you inherited. Contact us for a free consultation and we can provide you with an estimate.

In the scenario above, we assume the sales price will be lower than the royalty income collected over time to account for mineral buyer profit. Even with this taken into account, you will still collect more money today due to tax savings.

If you inherited mineral rights, you will get a step-up basis when you sell. This is a huge tax break for mineral owners that most are not aware of.

There is no reason to collect royalty income and be taxed at 25%+ for years, when you could collect that money today and gain a significant tax savings. If you are in a tax bracket that is higher than 25% the tax savings is even larger than our example.

Free Consultation

Scan the QR code with your phone camera to contact us.

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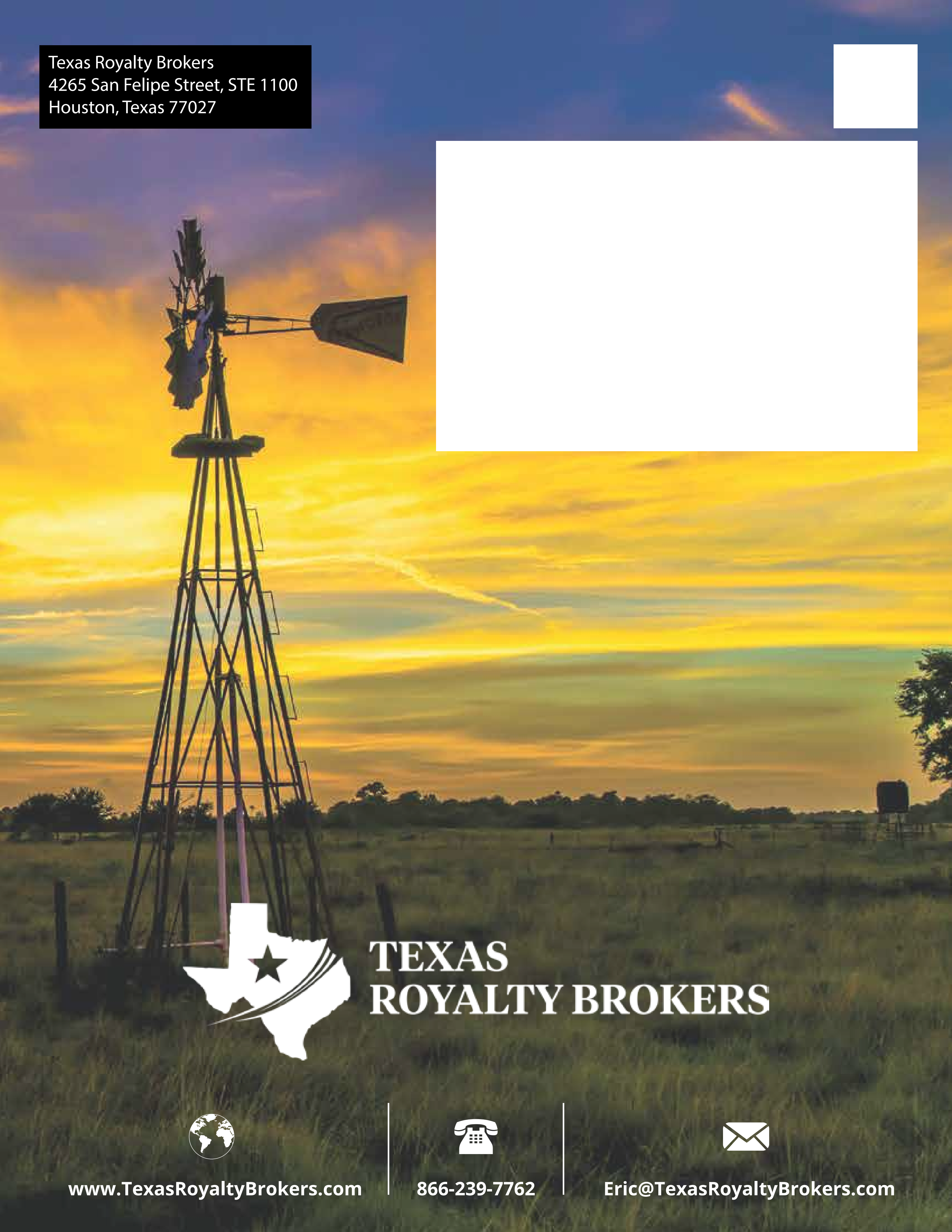

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