MV Oil Trust
Form 10-K
March 16, 2009

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

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

For the Fiscal year ended December 31, 2008

o **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 1-33219

MV OIL TRUST

(Exact name of registrant as specified in its charter)

Delaware	**06-6554331**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

The Bank of New York Mellon Trust Company, N.A., Trustee **Global Corporate Trust** **919 Congress** **Austin, Texas**	**78701**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(800) 852-1422**

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on which Registered

Units of Beneficial Interest	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:

None
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes o No ý.

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes o No ý.

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 ý No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ý

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer o	Accelerated filer ý	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes o No ý

The aggregate market value of the 8,625,000 Units of Beneficial Interest in MV Oil Trust held by non-affiliates of the registrant at the closing sales price on June 30, 2008 of $28.75 was approximately $247,968,750.

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

As of March 13, 2009, 11,500,000 Units of Beneficial Interest in MV Oil Trust were outstanding.

Documents Incorporated By Reference: None

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FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements about MV Partners, LLC, which we refer to herein as "MV Partners," and MV Oil Trust, which we refer to herein as the "trust," that are subject to risks and uncertainties and that are intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical fact included in this document, including, without limitation, statements under "Business" and "Risk Factors" regarding the financial position, business strategy, production and reserve growth, and other plans and objectives for the future operations of MV Partners and the trust, are forward-looking statements. Such statements may be influenced by factors that could cause actual outcomes and results to differ materially from those projected. Forward-looking statements are subject to risks and uncertainties and include statements pertaining to future development activities and costs and other statements in this Form 10-K that are prospective and constitute forward-looking statements.

When used in this document, the words "believes," "expects," "anticipates," "intends" or similar expressions are intended to identify such forward-looking statements. The following important factors, in addition to those discussed elsewhere in this Form 10-K, could affect the future results of the energy industry in general, and MV Partners and the trust in particular, and could cause actual results to differ materially from those expressed in such forward-looking statements:

- risks incident to the drilling and operation of oil and natural gas wells;
- future production and development costs;
- the effect of existing and future laws and regulatory actions;
- the effect of changes in commodity prices, the impact of the hedge contracts entered into by MV Partners that relate to a portion of the oil production from the underlying properties and conditions in the capital markets;
- competition from others in the energy industry;
- economic uncertainty and the credit markets generally;
- ability of commodity purchasers to make payment;
- weather conditions or force majeure events;
- uncertainty of estimates of oil and natural gas reserves and production; and
- inflation.

This Form 10-K describes other important factors that could cause actual results to differ materially from expectations of MV Partners and the trust, including under the heading "Risk Factors." All written and oral forward-looking statements attributable to MV Partners or the trust or persons acting on behalf of MV Partners or the trust are expressly qualified in their entirety by such factors.

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GLOSSARY OF CERTAIN OIL AND NATURAL GAS TERMS

In this Form 10-K the following terms have the meanings specified below.

Bbl One stock tank barrel, or 42 U.S. gallons liquid volume, of crude oil or other liquid hydrocarbons.

Boe One stock tank barrel of oil equivalent, computed on an approximate energy equivalent basis that one Bbl of crude oil equals six Mcf of natural gas and one Bbl of crude oil equals 1.54 Bbls of natural gas liquids.

Btu or British Thermal Unit The quantity of heat required to raise the temperature of one pound of water one degree Fahrenheit.

Completion The installation of permanent equipment for the production of oil or natural gas, or in the case of a dry hole, the reporting of abandonment to the appropriate agency.

Developed Acreage The number of acres that are allocated or assignable to productive wells or wells capable of production.

Development Well A well drilled into a proved oil or natural gas reservoir to the depth of a stratigraphic horizon known to be productive.

Estimated Future Net Revenues Also referred to as "estimated future net cash flows." The result of applying current prices of oil, natural gas and natural gas liquids to estimated future production from oil, natural gas and natural gas liquids proved reserves, reduced by estimated future expenditures, based on current costs to be incurred, in developing and producing the proved reserves, excluding overhead.

Farm-in or Farm-out Agreement An agreement under which the owner of a working interest in an oil or natural gas lease typically assigns the working interest or a portion of the working interest to another party who desires to drill on the leased acreage. Generally, the assignee is required to drill one or more wells in order to earn its interest in the acreage. The assignor usually retains a royalty or reversionary interest in the lease. The interest received by an assignee is a "farm-in" while the interest transferred by the assignor is a "farm-out."

Field An area consisting of either a single reservoir or multiple reservoirs, all grouped on or related to the same individual geological structural feature and/or stratigraphic condition.

Gross Acres or Gross Wells The total acres or wells, as the case may be, in which a working interest is owned.

MBbl One thousand barrels of crude oil or other liquid hydrocarbons.

MBoe One thousand barrels of oil equivalent.

Mcf One thousand standard cubic feet of natural gas.

MMBbls One million barrels of crude oil or other liquid hydrocarbons.

MMBoe One million barrels of oil equivalent.

MMcf One million standard cubic feet of natural gas.

Net Acres or Net Wells The sum of the fractional working interests owned in gross acres or wells, as the case may be.

Net Profits Interest A nonoperating interest that creates a share in gross production from an operating or working interest in oil and natural gas properties. The share is measured by net profits from the sale of production after deducting costs associated with that production.

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Net Revenue Interest An interest in all oil, natural gas and natural gas liquids produced and saved from, or attributable to, a particular property, net of all royalties, overriding royalties, net profits interests, carried interests, reversionary interests and any other burdens to which the person's interest is subject.

Plugging and Abandonment Activities to remove production equipment and seal off a well at the end of a well's economic life.

Proved Developed Non-Producing Reserves Proved developed reserves expected to be recovered from zones behind casing in existing wells.

Proved Developed Producing Reserves Proved developed reserves that are expected to be recovered from completion intervals currently open in existing wells and capable of production to market.

Proved Developed Reserves Has the meaning given to such term in Rule 4-10(a)(3) of Regulation S-X, which defines proved developed reserves as:

> Proved developed oil and gas reserves are reserves that can be expected to be recovered through existing wells with existing equipment and operating methods. Additional oil and gas expected to be obtained through the application of fluid injection or other improved recovery techniques for supplementing the natural forces and mechanisms of primary recovery should be included as proved developed reserves only after testing by a pilot project or after the operation of an installed program has confirmed through production response that increased recovery will be achieved.

Proved Reserves Has the meaning given to such term in Rule 4-10(a)(2) of Regulation S-X, which defines proved developed reserves as:

> Proved oil and gas reserves are the estimated quantities of crude oil, natural gas, and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions, i.e., prices and costs as of the date the estimate is made. Prices include consideration of changes in existing prices provided only by contractual arrangements, but not on escalations based upon future conditions.
>
> (i) Reservoirs are considered proved if economic producibility is supported by either actual production or conclusive formation test. The area of a reservoir considered proved includes (A) that portion delineated by drilling and defined by gas-oil and/or oil-water contacts, if any, and (B) the immediately adjoining portions not yet drilled, but which can be reasonably judged as economically productive on the basis of available geological and engineering data. In the absence of information on fluid contacts, the lowest known structural occurrence of hydrocarbons controls the lower proved limit of the reservoir.
>
> (ii) Reserves which can be produced economically through application of improved recovery techniques (such as fluid injection) are included in the proved classification when successful testing by a pilot project, or the operation of an installed program in the reservoir, provides support for the engineering analysis on which the project or program was based.
>
> (iii) Estimates of proved reserves do not include the following: (A) Oil that may become available from known reservoirs but is classified separately as indicated additional reserves; (B) crude oil, natural gas, and natural gas liquids, the recovery of which is subject to reasonable doubt because of uncertainty as to geology, reservoir characteristics, or economic factors; (C) crude oil, natural gas, and natural gas liquids, that may occur in undrilled prospects; and (D) crude oil, natural gas, and natural gas liquids, that may be recovered from oil shales, coal, gilsonite and other such sources.

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Proved Undeveloped Reserves Has the meaning given to such term in Rule 4-10(a)(4) of Regulation S-X, which defines proved developed reserves as:

> Proved undeveloped oil and gas reserves are reserves that are expected to be recovered from new wells on undrilled acreage, or from existing wells where a relatively major expenditure is required for recompletion. Reserves on undrilled acreage shall be limited to those drilling units offsetting productive units that are reasonably certain of production when drilled. Proved reserves for other undrilled units can be claimed only where it can be demonstrated with certainty that there is continuity of production from the existing productive formation. Under no circumstances should estimates for proved undeveloped reserves be attributable to any acreage for which an application of fluid injection or other improved recovery technique is contemplated, unless such techniques have been proved effective by actual tests in the area and in the same reservoir.

PV-10 The present value of estimated future net revenues using a discount rate of 10% per annum.

Recompletion The completion for production of an existing well bore in another formation from which that well has been previously completed.

Reservoir A porous and permeable underground formation containing a natural accumulation of producible oil and/or gas that is confined by impermeable rock or water barriers and is individual and separate from other reservoirs.

Standardized Measure of Discounted Future Net Cash Flows Also referred to herein as "standardized measure." It is the present value of estimated future net revenues computed by discounting estimated future net revenues at a rate of 10% annually.

The Financial Accounting Standards Board requires disclosure of standardized measure of discounted future net cash flows relating to proved oil and gas reserve quantities, per paragraph 30 of Statement of Financial Accounting Standards No. 69, as follows:

> A standardized measure of discounted future net cash flows relating to an enterprise's interests in (a) proved oil and gas reserves and (b) oil and gas subject to purchase under long-term supply, purchase, or similar agreements and contracts in which the enterprise participates in the operation of the properties on which the oil or gas is located or otherwise serves as the producer of those reserves shall be disclosed as of the end of the year. The standardized measure of discounted future net cash flows relating to those two types of interests in reserves may be combined for reporting purposes. The following information shall be disclosed in the aggregate and for each geographic area for which reserve quantities are disclosed:
>
> > a. Future cash inflows. These shall be computed by applying year-end prices of oil and gas relating to the enterprise's proved reserves to the year-end quantities of those reserves. Future price changes shall be considered only to the extent provided by contractual arrangements in existence at year-end.
> >
> > b. Future development and production costs. These costs shall be computed by estimating the expenditures to be incurred in developing and producing the proved oil and gas reserves at the end of the year, based on year-end costs and assuming continuation of existing economic conditions. If estimated development expenditures are significant, they shall be presented separately from estimated production costs.
> >
> > c. Future income tax expenses. These expenses shall be computed by applying the appropriate year-end statutory tax rates, with consideration of future tax rates already legislated, to the future pretax net cash flows relating to the enterprise's proved oil and gas reserves, less the tax basis of the properties involved. The future income tax expenses shall

give effect to tax deductions, tax credits and allowances relating to the enterprise's proved oil and gas reserves.

d. Future net cash flows. These amounts are the result of subtracting future development and production costs and future income tax expenses from future cash inflows.

e. Discount. This amount shall be derived from using a discount rate of 10 percent a year to reflect the timing of the future net cash flows relating to proved oil and gas reserves.

f. Standardized measure of discounted future net cash flows. This amount is the future net cash flows less the computed discount.

Working Interest Also called an operating interest. The right granted to the lessee of a property to explore for and to produce and own oil, gas or other minerals. The working interest owner bears the exploration, development and operating costs on either a cash, penalty or carried basis.

Workover Operations on a producing well to restore or increase production.

PART I

Item 1. Business

General

MV Oil Trust, which we refer to as the "trust," was formed in August 2006, by MV Partners, LLC, which we refer to as "MV Partners."

The trust is a statutory trust created under the Delaware Statutory Trust Act. The business and affairs of the trust are managed by The Bank of New York Mellon Trust Company, N.A., as trustee. The trust maintains its offices at the office of the trustee, at 919 Congress Avenue, Austin, Texas 78701. The telephone number of the trustee is 1-800-852-1422. In addition, Wilmington Trust Company acts as the Delaware trustee of the trust. The Delaware trustee has only minimal rights and duties as are necessary to satisfy the requirements of the Delaware Statutory Trust Act. The trust does not have any employees and the business and affairs of the trust are managed by The Bank of New York Mellon Trust Company, N.A., as trustee.

The trustee does not maintain a website for filings by the trust with the Securities and Exchange Commission, which we refer to as the "SEC." Electronic filings by the trust with the SEC are available free of charge through the SEC's website at *www.sec.gov* and at *www.businesswire.com/cnn/mvo.htm*.

As of December 31, 2006, the trust had no assets other than $1,000 cash and had conducted no operations other than in connection with the initial public offering of the units of beneficial interest in the trust, which are referred to herein as the "trust units." On January 24, 2007, MV Partners and the trust completed the initial public offering of trust units. In connection with the completion of the initial public offering of trust units, on January 24, 2007, MV Partners conveyed a term net profits interest to the trust that represents the right to receive 80% of the net proceeds (calculated as described below) from all of MV Partners' interests in oil and natural gas properties as of January 24, 2007, which is referred to herein as the "net profits interest." These properties are located in the Mid-Continent region in the States of Kansas and Colorado. MV Partners' net interests in such properties, after deduction of all royalties and other burdens on production thereon as of January 24, 2007, is referred to herein as the "underlying properties." As of December 31, 2008, the underlying properties produced predominantly oil from 1,004 wells, and the projected reserve life of the underlying properties was in excess of 50 years. Based on the summary prepared by Cawley, Gillespie & Associates, Inc. of its reserve report as of December 31, 2008 for the trust, which is summarized herein under " Description of the Underlying Properties Reserves" and is referred to herein as the "reserve report," the net profits interest would entitle the trust to receive net proceeds from the sale of production of not less than 11.5 MMBoe of proved reserves during the term of the trust, calculated as 80% of the proved

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reserves attributable to the underlying properties expected to be produced during the term of the trust. Of these reserves, approximately 85% were classified as proved developed producing reserves as of December 31, 2008. Production from the underlying properties for the year ended December 31, 2008, was approximately 98% oil and approximately 2% natural gas and natural gas liquids. The underlying properties are all located in mature fields that are characterized by long production histories and numerous additional development opportunities to help reduce the natural decline in production from the underlying properties.

The net profits interest will terminate on the later to occur of (1) June 30, 2026, or (2) the time when 14.4 MMBoe have been produced from the underlying properties and sold (which amount is the equivalent of 11.5 MMBoe in respect of the trust's right to receive 80% of the net proceeds from the underlying properties pursuant to the net profits interest). The gross proceeds used to calculate the net profits interest is based on prices realized for oil, natural gas and natural gas liquids attributable to the underlying properties for each calendar quarter during the term of the net profits interest. MV Partners deducts from the gross proceeds all hedge payments made by MV Partners to hedge contract counterparties upon monthly settlements of existing hedge contracts and derivatives to which MV Partners was a party as of January 24, 2007, which is referred to herein as the "hedge contracts." In addition, in connection with the conveyance of the net profits interest, on January 24, 2007, MV Partners also assigned to the trust the right to receive 80% of all amounts payable to MV Partners from hedge contract counterparties upon monthly settlements of the hedge contracts. In calculating the net proceeds used to calculate the net profits interest, MV Partners deducts from the gross proceeds from the underlying properties all lease operating expenses, maintenance expenses and capital expenditures (including the cost of workovers and recompletions, drilling costs and development costs), amounts that may be reserved for future capital expenditures (which reserve amounts may not exceed $1.0 million in the aggregate at any given time), post-production costs and production and property taxes paid by MV Partners.

Net proceeds payable to the trust depend upon production quantities, sales prices of oil, natural gas and natural gas liquids, and costs to develop and produce the oil, natural gas and natural gas liquids. If at any time costs should exceed gross proceeds, neither the trust nor the trust unitholders would be liable for the excess costs; the trust, however, would not receive any net proceeds until future net proceeds exceed the total of those excess costs, plus interest at the prime rate.

The trust will make quarterly cash distributions of substantially all of its quarterly cash receipts, after deduction of fees and expenses for the administration of the trust, to holders of its trust units during the term of the trust. The trust's first quarterly distribution consisted of an amount in cash paid by MV Partners equal to the amount that would have been payable to the trust had the net profits interest been in effect during the period from July 1, 2006 through December 31, 2006. Furthermore, the cash payment included 80% of all amounts paid to MV Partners from hedge contract counterparties for settlements related to the period from July 1, 2006 through December 31, 2006. As a result of the long period of time that was included in the first quarterly distribution, subsequent quarterly distributions are likely to be less than the initial distribution. Because payments to the trust will be generated by depleting assets and the trust has a finite life with the production from the underlying properties diminishing over time, a portion of each distribution will represent a return of the original investment in the trust units.

The trust was created to acquire and hold the net profits interest for the benefit of the trust unitholders. The net profits interest is passive in nature and neither the trust nor the trustee has any control over or responsibility for costs relating to the operation of the properties comprising the underlying properties. The business and affairs of the trust are managed by the trustee, and MV Partners and its affiliates have no ability to manage or influence the operations of the trust. The properties comprising the underlying properties for which MV Partners is designated as the operator are currently operated on a contract operator basis by Vess Oil Corporation, which we refer to as "Vess Oil," and Murfin Drilling Company, Inc., which we refer to as "Murfin Drilling," each of which is an

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affiliate of MV Energy, LLC, the sole manager of MV Partners. MV Partners does not as a matter of course make public projections as to future sales, earnings or other results relating to the underlying properties.

Description of the Trust Units

Each trust unit is a unit of the beneficial interest in the trust and is entitled to receive cash distributions from the trust on a pro rata basis. Each trust unitholder has the same rights regarding each of his trust units as every other trust unitholder has regarding his units. The trust units are in book-entry form only and are not represented by certificates. The trust had 11,500,000 trust units outstanding as of March 13, 2009.

Distributions and Income Computations

Each quarter, the trustee will determine the amount of funds available for distribution to the trust unitholders. Available funds are the excess cash, if any, received by the trust from the net profits interest, payments from the hedge contracts and other sources (such as interest earned on any amounts reserved by the trustee) that quarter, over the trust's liabilities for that quarter. Available funds will be reduced by any cash the trustee decides to hold as a reserve against future liabilities. It is expected that quarterly cash distributions during the term of the trust will be made by the trustee on or before the 25th day of the month following the end of each quarter to the trust unitholders of record on the 15th day of the month following the end of each quarter (or the next succeeding business day).

The first quarterly distribution during 2008 was $0.63666998 per trust unit and was made on January 25, 2008 to trust unitholders owning trust units as of January 15, 2008. Such distribution included the net proceeds of production collected by MV Partners from October 1, 2007 through December 31, 2007. This distribution included 80% of all amounts paid by MV Partners to hedge contract counterparties for settlements related to the period from October 1, 2007 to December 31, 2007. During this quarter MV Partners made net advances of $120,000 to the trust for trust expenses.

The second quarterly distribution during 2008 was $0.52171564 per trust unit and was made on April 25, 2008 to trust unitholders owning trust units as of April 15, 2008. Such distribution included the net proceeds of production collected by MV Partners from January 1, 2008 through March 31, 2008. This distribution included 80% of all amounts paid by MV Partners to hedge contract counterparties for settlements related to the period from January 1, 2008 to March 31, 2008. The distribution was impacted by production curtailment affecting the underlying properties as the result of winter ice storms that impacted western Kansas. The ice associated with these storms disabled electrical power to the affected underlying properties for an extended period of time resulting in some curtailed production. The distribution was also impacted by the duplication of hedged volumes in January 2008. January crude oil swap contracts in the notional volume of 45,000 barrels at a price of $62.99 settled in the first quarter 2008. This volume was in addition to the notional volume of 61,167 barrels that had been scheduled as the average monthly notional volume for 2008. Given the NYMEX price contracts for January crude oil, the incremental hedged volumes resulted in an additional expense of $1,347,255, which reduced the cash available for distribution for the first quarter 2008 by $1,077,804. During this quarter MV Partners made net advances of $250,000 to the trust for trust expenses.

The third quarterly distribution during 2008 was $0.64825809 per trust unit and was made on July 25, 2008 to trust unitholders owning trust units as of July 15, 2008. Such distribution included the net proceeds of production collected by MV Partners from April 1, 2008 through June 30, 2008. This distribution included 80% of all amounts paid by MV Partners to hedge contract counterparties for settlements related to the period from April 1, 2008 to June 30, 2008. During this quarter the trust made a net repayment of the advance for trust expenses to MV Partners in the amount of $300,000.

The trust did not make a fourth quarterly distribution during 2008. Eaglwing, L.P. ("Eaglwing") purchased substantially all of the crude oil production of the underlying properties for the month of June 2008 and for the first 18 days of July 2008. Eaglwing subsequently filed a voluntary petition for

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reorganization under the U.S. bankruptcy code and still has not paid the purchase price for such purchases. Eaglwing is an affiliate of SemCrude, L.P. Because of Eaglwing's bankruptcy and failure to pay for such production, there were not sufficient net proceeds for the trust to make a payment for the scheduled quarterly distribution in October 2008. See "Trustee's Discussion and Analysis of Financial Condition and Results of Operation Other Events." During this quarter MV Partners made an advance of $150,000 to the trust for trust expenses.

The first quarterly distribution in 2007 was $1.0122 per trust unit and was made on February 23, 2007 to trust unitholders owning trust units as of February 15, 2007. This distribution consisted of an amount in cash paid by MV Partners equal to the amount that would have been payable to the Trust had the net profits interest been in effect during the period from July 1, 2006 through December 31, 2006. Furthermore, this cash payment included 80% of all amounts paid to/by MV Partners from/to hedge contract counterparties for settlements related to the period from July 1, 2006 to December 31, 2006. This distribution included a payment to MV Partners of $1,000,000 as a reserve for future capital expenses. During this quarter MV Partners advanced the trust $300,000 for trust expenses.

The second quarterly distribution during 2007 was $0.533344609 per trust unit and was made on April 25, 2007 to trust unitholders owning trust units as of April 16, 2007. Such distribution included the net proceeds of production collected by MV Partners from January 1, 2007 through March 31, 2007, including all hedge contract settlements. This distribution included a payment from MV Partners of $500,000 which had been previously withheld for future expenses.

The third quarterly distribution during 2007 was $0.657281318 per trust unit and was made on July 25, 2007 to trust unitholders owning trust units as of July 16, 2007. Such distribution included the net proceeds of production collected by MV Partners from April 1, 2007 through June 30, 2007, including all hedge contract settlements. This distribution included net proceeds from business interruption insurance of $200,000 that MV Partners received from the insurance company for storm damage during the first quarter 2007 as a replacement for lost income. This amount was in addition to the property damage proceeds which were received from the insurance company which were used to reduce costs. During this quarter MV Partners advanced the trust $400,000 for trust expenses.

The fourth quarterly distribution during 2007 was $0.65383330 per trust unit and was made on October 25, 2007 to trust unitholders owning trust units as of October 15, 2007. Such distribution included the net proceeds of production collected by MV Partners from July 1, 2007 through September 30, 2007, including all hedge contract settlements. This distribution is net of a reserve for capital expenditures of $250,000 and a net repayment of the advance for trust expenses of $370,000.

Unless otherwise advised by counsel or the Internal Revenue Service, which we refer to herein as the "IRS," the trustee will treat the income and expenses of the trust for each quarter as belonging to the trust unitholders of record on the quarterly record date. For federal income tax purposes, trust unitholders must take into account items of income, gain, loss, deduction and credit consistent with their methods of accounting and without regard to the taxable year or accounting method employed by the trust and without regard to the quarter the trust makes distributions related to those items to the trust unitholders. Variances between taxable income and cash distributions may occur. For example, the trustee could establish a reserve in one quarter using funds that would be included in income in the quarter in which the reserve is created but may not result in a tax deduction or a distribution until a later quarter or possibly in a later taxable year. Similarly, the trustee could also make a payment in one quarter that would be amortized for income tax purposes over several quarters. See " Federal Income Tax Matters."

Periodic Reports

The trustee files all required trust federal and state income tax and information returns. The trustee prepares and provides the tax information that trust unitholders need to correctly report their share of the income and deductions of the trust. The trustee also causes to be prepared and filed reports required to be filed under the Securities Exchange Act of 1934, as amended, and by the rules of any securities exchange or quotation system on which the trust units are listed or admitted to trading, and also causes the trust to comply with the provisions of the Sarbanes-Oxley Act, including but not limited to, by establishing, evaluating and maintaining a system of internal controls over financial reporting in compliance with the requirements of Section 404 thereof.

Each trust unitholder and his representatives may examine, for any proper purpose, during reasonable business hours, the records of the trust and the trustee.

Liability of Trust Unitholders

Under the Delaware Statutory Trust Act, trust unitholders are entitled to the same limitation of personal liability extended to stockholders of private corporations for profit under the General Corporation Law of the State of Delaware. No assurance can be given, however, that the courts in jurisdictions outside of Delaware will give effect to such limitation.

Voting Rights of Trust Unitholders

The trustee or trust unitholders owning at least 10% of the outstanding trust units may call meetings of trust unitholders. The trust is responsible for all costs associated with calling a meeting of trust unitholders unless such meeting is called by the trust unitholders, in which case the trust unitholders are responsible for all costs associated with calling such meeting of trust unitholders. Meetings must be held in such location as is designated by the trustee in the notice of such meeting. The trustee must send written notice of the time and place of the meeting and the matters to be acted upon to all of the trust unitholders at least 20 days and not more than 60 days before the meeting. Trust unitholders representing a majority of trust units outstanding must be present or represented to have a quorum. Each trust unitholder is entitled to one vote for each trust unit owned.

Unless otherwise required by the trust agreement, a matter may be approved or disapproved by the vote of a majority of the trust units held by the trust unitholders at a meeting where there is a quorum. This is true even if a majority of the total trust units did not approve it. The affirmative vote of the holders of a majority of the outstanding trust units is required to:

- dissolve the trust;
- remove the trustee or the Delaware trustee;
- amend the trust agreement (except with respect to certain matters that do not adversely affect the rights of trust unitholders in any material respect);
- merge or consolidate the trust with or into another entity; or
- approve the sale of all or any material part of the assets of the trust.

In addition, certain amendments to the trust agreement may be made by the trustee without approval of the trust unitholders. The trustee must consent before all or any part of the trust assets can be sold except in connection with the dissolution of the trust or limited sales directed by MV Partners in conjunction with its sale of underlying properties.

Duration of the Trust; Sale of the Net Profits Interest

The trust will remain in existence until the later to occur of (1) June 30, 2026, or (2) the time when 14.4 MMBoe have been produced from the underlying properties and sold (which amount is the equivalent of 11.5 MMBoe in respect of the trust's right to receive 80% of the net proceeds from the underlying properties pursuant to the net profits interest). The trust will dissolve prior to its termination if:

the trust sells the net profits interest;

annual gross proceeds attributable to the net profits interest are less than $1 million for each of two consecutive years;

the holders of a majority of the outstanding trust units vote in favor of dissolution; or

judicial dissolution of the trust.

The trustee would then sell all of the trust's assets, either by private sale or public auction, and distribute the net proceeds of the sale to the trust unitholders.

Computation of Net Proceeds

The provisions of the conveyance governing the computation of the net proceeds are detailed and extensive. The following information summarizes the material information contained in the conveyance related to the computation of the net proceeds. For more detailed provisions concerning the net profits interest, you should read the conveyance, which is referenced as an exhibit to this Form 10-K.

Net Profits Interest

The term net profits interest was conveyed to the trust by MV Partners on January 24, 2007 by means of a conveyance instrument that has been recorded in the appropriate real property records in each county in Kansas and Colorado where the oil and natural gas properties to which the underlying properties relate are located. The net profits interest burdens the net interests owned by MV Partners in the properties comprising the underlying properties in existence as of January 24, 2007.

The amounts paid to the trust for the net profits interest are based on the definitions of "gross proceeds" and "net proceeds" contained in the conveyance and described below. Under the conveyance, net proceeds are computed quarterly, and 80% of the aggregate net proceeds attributable to a computation period will be paid to the trust on or before the 25th day of the month following the computation period. MV Partners will not pay to the trust any interest on the net proceeds held by MV Partners prior to payment to the trust. The trustee will make distributions to trust unitholders quarterly, if sufficient funds are available. See " Description of the Trust Units Distributions and Income Computations."

"Gross proceeds" means:

the aggregate amount received by MV Partners from sales of oil, natural gas and natural gas liquids produced from the underlying properties (other than amounts received for certain future non-consent operations), *less*

the aggregate amounts paid by MV Partners upon settlement of the hedge contracts on a quarterly basis, as specified in the hedge contracts.

Gross proceeds does not include consideration for the transfer or sale of any underlying property by MV Partners or any subsequent owner to any new owner unless the net profits interest is released (as is permitted in certain circumstances). Gross proceeds also does not include any amount for oil, natural gas or natural gas liquids lost in production or marketing or used by the owner of the underlying properties in drilling, production and plant operations. Gross proceeds includes payments for future production if they are not subject to repayment in the event of insufficient subsequent production.

"Net proceeds" means gross proceeds less the following:

all payments to mineral or landowners, such as royalties or other burdens against production, delay rentals, shut-in oil and natural gas payments, minimum royalty or other payments for drilling or deferring drilling;

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- any taxes paid by the owner of an underlying property to the extent not deducted in calculating gross proceeds, including estimated and accrued general property (ad valorem), production, severance, sales, gathering, excise and other taxes;
- any extraordinary taxes or windfall profits taxes that may be assessed in the future that are based on profits realized or prices received for production from the underlying properties;
- costs paid by an owner of a property comprising the underlying properties under any joint operating agreement;
- all other costs and expenses, capital costs and liabilities of exploring for, drilling, recompleting, workovers, operating and producing oil, natural gas and natural gas liquids, including allocated expenses such as labor, vehicle and travel costs and materials and any plugging and abandonment liabilities (net of any capital costs for which a reserve had already been made to the extent such capital costs are incurred during the computation period) other than costs and expenses for certain future non-consent operations;
- costs or charges associated with gathering, treating and processing oil, natural gas and natural gas liquids;
- any overhead charge incurred pursuant to any operating agreement relating to an underlying property, including the overhead fee payable by MV Partners to Vess Oil and Murfin Drilling as described below;
- costs paid to counterparties under the hedge contracts or to the persons that provide credit to maintain any hedge contracts, excluding any hedge settlement amounts;
- amounts previously included in gross proceeds but subsequently paid as a refund, interest or penalty;
- costs and expenses for renewals or extensions of leases; and
- at the option of MV Partners (or any subsequent owner of the underlying properties), amounts reserved for approved capital expenditure projects, including well drilling, recompletion and workover costs, which amounts will at no time exceed $1.0 million in the aggregate, and will be subject to the limitations described below.

During each twelve-month period beginning on the later to occur of (1) June 30, 2023 and (2) the time when 13.2 MMBoe have been produced from the underlying properties and sold (which is the equivalent of 10.6 MMBoe in respect of the net profits interest) (in either case, the "Capital Expenditure Limitation Date"), the sum of the capital expenditures and amounts reserved for approved capital expenditure projects for such twelve-month period may not exceed the Average Annual Capital Expenditure Amount. The "Average Annual Capital Expenditure Amount" means the quotient of (x) the sum of the capital expenditures and amounts reserved for approved capital expenditure projects with respect to the three twelve-month periods ending on the Capital Expenditure Limitation Date, divided by (y) three. Commencing on the Capital Expenditure Limitation Date, and each anniversary of the Capital Expenditure Limitation Date thereafter, the Average Annual Capital Expenditure Amount will be increased by 2.5% to account for expected increased costs due to inflation.

As is customary in the oil and natural gas industry, MV Partners pays an overhead fee to Vess Oil and Murfin Drilling to operate the underlying properties on behalf of MV Partners. The operating activities include various engineering, accounting and administrative functions. The fee is based on a monthly charge per active operated well, which totaled $2.5 million in 2008 and $2.3 million in 2007 for all of the properties comprising the underlying properties for which MV Partners was designated as the operator. The fee is adjusted annually and will increase or decrease each year based on changes in the year-end index of average weekly earnings of crude petroleum and natural gas workers.

In the event that the net proceeds for any computation period is a negative amount, the trust will receive no payment for that period, and any such negative amount plus accrued interest at the prime rate will be deducted from gross proceeds in the following computation period for purposes of determining the net proceeds for that following computation period.

Gross proceeds and net proceeds are calculated on a cash basis.

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Hedge Contracts

MV Partners has entered into certain hedge contracts related to the oil production from the underlying properties for the years 2009 and 2010. For the year 2009, MV Partners has entered into swap contracts at prices ranging from $64 to $71 per barrel of oil that hedge approximately 74% of expected production from the underlying properties that are classified as proved developed producing in the reserve report. For the year 2010, MV Partners has entered into swap contracts at prices ranging from $63 to $69 per barrel of oil that hedge approximately 78% of expected production from the underlying properties that are classified as proved developed producing in the reserve report as of December 31, 2008. MV Partners has assigned to the trust the right to receive 80% of all payments payable to MV Partners from hedge contract counterparties upon monthly settlements of the hedge contracts. Furthermore, MV Partners has not entered into any hedge contracts relating to oil volumes expected to be produced after 2010, and the terms of the conveyance of the net profits interest prohibit MV Partners from entering into new hedging arrangements for the benefit of the trust. From January 1, 2009 through December 31, 2010, MV Partners' crude oil price risk management positions in swap contracts are as follows:

	Fixed Price Swaps	
Year Ended December 31,	Volumes (Bbls)	Weighted Average Price (Per Bbl)
2009	678,000	$ 66.24
2010	637,800	$ 65.03

Additional Provisions

If a controversy arises as to the sales price of any production, then for purposes of determining gross proceeds:

- amounts withheld or placed in escrow by a purchaser are not considered to be received by the owner of the underlying property until actually collected;
- amounts received by the owner of the underlying property and promptly deposited with a nonaffiliated escrow agent will not be considered to have been received until disbursed to it by the escrow agent; and
- amounts received by the owner of the underlying property and not deposited with an escrow agent will be considered to have been received.

The trustee is not obligated to return any cash received from the net profits interest. Any overpayments made to the trust by MV Partners due to adjustments to prior calculations of net proceeds or otherwise will reduce future amounts payable to the trust until MV Partners recovers the overpayments plus interest at the prime rate.

The conveyance generally permits MV Partners to transfer without the consent or approval of the trust unitholders all or any part of its interest in the underlying properties, subject to the net profits interest. The trust unitholders are not entitled to any proceeds of a sale or transfer of MV Partners' interest unless the trust is required to sell the net profits interest as to such interest. Following a sale or transfer, the underlying properties will continue to be subject to the net profits interest, and the net proceeds attributable to the transferred property will be calculated as part of the computation of net proceeds described in this Form 10-K.

In addition, MV Partners may, without the consent of the trust unitholders, require the trust to release the net profits interest associated with any lease that accounts for less than or equal to 0.25% of the total production from the underlying properties in the prior 12 months and provided that the net profits interest covered by such releases cannot exceed, during any 12-month period, an aggregate fair market value to the trust of $500,000. These releases will be made only in connection with a sale by MV Partners of the relevant underlying properties and are conditioned upon the trust receiving an amount equal to the fair value to the trust of such net profits interest. Any net sales proceeds paid to the trust are distributable to trust unitholders for the quarter in which they are received.

As the designated operator of a property comprising the underlying properties, MV Partners may enter into farm-out, operating, participation and other similar agreements to develop the property. MV Partners may enter into any of these agreements without the consent or approval of the trustee or any trust unitholder.

MV Partners and any transferee of an underlying property will have the right to abandon any well or property if it reasonably believes the well or property ceases to produce or is not capable of producing in commercially paying quantities. In making such decisions, MV Partners or any transferee of an underlying property is required under the applicable conveyance to act as a reasonably prudent operator in the State of Kansas under the same or similar circumstances would act if it were acting with respect to its own properties, disregarding the existence of the net profits interest as a burden on such property. Upon termination of the lease, the portion of the net profits interest relating to the abandoned property will be extinguished.

MV Partners must maintain books and records sufficient to determine the amounts payable for the net profits interest to the trust. Quarterly and annually, MV Partners must deliver to the trustee a statement of the computation of the net proceeds for each computation period. The trustee has the right to inspect and copy the books and records maintained by MV Partners during normal business hours and upon reasonable notice.

Federal Income Tax Matters

The following is a summary of certain U.S. federal income tax matters that may be relevant to trust unitholders. This summary is based upon current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), existing and proposed Treasury regulations thereunder and current administrative rulings and court decisions, all of which are subject to changes that may or may not be retroactively applied. No attempt has been made in the following summary to comment on all U.S. federal income tax matters affecting the trust or the trust unitholders.

The summary is limited to trust unitholders who are:

(1) individual citizens or residents of the United States,

(2) a corporation, or an entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States, as state thereof or the District of Columbia,

(3) an estate the income of which is subject to U.S. federal income taxation regardless of source, or

(4) a trust if it is subject to the primary supervision of a U.S. court and the control of one or more U.S. persons (as defined for U.S. federal income tax purposes) or that has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

Accordingly, the following summary has limited application to trust unitholders subject to specialized tax treatment such as, without limitation, tax-exempt organizations, regulated investment companies, insurance companies and foreign persons or entities. Each trust unitholder should consult his own tax advisor with respect to his particular circumstances.

Tax counsel to the trust advised the trust at the time of formation that, for federal income tax purposes, in its opinion the trust will be treated as a grantor trust and not as an unincorporated business entity. No ruling has been or will be requested from the IRS with respect to the federal income tax treatment of the trust, including as to the status of the trust as a grantor trust for such purposes. Thus, no assurance can be provided that the tax treatment of the trust would be sustained by a court if contested by the IRS or another tax authority. The remainder of the discussion below is based on tax counsel's opinion, at the time of formation, that the trust will be classified as a grantor trust for federal income tax purposes. As a grantor trust, the trust will not be subject to federal income tax at the trust level. Rather, each trust unitholder will be considered for federal income tax purposes to own its proportionate share of the trust's assets directly as though no trust were in existence. Thus, each trust unitholder will be subject to tax on its proportionate share of the income and gain attributable to the assets of the trust and will be entitled to claim its proportionate share of the deductions and expenses attributable to the assets of the trust, subject to applicable limitations, in accordance with the trust unitholder's tax method of accounting and without regard to the taxable year or accounting method employed by the trust.

The trust will allocate items of income, gain, loss, deductions and credits to trust unitholders based on record ownership at each quarterly record date. It is possible that the IRS or another tax authority could disagree with this allocation method and could assert that income and deductions of the trust should be determined and allocated on a daily, prorated or other basis, which could require adjustments to the tax returns of the trust unitholders affected by the issue and result in an increase in the administrative expense of the trust in subsequent periods.

Tax counsel to the trust also advised the trust at the time of formation that, for federal income tax purposes, based upon representations made by MV Partners regarding the expected economic life of the underlying properties and the expected duration of the net profits interest, in its opinion the net profits interest should be treated as a "production payment" under Section 636 of the Code or otherwise as a debt instrument. On the basis of that advice, the trust will treat the net profits interest as indebtedness subject to Treasury regulations applicable to contingent payment debt instruments, and by purchasing trust units, a trust unitholder will agree to be bound by the trust's application of those regulations, including the trust's determination of the rate at which interest will be deemed to accrue on the net profits interest. No assurance can be given that the IRS or another taxing authority will not assert that the net profits interest should be treated differently. Any such different treatment could affect the amount, timing and character of income, gain or loss in respect of an investment in trust units and could require a trust unitholder to accrue income at a rate different than that determined by the trust.

Tax counsel to the trust advised the trust at the time of formation that, for federal income tax purposes, in its opinion the net profits interest should not be integrated with the hedge contracts. Although not definitively addressed by existing authorities, the federal income tax treatment of the net profits interest may be affected by the right to receive payments under the hedge contracts. Specifically, the right to receive payments on the hedge contracts could be integrated with the net profits interest and deemed to be a source other than production for repayment of the net profits interest, which characterization could adversely affect the treatment of the net profits interest as a production payment, and thus a debt instrument, for federal income tax purposes.

Widely Held Fixed Investment Trust Reporting Information

The trustee assumes that some trust units are held by a middleman, as such term is broadly defined in 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., 919 Congress Avenue, Austin, Texas 78701, telephone number 1-800-852-1422, is the representative of the trust that will provide tax information beginning with the 2008 tax year in accordance with applicable Treasury regulations governing the information reporting requirements of the trust as a WHFIT.

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Available Trust Tax Information

In compliance with the reporting requirements for WHFITs and the dissemination of trust tax reporting information, the trustee provides a generic tax information reporting booklet that is intended to be used only to assist unitholders in the preparation of their 2008 federal and state income tax returns. The projected payment schedule for the net profits interest is included with the tax information booklet. This tax information booklet can be obtained at *www.businesswire.com/cnn/mvo.htm*.

Description of the Underlying Properties

The underlying properties consist of MV Partners' net interests in all of its oil and natural gas properties as of January 24, 2007, which properties are located in the Mid-Continent region in the States of Kansas and Colorado. Affiliates of MV Partners are currently the operators or contract operators of substantially all of the properties comprising the underlying properties.

MV Partners' interests in the properties comprising the underlying properties require MV Partners to bear its proportionate share, along with the other working interest owners, of the costs of development and operation of such properties. The properties comprising the underlying properties are burdened by non-working interests owned by third parties, consisting primarily of royalty interests retained by the owners of the land subject to the working interests. These landowners' royalty interests typically entitle the landowner to receive 12.5% of the revenue derived from oil and natural gas production resulting from wells drilled on the landowner's land, without any deduction for drilling costs or other costs related to production of oil and natural gas. A working interest percentage represents a working interest owner's proportionate ownership interest in a property in relation to all other working interest owners in that property, whereas a net revenue interest percentage is a working interest owner's percentage of production after reducing such percentage by the percentage of burdens on such production such as royalties and overriding royalties.

Based on the reserve report, the net profits interest would entitle the trust to receive net proceeds from the sale of production of not less than 11.5 MMBoe of proved reserves attributable to the underlying properties expected to be produced during the term of the net profits interest, calculated as 80% of the proved reserves attributable to the underlying properties expected to be produced during the term of the net profits interest. The reserves attributable to the underlying properties include all reserves expected to be economically produced during the life of the properties, whereas the trust is entitled to only receive 80% of the net proceeds from the sale of production of oil, natural gas and natural gas liquids attributable to the underlying properties during the term of the net profits interest.

The Mid-Continent region is a mature producing region with well-known geologic characteristics. Most of the production from the underlying properties consists of desirable crude oil of a quality level between sweet and sour with 33 to 34 gravity averages. Most of the producing wells to which the underlying properties relate are relatively shallow, ranging from 600 to 4,500 feet, and many are completed to multiple producing zones. In general, the producing wells to which the underlying properties relate have stable production profiles and their production is generally long-lived, often with total projected economic lives in excess of 50 years.

Reserves

Cawley, Gillespie & Associates, Inc., independent petroleum and geological engineers, estimated oil, natural gas and natural gas liquid reserves attributable to the trust's term net profits interest in the underlying properties as of December 31, 2008. Numerous uncertainties are inherent in estimating reserve volumes and values, and the estimates are subject to change as additional information becomes available. The reserves actually recovered and the timing of production of the reserves may vary significantly from the original estimates.

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The discounted estimated future net revenues presented below were prepared using assumptions required by the SEC. Except to the extent otherwise described below, these assumptions include the use of prices for oil, natural gas and natural gas liquids as of December 31, 2008, of $37.35 per Bbl of oil, $5.63 per Mcf of natural gas and $19.98 per Bbl of natural gas liquids, net of pricing differentials, as well as costs for estimated future development and production expenditures to produce the proved reserves as of December 31, 2008. Because oil, natural gas and natural gas liquid prices are influenced by many factors, use of prices as of December 31, 2008, as required by the SEC, may not be the most accurate basis for estimating future revenues of reserve data. Future net cash flows are discounted at an annual rate of 10%. There is no provision for federal or state income taxes with respect to the future net cash flows attributable to the underlying properties because future net revenues are not subject to taxation at the trust level.

Proved Reserves of MV Oil Trust. The following table sets forth, as of December 31, 2008, certain estimated proved reserves, estimated future net revenues and the discounted present value thereof attributable to the trust derived from the reserve report. A summary of the reserve report is included below.

		MV Oil Trust (dollars in thousands)
Proved Reserves:		
Oil (MBbls)		9,352
Natural gas (MMcf)		847
Natural gas liquids (MBbls)		34
Oil equivalents (MBoe)		9,515
Future net revenues	$	142,889
Standardized measure(1)(2)	$	79,865

(1) The present value of future net revenues for the trust was determined using a discount rate of 10% per annum.

(2) As of December 31, 2008, MV Oil Trust is treated as a grantor trust for federal income tax purposes and all income and expenses are reported to the individual unitholders. Accordingly, no provision for federal or state income taxes has been provided. Therefore, the standardized measure of MV Oil Trust is equal to the PV-10, which totaled approximately $ 79.9 million as of December 31, 2008.

Information concerning historical changes in net proved reserves attributable to the trust, and the calculation of the standardized measure of discounted future net revenues related thereto, is contained in Note K to the financial statements of the trust included in this Form 10-K. MV Partners has not filed reserve estimates covering the underlying properties with any other federal authority or agency.

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The following table summarizes the changes in estimated proved reserves of the trust for the periods indicated.

	MV Oil Trust			
	Oil (MBbl)	Natural Gas (MMcf)	Natural Gas Liquids (MBbl)	Oil Equivalents (MBoe)
Proved Reserves:				
Balance, December 31, 2006(1)	11,076	923	70	11,275
Revisions, extensions, discoveries and additions	(119)	(16)	(21)	(135)
Production	(787)	(80)	(4)	(803)
Balance, December 31, 2007	10,170	827	45	10,337
Revisions, extensions, discoveries and additions	(48)	101	(7)	(36)
Production	(770)	(81)	(4)	(786)
Balance, December 31, 2008	9,352	847	34	9,515
Proved Developed Reserves:				
Balance, December 31, 2006	9,555	923	70	9,755
Balance, December 31, 2007	8,730	827	45	8,897
Balance, December 31, 2008	7,998	847	34	8,161

(1) The conveyance of the net profits interest took place on January 24, 2007, however the reserves are presented as of December 31, 2006. MV Oil Trust also received revenue associated with the production for the months of July through December 2006.

The reserves above represent the trust's 80% net profits interest in the underlying properties for the remainder of the term of the trust.

The following table sets forth the estimates of total proved reserves and forecasts of economics attributable to the underlying properties as of December 31, 2008 for the remainder of the term of the trust, as presented in the summary prepared by Cawley, Gillespie & Associates, Inc. of its reserve report as of December 31, 2008 for the trust. The estimates of proved reserves have not been filed with or included in reports to any federal authority or agency. The discounted cash flow value shown in the

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table is not intended to represent the current market value of the trust's estimated oil and natural gas reserves.

	Proved Developed Producing	Proved Developed Non-Producing	Proved Undeveloped	Total Proved
	(dollars in thousands)			
Net Reserves				
Oil (MBbl)	9,892.4	104.5	1,692.9	11,689.8
Gas (MMcf)	894.1	164.1	0.0	1,058.1
NGL (MBbl)	42.3	0.0	0.0	42.3
Revenue				
Oil	$369,482.8	$ 3,904.2	$ 63,228.0	$436,614.9
Gas	5,115.8	845.2	0.0	5,961.0
NGL	844.9	0.0	0.0	844.9
Severance Taxes	2,601.4	197.1	2,838.8	5,637.3
Ad Valorem Taxes	11,238.0	136.0	1,892.0	13,265.9
Operating Expenses	161,673.0	1,607.7	17,783.3	181,064.0
Workover Expenses	12,992.9	0.0	0.0	12,992.9
COPAS	33,162.0	150.5	2,118.1	35,430.6
Investments	0.0	1,019.0	15,399.5	16,418.5
80% NPI Net Operating Income(1)	$123,021.0	$ 1,311.3	$ 18,557.1	$142,889.4
80% Net Profits Interest (NPI)(2)	$ 70,652.4	$ 606.2	$ 8,606.0	$ 79,864.6

(1) Before interest and taxes.

(2) Discounted at 10%.

The net profits interest entitles the trust to receive 80% of the net proceeds attributable to MV Partners' interest from the sale of production from the underlying properties. The net profits interest will terminate on the later to occur of (1) June 30, 2026, or (2) the time when 14.4 MMBoe have been produced from the underlying properties and sold, and the trust will soon thereafter wind up its affairs and terminate. For the reserve report, Cawley, Gillespie & Associates, Inc., petroleum consultants, estimated that the trust would terminate February 28, 2031 based on the calculation that 14.4 MMBoe would have been produced from the underlying properties and sold (which amount is the equivalent of 11.5 MMBoe in respect of the trust's right to receive 80% of the net proceeds from the underlying properties pursuant to the net profits interest) prior to this date.

Oil and gas prices were adjusted to the NYMEX December 31, 2008 closing WTI Cushing oil price of $44.60 per Bbl and Henry Hub natural gas price of $5.62 per MMbtu. In accordance with SEC guidelines, prices were not escalated. Oil price differentials were forecast at -$7.25 per Bbl for all properties and were not escalated. Gas and NGL price differentials were forecast on a per property basis as provided by MV Partners and were also not escalated. Gas price differentials include adjustments for transportation and basis differential. Gas prices were further adjusted with a heating value (Btu content) applied on a per-property basis. Operating expenses, workover expenses, COPAS overhead charges and investments were forecast on a per property basis as furnished by MV Partners. Workover expenses were forecast at $92.00 per month per net well for all producing properties. Expenses and investments were held constant in accordance with SEC guidelines. Severance tax rates were applied at normal state percentages of oil and gas revenue, except for those Kansas producing properties that are severance tax exempt. Ad valorem taxes of 3.0% of total revenue were applied to each property as provided by MV Partners. Oil and gas conservation tax rates were applied to all Kansas properties at the applicable rates.

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The estimates of proved oil and natural gas reserves attributable to the underlying properties are based on estimates prepared by Cawley, Gillespie & Associates, Inc., petroleum consultants. Guidelines established by the SEC regarding the present value of future net revenues were used to prepare these reserve estimates. Oil and natural gas reserve engineering is a subjective process of estimating underground accumulations of oil and natural gas that cannot be measured in an exact way, and estimates of other engineers might differ materially from those included in the report. The accuracy of any reserve estimate is a function of the quality of available data and engineering, and estimates may justify revisions based on the results of drilling, testing, and production activities. Accordingly, reserve estimates are inherently imprecise and should not be construed as representing the actual quantities of future production or cash flows to be realized from oil and natural gas properties or the fair market value of such properties.

Producing Acreage and Well Counts

For the following data, "gross" refers to the total wells or acres in which MV Partners owns a working interest and "net" refers to gross wells or acres multiplied by the percentage working interest owned by MV Partners. Although many of MV Partners' wells produce both oil and natural gas, a well is categorized as an oil well or a natural gas well based upon the ratio of oil to natural gas production.

The underlying properties are interests in developed properties located in oil and natural gas producing regions of Kansas and eastern Colorado. The following is a summary of the approximate acreage of the underlying properties at December 31, 2008. Undeveloped acreage is not significant.

	Gross	Net
	(acres)	
El Dorado Area	15,405	15,393
Northwest Kansas Area	11,885	11,840
Other	20,350	16,649
Total	47,640	43,882

The following is a summary of the producing wells on the underlying properties as of December 31, 2008:

	Operated Wells		Non-Operated Wells		Total	
	Gross	Net	Gross	Net	Gross	Net
Oil	926	908	72	10	998	918
Natural gas	5	4	1		6	4
Total	931	912	73	10	1,004	922

The following is a summary of the number of developmental wells drilled by MV Partners on the underlying properties during the last three years. MV Partners did not drill any exploratory wells during the periods presented.

	Year Ended December 31,					
	2006		2007		2008	
	Gross	Net	Gross	Net	Gross	Net
Completed:						
Oil wells	10	10	12	12	11	11
Natural gas wells						
Non-productive			4	3		
Total	10	10	16	15	11	11

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During the years ended December 31, 2007 and 2008, MV Partners drilled, completed and commenced production with respect to 12 and 11 wells, respectively, on the underlying properties.

The following table shows the average sales prices per Bbl of oil and Mcf of natural gas produced and the production costs and production and property taxes per Boe for the underlying properties. Sales volumes for natural gas liquids during the periods presented were not significant. Average prices do not include the effect of hedge and other derivative activity.

	Year Ended December 31,		
	2006	2007	2008
Sales prices:			
Oil (per Bbl)	$62.65	$66.96	$94.88
Natural gas (per Mcf)	$ 5.63	$ 5.58	$ 6.44
Lease operating expense (per Boe)	$11.17	$12.74	$15.26
Lease maintenance (per Boe)	$ 2.07	$ 1.94	$ 1.59
Lease overhead (per Boe)	$ 2.13	$ 2.39	$ 2.69
Production and property taxes (per Boe)	$ 3.31	$ 2.42	$ 3.25

Major Producing Areas

Approximately 62% of the net acres included in the underlying properties are located in the El Dorado Area, which is located in southeastern Kansas, and in the Northwest Kansas Area. The properties comprising the underlying properties are all located in mature fields that are characterized by long production histories. The properties provide continual workover and developmental opportunities which MV Partners has pursued to reduce the natural decline in production from the underlying properties.

El Dorado Area

The properties comprising the underlying properties located in the El Dorado Area are operated on behalf of MV Partners by Vess Oil and are located in the El Dorado, Augusta and the Valley Center Fields. Vess Oil has actively pursued infill drilling, well re-entries, plugback and deepening recompletion operations, various types of restimulation work and equipment optimization programs to reduce the natural decline in production from these fields.

El Dorado Field. The El Dorado Field is located atop the Nemaha Ridge in Central Butler County, Kansas and was first discovered in 1915. Up to 15 horizons have been reported to contain hydrocarbons, ranging from the Admire Sands, at a depth of 650 feet, to the Arbuckle Dolomite, at a depth of 2,500 feet. The primary producing intervals are the Admire, Lansing-Kansas City, Viola, Simpson and Arbuckle. Cumulative production of all producers from the El Dorado Field has exceeded 300 MMBbls of oil with production peaking between 1916 and 1918 at 116,000 Bbls per day in 1918.

Augusta Field. The Augusta Field is on a trend similar to the nearby El Dorado Field and strikes northeast parallel to the Nemaha Ridge. The field was first discovered in 1914 and covers approximately 10 square miles of Butler County, Kansas. The primary producing interval has been the Arbuckle with additional production coming from the Simpson and Lansing-Kansas City intervals. Cumulative production of all producers from the Augusta Field has exceeded 48 MMBbls of oil. The Augusta Field is largely an extension of the El Dorado Field and has very similar geological characteristics.

MV Partners has provided the following information to the trustee. Vess Oil has maintained constant activity in these fields to increase production. Currently, Vess Oil plans to drill 25 infill developmental wells in the Arbuckle, Lansing-Kansas City and Simpson intervals and 5 infill

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developmental wells in the Whitecloud interval in the El Dorado area during the next five years. Vess Oil also plans to maintain its eight well annual recompletion and workover program over the next five years. Vess Oil has commenced a waterflood program to enhance production from the Whitecloud formation. Vess Oil has completed four active injection wells and plans to convert additional wells as the infill developmental drilling program proceeds.

Valley Center Field. The Valley Center Field was first discovered in 1928 and covers approximately 60 square miles of Sedgwick County, Kansas. Production is primarily from the Viola interval, which is located at an average depth of 2,500 feet. Cumulative production of all producers from the Valley Center Field has exceeded 25 MMBbls of oil. The Valley Center Field has similar geological characteristics as the El Dorado Field.

Northwest Kansas Area

Each of Vess Oil and Murfin Drilling operate leases on behalf of MV Partners included in the properties comprising the underlying properties that are located in the Northwest Kansas Area. The primary fields in this area are the Bemis-Shutts, Trapp, Ray and Hansen Fields. Vess Oil and Murfin Drilling have actively pursued polymer treatments, stimulation workovers and recompletion operations to reduce the natural decline in production from these fields.

Bemis-Shutts Field. The Bemis-Shutts Field is located on the Fairport Anticline within the Central Kansas Uplift and was first discovered in 1928. The field consists of 17,080 acres in northeastern Ellis and southeastern Rooks Counties, Kansas. Production has been from multiple pay zones with the primary formation being the Arbuckle interval at a depth of 3,300 feet and the Lansing-Kansas City interval at a depth of 2,800 feet. Cumulative production of all producers from the Bemis-Shutts Field has exceeded 248 MMBbls of oil.

Both Vess Oil and Murfin Drilling have pursued polymer treatment programs with success in the Bemis-Shutts Field and plan to continue these workovers. MV Partners has continued to acquire 3-D seismic surveys over portions of the field to further define the boundaries of the Arbuckle structure in the field and to evaluate undrilled infill locations. This data is processed as received and currently there are over 16 potential infill drilling locations that have been identified. MV Partners plans to drill these locations over the next five years.

Trapp Field. The Trapp Field consists of 35,900 acres in Russell and Barton Counties, Kansas and was first discovered in 1929. Production has primarily been from the Lansing-Kansas City and Shawnee limestones and the Arbuckle dolomite. Cumulative production of all producers from the Trapp Field has exceeded 239 MMBbls of oil.

Hansen and Ray Fields. The Hansen Field is located along the crest of the Stuttgart-Huffstutor Anticline and was first discovered in 1943. Production from this field has primarily come from the Lansing-Kansas City limestone. Cumulative production of all producers from the Hansen Field has exceeded 9.2 MMBbls of oil.

The Ray Field is located on the eastern flank of the Central Kansas Uplift and was first discovered in 1940. Production has primarily been from the Arbuckle dolomite and the Gorham sands with additional production from the Lansing-Kansas City interval along the eastern flank of the field. Cumulative production of all producers from the Ray Field has exceeded 18 MMBbls of oil.

The Hansen and Ray Fields consist of over 7,000 acres in Philips and Norton Counties, Kansas.

Murfin Drilling operates the leases held by MV Partners in the Trapp, Hansen and Ray Fields. Field. Murfin Drilling has informed the trustee that it plans to drill one well and workover and recomplete six wells along with nine acid stimulations over the next five years.

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Marketing and Post-Production Services

Pursuant to the terms of the conveyance that created the net profits interest, MV Partners has the responsibility to market, or cause to be marketed, the oil, natural gas and natural gas liquid production attributable to the underlying properties. The terms of the conveyance that created the net profits interest do not permit MV Partners to charge any marketing fee when determining the net proceeds upon which the net profits interest are calculated. As a result, the net proceeds to the trust from the sales of oil, natural gas and natural gas liquid production from the underlying properties are determined based on the same price that MV Partners receives for oil, natural gas and natural gas liquid production attributable to MV Partners' remaining interest in the underlying properties.

During the year ended December 31, 2007 and the first seven months of 2008, MV Partners sold all of its oil production to third-party crude oil purchasers, including to three oil refineries located in McPherson, El Dorado and Coffeyville, Kansas, at market prices. A substantial portion of the crude oil produced from the underlying properties was sold to Eaglwing. Eaglwing purchased substantially all of the crude oil production of the underlying properties for the month of June 2008 and for the first 18 days of July 2008, after which date further sales to Eaglwing were terminated. On July 22, 2008, SemCrude and certain of its affiliates, including Eaglwing, filed voluntarily petitions for reorganization under Chapter 11 of the United States Bankruptcy Code. The members of MV Energy, LLC and certain members of MV Partners' other member, VAP-I, LLC, including each of Messrs. Vess and Murfin, own minority interests in Eaglwing and SemCrude.

Beginning July 18, 2008, substantially all of the production from the underlying properties went into on-location storage tanks and a portion of the oil production was shut-in pending resolution of the marketing process for the production. As of July 31, 2008, Vess Oil and Murfin Drilling recommenced general sales of production from the underlying properties, to several purchasers other than Eaglwing, including MV Purchasing, LLC, under short-term arrangements using market sensitive pricing. MV Purchasing, LLC is majority owned by the indirect equity owners of MV Partners. These sales to purchasers are now under terms ranging from one month to six months, using market sensitive pricing. Since mid-August 2008, three purchasers, including MV Purchasing, LLC, have been purchasing substantially all of the crude oil production, and a substantial portion of the crude oil production may be acquired by one or more single purchasers. MV Partners does not believe that loss of any of these parties as a purchaser would have a material adverse impact on the business of MV Partners, as substitute purchasers are generally available; however, a purchaser's failure to pay for purchased crude oil could have a significant adverse impact on MV Partners' business.

Oil production is typically transported by truck from the field to the closest gathering facility or refinery. MV Partners sells the majority of the oil production from the underlying properties under short-term arrangements using market sensitive pricing. The price received by MV Partners for the oil production from the underlying properties is usually based on the NYMEX price applied to equal daily quantities on the month of delivery that is then reduced for differentials based upon delivery location and oil quality. The average differential for oil production during the years ended December 31, 2007 and 2008 were $4.66 and $5.54 per barrel, respectively.

All natural gas produced by MV Partners is marketed and sold to third-party purchasers. The natural gas is sold on a contract basis and, in all but one case, the contracts are in their secondary terms and are on a month-to-month basis. In all cases, the contract price is based on a percentage of a published regional index price, after adjustments for Btu content, transportation and related charges.

Sale and Abandonment of Underlying Properties

MV Partners and any transferee of any of the underlying properties will have the right to abandon its interest in any well or property comprising a portion of the underlying properties if, in its opinion, such well or property ceases to produce or is not capable of producing in commercially paying

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quantities. To reduce or eliminate the potential conflict of interest between MV Partners and the trust in determining whether a well is capable of producing in commercially paying quantities, MV Partners is required under the conveyance to act as a reasonably prudent operator in the State of Kansas under the same or similar circumstances would act if it were acting with respect to its own properties, disregarding the existence of the net profits interest as a burden on such property. For the years ended December 31, 2006, 2007 and 2008, MV Partners plugged and abandoned 14, 26 and six wells, respectively, based on its determination that such wells were no longer economical to operate or restore to production.

MV Partners generally may sell all or a portion of its interests in the underlying properties, subject to and burdened by the net profits interest, without the consent of the trust unitholders. In addition, MV Partners may, without the consent of the trust unitholders, require the trust to release the net profits interest associated with any lease that accounts for less than or equal to 0.25% of the total production from the underlying properties in the prior 12 months and provided that the net profits interest covered by such releases cannot exceed, during any 12-month period, an aggregate fair market value to the trust of $500,000. These releases will be made only in connection with a sale by MV Partners of the relevant underlying properties and are conditioned upon the trust receiving an amount equal to the fair value to the trust of such net profits interest. Any net sales proceeds paid to the trust are distributable to trust unitholders for the quarter in which they are received.

Title to Properties

The properties comprising the underlying properties are subject to certain burdens that are described in more detail below. To the extent that these burdens and obligations affect MV Partners' rights to production and the value of production from the underlying properties, they have been taken into account in calculating the trust's interests and in estimating the size and the value of the reserves attributable to the underlying properties.

MV Partners' interests in the oil and natural gas properties comprising the underlying properties are typically subject, in one degree or another, to one or more of the following:

- royalties, overriding royalties and other burdens, express and implied, under oil and natural gas leases;
- overriding royalties, production payments and similar interests and other burdens created by MV Partners or its predecessors in title;
- a variety of contractual obligations arising under operating agreements, farm-out agreements, production sales contracts and other agreements that may affect the underlying properties or their title;
- liens that arise in the normal course of operations, such as those for unpaid taxes, statutory liens securing unpaid suppliers and contractors and contractual liens under operating agreements that are not yet delinquent or, if delinquent, are being contested in good faith by appropriate proceedings;
- pooling, unitization and communitization agreements, declarations and orders;
- easements, restrictions, rights-of-way and other matters that commonly affect property;
- conventional rights of reassignment that obligate MV Partners to reassign all or part of a property to a third party if MV Partners intends to release or abandon such property; and
- rights reserved to or vested in the appropriate governmental agency or authority to control or regulate the underlying properties and the net profits interest therein.

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MV Partners has informed the trustee that MV Partners believes that the burdens and obligations affecting the properties comprising the underlying properties are conventional in the industry for similar properties. MV Partners also has informed the trustee that MV Partners believes that the existing burdens and obligations do not, in the aggregate, materially interfere with the use of the underlying properties and do not materially adversely affect the value of the net profits interest.

MV Partners acquired the underlying properties in two transactions, the first of which was in 1998 when it acquired a substantial portion of the underlying properties from a major oil and gas company and the second of which was in 1999 when it acquired the remaining portion of the underlying properties from a large independent oil and gas company. At the time of its acquisition of the underlying properties, MV Partners undertook a thorough title examination of the underlying properties.

MV Partners has recorded the conveyance of the net profits interest in Kansas in the real property records in each Kansas county where the properties are located. MV Partners has informed the trustee that MV Partners believes that the delivery and recording of the conveyance constituted fully conveyed and vested property interests in the trust under Kansas law. Although no assurance can be given, MV Partners has informed the trustee that MV Partners believes that, if, during the term of the trust, MV Partners becomes involved as a debtor in a bankruptcy proceeding, the conveyance of the net profits interest, as vested and recorded property interests, cannot be avoided by a bankruptcy trustee. If in such a proceeding a determination were made that the conveyance constitutes an executory contract and the net profits interest is not a fully conveyed property interest under the laws of Kansas, and if such contract were not to be assumed in a bankruptcy proceeding involving MV Partners, the trust would be treated as an unsecured creditor of MV Partners with respect to such net profits interest in the pending bankruptcy proceeding.

Oil and gas leases are real property interests under Colorado law. Net profits interests are non-operating, non-possessory interests carved out of the oil and gas leasehold estate, but Colorado courts have not directly determined whether a net profits interest is a real or a personal property interest. MV Partners has informed the trustee that MV Partners believes that it is possible that the net profits interest may not be treated as a real property interest under the laws of Colorado. MV Partners has recorded the conveyance of the net profits interest in the real property records of Colorado in accordance with local recording acts. MV Partners has informed the trustee that MV Partners believes that, if, during the term of the trust, MV Partners becomes involved as a debtor in a bankruptcy proceeding, the net profits interest relating to the underlying properties located in Colorado should be treated as a fully conveyed personal property interest under the laws of Colorado. In such a proceeding, however, a determination could be made that the conveyance constitutes an executory contract and the net profits interest is not a fully conveyed personal property interest under the laws of Colorado, and if such contract were not to be assumed in a bankruptcy proceeding involving MV Partners, the trust would be treated as an unsecured creditor of MV Partners with respect to such net profits interest in the pending bankruptcy proceeding. Although no assurance can be given, MV Partners does not believe that the conveyance of the net profits interest relating to the underlying properties located in Colorado should be subject to rejection in a bankruptcy proceeding as an executory contract.

Competition and Markets

The oil and natural gas industry is highly competitive. MV Partners competes with major oil and natural gas companies and independent oil and natural gas companies for oil and natural gas, equipment, personnel and markets for the sale of oil and natural gas. Many of these competitors are financially stronger than MV Partners, but even financially troubled competitors can affect the market because of their need to sell oil and natural gas at any price to attempt to maintain cashflow. The trust

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is subject to the same competitive conditions as MV Partners and other companies in the oil and natural gas industry.

Oil and natural gas compete with other forms of energy available to customers, primarily based on price. These alternate forms of energy include electricity, coal and fuel oils. Changes in the availability or price of oil, natural gas or other forms of energy, as well as business conditions, conservation, legislation, regulations and the ability to convert to alternate fuels and other forms of energy may affect the demand for oil and natural gas.

Future price fluctuations for oil, natural gas and natural gas liquids will directly impact trust distributions, estimates of reserves attributable to the trust's interests and estimated and actual future net revenues to the trust. In view of the many uncertainties that affect the supply and demand for oil and natural gas, neither the trust nor MV Partners can make reliable predictions of future oil and natural gas supply and demand, future product prices or the effect of future product prices on the trust.

Environmental Matters and Regulation

General. The operations of the properties comprising the underlying properties are subject to stringent and complex federal, state and local laws and regulations governing environmental protection as well as the discharge of materials into the environment. These laws and regulations may, among other things:

- restrict the types, quantities and concentration of various substances that can be released into the environment in connection with oil and natural gas drilling and production activities;
- limit or prohibit drilling activities on certain lands lying within wilderness, wetlands and other protected areas; and
- require remedial measures to mitigate pollution from former and ongoing operations, such as requirements to close pits and plug abandoned wells.

These laws, rules and regulations may also restrict the rate of oil and natural gas production below the rate that would otherwise be possible. The regulatory burden on the oil and natural gas industry increases the cost of doing business in the industry and consequently affects profitability. Additionally, Congress and federal and state agencies frequently revise environmental laws and regulations, and any changes that result in more stringent and costly waste handling, disposal and cleanup requirements for the oil and natural gas industry could have a significant impact on the operating costs of the properties comprising the underlying properties.

The following is a summary of the existing laws, rules and regulations to which the operations of the properties comprising the underlying properties are subject that are material to the operation of the underlying properties.

Waste Handling. The Resource Conservation and Recovery Act, or RCRA, and comparable state statutes, regulate the generation, transportation, treatment, storage, disposal and cleanup of hazardous and non-hazardous wastes. Under the auspices of the federal Environmental Protection Agency, or EPA, the individual states administer some or all of the provisions of RCRA, sometimes in conjunction with their own, more stringent requirements. Drilling fluids, produced waters and most of the other wastes associated with the exploration, development and production of crude oil or natural gas are currently regulated under RCRA's non-hazardous waste provisions. However, it is possible that certain oil and natural gas exploration and production wastes now classified as non-hazardous could be classified as hazardous wastes in the future. Any such change could result in an increase in the costs to manage and dispose of wastes, which could have a material adverse effect on the cash distributions to the trust unitholders.

Comprehensive Environmental Response, Compensation and Liability Act. The Comprehensive Environmental Response, Compensation and Liability Act, or CERCLA, also known as the Superfund law, imposes joint and several liability, without regard to fault or legality of conduct, on classes of persons who are considered to be responsible for the release of a hazardous substance into the environment. These persons include the owner or operator of the site where the release occurred, and anyone who disposed or arranged for the disposal of a hazardous substance released at the site. Under CERCLA, such persons may be subject to joint and several liability for the costs of cleaning up the hazardous substances that have been released into the environment, for damages to natural resources and for the costs of certain health studies. In addition, it is not uncommon for neighboring landowners and other third-parties to file claims for personal injury and property damage allegedly caused by the hazardous substances released into the environment.

The properties comprising the underlying properties may have been used for oil and natural gas exploration and production for many years. Although MV Partners believes that it has utilized operating and waste disposal practices that were standard in the industry at the time, hazardous substances, wastes or hydrocarbons may have been released on or under the properties, or on or under other locations, including off-site locations, where such substances have been taken for disposal. In addition, the properties comprising the underlying properties may have been operated by third parties or by previous owners or operators whose treatment and disposal of hazardous substances, wastes or hydrocarbons was not under MV Partners' control. These properties and the substances disposed or released on them may be subject to CERCLA, RCRA and analogous state laws. Under such laws, MV Partners could be required to remove previously disposed substances and wastes, remediate contaminated property, or perform remedial plugging or pit closure operations to prevent future contamination.

Water Discharges. The Federal Water Pollution Control Act, or the Clean Water Act, and analogous state laws, impose restrictions and strict controls with respect to the discharge of pollutants, including spills and leaks of oil and other substances, into waters of the United States. The discharge of pollutants into regulated waters is prohibited, except in accordance with the terms of a permit issued by the EPA or an analogous state agency. Federal and state regulatory agencies can impose administrative, civil and criminal penalties for non-compliance with discharge permits or other requirements of the Clean Water Act and analogous state laws and regulations.

Air Emissions. The Federal Clean Air Act, and comparable state laws, regulate emissions of various air pollutants through air emissions permitting programs and the imposition of other requirements. In addition, the EPA has developed, and continues to develop, stringent regulations governing emissions of toxic air pollutants at specified sources. Federal and state regulatory agencies can impose administrative, civil and criminal penalties for non-compliance with air permits or other requirements of the federal Clean Air Act and associated state laws and regulations.

OSHA and Other Laws and Regulation. MV Partners is subject to the requirements of the federal Occupational Safety and Health Act, or OSHA, and comparable state statutes. The OSHA hazard communication standard, the EPA community right-to-know regulations under the Title III of CERCLA and similar state statutes require that MV Partners organize and/or disclose information about hazardous materials used or produced in its operations. MV Partners believes that it is in substantial compliance with these applicable requirements and with other OSHA and comparable requirements.

The Kyoto Protocol to the United Nations Framework Convention on Climate Change became effective in February 2005. Under the Protocol, participating nations are required to implement programs to reduce emissions of certain gases, generally referred to as greenhouse gases, that are suspected of contributing to global warming. The United States is not currently a participant in the Protocol, and Congress has considered recent proposed legislation directed at reducing greenhouse gas emissions. There has been support in various regions of the country for legislation that requires reductions in greenhouse gas emissions, and some states have already adopted legislation addressing greenhouse gas emissions from various sources, primarily power plants. Kansas and Colorado have joined Western Climate Initiative or WCI, a regional organization that is examining measures to reduce greenhouse gas emissions. In 2007, the U.S. Supreme Court held in *Massachusetts, et al. v. EPA* that greenhouse gases are an "air pollutant" under the federal Clean Air Act and, thus, subject to future regulation. The oil and natural gas industry is a direct source of certain greenhouse gas emissions, namely carbon dioxide and methane, and future restrictions on such emissions could impact the future operations of the properties comprising the underlying properties. The operations of the properties comprising the underlying properties are not adversely impacted by the current state and local climate change initiatives and, at this time, it is not possible to accurately estimate how potential future laws or regulations addressing greenhouse gas emissions would impact the operations of the properties.

MV Partners believes that it is in substantial compliance with all existing environmental laws and regulations applicable to the current operations of the properties comprising the underlying properties and that its continued compliance with existing requirements will not have a material adverse effect on the cash distributions to the trust unitholders. For instance, MV Partners did not incur any material capital expenditures for remediation or pollution control activities for the year ended December 31, 2007 or 2008. Additionally, MV Partners has informed the trust that MV Partners is not aware of any environmental issues or claims that will require material capital expenditures during 2009. However, there is no assurance that the passage of more stringent laws or regulations in the future will not have a negative impact on the operations of the properties comprising the underlying properties and the cash distributions to the trust unitholders.

Item 1A. Risk Factors

The amounts of the cash distributions by the trust are subject to fluctuation as a result of changes in oil, natural gas and natural gas liquid prices.

The reserves attributable to the underlying properties and the quarterly cash distributions of the trust are highly dependent upon the prices realized from the sale of oil, natural gas and natural gas liquids. Prices of oil, natural gas and natural gas liquids can fluctuate widely on a quarter-to-quarter basis in response to a variety of factors that are beyond the control of the trust and MV Partners. These factors include, among others:

- political conditions or hostilities in oil and natural gas producing regions, including the Middle East and South America;
- weather conditions or force majeure events;
- levels of supply of and demand for oil, natural gas and natural gas liquids;
- U.S. and worldwide economic conditions;
- the price and availability of alternative fuels;
- the proximity to, and capacity of, refineries and gathering and transportation facilities; and
- energy conservation and environmental measures.

Moreover, government regulations, such as regulation of natural gas gathering and transportation and possible price controls, can affect commodity prices in the long term.

During recent months, there has been a substantial downturn in general business activity and in the worldwide credit and capital markets that has led to a worldwide economic recession. Recent oil prices have been low compared to historical prices. For example, the NYMEX crude oil spot prices per Bbl were $61.04, $61.05, $95.98 and $44.60 as of December 31, 2005, 2006, 2007 and 2008, respectively,

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and during 2008 ranged from a high of $145.29 to a low of $33.87. The current sustained decline in oil prices, particularly in combination with the constrained capital markets and overall economic downturn, has resulted in a decline in activity by participants in the oil and natural gas industry. Neither MV Partners nor the trust can predict the timing or the duration of this or any other economic downturn in the economy and if the current conditions continue, the operating results of MV Partners and the financial condition of the trust could be materially adversely affected.

MV Partners has entered into hedge contracts relating to a portion of the oil volumes expected to be produced from the underlying properties, and has assigned to the trust the right to receive 80% of the proceeds from these contracts. These hedge contracts, however, do not cover all of the oil volumes that are expected to be produced during the term of the trust. Furthermore, MV Partners has not entered into any hedge contracts relating to oil volumes expected to be produced after 2010, and the terms of the conveyance of the net profits interest prohibit MV Partners from entering into new hedging arrangements for the benefit of the trust. As a result, the amounts of the cash distributions may fluctuate significantly after 2010 as a result of changes in commodity prices because there will be no hedge contracts in place to reduce the effects of any changes in commodity prices. The existing hedge contracts may limit the amount of cash available for distribution if the prices that would otherwise be received are above the prices established in the hedge contracts. In addition, the hedge contracts are subject to counterparty nonperformance and other risks. For a discussion of the hedge contracts, see "Trustee's Discussion and Analysis of Financial Condition and Results of Operation Hedge and Derivative Contracts."

Lower prices of oil, natural gas and natural gas liquids will reduce the amount of the net proceeds to which the trust is entitled and may ultimately reduce the amount of oil, natural gas and natural gas liquids that is economic to produce from the underlying properties. As a result, the operator of any of the underlying properties could determine during periods of low commodity prices to shut in or curtail production from wells on the underlying properties. In addition, the operator of the underlying properties could determine during periods of low commodity prices to plug and abandon marginal wells that otherwise may have been allowed to continue to produce for a longer period under conditions of higher prices. Because the underlying properties are mature, with many of them being in production since the early 1900's, decreases in commodity prices could have a more significant effect on the economic viability of these properties as compared to more recently discovered properties. The commodity price sensitivity of these mature wells is due to a culmination of factors that vary from well-to-well, including the additional costs associated with water handling and disposal, chemicals, surface equipment maintenance, downhole casing repairs and reservoir pressure maintenance activities that are necessary to maintain production. As a result, the volatility of commodity prices may cause the amount of future cash distributions to trust unitholders to fluctuate, and a substantial decline in the price of oil, natural gas or natural gas liquids will reduce the amount of cash available for distribution to the trust unitholders.

Actual reserves and future net revenues may be less than current estimates of proved reserves, which could reduce cash distributions by the trust and the value of the trust units.

The value of the trust units and the amount of future cash distributions to the trust unitholders will depend upon, among other things, the accuracy of the production and reserves estimated to be attributable to the underlying properties and the net profits interest. Estimating production and reserves is inherently uncertain. Ultimately, actual production, revenues and expenditures for the underlying properties will vary both positively and negatively from estimates and those variations could be material. Petroleum engineers consider many factors and make assumptions in estimating production and reserves. Those factors and assumptions include:

- historical production from the area compared with production rates from other producing areas;

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- the assumed effect of governmental regulation; and

- assumptions about future prices of oil, natural gas and natural gas liquids, production and development expenses, gathering and transportation costs, severance and excise taxes and capital expenditures.

Changes in these assumptions can materially increase or decrease production and reserve estimates.

The estimated reserves attributable to the net profits interest and the estimated future net revenues attributable to the net profits interest are based on estimates of reserve quantities and revenues for the underlying properties. See "Business Description of the Underlying Properties Reserves" for a discussion of the method of allocating proved reserves to the underlying properties and the net profits interest. The quantities of reserves attributable to the underlying properties and the net profits interest may decrease in the future as a result of future decreases in the price of oil, natural gas or natural gas liquids.

Risks associated with the production, gathering, transportation and sale of oil, natural gas and natural gas liquids could adversely affect cash distributions by the trust.

The revenues of the trust, the value of the trust units and the amount of cash distributions to the trust unitholders depend upon, among other things, oil, natural gas and natural gas liquid production and prices and the costs incurred by MV Partners to develop and exploit oil and natural gas reserves attributable to the underlying properties. Drilling, production or transportation accidents that temporarily or permanently halt the production and sale of oil, natural gas and natural gas liquids at any of the underlying properties will reduce trust distributions by reducing the amount of net proceeds available for distribution. For example, accidents may occur that result in personal injuries, property damage, damage to productive formations or equipment and environmental damages. Any costs incurred by MV Partners in connection with any such accidents that are not insured against will have the effect of reducing the net proceeds available for distribution to the trust. In addition, curtailments or damage to pipelines used by MV Partners to transport oil, natural gas and natural gas liquid production to markets for sale could reduce the amount of net proceeds available for distribution. Any such curtailment or damage to the gathering systems used by MV Partners could also require MV Partners to find alternative means to transport the oil, natural gas and natural gas liquid production from the underlying properties, which alternative means could require MV Partners to incur additional costs that will have the effect of reducing net proceeds available for distribution.

The trust and the public trust unitholders have no voting or managerial rights with respect to MV Partners, the operator of the underlying properties. As a result, public trust unitholders have no ability to influence the operation of the underlying properties.

Oil and natural gas properties are typically managed pursuant to an operating agreement among the working interest owners of oil and natural gas properties. The typical operating agreement contains procedures whereby the owners of the working interests in the property designate one of the interest owners to be the operator of the property. Under these arrangements, the operator is typically responsible for making all decisions relating to drilling activities, sale of production, compliance with regulatory requirements and other matters that affect the property.

MV Partners is currently designated as the operator of substantially all of the properties comprising the underlying properties. MV Partners has contracted with two of its affiliates, Vess Oil and Murfin Drilling, to operate these properties on its behalf. Neither the trustee nor the public trust unitholders has any contractual ability to influence or control the field operations of, sale of oil and natural gas from, or future development of, these properties. Also, the public trust unitholders have no voting rights with respect to MV Partners and, therefore, have no managerial, contractual or other ability to influence MV Partners' or its affiliates' activities as operator of the oil and natural gas properties to which substantially all the underlying properties relate.

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Shortages of oil field equipment, services and qualified personnel available to MV Partners could reduce the amount of cash available for distribution.

The demand for qualified and experienced field personnel to drill wells and conduct field operations, geologists, geophysicists, engineers and other professionals in the oil and natural gas industry can fluctuate significantly, often in correlation with oil and natural gas prices, causing periodic shortages. Historically, there have been shortages of drilling rigs and other oilfield equipment as demand for rigs and equipment has increased along with the number of wells being drilled. These factors also cause significant increases in costs for equipment, services and personnel. Higher oil and natural gas prices generally stimulate demand and result in increased prices for drilling rigs, crews and associated supplies, equipment and services. As part of its development plan for the underlying properties, MV Partners expects to drill 48 development wells and conduct recompletion and workover operations on existing wells included in the underlying properties over the five years ending December 31, 2013. See "Trustee's Discussion and Analysis of Financial Condition and Results of Operation Planned Development and Workover Program" for a description of MV Partners' development plans. Shortages of field personnel and equipment or price increases could significantly decrease the amount of cash available for distribution to the trust unitholders, or restrict the ability of MV Partners to drill the wells and conduct the operations which it currently has planned for the underlying properties.

MV Partners may transfer all or a portion of the underlying properties at any time, subject to specified limitations, and MV Partners may abandon individual wells or properties that it reasonably believes to be uneconomic. Under these circumstances, trust unitholders have no ability to prevent MV Partners from transferring the underlying properties to another operator, even if the trust unitholders do not believe that operator would operate the underlying properties in the same manner as MV Partners.

MV Partners may at any time transfer all or part of the underlying properties. Trust unitholders are not entitled to vote on any transfer of the underlying properties, and the trust will not receive any proceeds from any such transfer, except in the limited circumstances when the net profits interest is released in connection with such transfer, in which case the trust will receive an amount equal to the fair market value of the net profits interest released. See "Business Description of the Underlying Properties Sale and Abandonment of Underlying Properties." Following any material sale or transfer of any of the underlying properties, such underlying properties will continue to be subject to the net profits interest of the trust, and the net proceeds attributable to the transferred property will be calculated as part of the computation of net proceeds described in this Form 10-K. MV Partners may delegate to the transferee responsibility for all of MV Partners' obligations relating to the net profits interest on the portion of the underlying properties transferred.

MV Partners or any transferee of the underlying properties may abandon any well or property if it reasonably believes that the well or property can no longer produce oil or natural gas in commercially economic quantities. This could result in termination of the net profits interest relating to the abandoned well or property. In making such decisions, MV Partners and any such transferee will be required under the applicable conveyance to act as a reasonably prudent operator in the State of Kansas under the same or similar circumstances would act if it were acting with respect to its own properties, disregarding the existence of the net profits interest as a burden on such property.

The reserves attributable to the underlying properties are depleting assets and production from those reserves will diminish over time. Furthermore, the trust is precluded from acquiring other oil and natural gas properties or net profits interests to replace the depleting assets and production.

The net proceeds payable to the trust from the net profits interest are derived from the sale of oil, natural gas and natural gas liquids produced from the underlying properties and proceeds, if any, received by MV Partners upon settlement of the hedge contracts. The reserves attributable to the underlying properties are depleting assets, which means that the reserves attributable to the underlying properties will decline over time. As a result, the quantity of oil and natural gas produced from the underlying properties is expected to decline over time. Based on the estimated production volumes in the reserve report, the oil and natural gas production from proved reserves attributable to the underlying properties is projected to decline at an average annual rate of approximately 7.9% over the next 20 years assuming no additional development drilling or other capital expenditures are made after 2013 on the underlying properties. The anticipated rate of decline is an estimate and actual decline rates may vary from those estimated. The net profits interest will terminate on the later to occur of (1) June 30, 2026, or (2) the time when 14.4 MMBoe have been produced from the underlying properties and sold (which amount is the equivalent of 11.5 MMBoe in respect of the trust's right to receive 80% of the net proceeds from the underlying properties pursuant to the net profits interest).

Future maintenance projects on the underlying properties beyond those which are currently estimated may affect the quantity of proved reserves that can be economically produced from the underlying properties. The timing and size of these projects will depend on, among other factors, the market prices of oil, natural gas and natural gas liquids. In addition, because MV Partners has agreed to limit the amount of capital expenditures that may be taken into account in calculating net proceeds attributable to the net profits interest during a specified period preceding the termination of the net profits interest, MV Partners may choose to delay certain capital projects that may otherwise benefit the trust unitholders until the termination of the net profits interest. If operators of the wells to which the underlying properties relate do not implement required maintenance projects when warranted, the future rate of production decline of proved reserves may be higher than the rate currently expected by MV Partners or estimated in the reserve report.

The trust agreement provides that the trust's business activities are limited to owning the net profits interest and any activity reasonably related to such ownership, including activities required or permitted by the terms of the conveyance related to the net profits interest. As a result, the trust is not permitted to acquire other oil and natural gas properties or net profits interests to replace the depleting assets and production attributable to the net profits interest.

Because the net proceeds payable to the trust are derived from the sale of depleting assets, the portion of the distributions to unitholders attributable to depletion may be considered a return of capital as opposed to a return on investment. Eventually, the net profits interest may cease to produce in commercial quantities and the trust may, therefore, cease to receive any distributions of net proceeds therefrom.

The amount of cash available for distribution by the trust will be reduced by the amount of any production and development costs, taxes, costs and payments made with respect to the hedge contracts, capital expenditures and post-production costs.

Production and development costs on the underlying properties are deducted in the calculation of the trust's share of net proceeds. In addition, production and property taxes and any costs or payments associated with the hedge contracts, capital expenditures or post-production costs are deducted in the calculation of the trust's share of net proceeds. Accordingly, higher or lower production and development expenses, taxes, capital expenditures and post-production costs will directly decrease or increase the amount received by the trust in respect of its net profits interest. For a summary of these costs for the last three years, see "Business The Underlying Properties Producing Acreage and Well Counts." Historical costs may not be indicative of future costs.

If development and production costs of the underlying properties exceed the proceeds of production from the underlying properties, the trust will not receive net proceeds from those properties until future proceeds from production exceed the total of the excess costs plus accrued interest during

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the deficit period. Development activities may not generate sufficient additional revenue to repay the costs.

A purchaser's failure to pay MV Partners for purchased production could have a significant adverse impact on MV Partners', which in turn could result in MV Partners not having sufficient net proceeds attributable to the net profits interest for MV Partners to distribute cash to the Trust.

Eaglwing purchased substantially all of the crude oil produced from the underlying properties during June 2008 and the first 18 days of July 2008 and filed for reorganization under the United States Bankruptcy Code on July 22, 2008. Eaglwing has not paid the purchase price therefor and there can be no assurance what dollar amount, if any, will be collected by MV Partners from Eaglwing, and the timing of any such collection. Because of the nonpayment by Eaglwing and decreased sales by MV Partners during July and August 2008, there were not sufficient net proceeds attributable to the net profits interest for MV Partners to distribute cash to the trust for the quarter ended September 30, 2008. As a result, the scheduled quarterly distribution by the trust in October 2008 was not made and the scheduled January 2009 distribution was substantially impacted. Neither the Trust nor the trust unitholders are liable for any costs in excess of net proceeds; however, the Trust will not receive any net proceeds until future net proceeds exceed the total of those excess costs, plus interest at the prime rate. For additional information, see "Trustee's Discussion and Analysis of Financial Condition and Results of Operation Other Events." A subsequent purchaser's failure to pay for purchased production could also have a significant adverse impact on MV Partners' business, which could in turn impact the trust. The current tightening of credit in the financial markets may make it more difficult for purchasers to obtain financing and depending on the degree to which this occurs, there may be a material increase in the nonpayment and nonperformance by such purchasers.

The trustee may, under certain circumstances, sell the net profits interest and dissolve the trust prior to the expected termination of the trust. As a result, trust unitholders may not recover their investment.

The trustee must sell the net profits interest if the holders of a majority of the trust units approve the sale or vote to dissolve the trust. The trustee must also sell the net profits interest if the annual gross proceeds from the underlying properties attributable to the net profits interest are less than $1.0 million for each of any two consecutive years. The sale of the net profits interest will result in the dissolution of the trust. The net proceeds of any such sale will be distributed to the trust unitholders.

The net profits interest will terminate on the later to occur of (1) June 30, 2026, or (2) the time when 14.4 MMBoe have been produced from the underlying properties and sold (which amount is the equivalent of 11.5 MMBoe in respect of the trust's right to receive 80% of the net proceeds from the underlying properties pursuant to the net profits interest). The trust unitholders are not entitled to receive any net proceeds from the sale of production from the underlying properties following the termination of the net profits interest. Therefore, the market price of the trust units will likely diminish towards the end of the term of the net profits interest because the cash distributions from the trust will cease at the termination of such net profits interest and the trust will have no right to any additional production from the underlying properties after the term of the net profits interest.

The disposal by the two members of MV Partners of their remaining trust units may reduce the market price of the trust units.

As of the date this Form 10-K, the two members of MV Partners, MV Energy and VAP-I, owned approximately 25% of the outstanding trust units. The two members of MV Partners may use some or all of the remaining trust units they own for a number of corporate purposes, including:

- selling them for cash; and

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exchanging them for interests in oil and natural gas properties or securities of oil and natural gas companies.

If they sell additional trust units or exchange trust units in connection with acquisitions, then additional trust units will be available for sale in the market. The sale of additional trust units may reduce the market price of the trust units. MV Partners and the trust have entered into a registration rights agreement pursuant to which the trust has agreed to file a registration statement or a shelf registration statement to register the resale of the remaining trust units held by MV Partners and any transferee of the trust units upon request by such holders. See "Certain Relationships and Related Transactions Registration Rights."

The market price for the trust units may not reflect the value of the net profits interest held by the trust.

The trading price for publicly traded securities similar to the trust units tends to be tied to recent and expected levels of cash distributions. The amounts available for distribution by the trust will vary in response to numerous factors outside the control of the trust, including prevailing prices for sales of oil, natural gas and natural gas liquid production from the underlying properties. Consequently, the market price for the trust units may not necessarily be indicative of the value that the trust would realize if it sold the net profits interest to a third-party buyer. In addition, such market price may not necessarily reflect the fact that since the assets of the trust are depleting assets, a portion of each cash distribution paid on the trust units should be considered by investors as a return of capital, with the remainder being considered as a return on investment. As a result, distributions made to a unitholder over the life of these depleting assets may not equal or exceed the purchase price paid by the unitholder.

Conflicts of interest could arise between MV Partners and the trust unitholders.

The interests of MV Partners and the interests of the trust and the trust unitholders with respect to the underlying properties could at times differ. As a working interest owner in the properties comprising the underlying properties, MV Partners could have interests that conflict with the interests of the trust and the trust unitholders. For example:

- MV Partners' interests may conflict with those of the trust and the trust unitholders in situations involving the development, maintenance, operation or abandonment of the underlying properties. MV Partners may make decisions with respect to development expenditures that adversely affect the underlying properties. These decisions include reducing development expenditures on these properties, which could cause oil and natural gas production to decline at a faster rate and thereby result in lower cash distributions by the trust in the future, or increasing development expenditures on the underlying properties during the final years of the term of the trust, which expenditures will benefit the unitholders only to the extent that they reduce the natural decline in oil and natural gas production during the term of the trust by an amount that more than offsets the cost of these development expenditures.

- MV Partners may sell some or all of the underlying properties and such sale may not be in the best interests of the trust unitholders. In the event MV Partners sells all or any portion of the underlying properties, the purchaser of such underlying properties will acquire such underlying properties subject to the net profits interest relating thereto and, in connection therewith, such purchaser will be subject to the same standards of conduct with respect to development, operation and abandonment of such underlying properties as are imposed on MV Partners. MV Partners also has the right, subject to significant limitations as described herein, to cause the trust to release all or a portion of the net profits interest in connection with a sale of a portion of the underlying properties to which such net profits interest relates. In such an event, the trust is entitled to receive its proportionate share of the proceeds from the sale attributable to the net

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profits interest released. See "Business Description of the Underlying Properties Sale and Abandonment of Underlying Properties."

In making decisions with respect to the development, operation, abandonment or sale of the underlying properties, MV Partners and any successor operator will be required under the applicable conveyance to act as a reasonably prudent operator in the State of Kansas under the same or similar circumstances would act if it were acting with respect to its own properties, disregarding the existence of the net profits interest. Except for specified matters that require approval of the trust unitholders, the documents governing the trust do not provide a mechanism for resolving these conflicting interests.

In addition, affiliates of MV Partners may engage in activities whereby such affiliates could have interests that conflict with the interests of MV Partners, which could, depending on the circumstances, negatively impact MV Partners' business. For example, the members of MV Energy, LLC and certain members of MV Partners' other member, VAP-I, LLC, including each of Messrs. Vess and Murfin, own minority interests in Eaglwing and SemCrude. Both Eaglwing and SemCrude owe money to MV Partners that has not been paid. As of July 31, 2008, MV Purchasing, LLC, which is majority owned by the indirect equity owners of MV Partners, began purchasing production from the underlying properties. On August 7, 2008, indirect equity owners of MV Partners entered into a credit facility consisting of a new unsecured loan in an aggregate principal amount of $3 million. See "Trustee's Discussion and Analysis of Financial Condition and Results of Operation Other Events."

The trust is managed by a trustee who cannot be replaced except at a special meeting of trust unitholders.

The business and affairs of the trust are managed by the trustee. The voting rights of a trust unitholder are more limited than those of stockholders of most public corporations. For example, there is no requirement for annual meetings of trust unitholders or for an annual or other periodic re-election of the trustee. The trust agreement provides that the trustee may only be removed and replaced by the holders of a majority of the outstanding trust units at a special meeting of trust unitholders called by either the trustee or the holders of not less than 10% of the outstanding trust units. MV Energy and VAP-I collectively own approximately 25% of the outstanding trust units. As a result, it will be difficult to remove or replace the trustee, particularly without the approval of the members of MV Partners.

Trust unitholders have limited ability to enforce provisions of the net profits interest.

The trust agreement permits the trustee to sue MV Partners or any other future owner of the underlying properties on behalf of the trust to enforce the terms of the conveyance creating the net profits interest. If the trustee does not take appropriate action to enforce provisions of the conveyance, recourse of the trust unitholders would be limited to bringing a lawsuit against the trustee to compel the trustee to take specified actions. The trust agreement expressly limits the trust unitholders' ability to directly sue MV Partners or any other third party other than the trustee. As a result, the unitholders will not be able to sue MV Partners or any future owner of the underlying properties to enforce these rights.

Courts outside of Delaware may not recognize the limited liability of the trust unitholders provided under Delaware law.

Under the Delaware Statutory Trust Act, trust unitholders are entitled to the same limitation of personal liability extended to stockholders of private corporations under the General Corporation Law of the State of Delaware. Courts in jurisdictions outside of Delaware, however, may not give effect to such limitation.

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The operations of the properties comprising the underlying properties may result in significant costs and liabilities with respect to environmental and operational safety matters, which could reduce the amount of cash available for distribution to trust unitholders.

Significant costs and liabilities can be incurred as a result of environmental and safety requirements applicable to the oil and natural gas exploration, development and production activities of the properties comprising the underlying properties. These costs and liabilities could arise under a wide range of federal, state and local environmental and safety laws and regulations, including regulations and enforcement policies, which have tended to become increasingly strict over time. Failure to comply with these laws and regulations may result in the assessment of administrative, civil and criminal penalties, imposition of cleanup and site restoration costs and liens, and to a lesser extent, issuance of injunctions to limit or cease operations. In addition, claims for damages to persons or property may result from environmental and other impacts of the operations of the properties comprising the underlying properties.

Strict, joint and several liability may be imposed under certain environmental laws, which could cause liability for the conduct of others or for the consequences of one's own actions that were in compliance with all applicable laws at the time those actions were taken. New laws, regulations or enforcement policies could be more stringent and impose unforeseen liabilities or significantly increase compliance costs. If it were not possible to recover the resulting costs through insurance or increased revenues, this could have a material adverse effect on the cash distributions to the trust unitholders. Please read "Business Description of the Underlying Properties Environmental Matters and Regulation" for more information.

The operations of the properties comprising the underlying properties are subject to complex federal, state, local and other laws and regulations that could adversely affect the cash distributions to the trust unitholders.

The exploration, development and production operations of the underlying properties are subject to complex and stringent laws and regulations. In order to conduct the operations of the underlying properties in compliance with these laws and regulations, MV Partners must obtain and maintain numerous permits, approvals and certificates from various federal, state, local and governmental authorities. MV Partners may incur substantial costs and experience delays in order to maintain compliance with these existing laws and regulations, which could decrease the cash distributions to the trust unitholders. In addition, the costs of compliance may increase or the operations of the underlying properties may be otherwise adversely affected if existing laws and regulations are revised or reinterpreted, or if new laws and regulations become applicable to such operations. Such costs could have a material adverse effect on the cash distributions to the trust unitholders.

The operations of the underlying properties are subject to federal, state and local laws and regulations as interpreted and enforced by governmental authorities possessing jurisdiction over various aspects of the exploration for, and the production of, oil and natural gas. Failure to comply with such laws and regulations, as interpreted and enforced, could have a material adverse effect on the cash distributions to the trust unitholders. Please read "Business Description of the Underlying Properties Environmental Matters and Regulation."

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The trust has not requested a ruling from the IRS regarding the tax treatment of ownership of the trust units, and MV Partners is not aware of any trust units or similar securities issued by other issuers that are subject to the same tax treatment expected to be accorded to the trust units. If the IRS were to determine (and be sustained in that determination) that the trust is not a grantor trust for federal income tax purposes, or that the net profits interest is not a debt instrument for federal income tax purposes, the trust unitholders may receive different and less advantageous tax treatment than that described in this Form 10-K.

MV Partners is not aware of any trust units or similar securities representing interests in an entity treated as a grantor trust for federal income tax purposes where the entity holds as its principal asset a production payment treated for federal income tax purposes as a debt instrument that is subject to the Treasury regulations governing contingent payment debt instruments.

If the net profits interest were not treated as a debt instrument, or if the trust were not treated as a grantor trust, for federal income tax purposes, the tax treatment of tax items in respect of an investment in trust units may be affected. The effects of this different tax treatment may be less advantageous to trust unitholders.

Neither MV Partners nor the trustee has requested a ruling from the IRS regarding these tax questions, and neither MV Partners nor the trust can assure the trust unitholders that such a ruling would be granted if requested or that the IRS will not challenge these positions on audit. See "Business Federal Income Tax Matters" regarding all of the various matters under this risk factor.

The trust's net profits interest may be characterized as an executory contract in bankruptcy, which could be rejected in bankruptcy, thus relieving MV Partners from its obligations to make payments to the trust with respect to the net profits interest.

MV Partners has recorded the conveyance of the net profits interest in Kansas in the real property records in each Kansas county where the properties are located. MV Partners has informed the trustee that MV Partners believes that the delivery and recording of the conveyance constitute fully conveyed and vested property interests in the trust under Kansas law. If in a bankruptcy proceeding in which MV Partners becomes involved as a debtor a determination were made that the conveyance constitutes an executory contract and the net profits interest is not fully conveyed property interests under the laws of Kansas, and if such contract were not to be assumed in a bankruptcy proceeding involving MV Partners, the trust would be treated as an unsecured creditor of MV Partners with respect to such net profits interest in the pending bankruptcy proceeding.

Oil and gas leases are real property interests under Colorado law. The net profits interest is a non-operating, non-possessory interest carved out of the oil and gas leasehold estate, but Colorado courts have not directly determined whether a net profits interest is a real or a personal property interest. MV Partners has informed the trustee that MV Partners believes that it is possible that the net profits interest may not be treated as a real property interest under the laws of Colorado. MV Partners has recorded the conveyance of the net profits interest in the real property records of Colorado in accordance with local recording acts. MV Partners has informed the trustee that MV Partners believes that, if, during the term of the trust, MV Partners becomes involved as a debtor in a bankruptcy proceeding, the net profits interest relating to the underlying properties located in Colorado should be treated as a fully conveyed personal property interest under the laws of Colorado. In such a proceeding, however, a determination could be made that the conveyance constitutes an executory contract and the net profits interest is not a fully conveyed personal property interest under the laws of Colorado, and if such contract were not to be assumed in a bankruptcy proceeding involving MV Partners, the trust would be treated as an unsecured creditor of MV Partners with respect to such net profits interest in the pending bankruptcy proceeding.

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If the financial position of MV Partners degrades in the future, MV Partners may not be able to satisfy its obligations to the trust.

MV Partners is a privately held limited liability company engaged in the exploration, development, production, gathering and aggregation and sale of oil and natural gas, primarily in the Mid-Continent region in the United States, and it is responsible for operating substantially all of the underlying properties. The operating agreement of MV Partners provides that Vess Oil and Murfin Drilling will operate the underlying properties on behalf of MV Partners for which MV Partners is designated as the operator. The conveyance provides that MV Partners is obligated to market, or cause to be marketed, the production related to the underlying properties. In addition, MV Partners is obligated to convey to the trust 80% of all proceeds it receives upon settlement of the hedge contracts.

Because of the nonpayment by Eaglwing for production and decreased sales by MV Partners during July and August 2008, there were not sufficient net proceeds attributable to the net profits interest for MV Partners to distribute cash to the Trust for the quarter ended September 30, 2008. As a result, the scheduled quarterly distribution by the Trust in October 2008 was not made and the scheduled January 2009 distribution was substantially impacted.

MV Partners has entered into hedge contracts with institutional counterparties, consisting of swap contracts, to reduce the exposure of the revenue from oil production from the underlying properties to fluctuations in crude oil prices in order to achieve more predictable cash flow. The crude oil swap contracts will settle based on the average of the settlement price for each commodity business day in the contract month. In a swap transaction, the counterparty is required to make a payment to MV Partners for the difference between the fixed price and the settlement price if the settlement price is below the fixed price. MV Partners is required to make a payment to the counterparty for the difference between the fixed price and the settlement price if the settlement price is above the fixed price. For a detailed description of the terms of these hedge contracts, please read "Trustee's Discussion and Analysis of Financial Condition and Results of Operation Hedge and Derivative Contracts."

The ability of MV Partners to perform its obligations related to the operation of the underlying properties, its obligations to counterparties related to the hedge contracts and its obligations to the trust with respect to the hedge contracts will depend on MV Partners' future financial condition and economic performance, which in turn will depend upon the supply and demand for oil and natural gas, prevailing economic conditions, collections of payments due from third parties, and upon financial, business and other factors, many of which are beyond the control of MV Partners. If the obligation of MV Partners to convey 80% of the proceeds it receives upon settlement of the hedge contracts were not assumed in a bankruptcy proceeding involving MV Partners, the trust would not be entitled to receive future payments from MV Partners from the settlement of the hedge contracts.

The trust's receipt of payments based on the hedge contracts depends upon the financial position of the hedge contract counterparties. A default by any of the hedge contract counterparties could reduce the amount of cash available for distribution to the trust unitholders.

In the event that any of the counterparties to the hedge contracts default on their obligations to make payments to MV Partners and the trust under the hedge contracts, the cash distributions to the trust unitholders would likely be materially reduced as the hedge payments are intended to provide additional cash to the trust during periods of lower crude oil prices.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

Reference is made to "Item 1 Business," which is incorporated herein by reference.

Item 3. Legal Proceedings.

Currently, there are not any legal proceedings pending to which the trust is a party or of which any of its property is the subject.

Item 4. Submission of Matters to a Vote of Security Holders.

There were no matters submitted to a vote of security holders during the fourth quarter of 2008.

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PART II

Item 5. Market for the Registrant's Common Equity, Related Unitholder Matters and Issuer Purchases of Equity Securities

The trust units commenced trading on the New York Stock Exchange on January 19, 2007 under the symbol "MVO." Prior to January 19, 2007, there was no established public trading market for the trust units. The following table sets forth, for the periods indicated, the high and low sales prices per unit, as reported on the New York Stock Exchange, and the amount of cash distributions declared per unit.

	High	Low	Cash Distributions
2007			
First Quarter (January 19, 2007 through March 31, 2007)	$25.09	$20.10	$ 1.0122
Second Quarter (April 1, 2007 through June 30, 2007)	$24.95	$21.89	$0.533344609
Third Quarter (July 1, 2007 through September 30, 2007)	$27.53	$21.55	$0.657281318
Fourth Quarter (October 1, 2007 through December 31, 2007)	$25.05	$23.09	$ 0.65383330
2008			
First Quarter (January 1, 2008 through March 31, 2008)	$25.30	$19.25	$ 0.63666998
Second Quarter (April 1, 2008 through June 30, 2008)	$28.75	$21.48	$ 0.52171564
Third Quarter (July 1, 2008 through September 30, 2008)	$29.50	$13.25	$ 0.64825809
Fourth Quarter (October 1, 2008 through December 31, 2008)	$15.38	$ 6.79	$

At December 31, 2008, the 11,500,000 units outstanding were held by four unitholders of record. At December 31, 2007, the 11,500,000 units outstanding were held by five unitholders of record.

Each quarter, the trustee determines the amount of funds available for distribution to the trust unitholders. Available funds are the excess cash, if any, received by the trust from the net profits interest, payments from the hedge contracts and other sources (such as interest earned on any amounts reserved by the trustee) that quarter, over the trust's liabilities for that quarter. Available funds will be reduced by any cash the trustee decides to hold as a reserve against future liabilities. It is expected that quarterly cash distributions during the term of the trust, other than the first quarterly cash distribution, will be made by the trustee on or before the 25th day of the month following the end of each quarter to the trust unitholders of record on the 15th day of the month following the end of each quarter (or the next succeeding business day).

As indicated in the table above, the trust did not make a fourth quarterly distribution during 2008. Eaglwing purchased substantially all of the crude oil production of the underlying properties for the month of June 2008 and for the first 18 days of July 2008. Eaglwing subsequently filed a voluntary petition for reorganization under the U.S. bankruptcy code and still has not paid the purchase price for such purchases. Because of Eaglwing's bankruptcy, there were not sufficient net proceeds for MV Oil Trust to make a payment for the scheduled quarterly distribution in October 2008. See "Trustee's Discussion and Analysis of Financial Condition and Results of Operation Other Events."

Equity Compensation Plans

The trust does not have any employees and, therefore, does not maintain any equity compensation plans.

Recent Sales of Unregistered Securities

In connection with the completion of the initial public offering of the trust units and the conveyance of the net profits interest by MV Partners to the trust, on January 24, 2007 the trust issued 11,500,000 trust units to MV Partners in exchange for the execution and delivery of the conveyance of the net profits interest, the administrative services agreement and the assignment of the interest in the hedge contracts. For more information regarding the administrative services agreement, see "Certain Relationships and Related Transactions, and Director Independence Administrative Services Agreement." The sale of the trust units to MV Partners was exempt from registration by virtue of Section 4(2) of the Securities Act of 1933.

Purchases of Equity Securities

There were no purchases of trust units by the trust or any affiliated purchaser during the fourth quarter of the year ended December 31, 2008.

Item 6. Selected Financial Data.

The trust was formed on August 3, 2006. The conveyance of the net profits interest, however, did not occur until January 24, 2007. As a result, the trust did not recognize any income or make any distributions during the year ended December 31, 2006. The following table sets forth selected data for the trust as of December 31, 2007 and 2008, and for the years ended December 31, 2007 and 2008 based on the audited statements of assets and trust corpus as of December 31, 2007 and 2008 and the audited statements of distributable income for the years ended December 31, 2007 and 2008.

	For the Year Ended	
	December 31, 2007	December 31, 2008
Net profits income	$ 33,581,080	$ 21,356,403
Distributable income	$ 32,851,579	$ 20,776,411
Distributions per trust unit	$ 2.8567	$ 1.8066
Total assets at year-end	$ 46,200,057	$ 42,794,682

Item 7. Trustee's Discussion and Analysis of Financial Condition and Results of Operations.

The following review of the trust's financial condition and results of operations should be read in conjunction with the financial statements and notes thereto. The trust was formed on August 3, 2006. The conveyance of the net profits interest, however, did not occur until January 24, 2007. As a result, the trust did not recognize any income or make any distributions during the year ended December 31, 2006. The trust's first quarterly distribution was paid on February 23, 2007 and consisted of an amount in cash paid by MV Partners equal to the amount that would have been payable to the trust had the net profits interest been in effect during the period from July 1, 2006 through December 31, 2006. The trust's purpose is, in general, to hold the net profits interest and the assigned interest in the hedge contracts, to distribute to the trust unitholders cash that the trust receives in respect of the net profits interest and the assigned interest in the hedge contracts and to perform certain administrative functions in respect of the net profits interest and the trust units. The trust derives substantially all of its income and cash flows from the net profits interest and the hedge contracts.

Critical Accounting Policies

The trust's financial statements are prepared on the following basis:

(a) Net profits are recorded when received, including the effect of negative or positive adjustments, by the trustee on the last business day of each calendar quarter; and

(b) Trust general and administrative expenses are recorded when paid.

(c) The investment in net profits interest is amortized over the life of the trust based on units of production using the net Boe produced on behalf of the trust over the 11.5 million Boe to be produced.

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(d) The trustee reviews the carrying value of the net profits interest annually for impairment based on the projected income based on the current reserve report.

This manner of reporting income and expenses is considered to be the most meaningful because the quarterly distributions to trust unitholders are based on net cash receipts received from MV Partners. The financial statements of the trust differ from financial statements prepared in accordance with generally accepted accounting principles, because, under such principles, net profits and general and administrative expenses of the trust for a quarter would be recognized on an accrual basis.

Comparison of results of the trust for the years ended December 31, 2008 and 2007

Income for the trust from the net profits interest and hedge and other derivative activities was $21.4 million for the year ended December 31, 2008 compared to $33.6 million for the year ended December 31, 2007. General and administrative expense for the trust was $0.8 million for each of 2008 and 2007. Included in this amount for 2007 was a one-time listing fee of $0.2 million for the New York Stock Exchange. The trust paid administration fees of $0.1 million to MV Partners for each of 2008 and 2007. In each of 2008 and 2007, the trust withheld a minimal amount for future expenses. Distributable income was $20.8 million or $1.8066 per unit in 2008 compared to $32.9 million or $2.8567 per unit in 2007.

The substantial decrease in income for the trust from 2007 to 2008 was attributed primarily to the nonpayment by Eaglwing of approximately $15.5 million for production sold to Eaglwing and a related decrease in sales of oil production in July and August 2008. Eaglwing, an affiliate of SemCrude, purchased substantially all of the oil produced from the underlying properties during June 2008 and the first 18 days of July 2008 and filed bankruptcy on July 22, 2008. Beginning July 18, 2008, substantially all of the production from the underlying properties went into on-location storage tanks and a portion of the oil production was shut-in pending resolution of the marketing process for the production. From July 18, 2008 until July 31, 2008, only minor amounts of crude oil production from the underlying properties were sold. On July 31, 2008, Vess Oil and Murfin Drilling recommenced general sales of production from the underlying properties, to several purchasers other than Eaglwing, including an affiliated purchaser, under short-term arrangements using market sensitive pricing. As of August 7, 2008, field operations at the underlying properties returned to substantially normal operations, although it took until mid-August before the marketing of crude oil production normalized to the sales process and volumes that existed prior to July 18, 2008. Because of the nonpayment by Eaglwing and decreased crude oil sales by MV Partners during July and August 2008, there were not sufficient net proceeds collected by MV Partners from July 1, 2008 through September 30, 2008 for MV Partners to distribute cash to the Trust with respect to the net profits interest relating thereto. Neither the Trust nor the Trust unitholders are liable for any costs in excess of net proceeds; however, the Trust will not receive any net proceeds until future net proceeds exceed the total of those excess costs, plus interest at the prime rate. See " Other Events."

Income for the trust and distributable income for the trust's second quarter of 2007 was impacted by production curtailment as a result of severe winter storms that severely impacted western Kansas and eastern Colorado. The snow and ice associated with these storms disabled electrical power to the affected underlying properties for an extended period of time and rendered some properties inaccessible. Significant snow accumulations, along with ice and subsequent melting, created difficult working conditions that extended the curtailment period. It was estimated that production from the underlying properties of approximately 32,000 to 36,000 net barrels of oil has been deferred as the result of curtailment due to the storms during the first quarter of 2007. Most of the production curtailed as a result of these storms was restored by the end of March 2007, and the storm effects on production from the underlying properties were greatly reduced during the second quarterly payment period.

Excess of revenues over direct operating expenses and lease equipment and development costs from the underlying properties was $26,695,504 for the period from October 1, 2007 through June 30, 2008. Included in this amount are payments to settle hedge and other derivatives totaling $23,056,782. There were no amounts received to settle hedge and other derivatives for the period from October 1, 2007 through June 30, 2008, which resulted in total cash receipts over cash disbursements of $26,695,504. The trust's net profits interest (80%) of this total was $21,356,403, which represents the cash proceeds received by the trust during the year ended December 31, 2008, which is based upon the cash receipts from MV Partners for the oil and gas production subsequent to October 1, 2007 and collected by June 30, 2008.

As a result of the Eaglwing bankruptcy and the nonpayment of production sold to Eaglwing as discussed above, direct operating expenses and lease equipment and development costs exceeded revenues from the underlying properties by $6,049,283 for the period from July 1, 2008 through September 30, 2008. Included in this amount are payments to settle hedges totaling $12,758,898. There were no amounts received to settle hedges for the period from July 1, 2008 through September 30, 2008 which resulted in total cash disbursements over cash receipts of $6,049,283. The trust's net profits interest (80%) of this total is $4,839,426. Neither the Trust nor the trust unitholders are liable for any costs in excess of net proceeds; however, the Trust does not receive any distributions from MV Partners until future net proceeds exceed the total of those excess costs, plus interest at the prime rate. As a result, the scheduled quarterly distribution in January 2009 was substantially impacted.

Excess of revenues over direct operating expenses and lease equipment and development costs from the underlying properties was $41,413,897 for the period from July 1, 2006 through September 30, 2007. Included in this amount are payments to settle hedge and other derivatives totaling $3,513,167. In addition, amounts received to settle hedge and other derivatives was $1,249,954 for the period from July 1, 2006 through September 30, 2007, which resulted in total cash receipts over cash disbursements of $42,663,850. The trust's net profits interest (80%) of this total was $34,131,080. This amount was reduced by a reserve for future capital expenditures of $750,000 and increased by net proceeds from business interruption insurance of $200,000 resulting in the income from net profits interest and hedge and other derivative activities of $33,581,080. The trust's net profits interest represents the cash proceeds received by the trust during the year ended December 31, 2007, which is based upon the cash receipts from MV Partners for the oil and gas production subsequent to July 1, 2006 and collected by September 30, 2007.

The significant decrease in revenues over expenses and costs for the periods for 2008 referred to above compared to the periods for 2006 and 2007 is primarily attributable to the failure of Eaglwing to pay MV Partners the aggregate of approximately $15.5 million originally owing for Eaglwing's purchase of production during June and the first 18 days of July 2008 and a related decrease in sales of oil production in July and August 2008. See " Other Events."

The revenues from oil production are typically received one month after production, thus the cash received by the trust during the year ended December 31, 2008 substantially represents the production by MV Partners from September 2007 through August 2008 and the cash received by the trust during the year ended December 31, 2007 substantially represents the production by MV Partners from July 2006 through August 2007. The trust's first quarterly distribution in 2007 consisted of an amount in cash paid by MV Partners equal to the amount that would have been payable to the trust had the net profits interest been in effect during the period from July 1, 2006 through December 31, 2006.

The trustee reserved $14,719 and $1,913 for future trust expenses for the years ended December 31, 2008 and 2007, respectively, and paid general and administrative expenses of $785,273 and $757,588 for the years ended December 31, 2008 and 2007, respectively, which resulted in distributable income of $20,776,411, or $1.8066 per unit, for the year ended December 31, 2008 and $32,851,579, or $2.8567 per unit, for the year ended December 31, 2007.

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The average price received for crude oil sold during 2008 was $84.12 per Bbl, while the average price received for crude oil sold was $60.63 per Bbl for the period from July 1, 2006 through December 31, 2007. The average price received for natural gas sold during 2008 was $6.51 per Mcf, while the average price received for natural gas sold was $5.55 per Mcf for the period from July 1, 2006 through December 31, 2007. As previously noted, Eaglwing has not paid the purchase price for the crude oil sold to it during June and the first 18 days of July 2008.

The overall production volumes sold and delivered to purchasers attributable to the 80% net profits interest that is for the oil and gas production sold and delivered during the period from October 1, 2007 to September 30, 2008 were 764,715 Bbls of oil, 86,644 Mcf of natural gas and 4,358 Bbls of natural gas liquids for a total equivalent barrels of oil of 781,989. As previously noted, Eaglwing has not paid the purchase price for the crude oil sold to it during June and the first 18 days of July 2008. The overall production sales volumes collected attributable to the 80% net profits interest for the oil and gas production subsequent to July 1, 2006 and collected before December 31, 2007 were 938,647 Bbls of oil, 90,879 Mcf of natural gas and 5,285 Bbls of natural gas liquids for a total equivalent barrels of oil of 957,229.

As noted above, the amounts reflected in the accompanying financial statements for the trust's year ended December 31, 2008 reflect cash received by the trust during the year. Such cash is primarily derived from production by MV Partners from September 2007 through August 2008. The amounts reflected in the accompanying financial statements for the trust's year ended December 31, 2007 reflect cash received by the trust during the year. Such cash is primarily derived from production by MV Partners from July 2006 through August 2007.

Historical Results of the Underlying Properties

The following table sets forth revenues, direct operating expenses and the excess of revenues over direct operating expenses relating to the underlying properties for the three years in the period ended December 31, 2008 (the information for the year ended December 31, 2006 is derived from the underlying properties' audited statements of historical revenues and direct operating expenses included in "Item 8. Financial Statements and Supplementary Data" of this Form 10-K). Because the net profits interest had not been conveyed to the trust as of December 31, 2006 and because the trust had not engaged in any activities other than organizational activities prior to December 31, 2006, the trust is providing financial information with respect to the underlying properties so that investors can review the historical results of the underlying properties. The historical results of the underlying properties are

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not indicative of the future distributions of the trust, and such historical results do not give effect to the conveyance of the net profits interest and related transactions that occurred on January 24, 2007.

	(in thousands)		
	Year ended December 31,		
	2006	2007	2008
		(unaudited)	(unaudited)
Revenues:			
Oil sales	$ 64,150	$ 66,430	$ 90,484
Natural gas sales	572	546	667
Natural gas liquid sales	311	256	337
Hedge and other derivative activity	(14,394)	(8,003)	(30,289)
Total	50,639	59,229	61,199
Bad debt expense			7,733
Direct operating expenses:			
Lease operating expenses	11,676	12,894	14,866
Lease maintenance	2,162	1,959	1,554
Lease overhead	2,224	2,417	2,617
Production and property tax	3,459	2,453	3,165
Total	19,521	19,723	22,202
Excess of revenues over direct operating expenses	$ 31,118	$ 39,506	$ 31,264

The above table sets forth information as it relates to the underlying properties on the accrual basis, which the books and records are kept. These numbers do not relate to the trust as the trust reports on a cash basis. For the year ended December 31, 2007, the trust's net profits interest represents the cash proceeds received by the trust, which is based upon the cash receipts from MV Partners for the oil and gas production subsequent to July 1, 2006 and collected by September 30, 2007. For the year ended December 31, 2008, the trust's net profits interest represents the cash proceeds received by the trust, which is based upon the cash receipts for the oil and gas production collected by MV Partners from October 1, 2007 through September 30, 2008.

MV Partners has historically entered into certain hedging arrangements and other derivatives to reduce the exposure of the revenues from oil production for the underlying properties to fluctuations in crude oil prices. In addition, MV Partners was required under the terms of its original agreement of limited partnership to hedge approximately 80% of its expected annual proved producing reserves. This requirement is no longer in effect. During 2006 through 2008, approximately 82% of the actual oil production volumes were subject to these hedging arrangements, with settlement prices ranging from $56.39 to $65.12 per barrel. During that same period, the average NYMEX price per barrel of crude oil was between $33.87 and $145.29. For details of open hedge positions for 2009 and 2010, see "   Hedge Contracts."

The following table provides oil and natural gas sales volumes, average sales prices and capital expenditures relating to the underlying properties for the three years in the period ended December 31,

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2008. Sales volumes for natural gas liquids during the periods presented were not significant. Average prices do not include the effect of hedge and other derivative activity.

	(unaudited) Year ended December 31,		
	2006	2007	2008
Operating data:			
Sales volumes:			
Oil (MBbls)	1,024	992	954
Natural gas (MMcf)	102	98	104
Average Prices:			
Oil (per Bbl)	$62.65	$66.96	$94.88
Natural gas (per Mcf)	$ 5.63	$ 5.58	$ 6.44
Capital expenditures (in thousands):			
Property acquisition	$1,714	$2,096	$2,445
Well development	1,315	1,979	1,642
Total	$3,029	$4,075	$4,088

Discussion and Analysis of Historical Results of the Underlying Properties

Comparison of Results of the Underlying Properties for the Years Ended December 31, 2008 and 2007

Excess of revenues over direct operating expenses for the underlying properties was $31.3 million for the year ended December 31, 2008, compared to $39.5 million for the year ended December 31, 2007. The decrease was primarily a result of a write-off for half of the revenue from production sold to Eaglwing during June 2008 and the first 18 days of July 2008 and a related decrease in sales of oil production in July and August 2008. See " Other Events." There was a small increase in total revenue as a result of an increase in the average price received for the oil sold in 2008, which was offset by an increase in hedge and other derivative expense. An increase in direct operating expenses also reduced excess of revenues over direct operating expenses.

Revenues. Revenues from oil, natural gas and natural gas liquid sales increased $24.3 million to $91.5 million for the year ended December 31, 2008 compared to $67.2 million for the year ended December 31, 2007. This increase in revenues was primarily the result of an increase in the average price received for crude oil sold from $66.96 per Bbl for the year ended December 31, 2007 to $94.88 per Bbl for the year ended December 31, 2008. This increase in revenues reflects an increase in the average price received for natural gas sold from $5.58 per Mcf for the year ended December 31, 2007 to $6.44 per Mcf for the year ended December 31, 2008. Total revenues increased 2.0 million from $59.2 million for the year ended December 31, 2007 to $61.2 million for the year ended December 31, 2008.

Prices. The average price received for crude oil sold increased from $66.96 per Bbl for the year ended December 31, 2007 to $94.88 per Bbl for the year ended December 31, 2008. The average price received for the crude oil sold increased primarily as a result of an increase in the oil price index on which the sales prices for a majority of the oil production were based. The average price received for natural gas sold increased from $5.58 per Mcf for the year ended December 31, 2007 to $6.44 per Mcf for the year ended December 31, 2008. The average price received for natural gas sold increased as a result of an increase in the natural gas price index on which the sales prices for a majority of the natural gas production were based.

Volumes. Sales volumes for crude oil decreased from 992 MBbls for the year ended December 31, 2007 to 954 MBbls for the year ended December 31, 2008. Sales volumes for natural gas increased from 98 MMcf for the year ended December 31, 2007 to 104 MMCF for the year ended December 31,

2008. The small decrease in overall production sales volumes was less than the natural decline of the underlying properties. A small decrease in production sales volumes resulted when some of the leases were shut-in during July while the operators searched for new purchasers due to the bankruptcy of Eaglwing.

Hedge and other derivative activity. Hedge and other derivative activity expense increased from $8.0 million for the year ended December 31, 2007 to $30.3 million for the year ended December 31, 2008. This increase in hedge and other derivative activity expense of $22.3 million for the year ended December 31, 2008 was due to a $23.3 million increase in realized hedge losses and a $1.0 million increase in ineffectiveness of hedges and other derivatives then in place being recorded to the income account for the year. The increase in realized hedge losses was due to the higher average NYMEX price per Bbl for 2008. The average NYMEX price per Bbl of crude oil for 2008 was $99.65 compared to $72.34 for 2007. The weighted average settlement price of hedges and other derivatives for 2008 was $58.53 compared to $62.52 for 2007.

Bad debt expense. In 2008 MV Partners incurred bad debt expenses of $7.7 million as a result of the Eaglwing bankruptcy, compared to no bad debt expense in 2007. Eaglwing purchased substantially all of the oil produced from the underlying properties in June 2008 and the first half of July 2008 and, as a result of the bankruptcy, MV Partners wrote-off half of the revenues from production sold to Eaglwing during 2008. See " Other Events."

Direct operating expenses. Direct operating expenses increased from $19.7 million for the year ended December 31, 2007 to $22.2 million for the year ended December 31, 2008. This increase was primarily a result of an increase in lease operating expenses and property tax expense.

Lease maintenance expense. Lease maintenance expense decreased from $2.0 million for the year ended December 31, 2007 to $1.6 million for the year ended December 31, 2008. This decrease in lease maintenance expense was primarily due to the timing of scheduled projects in 2007.

Production and property tax expense. Production and property tax expense was $2.5 million for the year ended December 31, 2007 compared to $3.2 million for the year ended December 31, 2008. The increase was a result of higher property tax valuations and the increased revenue on which the production tax is calculated.

Comparison of Results of the Underlying Properties for the Years Ended December 31, 2007 and 2006

Excess of revenues over direct operating expenses for the underlying properties was $39.5 million for the year ended December 31, 2007, compared to $31.1 million for the year ended December 31, 2006. The increase was primarily a result of an increase in the average price received for the oil and natural gas sold, as well as a reduction in hedge and other derivative expense. This was partially offset by an increase in direct operating expenses.

Revenues. Total revenues increased to $59.2 million for the year ended December 31, 2007 compared to $50.6 million for the year ended December 31, 2006. Revenues from oil, natural gas and natural gas liquid sales increased $2.2 million to $67.2 million for the year ended December 31, 2007. This increase in revenues was primarily the result of an increase in the average price received for crude oil sold from $62.65 per Bbl for the year ended December 31, 2006 to $66.96 per Bbl for the year ended December 31, 2007. The increase in revenues was impacted, however, by a decrease in the average price received for natural gas sold from $5.63 per Mcf for the year ended December 31, 2006 to $5.58 per Mcf for the year ended December 31, 2007.

Prices. The average price received for crude oil sold increased from $62.65 per Bbl for the year ended December 31, 2006 to $66.96 per Bbl for the year ended December 31, 2007. The average price received for the crude oil sold increased primarily as a result of an increase in the oil price index on which the sales prices for a majority of the oil production were based. The average price received for natural gas sold decreased from $5.63 per Mcf for the year ended December 31, 2006 to $5.58 per Mcf for the year ended December 31, 2007. The average price for natural gas sold decreased as a result of a decrease in the natural gas price index on which the sales prices for a majority of the natural gas production were based.

Volumes. Sales volumes for crude oil decreased from 1,024 MBbls for the year ended December 31, 2006 to 992 MBbls for the year ended December 31, 2007. Sales volumes for natural gas decreased from 102 MMcf for the year ended December 31, 2006 to 98 MMCF for the year ended December 31, 2007. The small decrease in overall production sales volumes was less than the natural decline of the underlying properties. The additional production to partially offset the natural decline of the underlying properties during the year ended December 31, 2007 compared to the year ended December 31, 2006 is primarily attributable to lower production caused by winter storms.

Hedge and other derivative activity. Hedge and other derivative activity expense decreased from $14.4 million for the year ended December 31, 2006 to $8.0 million for the year ended December 31, 2007. This decrease in hedge and other derivative activity expense of $6.4 million for the year ended December 31, 2007 was due to a $5.3 million decrease in realized hedge losses and a $1.1 million increase in ineffectiveness of hedges and other derivatives then in place being recorded to the expense account for the year. The decrease in realized hedge losses was due to the higher settlement price of hedges in place for 2006. The weighted average settlement price of hedges and other derivatives for 2007 was $62.52 compared to $50.73 for 2006. The average NYMEX price per Bbl of crude oil for 2007 was $72.34 compared to $66.22 for 2006.

Direct operating expenses. Direct operating expenses increased from $19.5 million for the year ended December 31, 2006 to $19.7 million for the year ended December 31, 2007. This increase was primarily a result of an increase in lease operating expenses.

Lease maintenance expense. Lease maintenance expense was $2.0 million for the year ended December 31, 2007 compared to $2.2 million for the year ended December 31, 2006. This decrease in lease maintenance expense was primarily due to the timing of scheduled projects in 2007.

Production and property tax expense. Production and property tax expense was $2.5 million for the year ended December 31, 2007 compared to $3.5 million for the year ended December 31, 2006. This decrease was the result of lower property tax valuations in fiscal 2007.

Liquidity and Capital Resources

Other than trust administrative expenses, including any reserves established by the trustee for future liabilities, the trust's only use of cash is for distributions to trust unitholders. Administrative expenses include payments to the trustee as well as an annual administrative fee to MV Partners pursuant to the administrative services agreement. Each quarter, the trustee determines the amount of funds available for distribution. Available funds are the excess cash, if any, received by the trust from the net profits interest, payments from the hedge contracts and other sources (such as interest earned on any amounts reserved by the trustee) that quarter, over the trust's liabilities for that quarter. Available funds are reduced by any cash the trustee decides to hold as a reserve against future liabilities. The trustee may borrow funds required to pay liabilities if the trustee determines that the cash on hand and the cash to be received are insufficient to cover the trust's liability. If the trustee borrows funds, the trust unitholders will not receive distributions until the borrowed funds are repaid. During 2008, MV Partners made several advances to the trust for trust expenses.

Royalty income to the trust is based on the calculation and definitions of "gross proceeds" and "net proceeds" contained in the conveyance.

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The trust does not have any transactions, arrangements or other relationships with unconsolidated entities or persons that could materially affect the trust's liquidity or the availability of capital resources.

As noted above, Eaglwing purchased substantially all of the oil produced from the underlying properties during June 2008 and the first 18 days of July 2008 and subsequently filed bankruptcy. Because of the nonpayment by Eaglwing and decreased sales by MV Partners during July and August 2008, there were not sufficient net proceeds collected by MV Partners from July 1, 2008 through September 30, 2008 for MV Partners to distribute cash to the Trust with respect to the net profits interest relating thereto. As a result, the scheduled quarterly distribution by the Trust in October 2008 was not made and the scheduled January 2009 distribution was substantially impacted. MV Partners currently expects that the scheduled quarterly distribution by MV Oil Trust in April 2009 will not be impacted by the nonpayment by Eaglwing or the decreased sales during July and August 2008. Neither the Trust nor the Trust unitholders are liable for any costs in excess of net proceeds; however, the Trust will not receive any net proceeds until future net proceeds exceed the total of those excess costs, plus interest at the prime rate. See "Other Events."

Other Events

As publicly reported, on July 22, 2008, SemCrude and certain of its affiliates, including Eaglwing, filed voluntarily petitions for reorganization under Chapter 11 of the United States Bankruptcy Code. Eaglwing purchased substantially all of the crude oil production of the underlying properties for the month of June 2008 and for the first 18 days of July 2008, after which date further sales to Eaglwing were terminated. Eaglwing has not yet paid the purchase price for such sales. Recovery on the amounts owing from Eaglwing will depend on the bankruptcy process governing Eaglwing and its debtor affiliates. At this time, there can be no assurance as to the dollar amount, if any, that may be recovered or the timing of any such recovery. Set forth below is a summary discussion of this matter, which is based on information provided to the trustee by representatives of MV Partners.

On September 17, 2008, the court in the consolidated SemCrude bankruptcy case entered an order that allows the contractual operators for the underlying properties of MV Partners, Vess Oil and Murfin Drilling, to file proofs of claims for statutory lien claims on their behalf and on behalf of working interest owners (inclusive of MV Partners' interests), overriding royalty owners and royalty owners. Vess Oil and Murfin Drilling have filed proofs of claims on a lease by lease basis on behalf of the working interest owners (inclusive of MV Partners' interests), overriding royalty owners and royalty owners for the leases that each operates and continue to pursue vigorously their interests in the bankruptcy process.

Approximately $9.5 million in sales in June to Eaglwing of production from the underlying properties was to have been paid by July 20, 2008. Approximately $5.9 million in sales in July to Eaglwing of production from the underlying properties was to have been paid by August 20, 2008. The specified dollar amounts are associated with all production from the underlying properties, and not just the 80% portion attributable to the net profits interest held by the trust.

Beginning July 18, 2008, substantially all of the production from the underlying properties subject to the net profits interest went into on-location storage tanks and a portion of the oil production was shut-in pending resolution of the marketing process for the production. As of July 31, 2008, Vess Oil and Murfin Drilling recommenced general sales of production from the underlying properties, to several purchasers other than Eaglwing, including MV Purchasing, LLC, under short-term arrangements using market sensitive pricing. MV Purchasing, LLC is majority owned by the indirect equity owners of MV Partners. Sales to purchasers are under terms ranging from one month to six months, using market sensitive pricing. Since mid-August 2008, three purchasers, including MV Purchasing, LLC, have been purchasing substantially all of the crude oil production, and a substantial portion of the crude oil production may be acquired by one or more single purchasers. MV Partners does not believe that loss of any of these parties as a purchaser would have a material adverse impact on the business of MV Partners, as substitute purchasers are generally available; however, a purchaser's failure to pay for purchased crude oil could have a significant adverse impact on MV Partners' business.

As of August 7, 2008, field operations at the underlying properties returned to substantially normal operations, although it took until mid-August before the marketing of crude oil production normalized to the sales process and volumes that existed prior to July 18, 2008. Consistent with past practice, each purchaser handles the administrative aspects of the revenue distribution process associated with such crude oil sales, based on required royalty payments and related division orders.

Hedge contracts relating to approximately 30,000 Bbls of oil per month were with SemCrude for each month during 2008. MV Partners paid under the terms of hedge contracts with SemCrude through September 2008, instead of trying to off-set amounts due on the crude oil sales in June and the first 18 days of July 2008 because the contract counterparties are different, as SemCrude is the counterparty under the hedge contracts and Eaglwing is the debtor owing money for the crude oil sales. SemCrude owed MV Partners under the hedge contracts for the months of November and December 2008 because the average of the settlement price for each commodity business day in the contract month was below $60.70 and SemCrude did not pay such amounts due. MV Partners did not pay SemCrude approximately $480,717 under the terms of the hedge contract with SemCrude for October 2008, and instead filed a claim with SemCrude that netted the amounts due for SemCrude with the amount due by MV Partners, with a net payment due from SemCrude of approximately $16,000. There can be no assurance that MV Partners will collect any amounts owing from SemCrude under such contracts.

Given the bankruptcy filing by Eaglwing and the uncertainty of recovery by MV Partners of its crude oil sales in June and the first 18 days of July 2008, and that MV Partners did not realize revenues from crude oil sales in August until late September, MV Partners had to consider available alternatives for accessing needed funds for its ongoing business activities, including payment obligations under its hedge contracts.

On August 7, 2008, MV Partners closed on two separate credit facilities providing an aggregate of $9 million of funding capacity for general corporate purposes. The first credit facility consisted of a new $6 million secured revolving line of credit pursuant to an amended and restated credit agreement with MV Partners' bank group. Pursuant to the terms of the revolving line of credit, the maximum amount outstanding thereunder reduces quarterly by $1,333,334 as of each of December 31, 2008, March 31, 2009 and June 30, 2009, with the facility terminating on August 5, 2009. On August 18, 2008, MV Partners borrowed $4.5 million on this line. On October 2, 2008, MV Partners prepaid $1,600,000 in principal and reduced this credit facility to a maximum of $3,000,000. On October 27, 2008, MV Partners prepaid $1,900,000 in principal, and on December 3, 2008, MV Partners prepaid an additional $1,000,000, so that there was no balance outstanding as of December 31, 2008. Based on the periodic election of MV Partners, interest accrues on amounts outstanding under this facility at prime plus .50% or LIBOR plus 2%.

The second credit facility consisted of a new unsecured loan in an aggregate principal amount of $3 million from indirect equity owners of MV Partners. Payments on the loan in the amount of $666,667 are due on each of December 31, 2008 (which payment was made), March 31, 2009 and June 30, 2009, with the remaining balance of the loan due on August 5, 2009. Based on the periodic election of MV Partners, interest accrues on this facility at prime plus .50% or LIBOR plus 2%.

Because of the nonpayment by Eaglwing and decreased sales by MV Partners during July and August 2008, there were not sufficient net proceeds collected by MV Partners from July 1, 2008 through September 30, 2008 for MV Partners to distribute cash to the trust with respect to the net profit interest relating thereto. As a result, the scheduled quarterly distribution by the trust in October 2008 was not made and the scheduled January 2009 distribution was substantially impacted. Neither the trust nor the trust unitholders were liable for any costs in excess of net proceeds; however, the trust was not entitled to receive any net proceeds until future net proceeds exceeded the total of those excess costs, plus interest at the prime rate.

The first quarterly distribution for 2009 was $981,439, or $0.08534253 per trust unit, and was made on January 25, 2009 to trust unitholders owning trust units as of January 15, 2009. Such distribution included the net proceeds of production collected by MV Partners from July 1, 2008 through December 31, 2008, including all hedge contract settlements. This distribution included a recovery of the fourth quarter 2008 shortage of $4,839,426 and applicable interest of $49,753. The distribution included a repayment of the $250,000 borrowed from MV Partners during the third and fourth quarters of 2008. The Trustee also withheld $250,000 from the distribution for future trust expenses.

If MV Partners ultimately collects from Eaglwing any of the June and July revenue discussed above, 80% of such collections will be paid to the trust in accordance with the net profits interest.

Planned Development and Workover Program

Since acquiring the underlying properties in 1998 and 1999, MV Partners has implemented a development program on the properties comprising the underlying properties to further develop proved undeveloped reserves and help offset the natural decline in production. These activities included recompletion of certain existing wells into new producing horizons, workovers of existing wells and the drilling of infill development wells.

The development program that MV Partners currently intends to implement over the five years ending December 31, 2013 with respect to the underlying properties categorized as proved undeveloped reserves consists of drilling 48 development wells, 54 recompletion and workover projects and six polymer workovers. The development program that MV Partners currently intends to implement over the next five years with respect to the underlying properties categorized as proved developed non-producing reserves consists of three well-reactivation projects, one injection well-workover project, four recompletion projects and 12 well-workover projects.

MV Partners has undertaken 3-D seismic surveys covering several leases constituting a part of the underlying properties. These leases have over 31 undrilled offset locations of varying quality based on offset production and subsurface mapping. The 3-D data was utilized to refine the subsurface mapping with respect to the size of mapped sink holes and to define smaller structural features along the edges of the main formation reservoir. Using this data, MV Partners has scheduled the drilling of 17 proved undeveloped locations over the five years ending December 31, 2013. MV Partners has expanded its 3-D seismic program into other fields constituting a part of the underlying properties.

MV Partners expects total capital expenditures for the underlying properties during the five years ending December 31, 2013 will be approximately $16.4 million. Of this total, MV Partners contemplates spending approximately $12.9 million to drill approximately 48 development wells in ten project areas and approximately 3.5 million for recompletion and workovers of existing wells. MV Partners expects that these capital projects will add production that will partially offset the natural decline in production otherwise expected to occur with respect to the underlying properties. The trust is not directly obligated to pay any portion of any capital expenditures made with respect to the underlying properties; however, capital expenditures made by MV Partners with respect to the underlying properties will be deducted from the gross proceeds in calculating the net proceeds from which cash will be paid to the trust. As a result, the trust will indirectly bear an 80% (subject to certain limitations during the final three years of the trust, as described above under "Business Computation of Net Proceeds Net Profits Interest") share of any capital expenditures made with respect to the underlying properties. Accordingly, higher or lower capital expenditures will, in general, directly decrease or increase, respectively, the cash received by the trust in respect of its net profits interest. As the cash received by the trust in respect of the net profits interest will be reduced by the trust's pro rata share of these capital expenditures, MV Partners expects that it will incur capital expenditures with respect to the underlying properties throughout the term of the trust on a basis that balances the impact of the capital expenditures on current cash distributions to the trust unitholders with the longer term benefits of increased oil and natural gas production expected to result from the capital expenditures. In addition, MV Partners may establish a capital reserve of up to $1.0 million in the aggregate at any given time to reduce the impact on distributions of uneven capital expenditure timing.

MV Partners, as the operator of the underlying properties, is entitled to make all determinations related to capital expenditures with respect to the underlying properties, and there are no limitations on the amount of capital expenditures that MV Partners may incur with respect to the underlying properties, except as described above under "Business Computation of Net Proceeds Net Profits Interest." As the trust unitholders would not be expected to fully realize the benefits of capital expenditures made with respect to the underlying properties towards the end of the term of the trust, during each twelve-month period beginning on the later to occur of (1) June 30, 2023, and (2) the time when 13.2 MMBoe have been produced from the underlying properties and sold (which is the equivalent of 10.6 MMBoe in respect of the net profits interest), capital expenditures that may be taken into account in calculating net proceeds attributable to the net profits interest will be limited to the average annual capital expenditures during the preceding three years, as adjusted for inflation. See "Business Computation of Net Proceeds Net Profits Interest."

Off-Balance Sheet Arrangements

The trust has no off-balance sheet arrangements. The trust has not guaranteed the debt of any other party, nor does the trust have any other arrangements or relationships with other entities that could potentially result in unconsolidated debt, losses or contingent obligations.

Contractual Obligations

As of December 31, 2008, the trust had no obligations or commitments to make future contractual payments other than the administrative services fee and trustee fee payable to MV Partners and the trustee, respectively. See "Financial Statements and Supplementary Data Notes to Financial Statements Note G Related Party Transactions."

Hedge Contracts

The revenues derived from the underlying properties depend substantially on prevailing crude oil and, to a lesser extent, natural gas and natural gas liquid prices. As a result, commodity prices also affect the amount of cash flow available for distribution to the trust unitholders. Lower prices may also reduce the amount of oil, natural gas and natural gas liquids that MV Partners can economically produce. MV Partners sells the oil, natural gas and natural gas liquid production from the underlying properties under floating market price contracts each month. MV Partners has entered into the hedge contracts to reduce the exposure of the revenues from oil production from the underlying properties for 2009 and 2010 to fluctuations in crude oil prices and to achieve more predictable cash flow. However, these contracts limit the amount of cash available for distribution if prices increase. The terms of the conveyance of the net profits interest prohibit MV Partners from entering into new hedging arrangements for the benefit of the trust. The trust does not enter into derivative contracts for trading or speculative purposes. The hedge contracts consist of fixed price swap contracts that have been placed with major trading counterparties who MV Partners believes represent relatively low credit risks. MV Partners cannot provide assurance, however, that these trading counterparties will not become credit risks in the future. For 2009 and 2010, approximately 70% of the volumes subject to the swap contracts are under swap contracts with Union Bank of California; the remaining volumes are under swap contracts with Bank of America.

The crude oil swap contracts will settle based on the average of the settlement price for each commodity business day in the contract month. In a swap transaction, the counterparty is required to make a payment to MV Partners for the difference between the fixed price and the settlement price if

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the settlement price is below the fixed price. MV Partners is required to make a payment to the counterparty for the difference between the fixed price and the settlement price if the settlement price is above the fixed price. From January 1, 2009 through December 31, 2010, MV Partners' crude oil price risk management positions in swap contracts are as follows:

	Fixed Price Swaps	
Month	**Volumes (Bbls)**	**Weighted Average Price (Per Bbl)**
January 2009	56,500	66.24
February 2009	56,500	66.24
March 2009	56,500	66.24
April 2009	56,500	66.24
May 2009	56,500	66.24
June 2009	56,500	66.24
July 2009	56,500	66.24
August 2009	56,500	66.24
September 2009	56,500	66.24
October 2009	56,500	66.24
November 2009	56,500	66.24
December 2009	56,500	66.24
January 2010	53,150	65.03
February 2010	53,150	65.03
March 2010	53,150	65.03
April 2010	53,150	65.03
May 2010	53,150	65.03
June 2010	53,150	65.03
July 2010	53,150	65.03
August 2010	53,150	65.03
September 2010	53,150	65.03
October 2010	53,150	65.03
November 2010	53,150	65.03
December 2010	53,150	65.03

MV Partners has agreed to convey to the trust 80% of all proceeds that it receives upon settlement of the hedge contracts. There are certain risks associated with this conveyance in the event that MV Partners becomes involved as a debtor in bankruptcy proceedings. See "Risk Factors If the financial position of MV Partners degrades in the future, MV Partners may not be able to satisfy its obligations to the trust." In addition, the aggregate amounts paid by MV Partners on settlement of the hedge contracts will be deducted from the gross proceeds available for payment to the trust under the net profits interest. See "Business Computation of Net Proceeds Net Profits Interest."

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

The only assets of and sources of income to the trust are the net profits interest, which generally entitle the trust to receive 80% of the net proceeds from oil and gas production from the underlying properties, and the trust's interest in the hedge contracts, which generally entitle the trust to receive 80% of any proceeds received by MV Partners from the settlement of certain hedges in existence on January 24, 2007. Consequently, the trust is exposed to market risk from fluctuations in oil and gas prices. For more information regarding the hedge contracts, please see "Trustee's Discussion and Analysis and Results of Operation Hedge Contracts." Although the trust may borrow money to pay expenses of the trust, the amount of any such borrowings is unlikely to be material to the trust. As a result, the trust is not subject to any material interest rate market risk.

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Item 8. Financial Statements and Supplementary Data.

Report of Independent Registered Public Accounting Firm

To the Trustee and Unitholders
MV Oil Trust

We have audited the accompanying statements of assets and trust corpus of MV Oil Trust (the "Trust") as of December 31, 2007 and 2008 and the related statements of distributable income and changes in trust corpus for the period from August 3, 2006 (inception) through December 31, 2006 and the years ended December 31, 2007 and 2008. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note B to the financial statements, these financial statements have been prepared on a cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and trust corpus of MV Oil Trust as of December 31, 2007 and 2008 and the distributable income and changes in trust corpus for the period from August 3, 2006 (inception) through December 31, 2006 and the years ended December 31, 2007 and 2008, on the basis of accounting described in Note B.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), MV Oil Trust's internal control over financial reporting as of December 31, 2008, based on criteria established in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and our report dated March 13, 2009 expressed an unqualified opinion thereon.

/s/ Grant Thornton LLP

Wichita, Kansas
March 13, 2009

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MV OIL TRUST

STATEMENTS OF ASSETS AND TRUST CORPUS

	December 31, 2007	December 31, 2008
ASSETS		
Cash	$ 2,913	$ 17,632
Investment in net profits interest	50,383,675	50,383,675
Accumulated amortization	(4,186,531)	(7,606,625)
Total assets	$46,200,057	$42,794,682
TRUST CORPUS		
Trust corpus, 11,500,000 Trust units issued and outstanding at December 31, 2007 and 2008	$46,200,057	$42,794,682

STATEMENTS OF DISTRIBUTABLE INCOME

	Period from August 3 (inception) through December 31, 2006	Year ended December 31, 2007	Year ended December 31, 2008
Income from net profits interest and hedge and other derivative activities	$	$33,581,080	$21,356,403
Net advances from MV Partners, LLC	1,000	30,000	220,000
Cash withheld for future Trust expenses	(1,000)	(1,913)	(14,719)
General and administrative(1)		(757,588)	(785,273)
Distributable income	$	$32,851,579	$20,776,411
Distributions per unit (0, 11,500,000 and 11,500,000 units issued and outstanding at December 31, 2006, 2007 and 2008)	$	$ 2.8567	$ 1.8066

(1) Includes $90,000 and $67,296 paid to MV Partners, LLC during the year ended December 31, 2007 and 2008, respectively, and $150,000 paid to The Bank of New York Mellon Trust Company, N.A. during each of the years ended December 31, 2007 and 2008.

STATEMENTS OF CHANGES IN TRUST CORPUS

	Period from August 3, 2006 (inception) through December 31, 2006	Year ended December 31, 2007	Year ended December 31, 2008
Trust corpus, beginning of period	$	$ 1,000	$ 46,200,057
Investment in net profits interest January 24, 2007		50,383,675	
Cash proceeds		33,581,080	21,356,403

Net advances from MV Partners, LLC	1,000	30,000	220,000
Cash distributions		(32,851,579)	(20,776,411)
Trust expenses		(757,588)	(785,273)
Amortization of net profits interest		(4,186,531)	(3,420,094)
Trust corpus, end of period	$ 1,000	$ 46,200,057	$ 42,794,682

The accompanying notes are an integral part of these statements.

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MV Oil Trust

NOTES TO FINANCIAL STATEMENTS

NOTE A ORGANIZATION OF THE TRUST

MV Oil Trust (the "Trust") is a statutory trust formed on August 3, 2006, under the Delaware Statutory Trust Act pursuant to a Trust Agreement (the "Trust Agreement") among MV Partners, LLC ("MV Partners") as trustor, The Bank of New York Mellon Trust Company, N.A., as successor Trustee (the "Trustee"), and Wilmington Trust Company, as Delaware Trustee (the "Delaware Trustee").

The Trust was created to acquire and hold a term net profits interest for the benefit of the Trust unitholders pursuant to a conveyance from MV Partners to the Trust. The term net profits interest is an interest in underlying properties consisting of MV Partner's net interests in all of its oil and natural gas properties located in the Mid-Continent region in the states of Kansas and Colorado (the "underlying properties"). These oil and gas properties include 1,004 producing oil and gas wells.

The net profits interest is passive in nature and the Trustee has no management control over and no responsibility relating to the operation of the underlying properties. The net profits interest entitles the Trust to receive 80% of the net proceeds attributable to MV Partners' interest from the sale of production from the underlying properties. The net profits interest will terminate on the later to occur of (1) June 30, 2026 or (2) the time when 14.4 million barrels of oil equivalent (MMBoe) have been produced from the underlying properties and sold (which amount is the equivalent of 11.5 MMBoe with respect to the Trusts 80% net profits interest), and the Trust will soon thereafter wind up its affairs and terminate.

The Trustee can authorize the Trust to borrow money to pay Trust administrative or incidental expenses that exceed cash held by the Trust. The Trustee may authorize the Trust to borrow from the Trustee or the Delaware Trustee as a lender provided the terms of the loan are similar to the terms it would grant to a similarly situated commercial customer with whom it did not have a fiduciary relationship. The Trustee may also deposit funds awaiting distribution in an account with itself and make other short term investments with the funds distributed to the Trust.

NOTE B TRUST ACCOUNTING POLICIES

A summary of the significant accounting policies of the Trust follows.

1. *Basis of accounting*

The Trust uses the cash basis of accounting to report Trust receipts of the term net profits interest, receipts under the hedge and other derivative contracts and payments of expenses incurred. The term net profits interest is revenues (oil, gas and natural gas liquid sales net of any payments made in connection with the settlement of the hedge and other derivative contracts) less direct operating expenses (lease operating expenses, lease maintenance, lease overhead, and production and property taxes) and an adjustment for lease equipment cost and lease development expenses (which are capitalized in financial statements prepared in accordance with generally accepted accounting principles) of the underlying properties times 80% (term net profits interest percentage). In addition, the Trust will be entitled to receive 80% of all payments received by MV Partners upon settlement of the hedge and other derivative contracts. Actual cash receipts may vary due to timing delays of actual cash receipts from the property operators or purchasers and due to wellhead and pipeline volume balancing agreements or practices. The actual cash distributions of the Trust will be made based on the terms of the conveyance creating the Trust's net profits interest, which is on a cash basis of accounting. Expenses of the Trust, which include accounting, engineering, legal and other professional fees, Trustee fees, an administrative fee paid to MV Partners and out-of-pocket expenses, are recognized when paid. Under accounting principles generally accepted in the United States of America, revenues and expenses would be recognized on an accrual basis. Amortization of the investment in net profits interest is

MV Oil Trust

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE B TRUST ACCOUNTING POLICIES (Continued)

recorded on a unit-of-production method in the period in which the cash should have been received with respect to such production. Such amortization does not reduce distributable income, rather it is charged directly to Trust corpus.

This comprehensive basis of accounting other than generally accepted accounting principles corresponds to the accounting permitted for royalty trusts by the U.S. Securities and Exchange Commission as specified by Staff Accounting Bulletin Topic 12:E, Financial Statements of Royalty Trusts.

Investment in the net profits interest is recorded initially at the historical cost of MV Partners and is periodically assessed to determine whether its aggregate value has been impaired below its total capitalized cost based on the underlying properties. The Trust will provide a write-down to its investment in the net profits interest to the extent that total capitalized costs, less accumulated depreciation, depletion and amortization, exceed undiscounted future net revenues attributable to the proved oil and gas reserves of the underlying properties.

2. *Use of estimates*

The preparation of financial statements requires estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates affecting these financial statements include estimates of proved oil and gas reserves, which are used to compute the Trust's amortization of net profits interest.

NOTE C NET PROFITS INTEREST

The net profits interest was recorded at the historical cost of MV Partners on January 24, 2007, the date of conveyance, and is calculated as follows:

Oil and gas properties	$ 96,210,819
Accumulated depreciation and depletion	(40,468,762)
Hedge asset	7,237,537
Net property value to be conveyed	62,979,594
Times 80% net profits interest to Trust	$ 50,383,675

MV Oil Trust

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE D INCOME FROM NET PROFITS INTEREST AND HEDGE AND OTHER DERIVATIVE ACTIVITIES

	Year ended December 31,	
	2007	**2008**
Excess of revenues over direct operating expenses and lease equipment and development costs(1)	$41,663,897	$26,695,504
Amounts received to settle hedges and other derivatives	1,249,954	
Total of cash receipts over cash disbursements	42,913,851	26,695,504
Times net profits interest over the term of the Trust	80%	80%
Income from net profits interest and hedge and other derivative activities	34,331,080	21,356,403
MV Partners reserve for future capital expenditures(2)	(750,000)	
Total cash proceeds received by the Trust(3)	$33,581,080	$21,356,403

(1) Per the terms of the net profits interest, direct operating expenses, lease equipment and development costs are deducted when calculating the distributable income to the Trust.

(2) Per the terms of the net profits interest, MV Partners can reserve up to $1.0 million for future capital expenditures at any time. During 2007, MV Partners withheld $1.0 million from the first quarter payment. MV Partners utilized $0.5 million of this reserve in connection with the second quarter payment. MV Partners withheld $0.25 million from the fourth quarter payment, leaving a balance in the reserve of $0.75 million at December 31, 2007. The reserve was unaffected during 2008, leaving a balance in the reserve of $0.75 million at December 31, 2008.

(3) The cash proceeds received by the Trust are based upon the cash receipts from MV Partners for the oil and gas production. The revenues from oil production are typically received one month after production, thus the cash received by the Trust during the year ended December 31, 2008 substantially represents the cash received for production by MV Partners from September 2007 through August 2008 and the cash received by the Trust during the year ended December 31, 2007 substantially represents the production by MV Partners from July 2006 through August 2007.

MV Partners has entered into certain hedge contracts related to the oil production from the underlying properties for the years 2009 and 2010. For the year 2009, MV Partners has entered into swap contracts at prices ranging from $64 to $71 per barrel of oil that hedge approximately 74% of expected production from the underlying properties that are classified as proved developed producing in a reserve report as of December 31, 2008 prepared for the Trust. For the year 2010, MV Partners has entered into swap contracts at prices ranging from $63 to $69 per barrel of oil that hedge approximately 78% of expected production from the underlying properties that are classified as proved developed producing in such reserve report. Furthermore, MV Partners has not entered into any hedge contracts relating to oil volumes expected to be produced after 2010, and the terms of the conveyance of the net profits interest prohibit MV Partners from entering into new hedging arrangements for the

MV Oil Trust

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE D INCOME FROM NET PROFITS INTEREST AND HEDGE AND OTHER DERIVATIVE ACTIVITIES (Continued)

benefit of the trust. From January 1, 2009 through December 31, 2010, MV Partners' crude oil price risk management positions in swap contracts are as follows:

	Fixed Price Swaps	
Year Ended December 31,	**Volumes (Bbls)**	**Weighted Average Price (Per Bbl)**
2009	678,000	$ 66.24
2010	637,800	$ 65.03

NOTE E INCOME TAXES

Tax counsel to the Trust advised the Trust at the time of formation that, under then current tax laws, in its opinion the net profits interest should be treated as a debt instrument for federal income tax purposes, and the Trust should be required to treat a portion of each payment it receives with respect to the net profits interest as interest income in accordance with the "noncontingent bond method" under the original issue discount rules contained in the Internal Revenue Code of 1986, as amended, and the corresponding regulations. Tax counsel to the Trust also advised the Trust at the time of formation that in its opinion the Trust will be treated as a grantor trust for federal income tax purposes. On the basis of this advice, Trust unitholders will be considered to own and receive the Trust's assets and income and will be directly taxable thereon as if no trust were in existence. No provision for federal or state income taxes has been made in the accompanying statements.

NOTE F DISTRIBUTIONS TO UNITHOLDERS

The Trustee determines for each quarter the amount available for distribution to the Trust unitholders. This distribution is expected to be made on or before the 25th day of the month following the end of each quarter to the Trust unitholders of record on the 15th day of the month following the end of each quarter (or the next succeeding business day). Such amounts will be equal to the excess, if any, of the cash received by the Trust during the preceding quarter, over the expenses of the Trust paid during such quarter, subject to adjustments for changes made by the Trustee during such quarter in any cash reserves established for future expenses of the Trust.

The first quarterly distribution during 2007 was $1.0122 per Trust unit and was made on February 23, 2007 to Trust unitholders owning Trust units as of February 15, 2007. This distribution consisted of an amount in cash paid by MV Partners equal to the amount that would have been payable to the Trust had the net profits interest been in effect during the period from July 1, 2006 through December 31, 2006. Furthermore, this cash payment included 80% of all amounts paid to/by MV Partners from/to hedge contract counterparties for settlements related to the period from July 1, 2006 to December 31, 2006. This distribution included a payment to MV Partners of $1,000,000 as a reserve for future capital expenses. During this quarter MV Partners advanced the Trust $300,000 for trust expenses.

The second quarterly distribution during 2007 was $0.533344609 per Trust unit and was made on April 25, 2007 to Trust unitholders owning Trust units as of April 16, 2007. Such distribution included the net proceeds of production collected by MV Partners from January 1, 2007 through March 31, 2007, including all hedge contract settlements. This distribution included a payment from MV Partners of $500,000 which had been previously withheld for future expenses.

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MV Oil Trust

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE F DISTRIBUTIONS TO UNITHOLDERS (Continued)

The third quarterly distribution during 2007 was $0.657281318 per Trust unit and was made on July 25, 2007 to Trust unitholders owning Trust units as of July 16, 2007. Such distribution included the net proceeds of production collected by MV Partners from April 1, 2007 through June 30, 2007, including all hedge contract settlements. This distribution included net proceeds from business interruption insurance of $200,000 that MV Partners received from the insurance company for storm damage during the first quarter 2007 as a replacement for lost income. This amount was in addition to the property damage proceeds which were received from the insurance company which were used to reduce costs. During this quarter MV Partners advanced the Trust $400,000 for Trust expenses.

The fourth quarterly distribution during 2007 was $0.65383330 per Trust unit and was made on October 25, 2007 to Trust unitholders owning Trust units as of October 15, 2007. Such distribution included the net proceeds of production collected by MV Partners from July 1, 2007 through September 30, 2007, including all hedge contract settlements. This distribution is net of a reserve for capital expenditures of $250,000 and a net repayment of the advance for Trust expenses of $370,000.

The first quarterly distribution during 2008 was $0.63666998 per Trust unit and was made on January 25, 2008 to Trust unitholders owning Trust units as of January 15, 2008. Such distribution included the net proceeds of production collected by MV Partners from October 1, 2007 through December 31, 2007. This distribution included 80% of all amounts paid by MV Partners to hedge contract counterparties for settlements related to the period from October 1, 2007 to December 31, 2007. During this quarter MV Partners made net advances of $120,000 to the Trust for trust expenses.

The second quarterly distribution during 2008 was $0.52171564 per Trust unit and was made on April 25, 2008 to Trust unitholders owning Trust units as of April 15, 2008. Such distribution included the net proceeds of production collected by MV Partners from January 1, 2008 through March 31, 2008. This distribution included 80% of all amounts paid by MV Partners to hedge contract counterparties for settlements related to the period from January 1, 2008 to March 31, 2008. During this quarter MV Partners made net advances of $250,000 to the Trust for trust expenses.

The third quarterly distribution during 2008 was $0.64825809 per Trust unit and was made on July 25, 2008 to Trust unitholders owning Trust units as of July 15, 2008. Such distribution included the net proceeds of production collected by MV Partners from April 1, 2008 through June 30, 2008. This distribution included 80% of all amounts paid by MV Partners to hedge contract counterparties for settlements related to the period from April 1, 2008 to June 30, 2008. During this quarter the Trust made a net repayment of the advance for trust expenses to MV Partners in the amount of $300,000.

The Trust did not make a fourth quarterly distribution during 2008. Eaglwing, L.P. ("Eaglwing") purchased substantially all of the crude oil production of the underlying properties for the month of June 2008 and for the first 18 days of July 2008. Eaglwing subsequently filed a voluntary petition for reorganization under the U.S. bankruptcy code and still has not paid the purchase price for such purchases. Because of Eaglwing's bankruptcy, there were not sufficient net proceeds for MV Oil Trust to make a payment for the scheduled quarterly distribution in October 2008. See Note J Other Events. During this quarter MV Partners made an advance of $150,000 to the Trust for trust expenses.

As of December 31, 2008, cumulatively, since inception, MV Oil Trust should have received payments for 1,739,218 net barrels of oil equivalent (unaudited).

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MV Oil Trust

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE G RELATED PARTY TRANSACTIONS

The Trust has entered into an administrative services agreement with MV Partners that obligates the Trust, throughout the term of the Trust, to pay to MV Partners each quarter an administrative services fee for accounting, bookkeeping and informational services performed by MV Partners on behalf of the Trust relating to the net profits interest. The annual fee was a total of $62,400 and $64,896 for 2007 and 2008, respectively, which will increase by 4% each year. During the years ended December 31, 2007 and 2008, the Trust paid MV Partners $90,000 and $67,296, respectively, for administrative services that covered the period from July 2006 through December 2007 and January 2008 through December 2008, respectively. The administrative services agreement will terminate upon the termination of the net profits interest unless earlier terminated by mutual agreement of the Trustee and MV Partners.

The Trust has entered into a Trust agreement with the Trustee that obligates the Trust, throughout the term of the Trust, to pay to the Trustee each quarter a Trustee fee. The annual fee was a total of $150,000 for each of 2007 and 2008. During the years ended December 31, 2007 and 2008, the Trust paid the Trustee $150,000 each year. The Trust agreement will terminate upon the termination of the net profits interest unless earlier terminated by mutual agreement of a majority of the Trust unitholders.

NOTE H ADVANCE FOR TRUST EXPENSES

Under the terms of the Trust agreement, the Trustee is allowed to borrow money to pay Trust expenses. The Trust expense holdback in the third quarter of 2007 was not sufficient to pay the third quarter expenses, so the Trustee borrowed $400,000 from MV Partners to pay Trust expenses. The Trust repaid $370,000 of the advance to MV Partners in the fourth quarter of 2007. The Trust expense holdback in the first quarter of 2008 was not sufficient to pay the first quarter expenses, so the Trustee borrowed $150,000 from MV Partners to pay Trust expenses. The Trust also repaid $30,000 for advances from prior quarters. The Trustee borrowed $400,000 from MV Partners during the second quarter of 2008 and repaid the $150,000 borrowed in the first quarter of 2008. The Trustee borrowed $100,000 from MV Partners during the third quarter of 2008 and repaid the $400,000 borrowed in the second quarter of 2008. The Trust expense holdback in the third quarter 2008 was not sufficient to pay expenses for the fourth quarter of 2008, so the Trustee borrowed $150,000 from MV Partners to pay Trust expenses. Since the Trust is on the cash basis of accounting, a liability has not been recorded for this advance. The net advance is shown as an addition to Trust Corpus and will be shown as a reduction to Trust Corpus when it is repaid.

NOTE I PUBLIC OFFERING

On December 29, 2006, the registration statement on Form S-1 (Registration No. 333-136609) filed by MV Partners and the Trust in connection with the initial public offering of the Trust units was declared effective by the Securities and Exchange Commission. The registration statement registered for sale to the public 8,625,000 Trust units of MV Oil Trust in the aggregate. On January 24, 2007, MV Oil Trust issued 11,500,000 Trust units to MV Partners in exchange for the conveyance by MV Partners of the net profits interest discussed above as well as interests in certain hedge contracts entered into by MV Partners. Immediately thereafter, MV Partners sold 7,500,000 of the Trust units in the offering at a price of $20 per unit and the remaining 4,000,000 pro rata to each of the members of MV Partners at a price of $20 per unit. Immediately following the sale by MV Partners to its members, the members of MV Partners sold in the offering 562,500 Trust units in the aggregate at a price of $20 per unit. On January 31, 2007, the members of MV Partners sold in the offering an additional 562,500 Trust units in the aggregate at a price of $20 per unit.

MV Oil Trust

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE J OTHER EVENTS

As publicly reported, on July 22, 2008, SemCrude, L.P. ("SemCrude") and certain of its affiliates, including Eaglwing, filed voluntarily petitions for reorganization under Chapter 11 of the United States Bankruptcy Code. SemCrude was a counterparty to some of MV Partners fixed price swap contracts during 2007 and 2008. After 2008, MV Partners has no swap contracts with SemCrude. Eaglwing purchased substantially all of the crude oil production of the underlying properties for the month of June 2008 and for the first 18 days of July 2008, after which date further sales to Eaglwing were terminated. Approximately $9.5 million in sales in June to Eaglwing was to have been paid by July 20, 2008. Approximately $5.9 million in sales in July to Eaglwing was to have been paid by August 20, 2008. The specified dollar amounts are associated with all production from the underlying properties, and not just the 80% portion attributable to the net profits interest held by the Trust. Eaglwing has not paid the purchase price for any such purchases and there can be no assurance what dollar amount, if any, will be collected by MV Partners from Eaglwing, or the timing of any such collections.

From July 18, 2008 until July 31, 2008, only minor amounts of crude oil production from the underlying properties were sold. On July 31, 2008, Vess Oil Corporation and Murfin Drilling Company, Inc., who serve as the contract operators of the underlying properties, recommenced general sales of production from the underlying properties, to several purchasers other than Eaglwing, including an affiliated purchaser, under short-term arrangements using market sensitive pricing. As of August 7, 2008, field operations at the underlying properties returned to substantially normal operations, although it took until mid-August before the marketing of crude oil production normalized to the sales process and volumes that existed prior to July 18, 2008.

Because of the nonpayment by Eaglwing and the decreased sales during July and August 2008, there were not sufficient net proceeds collected by MV Partners from July 1, 2008 through September 30, 2008 for MV Partners to distribute cash to the Trust with respect to the net profits interest relating thereto. Neither the Trust nor the Trust unitholders were liable for any costs in excess of net proceeds; however, the Trust was not entitled to receive any distributions from MV Partners until future net proceeds exceeded the total of those excess costs, plus interest at the prime rate. As a result, the scheduled quarterly distribution in January 2009 was substantially impacted.

Subsequent event

The first quarterly distribution for 2009 was $981,439, or $0.08534253 per Trust unit, and was made on January 25, 2009 to Trust unitholders owning Trust units as of January 15, 2009. Such distribution included the net proceeds of production collected by MV Partners from July 1, 2008 through December 31, 2008, including all hedge contract settlements. This distribution included a recovery of the fourth quarter 2008 shortage of $4,839,426 and applicable interest of $49,753. The distribution included a repayment of the $250,000 borrowed from MV Partners during the third and fourth quarters of 2008. The Trustee also withheld $250,000 from the distribution for future Trust expenses. This quarterly payment was for 198,840 net barrels of oil equivalent (unaudited).

NOTE K DISCLOSURES ABOUT OIL AND GAS ACTIVITIES (UNAUDITED)

Estimates of the proved oil and gas reserves attributable to the Trust as of December 31, 2006, 2007 and 2008 are based on reports of Cawley, Gillespie & Associates, Inc., independent petroleum and geological engineers, and the contract property management engineering staff of the managers of MV Partners who operate the underlying properties, in accordance with the provisions of SFAS No. 69, Disclosures about Oil and Gas Producing Activities. Users of this information should be aware that the

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MV Oil Trust

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE K DISCLOSURES ABOUT OIL AND GAS ACTIVITIES (UNAUDITED) (Continued)

process of estimating quantities of "proved" and "proved developed" natural gas, natural gas liquids and crude oil reserves is very complex, requiring significant subjective decisions in the evaluation of all available geological, engineering and economic data for each reservoir. The data for a given reservoir may also change substantially over time as a result of numerous factors, including additional development activity, evolving production history and continual reassessment of the viability of production under varying economic conditions. Consequently, material revisions to existing reserve estimates occur from time to time.

The reserve data below represent estimates only and should not be construed as being exact. Moreover, the discounted values should not be construed as representative of the current market value of the Net Profits Interest. A market value determination would include many additional factors including: (i) anticipated future oil and gas prices; (ii) the effect of federal income taxes, if any, on the Trust; (iii) an allowance for return on investment; (iv) the effect of governmental legislation; (v) the value of additional reserves, not considered proved at present, which may be recovered as a result of further exploration and development activities; and (vi) other business risks.

The following schedules set forth (i) the estimated net quantities of proved and proved developed oil, natural gas and natural gas liquids reserves attributable to the Trust, and (ii) the standardized measure of the discounted future net profits interest income attributable to the Trust and the nature of changes in such standardized measure between years. These schedules are prepared on the accrual basis, which is the basis on which MV Partners maintain their production records and is different from the basis on which the Trust is computed.

ESTIMATED QUANTITIES OF PROVED AND PROVED DEVELOPED RESERVES

	Oil (Bbls)	Gas (Mcf)	NGL (Bbls)
Proved reserves			
Balance at December 31, 2006(1)	11,075,582	922,983	69,870
Revisions of previous estimates	(117,965)	(16,306)	(20,835)
Production	(787,380)	(79,960)	(4,126)
Balance at December 31, 2007	10,170,237	826,717	44,909
Revisions of previous estimates	(48,210)	100,697	(6,817)
Production	(770,168)	(80,922)	(4,262)
Balance at December 31, 2008	9,351,859	846,492	33,830
Proved developed reserves			
December 31, 2006(1)	9,555,319	922,983	69,870
December 31, 2007	8,730,051	826,717	44,909
December 31, 2008	7,997,578	846,492	33,830

(1) The conveyance of the net profits interest took place on January 24, 2007, however the reserves are presented as of December 31, 2006. The Trust also received revenue associated with the production for the months of July 2006 through December 2006.

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MV Oil Trust

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE K DISCLOSURES ABOUT OIL AND GAS ACTIVITIES (UNAUDITED) (Continued)

STANDARDIZED MEASURE OF DISCOUNTED FUTURE NET CASH FLOWS FROM PROVED OIL AND GAS RESERVES

	December 31,	
	2007	**2008**
Future cash inflows	$ 934,463,200	$ 354,736,625
Future costs		
Production	(256,988,950)	(198,712,475)
Development	(14,630,400)	(13,134,800)
Future net cash flows	662,843,850	142,889,350
Less 10% discount factor	(295,634,900)	(63,024,768)
Standardized measure of discounted future net cash flows	$ 367,208,950	$ 79,864,582

CHANGES IN STANDARDIZED MEASURE OF DISCOUNTED FUTURE NET CASH FLOWS FROM PROVED OIL AND GAS RESERVES

	2007	**2008**
Standardized measure at beginning of year(1)	$ 214,850,075	$ 367,208,950
Net proceeds to the Trust	(33,581,080)	(21,356,403)
Proceeds not received for June and July production (See Note J)		(11,884,968)
Net fourth quarter deficiency settled in January 2009		4,839,426
Net payments made to settle hedge contracts	(2,810,534)	(18,445,426)
Payments made to settle fourth quarter hedge contracts made in January 2009		(10,207,118)
Amounts received to settle hedges and other derivatives	999,963	
Net proceeds to the Trust, exclusive of net payments made to settle hedge contracts	(35,391,651)	(57,054,489)
Net changes in price and production costs	175,001,401	(262,367,137)
Changes in estimated future development costs	(4,307,851)	(1,007,738)
Development costs incurred during the year	2,975,920	2,454,400
Revisions of quantity estimates	(5,064,671)	(346,881)
Accretion of discount	21,485,008	36,720,895
Other	(2,339,281)	(5,743,418)
Standardized measure at end of year	$ 367,208,950	$ 79,864,582

(1) The conveyance of the net profits interest took place on January 24, 2007, however the reserves for 2007 are presented as of December 31, 2006. MV Oil Trust also received revenue associated with the production for the months of July 2006 through December 2006.

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MV Oil Trust

NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE K DISCLOSURES ABOUT OIL AND GAS ACTIVITIES (UNAUDITED) (Continued)

Average prices in effect at December 31, 2007 and 2008 used in determining future net revenues related to the standardized measure calculation are as follows:

	2007	2008
Oil (per Bbl)	$91.01	$37.35
Gas (per Mcf)	$ 6.46	$ 5.63
NGL (per Bbl)	$78.63	$19.98

On December 29, 2008, the Securities and Exchange Commission announced final approval of new requirements, effective for annual reports on Form 10-K for fiscal years ending on or after December 31, 2009, designed to provide investors with a more meaningful and comprehensive understanding of oil and natural gas reserves. The new disclosure requirements include:

Consideration of new technologies in evaluating oil and natural gas reserves,

Disclosure of probable and possible oil and natural gas reserves,

Use of an average price based on the prior 12-month period rather than year-end prices, and

Revisions of the oil and natural gas disclosure requirements for operations.

We have not yet evaluated the effects of the above on our financial statements and disclosures.

NOTE L SELECTED QUARTERLY FINANCIAL DATA (UNAUDITED)

	Summarized Quarterly Results Three months ended			
	March 31	June 30	September 30	December 31
	(All numbers in thousands except per unit amounts)			
2008:				
Income from net profits interest and hedge and other derivative activities	$ 7,352	$ 6,150	$ 7,855	$
Distributable income	$ 7,322	$ 6,000	$ 7,455	$
Distributions per unit	$0.6367	$0.5217	$ 0.6483	$ 0.0000
2007:				
Income from net profits interest and hedge and other derivative activities	$11,970	$ 6,133	$ 7,559	$ 7,919
Distributable income	$11,640	$ 6,133	$ 7,559	$ 7,519
Distributions per unit	$1.0122	$0.5333	$ 0.6573	$ 0.6538

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Report of Independent Registered Public Accounting Firm

To the Members of
MV Partners, LLC

We have audited the accompanying statement of historical revenues and direct operating expenses of the Underlying Properties (the "Properties") of MV Partners, LLC (formerly MV Partners, LP) (the "Company") for the year ended December 31, 2006. This statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this statement based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of the Company's internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the statement. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statement was prepared for the purpose of complying with the rules and regulations of the Securities and Exchange Commission as described in Note B to the statement and is not intended to be a complete presentation of the Company's interests in the Properties.

In our opinion, the statement referred to above presents fairly, in all material respects, the historical revenues and direct operating expenses, described in Note B, of the Properties for the year ended December 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

/s/ Grant Thornton LLP

Wichita, Kansas
March 30, 2007

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Underlying Properties

STATEMENT OF HISTORICAL REVENUES AND DIRECT OPERATING EXPENSES

	Year ended December 31, 2006
Revenues	
Oil sales	$ 64,149,793
Natural gas sales	572,320
Natural gas liquid sales	310,731
Hedge and other derivative activity	(14,393,657)
Total revenues	50,639,187
Direct operating expenses	
Lease operating expenses	11,676,322
Lease maintenance	2,162,289
Lease overhead	2,223,397
Production and property tax	3,459,075
Total direct operating expenses	19,521,083
Excess of revenues over direct operating expenses	$ 31,118,104

The accompanying notes are an integral part of this statement.

Underlying Properties

NOTES TO STATEMENT OF HISTORICAL REVENUES

AND DIRECT OPERATING EXPENSES

For the year ended December 31, 2006

NOTE A PROPERTIES

The underlying properties consist of working interests owned by MV Partners, LLC (formerly MV Partners, LP) ("MV") located in Colorado and Kansas.

NOTE B BASIS OF PRESENTATION

The accompanying statement of historical revenues and direct operating expenses was derived from the historical accounting records of MV and reflect the historical revenues and direct operating expenses directly attributable to the underlying properties for the year and period described herein. Such amounts may not be representative of future operations. The statement does not include depreciation, depletion and amortization, general and administrative expenses, interest expense or other expenses of an indirect nature. The amounts represent MV's net interest in the wells.

Historical financial statements representing financial position, results of operations and cash flows required by generally accepted accounting principles are not presented as such information is not readily available on an individual property basis and not meaningful to the underlying properties. Accordingly, the statement of historical revenues and direct operating expenses is presented in lieu of the financial statements required under Rule 3-05 of Securities and Exchange Commission Regulation S-X.

The accompanying statement of historical revenues and direct operating expenses included herein was prepared on an accrual basis. Revenue from oil, gas and natural gas liquid sales is recognized when sold.

MV has entered into certain swap and collar agreements to mitigate the effects of fluctuations in the prices of crude oil. These agreements involve the exchange of amounts based on a fluctuating oil price for amounts based on a fixed oil price over the life of the agreement, without an exchange of the notional amount upon which the payments are based. MV accounts for the swap agreements as cash flow hedges. The effective portion of the gain or loss on the swap agreement is recorded in earnings as the underlying hedged item affects income. This effective portion, the ineffective portion of the unrealized gain or loss on the derivative instrument and the change in the unrealized gain or loss on the collar agreements are reflected as hedge and other derivative activity in the accompanying statement of historical revenues and direct operating expenses.

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

NOTE C DISCLOSURES ABOUT OIL AND GAS ACTIVITIES (UNAUDITED)

The estimates of proved reserves and related valuations were based on the reports of Cawley, Gillespie & Associates, Inc., independent petroleum and geological engineers, in accordance with the provisions of Statement of Financial Accounting Standards No. 69 (SFAS No. 69), *Disclosures about Oil and Gas Producing Activities*. Users of this information should be aware that the process of estimating quantities of "proved" and "proved developed" natural gas, natural gas liquids and crude oil reserves is very complex, requiring significant subjective decisions in the evaluation of all available geological,

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NOTES TO STATEMENT OF HISTORICAL REVENUES (Continued)

AND DIRECT OPERATING EXPENSES

NOTE C DISCLOSURES ABOUT OIL AND GAS ACTIVITIES (UNAUDITED) (Continued)

engineering and economic data for each reservoir. The data for a given reservoir may also change substantially over time as a result of numerous factors, including additional development activity, evolving production history and continual reassessment of the viability of production under varying economic conditions. Consequently, material revisions to existing reserve estimates occur from time to time.

The oil and gas reserves are attributable solely to properties within the United States. A summary of the changes in quantities of proved oil, gas and natural gas liquid reserves of the underlying properties for the year ended December 31, 2006 are as follows:

	Oil (Bbls)	**Gas (Mcf)**	**NGL (Bbls)**
Balance at December 31, 2005	17,905,740	1,359,293	109,393
Revisions of previous estimates	906,676	25,239	188
Production	(1,023,875)	(101,062)	(6,571)
Balance at December 31, 2006	17,788,541	1,283,470	103,010
Proved developed reserves:			
December 31, 2006	15,827,881	1,283,470	103,010

The following information was developed using procedures prescribed by SFAS No. 69. The standardized measure of discounted future net cash flows should not be viewed as representative of the current value of the underlying properties. It and the other information contained in the following tables may be useful for certain comparative purposes, but should not be solely relied upon in evaluating the underlying properties or their performance.

Management believes that, in reviewing the information that follows, the following factors should be taken into account:

- future costs and sales prices will probably differ from those required to be used in these calculations;
- actual rates of production achieved in future years may vary significantly from the rates of production assumed in the calculations;
- a 10% discount rate may not be reasonable as a measure of the relative risk inherent in realizing future net oil and gas reserves; and
- income taxes are not taken into consideration because MV is a pass-thru entity for tax purposes.

Under the standardized measure, future cash inflows were estimated by applying year-end oil and gas prices, adjusted for location and quality differences, to the estimated future production of year-end proved reserves. Future cash inflows do not reflect the impact of future production that is subject to open hedge and other derivative positions. Future cash inflows were reduced by estimated future development, abandonment and production costs based on year-end costs to arrive at net cash flows. Use of a 10% discount rate and year-end prices and costs are required by SFAS No. 69.

In general, management does not rely on the following information in making investment and operating decisions. Such decisions are based upon a wide range of factors, including estimates of

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NOTES TO STATEMENT OF HISTORICAL REVENUES (Continued)

AND DIRECT OPERATING EXPENSES

NOTE C DISCLOSURES ABOUT OIL AND GAS ACTIVITIES (UNAUDITED) (Continued)

probable and possible as well as proved reserves and varying price and cost assumptions considered more representative of a range of possible economic conditions that may be anticipated. The standardized measure of discounted future net cash flows relating to proved oil and gas reserves are as follows at December 31:

	2006
Future cash inflows	$1,021,164,125
Production	(450,513,427)
Development and abandonment	(16,330,323)
Future net cash flows	554,320,375
Less effect of 10% discount factor	(279,212,531)
Standardized measure of discounted future net cash flows	$ 275,107,844

Future cash flows as shown above were reported without consideration for the effects of hedge and other derivative transactions outstanding at each period end. If the effects of hedge and other derivative transactions were included in the computation, then future cash flows would have increased by $4,802,718 in 2006.

The changes in standardized measure of discounted future net cash flows relating to proved oil and gas reserves are as follows:

	2006
Standardized measure beginning of year	$304,532,500
Sales of oil and gas produced, net of production costs	(45,511,761)
Net change in prices and production costs	(37,195,285)
Extensions and discoveries	
Changes in estimated future development costs	(3,005,440)
Development costs incurred during the period which reduce future development costs	3,007,100
Revisions of previous quantity estimates	14,355,279
Accretion of discount	30,453,250
Purchase of reserves in place	
Sales of reserves in place	
Changes in production rates and other	8,472,201
Standardized measure end of year	$275,107,844

Average prices in effect at December 31, 2006 used in determining future net revenues related to the standardized measure calculation are as follows:

	2006
Oil (per Bbl)	$56.81
Gas (per Mcf)	$ 4.74
NGL (per Bbl)	$43.85

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of disclosure controls and procedures. The trustee maintains disclosure controls and procedures designed to ensure that information to be disclosed by the trust in the reports that it files or submits under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the rules and regulations promulgated by the Securities and Exchange Commission. Disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed by the trust is accumulated and communicated by MV Partners to The Bank of New York Mellon Trust Company, N.A., as trustee of the trust, and its employees who participate in the preparation of the trust's periodic reports as appropriate to allow timely decisions regarding required disclosure.

As of the end of the period covered by this report, the trustee carried out an evaluation of the trust's disclosure controls and procedures. Mike Ulrich, as Trust Officer and trustee, has concluded that the disclosure controls and procedures of the trust are effective.

Due to the contractual arrangements of (i) the trust agreement and (ii) the conveyance of the net profits interest, the trustee relies on (A) information provided by MV Partners, including historical operating data, plans for future operating and capital expenditures, reserve information and information relating to projected production, and (B) conclusions and reports regarding reserves by the trust's independent reserve engineers. See Item 1A. Risk Factors " The trust and the public trust unitholders have no voting or managerial rights with respect to MV Partners, the operator of the underlying properties. As a result, public trust unitholders have no ability to influence the operation of the underlying properties" in this Form 10-K, and "Trustee's Discussion and Analysis of Financial Condition and Results of Operation" for a description of certain risks relating to these arrangements and reliance on information when reported by MV Partners to the trustee and recorded in the trust's results of operation.

Changes in Internal Control Over Financial Reporting. During the fourth quarter ended December 31, 2008, there has been no change in the trust's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the trust's internal control over financial reporting relating to the trust. The trustee notes for purposes of clarification that it has no authority over, and makes no statement concerning, the internal control over financial reporting of MV Partners.

Trustee's Report on Internal Control Over Financial Reporting. The trustee is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15f, by the trust. The trust's internal control over financial reporting is a process designed under the supervision of the trustee to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the trust's financial statements for external purposes in accordance with the accounting permitted for royalty trusts by the SEC as specified by Staff Accounting Bulletin Topic 12:E, Financial Statements of Royalty Trusts, which is a comprehensive basis of accounting other than generally accepted accounting principles.

As of December 31, 2008, the trustee assessed the effectiveness of the trust's internal control over financial reporting based on the criteria for effective internal control over financial reporting established in "Internal Control Integrated Framework," issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on that assessment, the trustee determined that the trust maintained effective internal control over financial reporting as of December 31, 2008, based on those criteria.

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Grant Thornton LLP, the independent registered public accounting firm that audited the financial statements of the trust included in this annual report on Form 10-K, has also audited the effectiveness of the trust's internal control over financial reporting as of December 31, 2008, as stated in their accompanying report.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Trustee and Unitholders
MV Oil Trust

We have audited MV Oil Trust's (the "Trust") internal control over financial reporting as of December 31, 2008, based on criteria established in *Internal Control Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Trustee is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Trustee's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Trust's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, MV Oil Trust maintained, in all material respects, effective internal control over financial reporting as of December 31, 2008, based on criteria established in *Internal Control Integrated Framework* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the statements of assets and trust corpus of MV Oil Trust as of December 31, 2007 and 2008, and the related statements of distributable income and changes in trust corpus for the period from August 3, 2006 (inception) through December 31, 2006 and the years ended December 31, 2007 and 2008 and our report dated March 13, 2009 expressed an unqualified opinion on those financial statements.

/s/ Grant Thornton LLP

Wichita, Kansas
March 13, 2009

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The trust has no directors or executive officers. The trustee is a corporate trustee that may be removed by the affirmative vote of the holders of not less than a majority of the outstanding trust units at a meeting at which a quorum is present.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act of 1934 requires the holders of more than 10 percent of the trust units to file with the SEC reports regarding their ownership and changes in ownership of the trust units. The trustee believes that, during 2008, the trust's 10 percent unitholders complied with all Section 16(a) filing requirements. In making these statements, the trustee has relied upon examination of the copies of Forms 3, 4 and 5, to the extent there were any, provided to the trust.

Audit Committee and Nominating Committee

Because the trust does not have a board of directors, it does not have an audit committee, an audit committee financial expert or a nominating committee.

Code of Ethics

The trust does not have a principal executive officer, principal financial officer, principal accounting officer or controller and, therefore, has not adopted a code of ethics applicable to such persons. However, employees of the trustee must comply with the bank's code of ethics.

Item 11. Executive Compensation.

During the year ended December 31, 2008, the trustee received compensation from the trust in the amount of $150,000. The trust does not have any executive officers. Because the trust does not have a board of directors, it does not have a compensation committee.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

(a) Security Ownership of Certain Beneficial Owners.

The following table sets forth certain information regarding the beneficial ownership of our trust units as of March 13, 2009 by each person who, to our knowledge, beneficially owns more than 5% of the outstanding trust units.

Beneficial Owner	Trust Units Beneficially Owned	Percent of Class(1)
MV Energy, LLC(2)	2,875,000	25.0%
VAP-I, LLC(2)	1,437,500	12.5%
Credit Suisse(3)	744,256	6.5%

(1) Based on 11,500,000 trust units outstanding as of March 13, 2009.

(2) The address of each of MV Energy and VAP-I is 1700 Waterfront, Building 500, Wichita, Kansas 67206. MV Energy is the managing member of VAP-I. As a result, MV Energy

has sole voting and investment power with respect to the trust units held by VAP-I. Each of MV Energy and VAP-I is the record owner of 1,437,500 trust units. Such information is based on Form 4 filings with the Securities and Exchange Commission on January 31, 2007.

(3) The address of Credit Suisse is Uetlibergstrasse 231, P.O. Box 900, CH 8070 Zurich, Switzerland. The information is based on a Schedule 13G filed with the Securities and Exchange Commission on February 17, 2009.

(b) Security Ownership of Management.

Not applicable.

(c) Changes in Control.

The registrant knows of no arrangement, including any pledge by any person of securities of the registrant or any of its parents, the operation of which may at a subsequent date result in a change of control of the registrant.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Under the terms of the Conveyance governing the net profits interest and the assignment of the interest in the hedge contracts, MV Partners is obligated to make certain payments to the trust on a quarterly basis. Please see "Business Computation of Net Proceeds" for more information about these agreements.

Administrative Services Agreement

The trust has entered into an administrative services agreement with MV Partners that obligates the trust, throughout the term of the trust, to pay to MV Partners each quarter an administrative services fee for accounting, bookkeeping and informational services performed by MV Partners on behalf of the trust relating to the net profits interest. The annual fee was a total of $64,896 for 2008, which will increase by 4% each year. The administrative services agreement will terminate upon the termination of the net profits interest unless earlier terminated by mutual agreement of the trustee and MV Partners.

Registration Rights

The trust entered into a registration rights agreement with MV Partners in connection with MV Partners' conveyance to the trust of the net profits interest. In the registration rights agreement, the trust agreed, for the benefit of MV Partners and any transferee of its trust units (each, a "holder"), to register the trust units it holds. Specifically, the trust agreed:

- subject to certain restrictions, to use its reasonable best efforts to file a registration statement, including, if so requested, a shelf registration statement, with the SEC as promptly as practicable following receipt of a notice requesting the filing of a registration statement from holders representing a majority of the then outstanding registrable trust units;

- to use its reasonable best efforts to cause the registration statement or shelf registration statement to be declared effective under the Securities Act as promptly as practicable after the filing thereof; and

- to continuously maintain the effectiveness of the registration statement under the Securities Act for 90 days (or for three years if a shelf registration statement is requested) after the

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effectiveness thereof or until the trust units covered by the registration statement have been sold pursuant to such registration statement or until all registrable trust units:

have been sold pursuant to Rule 144 under the Securities Act if the transferee thereof does not receive "restricted securities;"

have been sold in a private transaction in which the transferor's rights under the registration rights agreement are not assigned to the transferee of the trust units; or

become eligible for resale pursuant to Rule 144(k) (or any similar rule then in effect under the Securities Act).

The holders will have the right to require the trust to file up to three registration statements and will have piggyback registration rights in certain circumstances.

In connection with the preparation and filing of any registration statement, MV Partners will bear all costs and expenses incidental to any registration statement, excluding certain internal expenses of the trust, which will be borne by the trustee, and any underwriting discounts and commissions, which will be borne by the seller of the trust units.

Item 14. Principal Accountant Fees and Services.

The trust does not have an audit committee. Any pre-approval and approval of all services performed by the principal auditor or any other professional service firms and related fees are granted by the trustee.

The following table presents fees for professional audit services rendered by Grant Thornton LLP for the audit of the trust's financial statements for 2006, 2007 and 2008 and fees billed for other services rendered by Grant Thornton LLP.

	2006	2007	2008
Audit fees	$31,050	$235,195	$166,118
Audit-related fees			
Tax fees			
All other fees			
Total fees	$31,050	$235,195	$166,118

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PART IV

Item 15. Exhibits, Financial Statement Schedules

(a)(1) Financial Statements

The following financial statements are set forth under Part II, Item 8 of this Form 10-K on the pages indicated:

	Page in this Form 10-K
Report of Independent Registered Public Accounting Firm	53
MV Oil Trust Statement of Assets and Trust Corpus	54
Statements of Distributable Income	54
Statements of Changes in Trust Corpus	54
Report of Independent Registered Public Accounting Firm	65
Statements of Historical Revenues and Direct Operating Expenses Underlying Properties	66

(a)(2) Schedules

Schedules have been omitted because they are not required, not applicable or the information required has been included elsewhere herein.

(a)(3) Exhibits

Exhibit Number	Description
3.1	Certificate of Trust of MV Oil Trust. (Incorporated herein by reference to Exhibit 3.3 to the Registration Statement on Form S-1, filed on August 14, 2006 (Registration No. 333-136609))
3.2	Amended and Restated Trust Agreement, dated January 24, 2007, among MV Partners, LLC, The Bank of New York Trust Company, N.A. and Wilmington Trust Company. (Incorporated herein by reference to Exhibit 3.1 to our Current Report on Form 8-K filed on January 25, 2007 (File No. 1-33219))
10.1	Conveyance of Net Profits Interest, dated January 24, 2007, from MV Partners, LLC to The Bank of New York Trust Company, N.A. as Trustee of MV Oil Trust. (Incorporated herein by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on January 25, 2007 (File No. 1-33219))
10.2	Administrative Services Agreement, dated January 24, 2007, by and between MV Partners, LLC and The Bank of New York Trust Company, N.A. as Trustee of MV Oil Trust. (Incorporated herein by reference to Exhibit 10.2 to our Current Report on Form 8-K filed on January 25, 2007 (File No. 1-33219))
10.3	Registration Rights Agreement, dated January 24, 2007, by and between MV Partners, LLC and The Bank of New York Trust Company, N.A. as Trustee of MV Oil Trust. (Incorporated herein by reference to Exhibit 4.1 to our Current Report on Form 8-K filed on January 25, 2007 (File No. 1-33219))
10.4	Assignment of Hedge Proceeds, dated January 24, 2007, by and between MV Partners, LLC and The Bank of New York Trust Company, N.A. as Trustee of MV Oil Trust. (Incorporated herein by reference to Exhibit 10.3 to our Current Report on Form 8-K filed on January 25, 2007 (File No. 1-33219))
31.1*	Certification filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification furnished pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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* Filed herewith.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

MV OIL TRUST

By: THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
AS TRUSTEE

By: /s/ MIKE ULRICH

Mike Ulrich
Vice President

March 16, 2009

The Registrant, MV Oil Trust, has no principal executive officer, principal financial officer, board of directors or persons performing similar functions. Accordingly, no additional signatures are available and none have been provided. In signing the report above, the trustee does not imply that it has performed any such function or that such function exists pursuant to the terms of the trust agreement under which it serves.

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INDEX TO EXHIBITS

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