

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM S-4  
REGISTRATION STATEMENT  
UNDER THE SECURITIES ACT OF 1933**

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**DORCHESTER MINERALS, L.P.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**1311**

(Primary Standard Industrial  
Classification Code Number)

**81-0551518**

(I.R.S. Employer Identification Number)

**3838 Oak Lawn Avenue, Suite 300  
Dallas, Texas 75219  
(214) 559-0300**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**William Casey McManemin  
3838 Oak Lawn Avenue, Suite 300  
Dallas, Texas 75219  
(214) 559-0300**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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**Copy to:**

**Jesse E. Betts  
Thompson & Knight LLP  
One Arts Plaza  
1722 Routh Street, Suite 1500  
Dallas, Texas 75201  
(214) 969-1700**

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**Approximate date of commencement of proposed sale of the securities to the public:** From time to time after this registration statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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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 of time that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 Regulation S-T (§232.405 of this chapter) during the preceeding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☒

Smaller reporting company ☒

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issue Tender Offer) ☐

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) ☐

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered (1)	Proposed maximum offering price per unit (2)	Proposed maximum aggregate offering price (2)	Amount of registration fee
Common Units	10,000,000	\$14.75	\$147,500,000.00	\$16,092.25

- (1) Pursuant to Rule 416 under the Securities Act of 1933, as amended, the shares being registered hereunder include such indeterminate number of shares of common stock as may be issuable with respect to the shares being registered hereunder as a result of stock splits, stock dividends or similar transactions.
- (2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) of the Securities Act based on the average of the high (\$14.95) and low (\$14.55) prices of one of the registrant’s common units on May 4, 2021, as reported on the NASDAQ Global Select Market.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offering is not permitted.

SUBJECT TO COMPLETION, DATED MAY 11, 2021

PROSPECTUS

**DORCHESTER MINERALS, L.P.**

**10,000,000 Common Units  
Representing Limited Partner Interests**

This prospectus relates to 10,000,000 common units representing limited partner interests that we may issue and sell from time to time in connection with business combination transactions, including acquisitions of other businesses, assets, properties or securities of other companies.

We and owners or controlling persons of the businesses or assets acquired will negotiate the terms of any business combination. We will determine the value of the common units to be issued at prices reasonably related to market prices current either at the time of the agreement on the terms of a business combination transaction or at or about the time of delivery of the common units. This prospectus may also cover sales by persons or entities who have received common units under this prospectus and who elect to use this prospectus to cover the resale of the common units.

We will pay all expenses of this offering. We will not pay any underwriting discounts or commissions in connection with the issuance or sale of any common units, although we may pay finder's, investment banking or transaction advisory fees in connection with specified business combinations, and in some cases, we may issue common units offered by this prospectus in full or partial payment of such fees. Any person receiving a finder's, investment banking or transaction advisory fee may be deemed an underwriter within the meaning of the Securities Act of 1933, as amended.

Our common units are listed on the NASDAQ Global Select Market ("NASDAQ") under the symbol "DMLP." On May 10, 2021, the last reported sales price of our common units on NASDAQ was \$15.01 per common unit.

**LIMITED PARTNERSHIPS ARE INHERENTLY DIFFERENT FROM CORPORATIONS. INVESTING IN THESE SECURITIES INVOLVES CERTAIN RISKS. YOU SHOULD READ THIS PROSPECTUS AND ANY PROSPECTUS SUPPLEMENT CAREFULLY BEFORE YOU INVEST, INCLUDING THE RISKS SET FORTH UNDER "RISK FACTORS" BEGINNING ON PAGE 2 OF THIS PROSPECTUS AND THOSE SET FORTH UNDER "RISK FACTORS" BEGINNING ON PAGE 5 OF OUR ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2020, WHICH IS INCORPORATED BY REFERENCE HEREIN.**

**NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

**THE INFORMATION IN THIS PROSPECTUS IS INCOMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.**

The date of this prospectus is , 2021

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THIS PROSPECTUS INCORPORATES IMPORTANT BUSINESS AND FINANCIAL INFORMATION ABOUT US THAT IS NOT INCLUDED IN OR DELIVERED WITH THIS PROSPECTUS. THIS INFORMATION IS AVAILABLE WITHOUT CHARGE TO SECURITY HOLDERS UPON ORAL OR WRITTEN REQUEST TO DORCHESTER MINERALS, L.P., 3838 OAK LAWN AVENUE, SUITE 300, DALLAS, TEXAS 75219-4541, ATTENTION: INVESTOR RELATIONS (TEL. (214) 559-0300). TO OBTAIN TIMELY DELIVERY OF THE INFORMATION, PLEASE MAKE ANY REQUEST NO LATER THAN FIVE BUSINESS DAYS BEFORE THE DAY YOU MUST MAKE YOUR INVESTMENT DECISION. SEE “WHERE YOU CAN FIND MORE INFORMATION.”

WE HAVE NOT AUTHORIZED ANY PERSON TO PROVIDE INFORMATION OR MAKE ANY REPRESENTATION ABOUT THIS OFFERING THAT IS NOT IN THIS PROSPECTUS. PROSPECTIVE INVESTORS SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS PROSPECTUS. THIS PROSPECTUS IS NOT AN OFFER TO SELL NOR IS IT SEEKING AN OFFER TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS PROHIBITED. INFORMATION IN THIS PROSPECTUS IS CORRECT ONLY AS OF ITS DATE, REGARDLESS OF WHEN ANY LATER OFFER OR SALE OCCURS.

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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference in this prospectus contain forward-looking statements within the meaning of the federal securities laws.

Statements included in this prospectus which are not historical facts (including any statements concerning plans and objectives of management for future operations or economic performance, or assumptions or forecasts related thereto), are forward-looking statements. These statements can be identified by the use of forward-looking terminology including “may,” “believe,” “will,” “expect,” “anticipate,” “estimate,” “continue” or other similar words. These statements discuss future expectations, contain projections of results of operations or of financial condition or state other “forward-looking” information.

These forward-looking statements are made based upon management’s current plans, expectations, estimates, assumptions and beliefs concerning future events impacting us and therefore involve a number of risks and uncertainties. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements for a number of important reasons, including those discussed under “Risk Factors” and elsewhere in this prospectus.

You should read these statements carefully because they may discuss our expectations about our future performance, contain projections of our future operating results or our future financial condition, or state other forward-looking information. Before you invest, you should be aware that the occurrence of any of the events herein described in “Risk Factors” and elsewhere in this prospectus could substantially harm our business, results of operations and financial condition and that upon the occurrence of any of these events, the trading price of our common units could decline, and you could lose all or part of your investment.

## THE PARTNERSHIP

Dorchester Minerals, L.P. is a publicly traded Delaware limited partnership that commenced operations on January 31, 2003 upon the combination of Dorchester Hugoton, Ltd., Republic Royalty Company, L.P. and Spinnaker Royalty Company, L.P. Dorchester Hugoton was a publicly traded Texas limited partnership and Republic and Spinnaker were private Texas limited partnerships. Our common units are listed on the NASDAQ Global Select Market. Our executive offices are located at 3838 Oak Lawn Avenue, Suite 300, Dallas, Texas, 75219-4541 and our telephone number is (214) 559-0300. In this prospectus, the term “Partnership”, as well as the terms “us,” “our,” “we,” and “its,” are sometimes used as abbreviated references to Dorchester Minerals, L.P. itself or Dorchester Minerals, L.P. and its related entities.

Our general partner is Dorchester Minerals Management LP, which is managed by its general partner, Dorchester Minerals Management GP LLC. As a result, the Board of Managers of Dorchester Minerals Management GP LLC exercises effective control of our Partnership. In this prospectus, the term “general partner” is used as an abbreviated reference to Dorchester Minerals Management LP. Our general partner also controls and owns, directly and indirectly, all of the partnership interests in Dorchester Minerals Operating LP and its general partner, Dorchester Minerals Operating GP LLC. Dorchester Minerals Operating LP owns the working interest and other properties underlying our Net Profits Interest (“NPI”), provides day-to-day operational and administrative services to us and our general partner and is the employer of all of the employees who perform such services. In this prospectus, the term “operating partnership” is used as an abbreviated reference to Dorchester Minerals Operating LP.

Our business may be described as the acquisition, ownership and administration of Royalty Properties and NPIs. The Net Profits Interests represent net profits overriding royalty interests burdening various properties owned by the operating partnership. We receive monthly payments equaling 96.97% of the net profits actually realized by the operating partnership from these properties in the preceding month. The Royalty Properties consist of producing and non-producing mineral, royalty, overriding royalty, net profits and leasehold interests located in 26 states.

## RISK FACTORS

An investment in our common units involves a significant degree of risk. Before purchasing our common units, you should carefully consider and evaluate all of the information included and incorporated by reference or deemed to be incorporated by reference in this prospectus, including the risk factors incorporated by reference herein from our Annual Report on Form 10-K for the year ended December 31, 2020, as updated by annual, quarterly and other reports and documents we file with the Securities and Exchange Commission (the “SEC”) after the date of this prospectus and that are incorporated by reference herein. Any of these risks could materially and adversely affect our business, financial condition or results of operations, as well as adversely affect the value of an investment in our common units. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition or results of operations. If any of the aforementioned risks actually occur, our business, financial condition and results of operations would suffer. In that event, you may lose all or part of your original investment.

## MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

This section is a summary of the material United States federal income tax consequences that may be relevant to prospective unitholders who are individual citizens or residents of the United States and, unless otherwise noted in the following discussion, is the opinion of Thompson & Knight LLP, counsel to the general partner and us, as of the date hereof. This section is based upon current provisions of the Internal Revenue Code of 1986, as amended (the “Code”), existing and proposed Treasury regulations and current administrative rulings and court decisions, all of which are subject to change, possibly on a retroactive basis. Later changes in these authorities may cause the federal income tax consequences to vary substantially from the consequences described below, possibly on a retroactive basis. This section should be read in conjunction with the risk factors included under the caption “Tax Risks” in our most recent Annual Report on Form 10-K and any subsequently filed Quarterly Reports on Form 10-Q.

For the reasons described below, counsel is not rendering an opinion with respect to the following specific United States federal income tax issues:

- the validity of our Partnership’s monthly convention for allocating taxable income and loss between transferors and transferees of our common units (see “—Tax Allocations by Us to Unitholders—Allocations between Transferors and Transferees”);
- the validity of our Partnership’s method for allocating depletion deductions with respect to contributed mineral properties (see “—Tax Allocations by Us to Unitholders—Tax Allocations with Respect to Book-Tax Difference on Contributed Properties”);
- the availability and extent of percentage depletion deductions to the holders of our common units (see “—Partnership Income, Gains/Losses and Depletion”);
- the validity of our Partnership’s adoption of a convention that will enable you to track the basis of your individual common units or unit groups (see “—Disposition of Our Common Units”);
- the treatment of a unitholder of our Partnership whose common units are loaned to a short seller to cover a short sale of those common units (see “—Treatment of Short Sales”);
- the validity of our Partnership’s depletion, depreciation and amortization deductions relating to adjustments under Section 743(b) of the Code (see “—Section 754 Election”); and
- the availability and extent of the Section 199A Deduction to the holders of our common units (see “—Tax Rates”).

This discussion focuses on individual partners who are citizens or residents of the United States (for federal income tax purposes) who have the United States dollar as their functional currency and, except as otherwise provided, has only limited application to corporations (including other entities treated as corporations for federal income tax purposes), partnerships (including other entities treated as partnerships for federal income tax purposes), limited liability companies, estates, trusts, nonresident aliens, or other partners subject to specialized tax treatment, including, without limitation, individual retirement and other tax-deferred accounts, banks and other financial institutions, insurance companies, tax-exempt organizations, non-United States persons, dealers, brokers or traders in securities or currencies, persons subject to the alternative minimum tax, persons who hold their partnership interests as part of a straddle, hedging, synthetic security, conversion transaction or other integrated investment consisting of the partnership interests and one or more other investments, persons whose functional currency is other than the United States dollar, persons who received their partnership interests as compensation in connection with the performance of services or on exercise of options received as compensation in connection with the performance of services and persons eligible for tax treaty benefits.

The discussion does not intend to be exhaustive of all possible tax considerations. For example, the discussion does not contain a description of any state, local or foreign tax considerations (except where otherwise specifically noted in this document). In addition, the summary discussion is intended to address only those United States federal income tax consequences that are generally applicable to a United States partner who holds its common units as a capital asset (typically, property that is held for investment), and it does not discuss all aspects of United States federal income taxation that might be relevant to a specific United States partner in light of particular investment or tax circumstances.

The information in the discussion is based on the federal income tax laws as of the date of this document, which include:

- the Code;
- current, temporary and proposed Treasury regulations promulgated under the Code;
- current administrative rulings of the Internal Revenue Service, or IRS, and court decisions.

We generally have not requested, and do not intend to request, rulings from the Internal Revenue Service, or IRS, or state or local taxing authorities with respect to owning and disposing of our common units or other matters affecting us. Accordingly, the opinions and statements made in this discussion may not be sustained by a court if contested by the IRS. Furthermore, there is a risk that future legislation, Treasury regulations, administrative rulings or court decisions will significantly change the current law or adversely affect existing interpretations of the federal income tax laws. Any change could apply retroactively to transactions preceding the date of the change. Notwithstanding the foregoing, in 2020 we obtained a ruling from the IRS permitting us to aggregate the Minerals NPI and certain other NPIs for federal income tax purposes effective January 1, 2020.

The discussion is not intended to be, and should not be construed as tax advice. Therefore, each partner is urged to consult with its own tax advisor to determine the United States federal, state, local and foreign tax consequences of the ownership of our common units, including the particular facts and circumstances that may be unique to the partner.

### **Classification of Our Partnership as a Partnership for Federal Income Tax Purposes**

The Treasury regulations provide that a domestic business entity not otherwise classified as a corporation with at least two members will be classified as a partnership for federal income tax purposes, unless it elects to be classified as an association taxable as a corporation. We have not made, and will not make, an election to be classified as an association taxable as a corporation. Therefore, subject to the discussion below with respect to publicly traded partnerships, and subject to the discussion below under “—Administrative Matters—Information Returns and Audit Procedures”, generally we are treated as a partnership for federal income tax purposes and will not be a taxable entity subject to federal income tax. Instead, each of our unitholders is required to take into account its allocable share of our items of income, gain, loss, deduction and credit in computing its federal income tax liability, even if no cash distributions are made.

Section 7704 of the Code provides that a publicly traded partnership will be taxed as a corporation, unless a certain percentage of its income consists of qualifying income. A partnership constitutes a publicly traded partnership if the interests in the partnership are traded on an established securities market. Because our common units are traded on the NASDAQ Global Select Market, we are a publicly traded partnership for federal income tax purposes.

A publicly traded partnership will not be taxed as a corporation if 90% or more of the partnership’s gross income for every taxable year consists of “qualifying income.” Qualifying income includes income and gains from the exploration, development, mining or production, processing, refining, transportation or marketing of any mineral or natural resource (including oil, natural gas, and products thereof). Royalties and other passive income from mineral interests are also treated as qualifying income. Gains from the sale of an asset used in the production of this type of income also will be qualifying income. We anticipate that at least 90% of our income will constitute income from interests in oil and natural gas properties, including royalties and net profits interests. Based upon and subject to this estimate, our factual representations made and a review of the applicable legal authorities, counsel is of the opinion that we will be treated as a partnership for federal income tax purposes.

No ruling has been or will be sought from the IRS and the IRS has made no determination as to our status for federal income tax purposes. Instead, we will rely on the opinion of counsel that, based upon the Code, applicable regulations, published revenue rulings and court decisions and the representations described below, we will continue to be classified as a partnership and will not be taxed as a corporation for federal income tax purposes. In rendering its opinion, counsel is relying on the following factual representations made by us:

- neither we nor any of our subsidiaries has elected or will elect to be treated as a corporation for federal income tax purposes; and
- for each taxable year, more than 90% of our gross income will constitute income that counsel has opined or will opine is qualifying income within the meaning of Section 7704(d) of the Code.

If we fail to meet the qualifying income exception, other than a failure which is determined by the IRS to be inadvertent and which is cured within a reasonable time after discovery, we will be treated as if we had transferred all of our assets, subject to all of our liabilities, to a newly formed corporation, on the first day of the year in which we fail to meet the qualifying income exception, in return for stock in that corporation, and then distributed that stock to our unitholders and the general partner in liquidation of their common units and partnership interests in our Partnership. This deemed contribution and liquidation should not result in the recognition of taxable income by our unitholders or us so long as we, at that time, do not have liabilities in excess of the adjusted tax basis of our assets. Thereafter, we would be treated as a corporation for federal income tax purposes.

The present federal income tax treatment of publicly traded partnerships, including us, or an investment in our units, may be modified by administrative or legislative action or judicial interpretation at any time. For example, from time to time, members of the United States Congress propose and consider substantive changes to the existing federal income tax laws that affect publicly traded partnerships, including a current legislative proposal introduced in April 2021 by Senate Finance Committee Chair Ron Wyden that would eliminate the applicability, as it relates to fossil fuels, of the qualifying income exception to the treatment of all publicly traded partnerships as corporations. In addition, the Treasury Department has issued, and in the future may issue, regulations interpreting those laws that affect publicly traded partnerships. There can be no assurance that such legislative proposals will not be enacted or that there will not be further changes to federal income tax laws or the Treasury Department’s interpretation of the qualifying income exception in a manner that could impact our ability to qualify as a partnership in the future. We are unable to predict whether any such changes will ultimately be enacted. However, it is possible that a change in law could affect us and may be applied retroactively. Any such changes could negatively impact the value of an investment in our units.



In addition, on January 24, 2017, final regulations regarding which activities give rise to qualifying income within the meaning of Section 7704 of the Code were published in the Federal Register. These final regulations are effective as of January 19, 2017, apply to taxable years beginning on or after January 19, 2017, and confirm our prior interpretation that royalties and other passive income from mineral interests are treated as qualifying income and therefore do not affect our ability to qualify as a publicly traded partnership.

If we were taxable as a corporation in any taxable year, either as a result of a failure to meet the qualifying income requirement or otherwise, our items of income, gain, loss and deduction would be reflected only on our tax return rather than being passed through to our unitholders, and our net income would be taxed to us at corporate rates. In addition, any distribution made to a unitholder would be treated as either taxable dividend income to the extent of our current or accumulated earnings and profits, or, in the absence of earnings and profits, a nontaxable return of capital, to the extent of the unitholder's tax basis in our common units, or taxable capital gain, after the unitholder's tax basis in our common units is reduced to zero. Accordingly, taxation of our Partnership as a corporation would result in a material reduction in a unitholder's cash flow and after-tax return and thus would likely result in a substantial reduction of the value of our common units. This conclusion applies even in light of the reduction in corporate tax rates from 35% to 21% for taxable years beginning after December 31, 2017.

The discussion below is based on the conclusion that we will be classified as a partnership for federal income tax purposes and will not be taxed as a corporation under Section 7704 of the Code.

## **Tax Allocations by Us to Unitholders**

### *In General*

Each unitholder is required to report on its income tax return its allocable share of our income, gains, losses, deductions and credits. Each unitholder is required to include these items on its federal income tax return even if the unitholder has not received any cash distributions from us. For each taxable year, we will be required to furnish each unitholder with a Schedule K-1 tax statement that sets forth the unitholder's share of any of our income, gains, losses, deductions and credits. Our Partnership itself is not required to pay any federal income tax.

### *Allocations of Income, Gain, Loss and Deductions*

Our partnership agreement generally provides that our net income and net losses will be allocated to the unitholders and our general partner in accordance with their "Percentage Interests," as such term is defined in our partnership agreement.

Under Section 704(b) of the Code, our allocation of any item of income, gain, loss or deduction to a unitholder will be given effect for federal income tax purposes so long as it has substantial economic effect, or is otherwise in accordance with the unitholder's interest in our Partnership. If an allocation of an item does not satisfy this standard, it will be reallocated among the unitholders and our general partner on the basis of their respective interests in our Partnership, taking into account all facts and circumstances. Except as provided in "—Allocations between Transferors and Transferees" and "—Tax Allocations with Respect to Book-Tax Difference on Contributed Properties," counsel is of the opinion that the allocations under our partnership agreement will be given effect for federal income tax purposes in determining a unitholder's allocable share of an item of income, gain, loss or deduction.

### *Allocations between Transferors and Transferees*

In general, each of our items of income, gain, loss and deduction will, for federal income tax purposes, be determined annually, and one twelfth of each annual amount will be allocated to those unitholders who hold common units on the last business day of each month in that year. As a result, a unitholder who acquires its common units in the open market may be allocated our items of income, gain, loss and deduction realized by us prior to the date of acquisition. However, in certain circumstances we may make these allocations in connection with extraordinary or nonrecurring events on a more frequent basis.

The U.S. Treasury Department has issued final Treasury regulations that provide a safe harbor pursuant to which publicly traded partnerships may use a similar monthly simplifying convention to allocate tax items among transferor and transferee unitholders. Nonetheless, due to the absence of specific authority on the utilization of the above method of allocation by a publicly traded limited partnership such as our Partnership, counsel is unable to opine on the validity of this method of allocating our income, gain, loss and deduction between the transferors and the transferees of our common units. The risk to unitholders if this method is determined to be an unreasonable method of allocation is that our income, gain, loss and deduction would be reallocated among the unitholders and our general partner. This reallocation could cause unitholders to have more or less income or deductions than that reported. Our general partner is authorized to revise our method of allocation between transferors and transferees, as well as among our other unitholders whose common units otherwise vary during a taxable period, to conform to a method permitted or required by the Code and applicable regulations or rulings promulgated thereunder.

We urge a unitholder who transfers or acquires common units to consult with its tax advisor with respect to the proper reporting of its allocable share of our items of income, gain, loss and deduction during the month in which the common units are acquired or transferred.

### *Tax Allocations with Respect to Book-Tax Difference on Contributed Properties*

Pursuant to Section 704(c) of the Code, income, gain, loss and deduction attributable to appreciated or depreciated property that is contributed to a partnership in exchange for a partnership interest in the partnership must be allocated so that the contributing partner is charged with, or benefits from, respectively, the unrealized gain or unrealized loss associated with the property at the time of its contribution to the partnership. The amount of unrealized gain or unrealized loss is generally equal to the difference between the property's fair market value and its adjusted tax basis at the time of the initial contribution and is referred to as Built-in Gain and Built-in Loss, respectively. If property with Built-in Gain or Built-in Loss is sold by the partnership, then the gain or loss recognized by the partnership is required to be allocated to the contributing partner in an amount that takes into account the Built-in Gain or Built-in Loss.

The Treasury regulations require a partnership to make allocations under Section 704(c) of the Code using any reasonable method consistent with the provisions of Section 704(c) of the Code and describe three different methods for taking any Built-in Gain or Built-in Loss into account that are presumed to be reasonable for purposes of Section 704(c) of the Code. The Treasury regulations also provide that other methods may be reasonable in appropriate circumstances.

Under Section 613A(c)(7)(D) of the Code, tax depletion on oil and natural gas property held by a partnership is computed separately by each partner outside the partnership based on the partner's share of the partnership's adjusted basis in the depletable properties. Gain or loss on the disposition of a depletable property is computed separately by each partner outside of the partnership based on its share of the partnership's amount realized and adjusted tax basis in the property. Our partnership agreement provides that the adjusted tax basis of the oil and natural gas properties contributed to us will be allocated to the contributing partners for the purposes of separately determining depletion deductions, and any gain or loss recognized by us on the disposition of contributed property will be allocated to the contributing partners to the extent of any remaining Built-in Gain or Built-in Loss. This method of allocating Built-in Gain and Built-in Loss is not one of the three methods set forth in the Treasury regulations. However, we believe that the above method should be respected as reasonable and consistent with the underlying purposes of Section 704(c) of the Code.

When the IRS issued the final Treasury regulations under Section 704(c) of the Code, it acknowledged that the method used by us was used in the oil and natural gas industry and may be reasonable in appropriate situations. However, the IRS did not include this method as a specific reasonable method in the final Treasury regulations because the method was not a generally applicable method. Despite not including it as a specific reasonable method in the final Treasury regulations, the IRS has issued private letter rulings acknowledging that this method is reasonable under the facts of those rulings. A private letter ruling may not be relied on by any taxpayer other than the taxpayer to whom the ruling was issued. Accordingly, counsel is unable to opine on the validity of this method of allocating Built-in Gain and Built-in Loss. However, private letter rulings are indicative of the position of the IRS on the issues addressed in the rulings. Despite these prior rulings, there is no assurance that the IRS will not change its position and challenge the method used by us. Such a challenge, if successful, could cause one or more unitholders to recognize more taxable income or less taxable loss on an ongoing basis in respect of their common units. Each current and prospective unitholder is encouraged to consult with its tax advisor with respect to the proper reporting of its allocable share of Built-in Gain and Built-in Loss.

## **Partnership Income, Gains/Losses and Depletion**

Income received by us from our oil and natural gas royalties and net profits interests is taxable to our unitholders as ordinary income subject to depletion. Gains and losses from sales of our royalty interests and net profits interests held for more than one year, except to the extent of ordinary income recapture discussed below, will be long term capital gains and losses.

Unitholders are entitled to deductions for the greater of either cost depletion or (if otherwise allowable) percentage depletion with respect to the oil and natural gas interests owned by us. Although the Code requires each unitholder to compute its own depletion allowance and maintain records of its share of the adjusted tax basis of the underlying mineral property for depletion and other purposes, we furnish each of our unitholders with information relating to this computation for federal income tax purposes. Each unitholder, however, remains responsible for calculating its own depletion allowance and maintaining records of its share of the adjusted tax basis of the underlying property for depletion and other purposes.

Percentage depletion is generally available with respect to unitholders who qualify under the independent producer exemption contained in Section 613A(c) of the Code. For this purpose, an independent producer is a person not directly or indirectly involved in the retail sale of oil, natural gas, or derivative products or the operation of a major refinery. Percentage depletion is calculated as an amount generally equal to 15% (and in the case of marginal production potentially a higher percentage) of the unitholder's gross income from the depletable property for the taxable year. The percentage depletion deduction in respect of any property is limited to 100% of the taxable income of the unitholder from the property for each taxable year, computed without the depletion allowance. A unitholder that qualifies as an independent producer may deduct percentage depletion only to the extent the unitholder's average daily production of domestic crude oil, or the natural gas equivalent, does not exceed 1,000 barrels. This depletable amount may be allocated between crude oil and natural gas production, with 6,000 cubic feet of domestic natural gas production regarded as equivalent to one barrel of crude oil. The 1,000 barrel limitation must be allocated among the independent producer and controlled or related persons and family members in proportion to the respective production by such persons during the period in question.

In addition to the foregoing limitation, the percentage depletion deduction otherwise available is limited to 65% of the unitholders' total taxable income from all sources for the year, computed without the depletion allowance, net operating loss carrybacks or capital loss carrybacks. Any percentage depletion deduction disallowed because of the 65% limitation may be deducted in the following taxable year if the percentage depletion deduction for such year plus the deduction carryover does not exceed 65% of the taxpayer's total taxable income for that year. The carryover period resulting from the 65% net income limitation is indefinite.

If a unitholder does not qualify under the independent producer exemption, the unitholder generally will be restricted to depletion deductions based on cost depletion. Cost depletion is calculated by (i) dividing the unitholder's share of the adjusted tax basis in the underlying mineral property by the number of mineral units (barrels of oil and thousand cubic feet, or Mcf, of natural gas) remaining as of the beginning of the taxable year and (ii) multiplying the result in (i) by the number of mineral units sold within the taxable year. The total amount of deductions based on cost depletion cannot exceed the unitholder's share of the total adjusted tax basis in the property.

All or a portion of any gain recognized by a unitholder as a result of either the disposition by us of some or all of our oil and natural gas interests or the disposition by the unitholder of some or all of its common units may be taxed as ordinary income to the extent of recapture of depletion deductions, except for percentage depletion deductions in excess of the basis of the property. The amount of the recapture is generally limited to the amount of gain recognized on the disposition.

The foregoing discussion of depletion deductions does not purport to be a complete analysis of the complex legislation and Treasury regulations relating to the availability and calculation of depletion deductions by the unitholders. Further, because depletion is required to be computed separately by each unitholder and not by our Partnership, no assurance can be given, and counsel is unable to express any opinion, as to the availability or extent of percentage depletion deductions to the unitholders. If percentage depletion is not available to a unitholder, the amount of depletion deductions of a partner may be less than they would be if percentage depletion were available. Each current and prospective unitholder is encouraged to consult its tax advisor to determine whether percentage depletion would be available to the unitholder.

## **Limitations on Deductions**

### *Tax Basis and At-Risk Limitations*

The deduction by a unitholder of any losses relating to the unitholder's common units is limited to the tax basis in its common units. In the case of an individual unitholder or a corporate unitholder of which more than 50% of the value of its stock is owned directly or indirectly by five or fewer individuals or some tax-exempt organizations, the deduction of losses will be limited to the amount for which the unitholder is considered to be "at risk" with respect to our activities, if that amount is less than the unitholder's tax basis in its common units. A unitholder must recapture losses deducted in previous years to the extent that distributions cause its at risk amount to be less than zero at the end of any taxable year. Losses disallowed to a unitholder or recaptured as a result of these limitations will carry forward and will be allowable to the extent that the unitholder's tax basis or at risk amount, whichever is the limiting factor, is subsequently increased. Upon the taxable disposition of a common unit, any gain recognized by a unitholder can be offset by losses that were previously suspended by the at risk limitation but may not be offset by losses suspended by the basis limitation. Any suspended losses in excess of that gain are no longer utilizable.

In general, a unitholder is at risk to the extent of the tax basis of its common units, excluding any portion of that tax basis attributable to its share of our liabilities, reduced by any amount of money the unitholder borrows to acquire or hold its common units, if the lender of those borrowed funds owns an interest in us, is related to the unitholder, or can look only to the common units for repayment. A unitholder's at risk amount will increase or decrease as the tax basis of the unitholder's common units increases or decreases, other than tax basis increases or decreases attributable to increases or decreases in the unitholder's share of our liabilities.

### *Limitations with Respect to Passive Activities*

In general, individuals, estates, trusts and some closely-held corporations and personal service corporations can deduct losses from passive activities only to the extent of the taxpayer's income from passive activities. We do not anticipate that any material amount of the activities we conduct will constitute passive activities since our assets will primarily generate portfolio income such as royalty income (which is not income from a passive activity). Thus, the passive activity loss limitations will not apply to our unitholders with respect to any material amount of our losses that may be allocated to them.

### *Limitations with Respect to Excess Business Loss*

For taxpayers other than corporations in taxable years beginning after December 31, 2017, and before January 1, 2026, an "excess business loss" limitation further limits the deductibility of losses by unitholders. An excess business loss is the excess (if any) of a taxpayer's aggregate deductions for the taxable year that are attributable to the trades or businesses of such taxpayer (determined without regard to the excess business loss limitation) over the aggregate gross income or gain of such taxpayer for the taxable year that is attributable to such trades or businesses plus a threshold amount. The threshold amount is equal to \$250,000 or \$500,000 for taxpayers filing a joint return. Disallowed excess business losses are treated as a net operating loss carryover to the following taxable year. We do not anticipate that any material amount of the activities we conduct will constitute a trade or business since our assets will primarily generate income from non-operated, passive mineral and royalty interests. Thus, we do not expect the excess business loss limitations to apply to our unitholders with respect to any material amount of our losses that may be allocated to them. Unitholders should consult their own tax advisers regarding the applicability of the "excess business loss" limitation.

### *Limitations on Interest Deductions*

The deductibility of a non-corporate taxpayer's investment interest expense is generally limited to the amount of that taxpayer's net investment income. Investment interest expense includes:

- interest on indebtedness properly allocable to property held for investment;
- interest properly allocable to portfolio income; and
- interest properly allocable to the purchase or carrying of an interest in a passive activity to the extent attributable to portfolio income.

The computation of a unitholder's investment interest expense will take into account interest on any margin account borrowing or other loan incurred to purchase or carry the unitholder's common units.

Net investment income includes gross income from property held for investment and amounts treated as portfolio income under the passive loss rules, less deductible expenses, other than interest, directly connected with the production of investment income, but generally does not include gains attributable to the disposition of property held for investment. Therefore, a unitholder's share of our portfolio income will be treated as investment income.

In addition, for taxable years beginning after December 31, 2017, taxpayers generally may not deduct certain "business interest" expense to the extent such interest exceeds the taxpayer's business interest income and 30% of the taxpayer's "adjusted taxable income" for the taxable year. With respect to partnerships, this limitation first is applied at the partnership level and any deduction for business interest is taken into account in determining the partnership's non-separately stated taxable income or loss. Then, in applying this business interest limitation at the partner level, the adjusted taxable income of the partners is determined without regard to each partner's distributive share of any of items of income, gain, deduction, or loss from the partnership and is increased by each partner's distributive share of excess taxable income from the partnership, which generally equals the excess of 30% of the partnership's adjusted taxable income over the amount of the partnership's deduction for business interest for a taxable year.

Because our assets generate primarily portfolio income such as royalty income from non-operated mineral and royalty interests, we do not expect to incur a material amount of "business interest" subject to the foregoing business interest limitations. Unitholders should consult their own tax advisers regarding the applicability of the limitation on "business interest."

### **Tax Rates**

Under current law, the highest marginal federal income tax rates for individuals applicable to ordinary income and long-term capital gains (generally, gains from the sale or exchange of certain investment assets held for more than one year) are 37% and 20%, respectively. These rates are subject to change by new legislation at any time.

In addition, a 3.8% net investment income tax applies to certain net investment income earned by individuals, estates, and trusts. For these purposes, net investment income generally includes a unitholder's allocable share of our income and gain realized by a unitholder from a sale of units. In the case of an individual, the tax will be imposed on the lesser of (i) the unitholder's net investment income from all investments, or (ii) the amount by which the unitholder's modified adjusted gross income exceeds \$250,000 (if the unitholder is married and filing jointly or a surviving spouse), \$125,000 (if married filing separately) or \$200,000 (if the unitholder is unmarried or in any other case). In the case of an estate or trust, the tax will be imposed on the lesser of (i) undistributed net investment income, or (ii) the excess adjusted gross income over the dollar amount at which the highest income tax bracket applicable to an estate or trust begins.

For taxable years beginning after December 31, 2017 and ending on or before December 31, 2025, an individual may generally claim a deduction in the amount of 20% of its allocable share of certain “qualified publicly traded partnership income” (the “Section 199A Deduction”). For purposes of the new Section 199A Deduction, “qualified publicly traded partnership income” generally is equal to the sum of:

- the net amount of the taxpayer’s allocable share of each qualified item of income, gain, deduction, and loss from a publicly traded partnership to the extent such items are effectively connected with a United States trade or business and allowed in the determination of taxable income for the year, *excluding*, however, certain specified types of passive investment income (such as capital gains and dividends) and certain payments made for services rendered to the partnership; and
- any gain recognized by the taxpayer upon a disposition of his or her interest in such partnership to the extent such gain is attributable to “unrealized receivables,” such as depreciation or depletion recapture, and “inventory items,” both as defined in Section 751 of the Code, and, thus, is treated as ordinary income under Section 751 of the Code.

Because we own only non-operated, passive mineral and royalty interests, we may not be viewed as engaged in a U.S. trade or business within the meaning of the new law. Therefore, most or all of the income that we now generate, or will generate in the future, may not be “qualified publicly traded partnership income” eligible for the Section 199A Deduction to our individual unitholders. Thus, our unitholders may not be able to claim the Section 199A Deduction on any income allocated from us, and any such claim may be successfully challenged by the IRS. If the Section 199A Deduction is not available, our unitholders’ tax liability from ownership and disposition of our common units may be materially higher than if the deduction is available. We urge our unitholders to consult their tax advisers regarding the availability of the Section 199A Deduction on any income allocated from us.

### **Distributions by Us to Unitholders**

Distributions of money by us to a unitholder generally will not result in taxable income or gain to the unitholder unless, and only to the extent that, the distribution exceeds the unitholder’s adjusted tax basis in its common units immediately before the distribution. Any such gain generally will be capital gain, except that a portion of such gain will be separately computed and taxed as ordinary income to the extent the distribution is attributable to the unitholder’s allocable share of unrealized receivables or inventory items owned by us. Unrealized receivables include the unitholder’s share of potential recapture items, including depreciation and depletion deductions. Ordinary income attributable to unrealized receivables and inventory items may exceed the net taxable gain realized.

Any reduction in a unitholder’s share of our liabilities, including upon a non-pro rata issuance of additional common units by us without a corresponding increase in our liabilities, will constitute a deemed distribution of money by us to the unitholder. We have not and do not expect to incur significant liabilities. Therefore, it is not anticipated that any current or prospective unitholder will be deemed to receive a cash distribution from a reduction in a unitholder’s share of liabilities that would result in the recognition of a material amount of taxable gain.

A non-pro rata distribution of money or property (including a deemed distribution as a result of the reallocation of our nonrecourse liabilities described above) may cause a unitholder to recognize ordinary income, if the distribution reduces the unitholder’s share of our “unrealized receivables,” including depreciation and depletion recapture and substantially appreciated “inventory items,” both as defined in Section 751 of the Code. To the extent of such reduction, the unitholder would be deemed to receive its proportionate share of such assets and exchange such assets with us in return for a portion of the non-pro rata distribution. This deemed exchange generally will result in the unitholder’s recognition of ordinary income in an amount equal to the excess of (1) the non-pro rata portion of that distribution over (2) the unitholder’s tax basis (generally zero) in the unrealized receivables and inventory items deemed to be relinquished in the exchange.

### **Ratio of Taxable Income to Distributions**

The ratio of the amount of taxable income that will be allocated to each unitholder to the amount of cash that will be distributed to the unitholder is uncertain. The amount of taxable income realized by each unitholder will be dependent upon a number of factors, and so we cannot predict the ratio of the amount of taxable income that will be allocated to a unitholder to the amount of cash that will be distributed to a unitholder. Relevant factors include: (a) the amount of taxable income recognized by us; (b) the amount of any gain recognized by us that is attributable to specific asset sales that may be wholly or partially attributable to Built-in Gain and the resulting allocation of such gain to the partners that contributed the assets being sold (see “—Tax Allocations by Us to Unitholders—Tax Allocations with Respect to Book-Tax Difference on Contributed Properties”); and (c) the amount of basis adjustment pursuant to Section 754 of the Internal Revenue Code available to the unitholder based on the purchase price for any common units and the amount by which such price exceeded the unitholder’s proportionate share of inside tax basis of our assets attributable to the common units when the common units were purchased (see “—Section 754 Election”). Unitholders will be required to pay U.S. federal income taxes and, in some cases, state and local income taxes, on their share of taxable income, whether or not they receive cash distributions from us equal to their share of our taxable income or even equal to the actual tax liability that results from that income.

## **Tax Basis in Our Assets**

The tax basis of our assets will be used for purposes of computing gain or loss on the disposition of these interests. The federal income tax burden associated with the difference between the fair market value of property contributed to us and the tax basis of that property will be borne by the contributing partners to the extent of any Built-in Gains. See “—Tax Allocations by Us to Unitholders—Tax Allocations with Respect to Book-Tax Difference on Contributed Properties”.

## **Tax Basis in Our Common Units**

A unitholder’s tax basis in its common units initially will be the amount paid for those common units increased by the unitholder’s initial allocable share of our liabilities. A unitholder’s tax basis in its common units generally will be increased by (a) the unitholder’s allocable share of our taxable and tax exempt income, (b) any contributions by the unitholder to our capital, and (c) any increases in the unitholder’s allocable share of our liabilities, if any. Generally, a unitholder’s tax basis in its common units will be decreased (but not below zero) by (1) the unitholder’s allocable share of our losses and nondeductible expenditures which are not chargeable to capital, (2) the amount of any cash and the amount of the basis of any property distributed to the unitholder by us, (3) any decreases in the unitholder’s allocable share of our liabilities, and (4) the amount of any depletion deductions taken by the unitholder with respect to its common units to the extent the deductions do not exceed the unitholder’s proportionate share of the adjusted tax basis of the underlying producing property.

## **Disposition of Our Common Units**

A unitholder will recognize gain or loss on a sale of its common units in an amount equal to the difference between the amount realized and the unitholder’s adjusted tax basis in the common units sold. A unitholder’s amount realized will be measured by the sum of any cash and the fair market value of any other property received plus the unitholder’s share of our liabilities, if any.

Except as noted below, gain or loss recognized by a unitholder, other than a dealer in common units, on the sale or exchange of common units held by the unitholder for more than one year generally will be taxable as long-term capital gain or loss. However, this gain or loss will be taxed as ordinary income or loss to the extent attributable to the unitholder’s allocable share of unrealized receivables or inventory items owned by us. Unrealized receivables include the unitholder’s share of potential recapture items, including depletion deductions to the extent such deductions previously reduced a unitholder’s basis in its common units. Ordinary income attributable to unrealized receivables and inventory items may exceed the net taxable gain realized upon the sale of the common units and may be recognized even if there is a net taxable loss realized on the sale of the common units. Thus, a unitholder may recognize both ordinary income and a capital gain or loss upon a disposition of its common units. Net capital loss may offset capital gains and, in the case of individuals, up to \$3,000 of ordinary income per year.

For purposes of calculating gain or loss on the sale or exchange of common units, the unitholder’s adjusted tax basis will be adjusted by its allocable share of our income or loss in respect of its units for the year of the sale. In addition, the IRS has ruled that a partner who acquires interests in a partnership in separate transactions must combine those interests and maintain a single adjusted tax basis for all of those interests. Upon a sale or other disposition of less than all of those interests, a portion of that tax basis must be allocated to the interests sold using an “equitable apportionment” method, which generally means that the tax basis allocated to the interest sold equals an amount that bears the same relation to the partner’s tax basis in his entire interest in the partnership as the value of the interest sold bears to the value of the partner’s entire interest in the partnership.

Treasury Regulations under Section 1223 of the Code allow a selling unitholder who can identify common units transferred with an ascertainable holding period to elect to use the actual holding period of the common units transferred. Thus, according to the ruling discussed above, a unitholder will be unable to select high or low basis common units to sell as would be the case with corporate stock, but, according to the Treasury Regulations, he may designate specific common units sold for purposes of determining the holding period of common units transferred. A unitholder electing to use the actual holding period of common units transferred must consistently use that identification method for all subsequent sales or exchanges of our common units. A unitholder considering the purchase of additional common units or a sale of common units purchased in separate transactions is urged to consult his tax advisor as to the possible consequences of this ruling and application of the Treasury Regulations.

Provisions of the Code may cause a unitholder to be treated as having sold appreciated common units at their fair market value resulting in the recognition of taxable gain if the taxpayer or related persons enter(s) into:

- a short sale;
- an offsetting notional principal contract; or
- a futures or forward contract with respect to the common units or substantially identical property.

Moreover, if a unitholder has previously entered into a short sale, an offsetting notional principal contract or a futures or forward contract with respect to the common units, the unitholder will be treated as having sold that position if the taxpayer or a related person then acquires the common units or substantially identical property. Further, the Secretary of Treasury is authorized to issue regulations that treat a taxpayer that enters into transactions or positions that have substantially the same effect as the preceding transactions as having constructively sold the financial position. See “—Treatment of Short Sales.”

If a unitholder sells or otherwise disposes of a common unit, the transferee generally is required to withhold 10% of the amount realized by the transferor unless the transferor certifies that it is not a foreign person, and we are required to deduct and withhold from distributions to the transferee amounts that should have been withheld by the transferee but were not withheld. Final regulations issued on October 7, 2020, provide rules for withholding on the transfer of a partnership interest in a publicly traded partnership. However, the Treasury Department and the IRS have suspended these rules for transfers of certain publicly traded partnership interests, including transfers of our common units, that occur before January 1, 2022. For transfers of our common units occurring on or after January 1, 2022, withholding will be required on open market transactions, but in the case of a transfer made through a broker, a partner’s share of liabilities will be excluded from the amount realized. In addition, the obligation to withhold will be imposed on the broker instead of the transferee (and we will generally not be required to withhold from the transferee amounts that should have been withheld by the transferee but were not withheld). Prospective foreign unitholders should consult their tax advisors regarding the impact of these rules on an investment in our common units.

#### **Treatment of Short Sales**

A unitholder whose common units are loaned to a short seller to cover a short sale of common units may be considered as having disposed of ownership of those common units for federal income tax purposes. If so, the unitholder would no longer be a partner for tax purposes with respect to those common units during the period of the loan and may recognize gain or loss from the disposition. As a result, during this period:

- any of our income, gain, loss or deduction with respect to those common units would not be reportable by the lending unitholder;
- any cash distributions received by the lending unitholder for those common units would be fully taxable and would appear to be treated as ordinary income.

Because there is no clear authority on this issue, counsel is unable to render an opinion regarding the treatment of a unitholder whose common units are loaned to a short seller. Therefore, unitholders desiring to assure their status as partners for federal income tax purposes and avoid the risk of gain recognition are encouraged to modify any applicable brokerage account agreements to prohibit their brokers from loaning their common units. See “—Disposition of Our Common Units.”



## Section 754 Election

We have made the election permitted by Section 754 of the Code. That election is irrevocable without the consent of the IRS. The election generally permits us to make an adjustment (the “Section 743(b) adjustment”), to a unitholder’s tax basis in our assets, referred to as inside basis, to reflect the unitholder’s purchase price in its common units. This election does not apply to a person who purchases common units directly from us. It does apply to any other purchaser of common units. The Section 743(b) adjustment belongs solely to the purchaser and not to other unitholders. For purposes of this discussion, a unitholder’s inside basis of our assets will be considered to have two components:

- the unitholder’s share of our tax basis in our assets; and
- the unitholder’s Section 743(b) adjustment to that tax basis.

Our general partner utilizes a method of calculating inside basis, including the unitholders’ Section 743(b) adjustments, which results in an aggregate basis for depletion purposes that reflects the purchase price of common units as paid by the unitholders. This method is not specifically authorized under applicable Treasury regulations, and the IRS may challenge this method. Such a challenge, if successful, could cause our unitholders to recognize more taxable income or less taxable loss on an ongoing basis in respect of their common units. Although the method our general partner uses is not specifically authorized under the applicable Treasury regulations, we believe that it is a reasonable method of determining each unitholder’s share of net income or loss (including depletion and gain or loss from the sale of property). Because there is no clear authority on this issue, counsel is unable to opine as to the validity of this method. If the IRS successfully contends that such method may not be used, our general partner will attempt to use any other reasonable depletion conventions to preserve the uniformity of the intrinsic tax characteristics of any common units that would not have a material adverse effect on the unitholders or record holders of any class or classes of units. However, a unitholder may have more or less depletion deductions and gain or loss on the taxable disposition of its common units than under the method the general partner uses.

A Section 754 election is advantageous if the transferee’s tax basis in its common units is higher than the common units’ share of the aggregate tax basis of our assets immediately prior to the transfer. In that case, as a result of the election, the transferee would have a higher tax basis in its share of our assets for purposes of calculating, among other items, its depletion deductions and its share of any gain or loss on a sale of our assets. Conversely, a Section 754 election is disadvantageous if the transferee’s tax basis in its common units is lower than those common units’ share of the aggregate tax basis of our assets immediately prior to the transfer. Thus, the fair market value of the common units may be affected either favorably or adversely by the Section 754 election. A basis adjustment is required regardless of whether a Section 754 election is made in the case of a transfer of an interest in us if we have a substantial built-in loss immediately after the transfer, or if we distribute property and have a substantial basis reduction. Generally a built-in loss or a basis reduction is substantial if it exceeds \$250,000.

The calculations involved in the Section 754 election are complex and we will make them on the basis of assumptions as to the fair market value of our assets and other matters. The allocation of the Section 743(b) adjustment among our assets must be made in accordance with the Code. The IRS could seek to reallocate some or all of any Section 743(b) adjustment. We cannot assure our unitholders that the determinations made by us will not be successfully challenged by the IRS or that the deductions resulting from these determinations may not be reduced or disallowed altogether. Should the IRS require a different basis adjustment, and should, in our opinion, the expense of compliance exceed the benefit of the election, we may seek permission from the IRS to revoke our Section 754 election. If permission is granted, a subsequent purchaser of common units may be allocated more income that it would have been allocated had the election not been revoked.

## Alternative Minimum Tax on Items of Tax Preference

The Code contains alternative minimum tax rules that are applicable to individual taxpayers. We are not subject to the alternative minimum tax, but our individual unitholders are required to take into account on their own tax returns their respective shares of our tax preference items and adjustments in order to compute their alternative minimum taxable income. Although it is not expected that we will generate significant tax preference items or adjustments, since the impact of the alternative minimum tax depends on each individual unitholder’s particular situation, each prospective individual unitholder is encouraged to consult with its tax advisor as to the impact of an investment in common units on its alternative minimum tax liability.

## Considerations for Tax-Exempt Limited Partners

Unitholders that are tax-exempt entities, including charitable corporations, pension, profit-sharing or stock bonus plans, Keogh plans, individual retirement accounts and certain other employee benefit plans are subject to federal income tax on unrelated business taxable income, referred to as UBTI. Generally, UBTI can arise from a trade or business unrelated to the exempt purposes of the tax-exempt entity that is regularly carried on by either the tax-exempt entity or a partnership in which it is a partner. However, UBTI does not apply to interest income, royalties (including overriding royalties) or net profits interests, whether the royalties or net profits are measured by production or by gross or taxable income from the property. Pursuant to the provisions of our partnership agreement, our general partner shall use all reasonable efforts to prevent us from realizing income that would constitute UBTI. In addition, our General Partner is prohibited from incurring certain types and amounts of indebtedness and from directly owning working interests or cost bearing interests and, in the event that any of our assets become working interests or cost bearing interests, is required to assign such interests to the Operating Partnership subject to the reservation of a net profits overriding royalty interest. However, it is possible that we may realize income that would constitute UBTI in an effort to maximize unitholder value.

## Recent Legislative Developments

On March 31, 2021, the Biden Administration released a \$2 trillion “American Jobs Plan” that contains proposals to increase investment in infrastructure while offsetting the costs of these proposals with a “Made in America Tax Plan” (the “Tax Plan”). Although very few details of the Tax Plan have been released, the proposal includes raising the corporate tax rate from 21% to 28%, and eliminating “subsidies, loopholes, and special foreign tax credits for the fossil fuel industry.” Furthermore, on April 21, 2021, Senate Finance Committee Chair Ron Wyden introduced the “Clean Energy for America Act” that would, if enacted into law, make significant changes to United States tax laws, including to certain key federal income tax provisions currently available to oil and natural gas exploration and production companies. These changes include, but are not limited to, (i) the repeal of the percentage depletion allowance for oil and natural gas properties, (ii) the elimination of current deductions for intangible drilling and development costs (“IDCs”), (iii) the elimination of the deduction for certain qualified publicly traded partnership income, (iv) an elimination of the amortization period for certain geological and geophysical expenditures, and (v) the repeal, as it relates to fossil fuels, of the qualifying income exception to the treatment of all publicly traded partnerships as corporations.

The passage of any legislation as a result of these proposals or any other similar changes in federal income tax laws could eliminate or postpone certain tax deductions that are currently available with respect to oil and natural gas exploration and development, thereby discouraging production from the oil and gas properties that are subject to our royalty interests. In addition, any such changes could reduce the depletion deductions or other deductions allowable to our unitholders and could negatively impact the value of an investment in our units.

Any modification to the federal income tax laws and interpretations thereof may or may not be retroactively applied and could make it more difficult or impossible for us to be treated as a partnership for federal income tax purposes or otherwise adversely affect us. We are unable to predict whether any of these changes, or other proposals, will ultimately be enacted. Any such changes could negatively impact the value of an investment in our common units.

## Administrative Matters

### *Accounting Method and Taxable Year*

We use the year ending December 31 as our taxable year, and we have adopted the accrual method of accounting for federal income tax purposes. Each unitholder will be required to include in income its share of our income, gain, loss and deduction for our taxable year ending within or with the unitholder’s taxable year. In addition, a unitholder who has a taxable year ending on a date other than December 31 and who disposes of all of its common units following the close of our taxable year but before the close of the unitholder’s taxable year must include the unitholder’s allocable share of our income, gain, loss and deduction for one year ended on the previous December 31, as well as for the portion of our current taxable year ending on the date of the disposition, in income for its taxable year, with the result that the unitholder could be required to include in income for its taxable year its share of more than one year of our income, gain, loss and deduction. See “—Tax Allocations by Us to Unitholders—Allocations between Transferors and Transferees.” Because of differences between accounting principles generally accepted in the United States of America, which apply to the financial statements issued by us, and the tax accounting method described above, our net income as reported on our financial statements will likely differ from the taxable income for the same period.

*Information Returns and Audit Procedures*

We furnish our unitholders with a Schedule K-1 tax statement that sets forth their allocable share of income, gains, losses and deductions. In preparing this schedule, we will use various accounting and reporting conventions and various depreciation and amortization methods we have adopted. This schedule may not yield a result that conforms to statutory or regulatory requirements or to administrative pronouncements of the IRS. Neither we nor our counsel can assure unitholders that the IRS will not successfully contend in court that those accounting and reporting conventions are impermissible. Any challenge by the IRS could negatively affect the value of the common units. In addition, the cost of any contest will be borne directly or indirectly by the unitholders. Further, our tax return may be audited, and any such audit could result in an audit of our unitholders' individual income tax returns as well as increased liabilities for taxes because of adjustments resulting from the audit. An audit of our unitholders' returns also could be triggered if the tax information relating to their common units is not consistent with the Schedule K-1 that we are required to provide to the IRS.

The Code contains partnership audit procedures governing the manner in which the IRS audit adjustments for partnership items are resolved. Neither we nor counsel can assure prospective unitholders that the IRS will not successfully challenge the positions we adopt, and such a challenge could adversely affect the value of the units. Adjustments resulting from any audit of this kind may require each unitholder to adjust a prior year's tax liability, and possibly may result in an audit of that unitholder's own return. Any audit of a unitholder's return could result in adjustments not related to our returns as well as those related to our returns. It is possible that the IRS will "match" partnership information as reported on partners' individual income tax returns against the electronic Schedule K-1 tax information that we are required to provide to the IRS. If the IRS follows this practice and you do not report tax information on your tax returns in a manner that is consistent with your Schedule K-1 tax statement, any IRS matching program may trigger an inquiry or possibly an audit of your individual tax return.

Partnerships generally are treated as entities separate from their owners for purposes of federal tax audits, judicial review of administrative adjustments by the IRS and tax settlement proceedings. The tax treatment of partnership items of income, gain, loss and deduction are determined in a partnership proceeding rather than in separate proceedings with the partners. For taxable years beginning on or before December 31, 2017, the Code requires that one partner be designated as the "Tax Matters Partner" for these purposes. Our partnership agreement appoints our general partner as our Tax Matters Partner.

The Tax Matters Partner has made and will make some elections on our behalf and on behalf of the unitholders. In addition, the Tax Matters Partner can extend the statute of limitations for assessment of tax deficiencies against the unitholders for items in our returns. The Tax Matters Partner will make a reasonable effort to keep each unitholder informed of administrative and judicial tax proceedings with respect to our items in accordance with applicable Treasury regulations. The Tax Matters Partner may bind a unitholder with less than a 1% profits interest in our Partnership to a settlement with the IRS unless that unitholder elects, by filing a statement with the IRS, not to give that authority to the Tax Matters Partner. The Tax Matters Partner may seek judicial review, by which all the unitholders are bound, of a final partnership administrative adjustment and, if the Tax Matters Partner fails to seek judicial review, judicial review may be sought by any unitholder having at least a 1% interest in profits or by any group of unitholders having in the aggregate at least a 5% interest in profits. However, only one action for judicial review will go forward, and each unitholder with an interest in the outcome may participate.

A unitholder must file a statement with the IRS identifying the treatment of any item on his federal income tax return that is not consistent with the treatment of the item on our return. Intentional or negligent disregard of this consistency requirement may subject a unitholder to substantial penalties.

For tax years beginning after December 31, 2017, if the IRS makes audit adjustments to our income tax returns, it may assess and collect any taxes (including any applicable penalties and interest) resulting from such audit adjustment directly from us, unless we elect to have our general partner and unitholders take any audit adjustment into account in accordance with their interests in us during the taxable year under audit and/or the partnership is able to elect what is called the “pull-in election” in which the unitholders will be obligated to pay the tax relating to any adjustments that apply. Similarly, for such taxable years, if the IRS makes audit adjustments to income tax returns filed by an entity in which we are a member or partner, it may assess and collect any taxes (including penalties and interest) resulting from such audit adjustment directly from such entity. Generally, we expect to elect to have our general partner and unitholders take any such audit adjustment into account in accordance with their interests in us during the taxable year under audit, but there can be no assurance that such election or the pull-in election will be effective in all circumstances. If we are unable or if it is not economical to have our general partner, unitholders and former unitholders take such audit adjustment into account in accordance with their interests in us during the taxable year under audit, our then current unitholders may bear some or all of the tax liability resulting from such audit adjustment, even if such unitholders did not own our units during the taxable year under audit. If we are required to make payments of taxes, penalties, and interest resulting from audit adjustments, our cash available for distribution to our unitholders might be substantially reduced.

Additionally, the Code no longer requires that we designate a Tax Matters Partner. Instead, for taxable years beginning after December 31, 2017, we will be required to designate a partner, or other person, with a substantial presence in the United States as the partnership representative (“Partnership Representative”). The Partnership Representative will have the sole authority to act on our behalf for purposes of, among other things, federal income tax audits and judicial review of administrative adjustments by the IRS. If we do not make such a designation, the IRS can select any person as the Partnership Representative. We have designated our general partner as the Partnership Representative. Further, any actions taken by us or by the Partnership Representative on our behalf with respect to, among other things, federal income tax audits and judicial review of administrative adjustments by the IRS, will be binding on us and all of the unitholders.

#### *Accuracy-related Penalties*

Certain penalties may be imposed as a result of an underpayment of tax that is attributable to one or more specified causes, including negligence or disregard of rules or regulations, substantial understatements of income tax and substantial valuation misstatements. No penalty will be imposed, however, for any portion of an underpayment if it is shown that there was a reasonable cause for the underpayment of that portion and that the taxpayer acted in good faith regarding the underpayment of that portion. We do not anticipate that any accuracy related penalties will be assessed against us.

#### *Nominee Reporting*

Persons who hold our common units as a nominee for another person are required to furnish to us:

- the name, address and taxpayer identification number of the beneficial owner and the nominee;
- whether the beneficial owner is a person that is not a United States person, a foreign government, an international organization or any wholly owned agency or instrumentality of either of the foregoing, or a tax-exempt entity;
- the amount and description of common units held, acquired or transferred for the beneficial owner; and
- specific information including the dates of acquisitions and transfers, means of acquisitions and transfers, and acquisition cost for purchases, as well as the amount of net proceeds from sales.

Brokers and financial institutions are required to furnish additional information, including whether they are United States persons and specific information on common units they acquire, hold or transfer for their own account. A penalty of \$270 per failure, up to a maximum of \$3,282,500 per calendar year, is imposed by the Code for failure to report that information to us. The nominee is required to supply the beneficial owner of the common units with the information furnished to us.

#### *Entity-Level Collections*

Our general partner is authorized to take any action that it determines in its discretion to be necessary or appropriate to cause us to comply with any withholding requirements established under the Code or any other federal, state or local law. In addition, if we are required or elect under applicable law to pay any federal, state, local, or non-United States tax on behalf of any current or former unitholder or our general partner, we are authorized to treat the payment as a distribution of cash to the relevant unitholder or general partner. To the extent that we are required or elect to withhold and pay over to any taxing authority any amount resulting from the allocation or distribution of income to any unitholder, the amount withheld may, at the discretion of our general partner, be treated by us as a distribution of cash in the amount of the withholding from the unitholder. Unitholders are urged to consult their tax advisors to determine the consequences to them of any tax payment we make on their behalf.

## **State and Local Taxes**

A unitholder may be required to file tax returns and be subject to tax liability in the state or local jurisdictions where a unitholder resides and in each state or local jurisdiction in which we have assets or otherwise do business. Thus, persons holding our common units either directly or through one or more partnerships or limited liability companies may be subject to state and local taxation in a number of jurisdictions in which we directly or indirectly hold oil and gas properties and would be required to file periodic tax returns in those jurisdictions. State taxes may be withheld by third parties on royalty payments to us, and we may be required to withhold state income tax from distributions otherwise payable to our unitholders. Withholding tax laws are in place in various states that may impose withholding taxes on us or on our unitholders. We provide our unitholders with summary federal information, broken down by state which may be used by them in preparing their state and local returns. To the extent that a unitholder pays income tax with respect to our income to a state where it is not resident or to the extent that we are required to pay state income tax on behalf of such unitholder, the unitholder may be entitled to a deduction or credit against income tax that it otherwise would owe to its state of residence with respect to the same income.

We urge each prospective unitholder to consult with its tax advisor regarding the state and local income tax implications of owning our common units.

## **Notification Requirements**

A unitholder who sells or purchases any of its units generally is required to notify us in writing of that transaction within 30 days after the transaction (or, if earlier, January 15 of the year following the transaction in the case of a seller). We are required to notify the IRS of that transaction and to furnish specified information to the transferor and transferee. Failure to satisfy these reporting obligations may lead to the imposition of substantial penalties. However, these reporting requirements do not apply to a sale by an individual who is a citizen of the United States and who effects the sale or exchange through a broker.

## **Backup Withholding**

The Code requires backup withholding (currently at a rate of 24%) with respect to all reportable payments. A reportable payment includes not only reportable interest or dividend payments but also other payments including some royalty payments. Accordingly, subject to the limitations discussed below, a unitholder may be subject to backup withholding with respect to all or a portion of its distributions from us.

Backup withholding is required with respect to any reportable payment if the payee fails to furnish its taxpayer identification number, referred to as TIN, to the payor in the required manner or to establish an exemption from the requirement or if the Secretary of the Treasury notifies the payor that the TIN furnished by the payee is incorrect. Accordingly, a unitholder may avoid backup withholding by furnishing its correct TIN to us. Any unitholder who does not provide its TIN to us is urged to consult its tax advisor concerning the applicability of the backup withholding provisions to its distributions from us.

## **PLAN OF DISTRIBUTION**

This prospectus relates to 10,000,000 common units that we may offer and issue from time to time in connection with business combination transactions. This prospectus also relates to common units that persons who acquired common units pursuant to this prospectus may resell or reoffer.

The amount and type of consideration we will offer and the other specific terms of each acquisition will be determined by negotiations and/or competitive offers with the owners or controlling persons of the businesses or assets acquired. We will determine the value of the common units to be issued at prices reasonably related to market prices current either at the time of the agreement on the terms of a business combination transaction or at or about the time of delivery of the common units.

We will pay all expenses of this offering. We will not pay any underwriting discounts or commissions in connection with the issuance or sale of any common units, although we may pay finder's, investment banking or transaction advisory fees in connection with specified business combinations, and in some cases, we may issue common units offered by this prospectus in full or partial payment of such fees. Any person receiving a finder's, investment banking or transaction advisory fee may be deemed an underwriter within the meaning of the Securities Act of 1933, as amended (the "Securities Act").

## **SELLING UNITHOLDERS**

We may from time to time permit persons who receive common units in business combinations pursuant to this prospectus to resell their common units using this prospectus.

These sales may be effected from time to time on the NASDAQ Global Select Market ("NASDAQ") at prevailing prices or at negotiated prices. The selling unitholders may also sell their common units in private transactions or in the over-the-counter market at prices related to the prevailing prices of the common units on NASDAQ.

The selling unitholders may use broker-dealers to effect these transactions. These broker-dealers may receive compensation in the form of underwriting discounts, concessions, or commissions from the sales. The selling unitholders and any broker-dealers that participate in the distribution may, under certain circumstances, be deemed to be underwriters within the meaning of the Securities Act, and any commissions received or profits realized may be deemed to be underwriting discounts and commissions under the Securities Act. We and the selling unitholders may also agree to indemnify the broker-dealers against certain liabilities under the Securities Act. In addition, we may agree to indemnify the selling unitholders and any underwriter of the common units against certain liabilities under the Securities Act or, if indemnity is unavailable, to contribute toward amounts required to be paid in respect of such liabilities.

If required under the Securities Act, we will file a supplemental prospectus disclosing the name of any selling unitholder, the name of any broker-dealers involved in a sale, the number of common units involved, the price at which such common units are to be sold, the commissions paid or discounts or concessions allowed, and other facts material to the transaction.

We may agree to pay certain costs and expenses that the selling unitholders incur in connection with the registration of their common units, but we expect that the selling unitholders will pay all selling commissions, transfer taxes, and related charges in connection with the offer and sale of their common units.

The selling unitholders may sell the common units offered hereby from time to time and may choose to sell less than all or none of those units.

## **LEGAL MATTERS**

Certain legal matters in connection with the securities offered pursuant to this prospectus will be passed upon by Thompson & Knight LLP, Dallas, Texas. Underwriters, dealers and agents, if any, who we will identify in a prospectus supplement, may have their counsel pass upon certain legal matters in connection with the securities offered by this prospectus.

## **EXPERTS**

The audited financial statements incorporated by reference in this prospectus and elsewhere in the registration statement have been so incorporated by reference in reliance upon the report of Grant Thornton LLP, independent registered public accountants, upon the authority of said firm as experts in accounting and auditing.

An independent petroleum engineering consulting firm, LaRoche Petroleum Consultants, Ltd., estimated the proved developed producing reserves and future net cash flow of our Royalty Properties and NPI as of December 31, 2020 and such estimated reserves and future net cash flow are included in this document in reliance upon the reports given upon its authority as an expert on the matters covered by its reserve reports.

## WHERE YOU CAN FIND MORE INFORMATION

We have filed a registration statement on Form S-4 with the SEC in connection with this offering. We file annual, quarterly and current reports, proxy statements and other information with the SEC. The SEC maintains an Internet site at <http://www.sec.gov> that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. Interested persons can electronically access our SEC filings at such Internet site, including the registration statement of which this prospectus forms a part and the exhibits and schedules thereto.

We also make available free of charge on our website at [www.dmlp.net](http://www.dmlp.net) our Annual Reports on Form 10-K, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K, and any amendments to those reports, as soon as reasonably practicable after we electronically file such material with the SEC. Information contained on our website is not incorporated by reference into this prospectus and you should not consider information contained on our website as part of this prospectus.

This prospectus is part of the registration statement and does not contain all of the information included in the registration statement. Whenever a reference is made in this prospectus to any of our contracts or other documents, the reference may not be complete and, for a copy of the contract or document, you should refer to the exhibits that are part of the registration statement.

## DOCUMENTS INCORPORATED BY REFERENCE

The SEC allows us to “incorporate by reference” into this prospectus the information we file with it, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. Information incorporated by reference is deemed part of this prospectus, except for any information that is superseded by information included directly in this prospectus. Later information filed with the SEC will automatically update and supersede this information. You should not assume that the information in this prospectus is current as of any date other than the date on the front page of this prospectus or that any information we have incorporated by reference herein is accurate as of any date other than the date of the document incorporated by reference.

We incorporate by reference in this prospectus the documents listed below:

- Our [Annual Report on Form 10-K for the year ended December 31, 2020](#) filed by us with the SEC on February 25, 2021;
- Our Quarterly Report on [Form 10-Q for the quarter ended March 31, 2021](#) filed by us with the SEC on May 6, 2021;
- Our Current Reports on [Form 8-K filed by us with the SEC on April 22, 2021](#) and [May 6, 2021](#) (in each case, excluding any information furnished and not filed with the SEC);
- Our [proxy statement on Schedule 14A filed by us with the SEC on February 25, 2021](#); and
- The description of our common units registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, filed by us with the SEC on February 27, 2020 as [Exhibit 4.1 to our Annual Report on Form 10-K for the year ended December 31, 2019](#), including any amendment or report filed for purposes of updating that description.

In addition, we incorporate by reference in this prospectus any future filings made by us with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (excluding any information furnished and not filed with the SEC) prior to the termination of the offering of the securities offered by this prospectus (including all such documents we may file with the SEC after the date of the initial registration statement and prior to the effectiveness of the registration statement).

You may request a copy of any document incorporated by reference in this prospectus and any exhibit specifically incorporated by reference in those documents, at no cost, by writing or telephoning us at the following address or phone number:

Dorchester Minerals, L.P.  
3838 Oak Lawn Avenue, Suite 300  
Dallas, Texas 75219  
(214) 559-0300

**DORCHESTER MINERALS, L.P.**

**10,000,000 COMMON UNITS**

**PROSPECTUS**



## PART II

### INFORMATION NOT REQUIRED IN PROSPECTUS

#### ***Item 20. Indemnification of Directors and Officers.***

The registrant's partnership agreement provides that the registrant:

- will indemnify (1) its general partner, (2) any departing partner, (3) any person who is or was an affiliate of our general partner or any departing partner, (4) any person who is or was a member, partner, officer, or director of any group member, of the general partner or any departing partner and (5) any person who is or was serving at the request of the general partner or any departing partner or any affiliate of the general partner or any departing partner as an officer, director, member or partner of another person, to the fullest extent permitted by law from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative in which any indemnitee may be involved, or is threatened to be involved, as a party or otherwise, by reason of its status as an indemnitee.
- may indemnify (1) any person who was or is an employee, agent or trustee of any group member, of the general partner or of any departing partner, and (2) any person who is or was serving at the request of the general partner or departing partner as an employee, agent, fiduciary or trustee of another person to the same extent as permitted for other indemnitees.
- may pay or reimburse expenses incurred by an indemnitee or an employee in connection with his appearance as a witness or other participation in a claim, demand, action, suit or proceeding at a time when he is not named defendant or respondent in such claim, demand, action, suit or proceeding.

Indemnification will be conditioned on the determination that, in each case, the indemnitee acted in good faith, in a manner which such indemnitee or employee reasonably believed to be in, or not opposed to, the best interests of the Partnership and, with respect to any criminal proceeding, had no reasonable cause to believe its conduct was unlawful.

The above indemnification may result in indemnification of indemnitees for negligent acts, and may include indemnification for liabilities under the Securities Act. The registrant has been advised that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. Any indemnification under these provisions will be only out of our assets. The registrant is authorized to purchase (or to reimburse our general partner or its affiliates for the cost of) insurance against liabilities asserted against and expenses incurred by such persons in connection with our activities, whether or not we would have the power to indemnify such person against such liabilities under the provisions described above.

Subject to any terms, conditions or restrictions set forth in the partnership agreement, Section 17-108 of the Delaware Revised Uniform Limited Partnership Act empowers a Delaware limited partnership to indemnify and hold harmless any partner or other person from and against all claims and demands whatsoever. In addition, subject to any terms, conditions or restrictions set forth in its limited liability company agreement, Section 18-108 of the Delaware Limited Liability Company Act empowers a Delaware limited liability company to indemnify and hold harmless any member or manager from and against all claims and demands whatsoever.

We have entered into indemnification agreements with our managers, executive officers and certain employees that provide the broad indemnity allowed by Section 17-108 of the Delaware Revised Uniform Limited Partnership Act, as well as certain additional procedural protections. The indemnity agreements provide that the indemnitees will be indemnified to the fullest extent not prohibited by law against all expenses (including attorney's fees) and settlement amounts paid or incurred by them in any action or proceeding as our managers, executive officers or employees, including any action on account of their services as managers, executive officers or employees of any other company or enterprise when they are serving in such capacities at our request, and including any action by us or in our right. In addition, the indemnity agreements provide for reimbursement of expenses incurred in conjunction with being a witness in any proceeding to which the indemnitee is not a party. We must pay in advance of a final disposition of a proceeding or claim the expenses incurred by the indemnitee no later than ten (10) days after our receipt of an undertaking by or on behalf of the indemnitee, to repay the amount of the expenses to the extent that it is ultimately determined that the indemnitee is not entitled to be indemnified by us. The indemnity agreements also provide the indemnitee with remedies in the event that we do not fulfill our obligations under the indemnity agreements.

**Item 21. Exhibits.**

(a) Exhibits

<b>No.</b>	<b><u>Exhibit</u></b>
2.1	— <a href="#">Contribution and Exchange Agreement dated April 30, 2021, by and between Dorchester Minerals, L.P. and JSFM, LLC (incorporated by reference to Exhibit 2.1 to Dorchester Minerals' Current Report on Form 8-K filed by Dorchester Minerals with the SEC on May 6, 2021)</a>
3.1	— <a href="#">Certificate of Limited Partnership of Dorchester Minerals, L.P. (incorporated by reference to Exhibit 3.1 to Dorchester Minerals' Registration Statement on Form S-4, Registration Number 333-88282)</a>
3.2	— <a href="#">Amended and Restated Agreement of Limited Partnership of Dorchester Minerals, L.P. (incorporated by reference to Exhibit 3.2 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2002)</a>
3.3	— <a href="#">Amendment No. 1 to Amended and Restated Partnership Agreement of Dorchester Minerals, L.P. (incorporated by reference to Exhibit 3.1 to Dorchester Minerals' Current Report on Form 8-K filed with the SEC on December 22, 2017)</a>
3.4	— <a href="#">Amendment No. 2 to Amended and Restated Partnership Agreement of Dorchester Minerals, L.P. (incorporated by reference to Exhibit 3.4 to Dorchester Minerals' Quarterly Report on Form 10-Q for the quarter ended June 30, 2018)</a>
3.5	— <a href="#">Certificate of Limited Partnership of Dorchester Minerals Management LP (incorporated by reference to Exhibit 3.4 to Dorchester Minerals' Registration Statement on Form S-4, Registration Number 333-88282)</a>
3.6	— <a href="#">Amended and Restated Agreement of Limited Partnership of Dorchester Minerals Management LP (incorporated by reference to Exhibit 3.4 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2002)</a>
3.7	— <a href="#">Certificate of Formation of Dorchester Minerals Management GP LLC (incorporated by reference to Exhibit 3.7 to Dorchester Minerals' Registration Statement on Form S-4, Registration Number 333-88282)</a>
3.8	— <a href="#">Amended and Restated Limited Liability Company Agreement of Dorchester Minerals Management GP LLC (incorporated by reference to Exhibit 3.6 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2002)</a>
3.9	— <a href="#">Certificate of Formation of Dorchester Minerals Operating GP LLC (incorporated by reference to Exhibit 3.10 to Dorchester Minerals' Registration Statement on Form S-4, Registration Number 333- 88282)</a>
3.10	— <a href="#">Limited Liability Company Agreement of Dorchester Minerals Operating GP LLC (incorporated by reference to Exhibit 3.11 to Dorchester Minerals' Registration Statement on Form S-4, Registration Number 333-88282)</a>

<b>No.</b>	<b>Exhibit</b>
3.11	— <a href="#">Certificate of Limited Partnership of Dorchester Minerals Operating LP (incorporated by reference to Exhibit 3.12 to Dorchester Minerals' Registration Statement on Form S-4, Registration Number 333-88282)</a>
3.12	— <a href="#">Amended and Restated Agreement of Limited Partnership of Dorchester Minerals Operating LP (incorporated by reference to Exhibit 3.10 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2002)</a>
3.13	— <a href="#">Certificate of Limited Partnership of Dorchester Minerals Oklahoma LP (incorporated by reference to Exhibit 3.11 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2002)</a>
3.14	— <a href="#">Agreement of Limited Partnership of Dorchester Minerals Oklahoma LP (incorporated by reference to Exhibit 3.12 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2002)</a>
3.15	— <a href="#">Certificate of Incorporation of Dorchester Minerals Oklahoma GP, Inc. (incorporated by reference to Exhibit 3.13 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2002)</a>
3.16	— <a href="#">Bylaws of Dorchester Minerals Oklahoma GP, Inc. (incorporated by reference to Exhibit 3.14 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2002)</a>
4.1	— <a href="#">Description of the Registrant's Securities (incorporated by reference to Exhibit 4.1 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2019)</a>
5.1*	— <a href="#">Opinion of Thompson &amp; Knight LLP</a>
8.1*	— <a href="#">Opinion of Thompson &amp; Knight LLP</a>
10.1	— <a href="#">Amended and Restated Business Opportunities Agreement dated as of December 13, 2001 by and between the registrant, the General Partner, Dorchester Minerals Management GP LLC, SAM Partners, Ltd., Vaughn Petroleum, Ltd., Smith Allen Oil &amp; Gas, Inc., P.A. Peak, Inc., James E. Raley, Inc., and certain other parties. (incorporated by reference to Exhibit 10.1 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2002)</a>
10.2	— <a href="#">Transfer Restriction Agreement (incorporated by reference to Exhibit 10.2 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2002)</a>
10.3	— <a href="#">Registration Rights Agreement (incorporated by reference to Exhibit 10.3 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2002)</a>
10.4	— <a href="#">Lock-Up Agreement by William Casey McManemin (incorporated by reference to Exhibit 10.4 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2002)</a>
10.5	— <a href="#">Form of Indemnity Agreement (incorporated by reference to Exhibit 10.1 to Dorchester Minerals' Quarterly Report on Form 10-Q for the quarter ended June 30, 2004)</a>
10.6	— <a href="#">Dorchester Minerals Operating LP Equity Incentive Program (incorporated by reference to Annex A to Dorchester Minerals' Proxy Statement on Schedule 14A filed with the SEC on March 16, 2015)</a>
21.1	— <a href="#">Subsidiaries of the registrant (incorporated by reference to Exhibit 21.1 to Dorchester Minerals' Annual Report on Form 10-K for the year ended December 31, 2020)</a>
23.1*	— <a href="#">Consent of Grant Thornton LLP</a>

<b>No.</b>	<b>Exhibit</b>
23.2*	— <a href="#">Consent of Thompson &amp; Knight LLP (contained within Exhibit 5.1 hereto)</a>
23.3*	— <a href="#">Consent of Thompson &amp; Knight LLP (contained within Exhibit 8.1 hereto)</a>
23.4*	— <a href="#">Consent of LaRoche Petroleum Consultants, Ltd.</a>
24*	— <a href="#">Powers of Attorney (included on the signature pages hereto)</a>

\* Filed herewith

**Item 22. Undertakings.**

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the “Calculation of Registration Fee” table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offering therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(6) That, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(7) That prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this registration statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the registrant undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other items of the applicable form.

(8) That every prospectus: (i) that is filed pursuant to the immediately preceding paragraph or (ii) that purports to meet the requirements of Section 10(a)(3) of the Act and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the registration statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(9) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(10) To respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11, or 13 of this Form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(11) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Dallas, State of Texas, on May 11, 2021.

DORCHESTER MINERALS, L.P.

By:     Dorchester Minerals Management LP,  
          Its general partner

By:     Dorchester Minerals Management GP LLC,  
          Its general partner

By:     /s/ William Casey McManemin  
Name: William Casey McManemin  
Title: Chairman, Chief Executive Officer and Manager

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following officers and managers of Dorchester Minerals Management GP LLC, the general partner of Dorchester Minerals Management LP, the general partner of Dorchester Minerals, L.P., in the capacities and on the dates indicated.

**POWERS OF ATTORNEY**

Each person whose signature appears below constitutes and appoints William Casey McManemin and Leslie A. Moriyama, and each of them (with full power to each of them to act alone), such person's true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for such person and in such person's name, place and stead, in any and all capacities to sign on such person's behalf individually and in each capacity stated below any amendment, including post-effective amendments, to this registration statement, and to file the same, with all exhibits thereto and other documents in connection therewith with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents and either of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

<b><u>Signature</u></b>	<b><u>Title</u></b>	<b><u>Date</u></b>
<u>/s/ William Casey McManemin</u> William Casey McManemin	Chairman, Chief Executive Officer and Manager (Principal Executive Officer)	May 11, 2021
<u>/s/ Leslie A. Moriyama</u> Leslie A. Moriyama	Chief Financial Officer (Principal Financial and Accounting Officer)	May 11, 2021
<u>/s/ H.C. Allen, Jr.</u> H.C. Allen, Jr.	Manager	May 11, 2021
<u>/s/ Allen D. Lassiter</u> Allen D. Lassiter	Manager	May 11, 2021
<u>/s/ Martha Ann Peak Rochelle</u> Martha Ann Peak Rochelle	Manager	May 11, 2021
<u>/s/ James E. Raley</u> James E. Raley	Vice Chairman and Manager	May 11, 2021
<u>/s/ C.W. Russell</u> C.W. Russell	Manager	May 11, 2021
<u>/s/ Ronald P. Trout</u> Ronald P. Trout	Manager	May 11, 2021
<u>/s/ Robert C. Vaughn</u> Robert C. Vaughn	Manager	May 11, 2021

**THOMPSON & KNIGHT LLP**

ATTORNEYS AND COUNSELORS

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AUSTIN  
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ALGIERS  
LONDON  
MEXICO CITY  
MONTERREY

May 11, 2021

Dorchester Minerals, L.P.  
3838 Oak Lawn, Suite 300  
Dallas, Texas 75219

Ladies and Gentlemen:

We have acted as your special counsel, in connection with the preparation and filing of the prospectus forming a part of the registration statement on Form S-4 filed by you on the date hereof (the "Registration Statement") with the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Securities Act"), relating to the issuance and sale from time to time, pursuant to Rule 415 under the Securities Act, of up to 10,000,000 Common Units (the "Common Units"). Each Common Unit represents a fractional part of the partnership interest of all your limited partners and of your general partner (other than in respect of its general partner interest) in you. This opinion letter is furnished to you solely for purposes of complying with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act.

In connection with this opinion letter, we have examined original counterparts or copies of original counterparts of the following:

(a) The Registration Statement.

(b) Originals or copies, certified or otherwise identified to our satisfaction, of your certificate of limited partnership (the "Certificate of Limited Partnership") and the Amended and Restated Agreement of Limited Partnership of Dorchester Minerals, L.P. dated as of February 1, 2003, as amended by that certain Amendment No. 1 dated December 22, 2017 and that certain Amendment No. 2 dated May 16, 2018 (as amended, the "Limited Partnership Agreement") among Dorchester Minerals Management GP LLC, as general partner, and Dorchester Minerals Management LP and the other persons who become partners of you or parties thereto as provided therein.

We have also examined originals or copies of such other records of you, certificates of public officials and of your officers or other representatives and agreements and other documents as we have deemed necessary, subject to the assumptions set forth below, as a basis for the opinions expressed below.

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In rendering the opinions expressed below, we have assumed:

- (i) The genuineness of all signatures.
  - (ii) The authenticity of the originals of the documents submitted to us.
  - (iii) The conformity to authentic originals of any documents submitted to us as copies.
  - (iv) As to matters of fact material to our opinion, the truthfulness of the statements made in the Registration Statement and representations and statements made in certificates of public officials and your officers or other representatives.
  - (v) That, at the time when any Common Unit is issued:
    - (A) You and any purchaser of Common Units shall have entered into a purchase, underwriting or similar agreement (the "Purchase Agreement") in connection with such issuance, the Purchase Agreement shall constitute the valid, binding and enforceable obligation of each party thereto and the Common Units shall have been issued in compliance therewith.
    - (B) The Certificate of Limited Partnership shall be in effect as in effect on the date hereof, and the Limited Partnership Agreement shall be the valid, binding and enforceable obligation of each party thereto and in effect as in effect on the date hereof.
    - (C) You shall be validly existing and in good standing under the laws of the State of Delaware.
    - (D) The issuance of the Common Units shall be within your power and shall have been duly authorized by all necessary action (partnership or otherwise).
    - (E) The execution, delivery and performance by you of the Purchase Agreement and the issuance of the Common Units do not:
      - (1) violate the Certificate of Limited Partnership or the Limited Partnership Agreement, if not in effect as in effect today,
      - (2) except with respect to the Delaware Revised Uniform Limited Partnership Act, if in effect as in effect today, violate any law, rule or regulation (including, without limitation federal and state securities laws), or
      - (3) result in any conflict with or breach of any agreement or document binding on you of which any party to the Purchase Agreement (other than you) has received notice or has reason to know.
    - (F) No authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or (to the extent the same is required under any agreement or document binding on you of which any party to the Purchase Agreement (other than you) has knowledge, has received notice or has reason to know is required for the due execution, delivery or performance by you of the Purchase Agreement or the issuance of any Common Units thereunder, or, if any such authorization, approval, action, notice or filing is required, it shall have been duly obtained, taken, given or made and shall be in full force and effect.
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(G) That the Registration Statement, and any amendments thereto (including all necessary post-effective amendments), shall have become effective under the Securities Act and the Common Units shall have been issued thereunder in compliance with applicable federal and state securities laws and in the manner described in the Registration Statement.

(H) A supplement to the prospectus included in the Registration Statement shall have been prepared and filed with the SEC describing the Common Units, and the Common Units shall have been issued in the manner stated in the Registration Statement and such supplement.

(I) There shall be sufficient Common Units duly authorized and available for issuance under the Limited Partnership Agreement.

(J) No event or condition shall have occurred that shall have resulted in your dissolution.

We have not independently established the validity of the foregoing assumptions.

Based upon the foregoing, and subject to the qualifications and limitations herein set forth, we are of the opinion that, with respect to any Common Unit being registered under the Registration Statement, when:

(a) a certificate representing such Common Unit shall have been duly executed, registered and delivered (or, if such Common Unit is non-certificated, such Common Unit shall have been properly issued) in accordance with the Purchase Agreement and the Limited Partnership Agreement, and

(b) the consideration therefor provided in the Purchase Agreement shall have been paid,

then:

(i) such Common Unit will be validly issued, and

(ii) under the Delaware Revised Uniform Partnership Act, the holder of such Common Unit will have no obligation to make further payments for the purchase of such Common Unit or contributions to you solely by reason of such holder's ownership of such Common Unit or such holder's status as a limited partner of you, and no personal liability for your debts, obligations and liabilities, whether arising in contract, tort or otherwise, solely by reason of being your limited partners, except (A) as may be provided in the Purchase Agreement with respect to the purchase of such Common Unit and (B) as provided in Sections 17-303, 17-304, 17-306, 17-502 and 17-607 of the Delaware Revised Uniform Limited Partnership Act.

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The opinions set forth above are subject to the following qualifications and exceptions:

(a) Our opinions are limited to the Delaware Revised Uniform Limited Partnership Act (including all applicable provisions of the constitution of the State of Delaware and reported judicial decisions interpreting such Act) as in effect on the date hereof, and we do not express any opinion herein concerning any other laws.

(b) The phrase “solely by reason of such holder’s ownership of such Common Unit or such holder’s status as a limited partner of you” in the opinion above has been included to make clear that that opinion does not cover personal liability that a limited partner may have that is not attributable solely to its status as a limited partner, such as the personal liability that a limited partner may incur as a result of (i) its status as a controlling person under securities laws, environmental laws, the Delaware Revised Uniform Partnership Act or other laws, (ii) its service in another capacity, (iii) its own tortious or wrongful conduct or (iv) application of a piercing-the-veil or similar doctrine.

This opinion letter has been prepared, and is to be understood, in accordance with customary practice of lawyers who regularly give and lawyers who regularly advise recipients regarding opinions of this kind, is limited to the matters expressly stated herein and is provided solely for purpose of complying with the requirements of the Securities Act and the rules and regulations promulgated thereunder, and no opinions may be inferred or implied beyond the matters expressly stated herein. The opinion expressed herein is rendered and speaks only as of the date hereof, and we specifically disclaim any responsibility to update such opinion subsequent to the date hereof or to advise you of subsequent developments affecting such opinion.

We consent to the filing of this opinion with the SEC as Exhibit 5.1 to the Registration Statement. We also consent to the reference to our firm under the caption “Legal Matters” in the Registration Statement. In giving this consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act and the rules and regulations promulgated thereunder, nor do we admit that we are experts with respect to any part of the Registration Statement within the meaning of the term “expert” as used in the Securities Act or the related rules and regulations of the SEC promulgated thereunder.

Respectfully submitted,

/s/ Thompson &

Knight LLP

JEB  
RHS

**THOMPSON & KNIGHT LLP**  
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 ALGIERS  
 LONDON  
 MEXICO CITY  
 MONTERREY

May 11, 2021

Dorchester Minerals, L.P.  
 3838 Oak Lawn Avenue, Suite 300  
 Dallas, Texas 75219

Re: Dorchester Minerals, L.P.

Ladies and Gentlemen:

We have acted as counsel to Dorchester Minerals, L.P. (the “Partnership”), a Delaware limited partnership, with respect to the registration of common units representing limited partnership interests in the Partnership. We have also participated in the preparation of a Prospectus, forming part of the Registration Statement on Form S-4 (the “Registration Statement”). In connection with the Registration Statement, we are issuing this opinion.

This opinion is based on various facts and assumptions, and is conditioned upon the factual accuracy of certain representations made by the Partnership as to factual matters through a certificate of an officer of the Partnership (the “Officer’s Certificate”). In addition, this opinion is based upon the factual representations of the Partnership concerning its business, properties and governing documents as set forth in the Registration Statement and any public filings with the Securities and Exchange Commission that are incorporated by reference.

In our capacity as counsel to the Partnership, we have made such legal and factual examinations and inquiries, including an examination of originals or copies certified or otherwise identified to our satisfaction of such documents, corporate records and other instruments, as we have deemed necessary or appropriate for purposes of this opinion. In our examination, we have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures thereon, the legal capacity of natural persons executing such documents and the conformity to authentic original documents of all documents submitted to us as copies. For the purpose of our opinion, we have not made an independent investigation or audit of the facts set forth in the above-referenced documents or in the Officer’s Certificate. In addition, in rendering this opinion we have assumed the truth and accuracy of all representations and statements made to us which are qualified as to knowledge or belief, without regard to such qualification.

We hereby confirm that all statements of legal conclusions contained in the discussion in the Registration Statement under the caption “Material U.S. Federal Income Tax Consequences” constitute the opinion of Thompson & Knight LLP with respect to the matters set forth therein as of the date hereof, subject to the assumptions, qualifications, and limitations set forth therein. This opinion is based on various statutory provisions, regulations promulgated thereunder and interpretations thereof by the Internal Revenue Service and the courts having jurisdiction over such matters, all of which are subject to change either prospectively or retroactively. Also, any variation or difference in the facts from those set forth in the representations described above may affect the conclusions stated herein.

No opinion is expressed as to any matter not discussed in the Registration Statement. We are opining herein only as to the federal income tax matters described above, and we express no opinion with respect to the applicability to, or the effect on, any transaction of other federal laws, foreign laws, the laws of any state or any other jurisdiction or as to any matters of municipal law or the laws of any other local agencies within any state.

This opinion is rendered to you as of the date hereof, and we undertake no obligation to update this opinion subsequent to the date hereof. This opinion is furnished to you, and is for your use in connection with the transactions set forth in the Registration Statement. This opinion may not be relied upon by you for any other purpose or furnished to, assigned to, quoted to or relied upon by any other person, firm or other entity, for any purpose, without our prior written consent. However, this opinion may be relied upon by you and by persons entitled to rely on it pursuant to applicable provisions of federal securities law, including persons purchasing common units pursuant to the Registration Statement.

We hereby consent to incorporation by reference of this opinion of counsel into the Registration Statement and to the reference to our firm in the Registration Statement. In giving such consent, we do not admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended.

Very truly yours,

/s/ Thompson & Knight LLP  
Thompson & Knight LLP

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We have issued our report dated February 25, 2021 with respect to the consolidated financial statements of Dorchester Minerals, L.P. included in the Annual Report on Form 10-K for the year ended December 31, 2020, which is incorporated by reference in this Registration Statement. We consent to the incorporation by reference of the aforementioned report in this Registration Statement, and to the use of our name as it appears under the caption “Experts”.

/s/ GRANT THORNTON LLP

Dallas, Texas

May 11, 2021

May 11, 2021

Dorchester Minerals, L.P.  
3838 Oak Lawn Avenue, Suite 300  
Dallas, Texas 75219-4541

Gentlemen:

LaRoche Petroleum Consultants, Ltd. does hereby consent to the incorporation by reference to the Annual Report of Dorchester Minerals L.P. on Form 10-K for the year ended December 31, 2020 of our Firm's reserve reports, dated January 25, 2021, on the estimated reserves as of December 31, 2020, including, without limitation, Exhibits 99.1 and 99.2, and to the reference to our firm as an expert in the Registration Statement on Form S-4 of Dorchester Minerals, L.P.

LAROCHE PETROLEUM CONSULTANTS, LTD.

By: LPC, Inc.  
General Partner

By: /s/ Joe A. Young  
Name: Joe A. Young  
Title: Vice President