UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC. 20549

FORM 10-Q

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

For the quarterly period ended **June 30, 2018**
or

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

For the transition period from __________ to __________

Commission file number **000-50175**

DORCHESTER MINERALS, L.P.

(Exact name of registrant as specified in its charter)

Delaware	**81-0551518**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3838 Oak Lawn Avenue, Suite 300, Dallas, Texas 75219
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(214) 559-0300**

None
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post 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 an 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. (Check one):

Large accelerated filer ☐	Accelerated filer ☒	Non-accelerated filer ☐ (Do not check if a smaller reporting company)
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 13(a) of the Exchange Act ☐

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

As of August 6, 2018, 32,279,774 common units representing limited partnership interests were outstanding.

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DORCHESTER MINERALS, L.P.
(A Delaware Limited Partnership)

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

Statements included in this report that 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. In this report, the term “Partnership,” as well as the terms “DMLP,” “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.

These forward-looking statements are 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. Examples of such reasons include, but are not limited to, changes in the price or demand for oil and natural gas, changes in the operations on or development of our properties, changes in economic and industry conditions and changes in regulatory requirements (including changes in environmental requirements) and our financial position, business strategy and other plans and objectives for future operations. These and other factors are set forth in our filings with the Securities and Exchange Commission.

You should read these statements carefully because they 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 described in this report 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.

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

DORCHESTER MINERALS, L.P.
(A Delaware Limited Partnership)

CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands)
(Unaudited)

	June 30, 2018	December 31, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	$ 19,608	$ 13,827
Trade and other receivables	7,301	6,198
Net profits interests receivable - related party	4,288	5,330
Total current assets	31,197	25,355
Property and leasehold improvements - at cost:		
Oil and natural gas properties (full cost method)	363,211	363,186
Accumulated full cost depletion	(301,902)	(297,442)
Total	61,309	65,744
Leasehold improvements	1,614	1,573
Accumulated amortization	(633)	(625)
Total	981	948
Total assets	$ 93,487	$ 92,047
LIABILITIES AND PARTNERSHIP CAPITAL		
Current liabilities:		
Accounts payable and other current liabilities	$ 1,580	$ 599
Current portion of deferred rent incentive	65	38
Total current liabilities	1,645	637
Deferred rent incentive less current portion	659	664
Total liabilities	2,304	1,301
Commitments and contingencies (Note 2)		
Partnership capital:		
General partner	1,839	1,782
Unitholders	89,344	88,964
Total partnership capital	91,183	90,746
Total liabilities and partnership capital	$ 93,487	$ 92,047

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

DORCHESTER MINERALS, L.P.
(A Delaware Limited Partnership)

CONDENSED CONSOLIDATED INCOME STATEMENTS
(In Thousands except Income per Unit)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Net operating revenues:				
Royalties	$ 13,941	$ 10,489	$ 27,187	$ 21,112
Net profits interests	2,996	309	5,559	1,969
Lease bonus	4,125	1,726	4,163	1,756
Other	61	29	97	443
Total net operating revenues	21,123	12,553	37,006	25,280
Costs and expenses:				
Operating, including production taxes	1,316	1,051	2,572	2,038
Depreciation, depletion and amortization	2,284	1,893	4,468	3,648
General and administrative expenses	1,159	1,160	2,639	2,623
Total costs and expenses	4,759	4,104	9,679	8,309
Net income	$ 16,364	$ 8,449	$ 27,327	$ 16,971
Allocation of net income:				
General partner	$ 576	$ 330	$ 950	$ 630
Unitholders	$ 15,788	$ 8,119	$ 26,377	$ 16,341
Net income per common unit (basic and diluted)	$ 0.49	$ 0.26	$ 0.82	$ 0.53
Weighted average basic and diluted common units outstanding	32,280	30,693	32,280	30,684

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

DORCHESTER MINERALS, L.P.
(A Delaware Limited Partnership)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)
(Unaudited)

	Six Months Ended June 30,	
	2018	**2017**
Net cash provided by operating activities	$ 32,737	$ 21,280
Cash flows provided by (used in) investing activities:		
Cash contributed (used) in acquisition of royalty interests	(25)	608
Capital expenditures	(41)	(40)
Total cash flows provided by (used in) investing activities	(66)	568
Cash flows used in financing activities:		
Distributions paid to general partner and unitholders	(26,890)	(17,466)
Increase in cash and cash equivalents	5,781	4,382
Cash and cash equivalents at beginning of period	13,827	8,212
Cash and cash equivalents at end of period	$ 19,608	$ 12,594
Non-cash investing and financing activities:		
Fair value of common units issued for acquisition of royalty interests	$ -	$ 23,183

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

DORCHESTER MINERALS, L.P.
(A Delaware Limited Partnership)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1 **Basis of Presentation:** Dorchester Minerals, L.P. (the “Partnership”) is a publicly traded Delaware limited partnership that was formed in December 2001, and commenced operations on January 31, 2003. The unaudited condensed consolidated financial statements include the accounts of Dorchester Minerals, L.P. and its wholly-owned subsidiaries Dorchester Minerals Oklahoma LP, Dorchester Minerals Oklahoma GP, Inc., Maecenas Minerals LLP, and Dorchester-Maecenas GP LLC.

The accompanying unaudited condensed consolidated financial statements of the Partnership have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") and pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (“SEC”). The unaudited condensed consolidated financial statements reflect all adjustments (consisting only of normal and recurring adjustments unless indicated otherwise) that are, in the opinion of management, necessary for the fair presentation of our financial position and operating results for the interim period. Interim period results are not necessarily indicative of the results for the calendar year. For more information regarding limitations on the forward-looking statements contained herein, see page 1 of this quarterly report on Form 10-Q. Per-unit information is calculated by dividing the income or loss applicable to holders of our Partnership’s common units by the weighted average number of units outstanding. The Partnership has no potentially dilutive securities and, consequently, basic and diluted income per unit do not differ. The accompanying unaudited condensed consolidated financial statements and related notes should be read in conjunction with the consolidated financial statements and notes thereto included in the Partnership’s 2017 Annual Report on Form 10-K.

The accompanying unaudited condensed consolidated financial statements include the consolidated results of the Partnership. All significant intercompany balances and transactions have been eliminated in consolidation.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. For example, estimates of uncollected revenues and unpaid expenses from Royalty properties and net profits overriding royalty interests (referred to as the Net Profits Interests, or “NPIs”) operated by non-affiliated entities are particularly subjective due to our inability to gain accurate and timely information. Therefore, actual results could differ from those estimates.

In June 2017, the Partnership acquired an undivided interest in certain mineral and royalty interests in exchange for 1,604,343 common units issued pursuant to the Partnership’s registration statements on Form S-4.

In April 2018, the Partnership and affiliates of its general partner consummated and closed a transaction assigning a non-producing leasehold interest and related NPI located in Upton County, Texas to a third party. The Partnership’s share of proceeds from the transaction was $4.0 million, recorded as lease bonus revenue.

2 **Commitments and Contingencies:** The Partnership and Dorchester Minerals Operating L.P., a Delaware limited partnership owned directly and indirectly by our general partner, are involved in legal and/or administrative proceedings arising in the ordinary course of their businesses, none of which have predictable outcomes and none of which are believed to have any significant effect on our consolidated financial position, cash flows, or operating results.

Operating Leases - The third amendment to our office lease was executed in April 2017, for a term of 129 months beginning June 1, 2018. The lease is for our office space at 3838 Oak Lawn Avenue, Suite 300, Dallas, Texas, and expires in 2029. Under the third amendment to the office lease, monthly rental payments will range from $25,000 - $30,000.

3 Distributions to Holders of Common Units: Unitholder cash distributions per common unit are as follows:

	Per Unit Amount	
	2018	2017
First quarter	$ 0.418449	$ 0.306700
Second quarter	$ 0.537264	$ 0.322965
Third quarter		$ 0.284650
Fourth quarter		$ 0.386915

Distributions beginning with the second quarter of 2017 were paid on 32,279,774 units; previous distributions set forth above were paid on 30,675,431 units. The second quarter 2018 distribution will be paid on August 10, 2018. Fourth quarter distributions shown above are paid in the first calendar quarter of the following year. Our partnership agreement requires the third quarter cash distribution to be paid by November 14, 2018.

4 New Accounting Pronouncements: In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers ("ASU 2014-09"), which supersedes nearly all existing revenue recognition guidance under U.S. GAAP. The guidance requires entities to recognize revenue using the following five-step model: identify the contract with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract, and recognize revenue as the entity satisfies each performance obligation.

On January 1, 2018, we adopted ASU 2014-09 using the full retrospective method. The Partnership completed its review of a representative sample of revenue contracts covering its material revenue streams and determined that there is no impact to its consolidated financial statements, results of operations or liquidity. When comparing the Partnership's historical revenue recognition to the newly applied revenue recognition under Accounting Standards Codification ("ASC") 606, there was no change to the amount or timing of revenue recognized. Therefore, no quantitative adjustment was required to be made to the prior periods presented in these unaudited condensed consolidated financial statements after the adoption of ASC 606.

Accounting Policy – Revenues from Royalty properties and NPIs are recorded under the cash receipts approach as directly received from the remitters' statement accompanying the revenue check. Since the revenue checks are generally received two to four months after the production month, the Partnership accrues for revenue earned but not received by estimating production volumes and product prices.

Revenues from lease bonus payments are recorded upon receipt. The lease bonus is separate from the lease itself and is recognized as revenue to the Partnership upon receipt of payment. The Partnership generates lease bonus revenue by leasing its mineral interests to exploration and production companies, and includes proceeds from divestitures of leasehold interests where the Partnership retains an interest. A lease agreement represents the Partnership's contract with a lessee and generally transfers the rights to develop oil or natural gas, grants the Partnership a right to a specified royalty interest, and requires that drilling and completion operations commence within a specified time period.

The Partnership does not record revenue for unsatisfied or partially unsatisfied performance obligations. Accordingly, the Partnership has not recorded any contract assets or contract liabilities as of June 30, 2018.

In February 2016, the FASB issued ASU 2016-02-Leases (Topic 842), (“ASU 2016-02”) as updated by ASU 2018-10, Codification Improvements to Topic 842, Leases, which requires lessees to record most leases on the balance sheet. Under the new guidance, lease classification as either a finance lease or an operating lease will determine how lease-related revenue and expense are recognized. The guidance is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. The new guidance does not apply to leases to explore for or use minerals, oil, natural gas and similar resources. The Partnership has an office lease commitment of $3.0 million that we believe would be subject to capitalization under ASU 2016-02. The lease obligations that will be in place upon adoption of ASU 2016-02 may be significantly different than our current obligations. We are still evaluating the impact of ASU 2016-02 on our consolidated financial statements.

In January 2018, the FASB issued ASU 2018-01, Land Easement Practical Expedient for Transition to Topic 842 (“ASU 2018-01”). ASU 2018-01 affects entities with land easements that exist or expired before an entity’s adoption of FASB ASC 842 – Leases (“ASC 842”). ASU 2018-01 provides an optional transition practical expedient to not evaluate under ASC 842 land easements that exist or expired before the entity’s adoption of ASC 842 and that were not previously accounted for as leases under ASC 840 – Leases. An entity that elects the practical expedient will be required to evaluate new or modified land easement arrangements under ASC 842 upon adoption of ASC 842. The Partnership will elect the practical expedient available under ASU 2018-01 and will apply the provisions of ASC 842 prospectively to all new or modified land easement arrangements.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion contains forward-looking statements. For a description of limitations inherent in forward-looking statements, see page 1 of this quarterly report on Form 10-Q.

Overview

We own producing and nonproducing mineral, royalty, overriding royalty, net profits and leasehold interests. We refer to these interests as the Royalty properties. We currently own Royalty properties in 574 counties and parishes in 25 states.

We own five net profits overriding royalty interests (referred to as the Net Profits Interests, or “NPIs”) in various properties owned by Dorchester Minerals Operating LP (the “Operating Partnership”), a Delaware limited partnership owned directly and indirectly by our general partner. We receive monthly payments equaling 96.97% of the net profits actually realized by the operating partnership from these properties in the preceding month. In the event that costs, including budgeted capital expenditures, exceed revenues on a cash basis in a given month for properties subject to a Net Profits Interests, no payment is made and any deficit is accumulated and reflected in the following month's calculation of net profit.

Each of the five NPIs (including the Minerals NPI, which is our largest NPI) have previously had cumulative revenue that exceeded cumulative costs, such excess constituting net proceeds on which NPI payments were determined. In the event an NPI has a deficit of cumulative revenue versus cumulative costs, the deficit will be borne solely by the Operating Partnership.

From a cash perspective, as of June 30, 2018, the Minerals NPI was in a deficit position and had outstanding capital commitments of $7.4 million, exceeding cash on hand of $6.7 million.

Commodity Price Risks

Our profitability is affected by oil and natural gas market prices. Oil and natural gas market prices have fluctuated significantly in recent years in response to changes in the supply and demand for oil and natural gas in the market, along with domestic and international political and economic conditions.

Results of Operations

Three and Six Months Ended June 30, 2018 as compared to Three and Six Months Ended June 30, 2017

Our period-to-period changes in net income and cash flows from operating activities are principally determined by changes in oil and natural gas sales volumes and prices. Our portion of oil and natural gas sales and weighted average prices were:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Accrual basis sales volumes:				
Royalty properties gas sales (mmcf)	902	860	1,818	1,714
Royalty properties oil sales (mbbls)	212	187	402	362
NPI gas sales (mmcf)	626	596	1,261	1,168
NPI oil sales (mbbls)	100	73	191	140
Accrual basis weighted average sales price:				
Royalty properties gas sales ($/mcf)	$ 2.20	$ 2.91	$ 2.48	$ 3.11
Royalty properties oil sales ($/bbl)	$ 56.30	$ 42.70	$ 56.42	$ 43.54
NPI gas sales ($/mcf)	$ 1.98	$ 2.81	$ 2.30	$ 2.76
NPI oil sales ($/bbl)	$ 57.23	$ 39.06	$ 56.33	$ 39.78

Both oil and natural gas sales price changes reflected in the table above resulted from changing market conditions.

Oil sales volumes attributable to our Royalty properties during the second quarter increased 13% from 187 mbbls in 2017 to 212 mbbls in the same period of 2018. Oil sales volumes attributable to the first six months of 2017 increased 11% from 362 mbbls to 402 mbbls in the same period of 2018. The increase in volumes during the second quarter and first six months of 2018 compared to the same periods of 2017 is mainly a result of increased Permian Basin and Bakken production from new wells. Natural gas sales volumes attributable to our Royalty properties during the second quarter increased 5% from 860 mmcf in 2017 to 902 mmcf in the same period of 2018. Natural gas sales volumes during the first six months increased 6% from 1,714 mmcf in 2017 to 1,818 mmcf in the same period of 2018. The increase in volumes during the second quarter and first six months of 2018 compared to the same periods of 2017 is mainly a result of increased production in the Permian Basin partially offset by decreased production in the Fayetteville Shale.

Oil sales volumes attributable to our NPIs during the second quarter and first six months of 2017 were 73 mbbls and 140 mbbls, respectively, resulting in increases of 37% and 36% to 100 mbbls and 191 mbbls during the same periods of 2018. Increases in oil volumes during the second quarter and first six months of 2018 compared to the same periods of 2017 is mainly due to new Bakken completions with significant production volume increases. Natural gas sales volumes attributable to our NPIs during the second quarter increased 5% from 596 mmcf in 2017 to 626 mmcf in the same period of 2018. During the first six months of 2018, NPI natural gas volumes increased 8% from 1,168 mmcf in 2017 to 1,261 mmcf in the same period of 2018. The increase in natural gas sales volumes is mainly due to higher amount of Permian Basin suspense releases in the first six months of 2018 as compared to the first six months of 2017.

Our second quarter lease bonus revenue increased 141% from $1.7 million during 2017 to $4.1 million during the same period of 2018. Our first six months lease bonus revenue increased 133% from $1.8 million during 2017 to $4.2 million during the same period in 2018. The increases in both periods are primarily a result of a transaction assigning a non-producing leasehold interest recorded as lease bonus revenue as the Partnership retained an overriding royalty interest.

Our second quarter net operating revenues increased 67% from $12.6 million during 2017 to $21.1 million during the same period of 2018. This increase in net operating revenues is primarily due to higher oil prices and higher lease bonus and NPI income. Our first six months net operating revenues increased 46% from $25.3 million during 2017 to $37.0 million during the same period of 2018. This increase is primarily a result of higher oil prices realized in both our Royalty and NPI revenue and higher lease bonus revenues.

Second quarter operating costs, including production taxes, increased 18% from $1.1 million in 2017 to $1.3 million in 2018. Our first six months operating costs increased 30% from $2.0 million during 2017 to $2.6 million during the same period of 2018. The increases in both periods are primarily a result of higher production taxes due to higher oil prices, partially offset by lower natural gas prices.

General and administrative expenses remained consistent during the second quarter and first six months of 2018 compared to the same periods of 2017.

Depletion and amortization costs of $1.9 million during the second quarter of 2017 increased 21% to $2.3 million during the same period of 2018. Depletion and amortization costs of $3.6 million during the first six months of 2017 increased 25% compared to $4.5 million during the same period of 2018. We adjust our depletion rate each quarter for significant changes in our estimates of oil and natural gas reserves.

Second quarter net income allocable to common units increased 95% from $8.1 million during 2017 to $15.8 million during the same period of 2018. Our first six months net income allocable to common units increased by 62% from $16.3 million in 2017 compared to $26.4 million during the same period of 2018. The increases in both periods are mainly due to higher royalty and NPI income due to higher oil prices and sales volumes in addition to higher lease bonus revenues.

Net cash provided by operating activities increased 54% from $21.3 million during the first six months of 2017 to $32.7 million during the same period of 2018. The change is mainly driven by higher oil sales prices. Net cash provided by investing activities decreased $0.6 million due to the cash contributed with the acquisition of royalty interests in 2017.

In an effort to provide the reader with information concerning prices of oil and natural gas sales that correspond to our quarterly distributions, management calculates the weighted average price by dividing gross revenues received by the net volumes of the corresponding product without regard to the timing of the production to which such sales may be attributable. This “indicated price” does not necessarily reflect the contract terms for such sales and may be affected by transportation costs, location differentials, and quality and gravity adjustments. While the relationship between our cash receipts and the timing of the production of oil and natural gas may be described generally, actual cash receipts may be materially impacted by purchasers’ release of suspended funds and by purchasers’ prior period adjustments.

Cash receipts attributable to our Royalty properties during the second quarter of 2018 totaled approximately $12.3 million. These receipts generally reflect oil sales during March 2018 through May 2018 and natural gas sales during February 2018 through April 2018. The weighted average indicated prices for oil and natural gas sales received during the second quarter of 2018 attributable to the Royalty properties were $55.93/bbl and $2.39/mcf, respectively.

Cash receipts attributable to our NPIs during the second quarter of 2018 totaled approximately $2.8 million. These receipts generally reflect oil and natural gas sales from the properties underlying the NPIs during February 2018 through April 2018. The weighted average indicated prices for oil and natural gas sales received during the second quarter of 2018 attributable to our NPIs were $53.41/bbl and $2.31/mcf, respectively.

Liquidity and Capital Resources

Capital Resources

Our primary sources of capital are our cash flows from the NPIs and the Royalty properties. Our only cash requirements are the distributions to our unitholders, the payment of oil and natural gas production and property taxes not otherwise deducted from gross production revenues and general and administrative expenses incurred on our behalf and allocated to the Partnership in accordance with our partnership agreement. Because the distributions to our unitholders are, by definition, determined after the payment of all expenses actually paid by us, the only cash requirements that may create liquidity concerns for us are the payment of expenses. Because most of these expenses vary directly with oil and natural gas sales prices and volumes, we anticipate that sufficient funds will be available at all times for payment of these expenses. See Note 3 to the unaudited Condensed Consolidated Financial Statements included in Item 1 of this quarterly report on Form 10-Q for the amounts and dates of cash distributions to unitholders.

We are not directly liable for the payment of any exploration, development or production costs. We do not have any transactions, arrangements or other relationships that could materially affect our liquidity or the availability of capital resources. We have not guaranteed the debt of any other party, nor do we have any other arrangements or relationships with other entities that could potentially result in unconsolidated debt.

Pursuant to the terms of our partnership agreement, we cannot incur indebtedness, other than trade payables, (i) in excess of $50,000 in the aggregate at any given time or (ii) which would constitute “acquisition indebtedness” (as defined in Section 514 of the Internal Revenue Code of 1986, as amended).

Expenses and Capital Expenditures

The Operating Partnership continues to assess the opportunity to increase production based on prevailing market conditions in Oklahoma with techniques that may include fracture treating, deepening, recompleting, and drilling. Costs vary widely and are not predictable as each effort requires specific engineering. Such activities by the operating partnership could influence the amount we receive from the NPIs.

The Operating Partnership owns and operates the wells, pipelines and natural gas compression and dehydration facilities located in Oklahoma. The Operating Partnership does not anticipate incurring significant expense to replace these facilities at this time. These capital and operating costs are reflected in the NPI payments we receive from the Operating Partnership.

In 1998, Oklahoma regulations removed production quantity restrictions in the Guymon-Hugoton field and did not address efforts by third parties to persuade Oklahoma to permit infill drilling in the Guymon-Hugoton field. Infill drilling could require considerable capital expenditures. The outcome and the cost of such activities are unpredictable and could influence the amount we receive from the NPIs. The operating partnership believes it now has sufficient field compression and permits for vacuum operation for the foreseeable future.

Liquidity and Working Capital

Cash and cash equivalents totaled $19.6 million at June 30, 2018 and $13.8 million at December 31, 2017.

Critical Accounting Policies

As of June 30, 2018, there have been no significant changes except for Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers (ASU 2014-09), which was implemented in 2018 to our critical accounting policies and related estimates previously disclosed in our 2017 Annual Report on Form 10-K.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The following information provides quantitative and qualitative information about our potential exposures to market risk. The term “market risk” refers to the risk of loss arising from adverse changes in oil and natural gas prices, interest rates and currency exchange rates. The disclosures are not meant to be precise indicators of expected future losses but, rather, indicators of possible losses.

Market Risk Related to Oil and Natural Gas Prices

Essentially all of our assets and sources of income are from Royalty properties and NPIs, which generally entitle us to receive a share of the proceeds based on oil and natural gas production from those properties. Consequently, we are subject to market risk from fluctuations in oil and natural gas prices. Pricing for oil and natural gas production has been unpredictable for several years. We do not anticipate entering into financial hedging activities intended to reduce our exposure to oil and natural gas price fluctuations.

Absence of Interest Rate and Currency Exchange Rate Risk

We do not anticipate having a credit facility or incurring any debt other than trade debt. Therefore, we do not expect interest rate risk to be material to us. We do not anticipate engaging in transactions in foreign currencies that could expose us to foreign currency related market risk.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, our principal executive officer and principal financial officer carried out an evaluation of the effectiveness of our disclosure controls and procedures. Based on their evaluation, they have concluded that our disclosure controls and procedures were effective.

Changes in Internal Controls

There were no changes in our internal controls (as defined in Rule 13a-15(f) of the Securities Exchange Act of 1934) during the quarter ended June 30, 2018 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Partnership and the operating partnership are involved in legal and/or administrative proceedings arising in the ordinary course of their businesses, none of which have predictable outcomes, and none of which are believed to have any significant effect on consolidated financial position, cash flows, or operating results.

ITEM 2. ISSUER PURCHASES OF EQUITY SECURITIES

Period	(a) Total Number of Units Purchased	(b) Average Price Paid per Unit	(c) Total Number of Units Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number of Units that May Yet Be Purchased Under the Plans or Programs
April 1, 2018 – April 30, 2018	8,379 (2)	$17.83	8,379	80,988 (1)
May 1, 2018 – May 31, 2018	-	N/A	-	80,988 (1)
June 1, 2018 – June 30, 2018	-	N/A	-	80,988 (1)
Total	8,379 (2)	$17.83	8,379	80,988 (1)

(1) The number of common units that the operating partnership may grant under the Dorchester Minerals Operating LP Equity Incentive Program, which was approved by our common unitholders on May 20, 2015 (the "**Equity Incentive Program**"), each fiscal year may not exceed 0.333% of the number of common units outstanding at the beginning of the fiscal year. In 2018, the maximum number of common units that could be granted under the Equity Incentive Program is 107,492 common units.

(2) Open-market purchases by Dorchester Minerals Operating LP, an affiliate of the Partnership, pursuant to a Rule 10b5-1 plan adopted on March 15, 2018 for the purpose of satisfying equity awards to be granted pursuant to the Equity Incentive Program.

ITEM 6. EXHIBITS

Number	Description
3.1	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)
3.2	Amended and Restated Agreement of Limited Partnership of Dorchester Minerals, L.P. (incorporated by reference to Exhibit 3.2 to Dorchester Minerals' Report on Form 10-K filed for the year ended December 31, 2002)
3.3	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)
3.4	Amendment No. 2 to Amended and Restated Partnership Agreement of Dorchester Minerals, L.P.
3.5	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)
3.6	Amended and Restated Limited Partnership Agreement of Dorchester Minerals Management LP (incorporated by reference to Exhibit 3.4 to Dorchester Minerals' Report on Form 10-K for the year ended December 31, 2002)
3.7	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)
3.8	Amended and Restated Limited Liability Company Agreement of Dorchester Minerals Management GP LLC (incorporated by reference to Exhibit 3.6 to Dorchester Minerals' Report on Form 10-K for the year ended December 31, 2002)
3.9	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)
3.10	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)
3.11	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)
3.12	Amended and Restated Agreement of Limited Partnership of Dorchester Minerals Operating LP (incorporated by reference to Exhibit 3.10 to Dorchester Minerals' Report on Form 10-K for the year ended December 31, 2002)
31.1*	Certification of Chief Executive Officer of the Partnership pursuant to Rule 13a-14(a) / 15d-14(a) of the Securities Exchange Act of 1934
31.2*	Certification of Chief Financial Officer of the Partnership pursuant to Rule 13a-14(a) / 15d-14(a) of the Securities Exchange Act of 1934
32.1**	Certification of Chief Executive Officer of the Partnership pursuant to 18 U.S.C. Sec. 1350
32.2**	Certification of Chief Financial Officer of the Partnership pursuant to 18 U.S.C. Sec. 1350 (contained within Exhibit 32.1 hereto)
101.INS**	XBRL Instance Document
101.SCH**	XBRL Taxonomy Extension Schema Document
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF**	XBRL Taxonomy Extension Definition Document
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith
**Furnished herewith

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SIGNATURES

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

DORCHESTER MINERALS, L.P.

By: Dorchester Minerals Management LP
its General Partner

By: Dorchester Minerals Management GP LLC
its General Partner

Date: August 6, 2018	By: /s/ William Casey McManemin William Casey McManemin Chief Executive Officer
Date: August 6, 2018	By: /s/ Leslie Moriyama Leslie Moriyama Chief Financial Officer

**AMENDMENT NO. 2
TO
AMENDED AND RESTATED PARTNERSHIP AGREEMENT
OF
DORCHESTER MINERALS, L.P.**

May 16, 2018

This Amendment No. 2 (this "*Amendment*") to the Amended and Restated Partnership Agreement of Dorchester Minerals, L.P., a Delaware limited partnership (the "*Partnership*"), dated as of February 1, 2003 (the "*Partnership Agreement*"), is entered into effective as of May 16, 2018, by Dorchester Minerals Management LP, a Delaware limited partnership (the "General Partner"), as the general partner of the Partnership, on behalf of itself and the Limited Partners of the Partnership. Capitalized terms used but not defined herein are used as defined in the Partnership Agreement.

RECITALS

WHEREAS, the General Partner is the sole general partner of the Partnership that is governed by the Partnership Agreement;

WHEREAS, the General Partner deems it necessary, advisable and in the best interest of the Partnership and the Partners to amend the Partnership Agreement as provided herein;

WHEREAS, the holders of a Unit Majority have approved this Amendment;

NOW, THEREFORE, the Partnership Agreement is hereby amended as follows:

AMENDMENT

1. *Amendment to Section 1.1 (Definitions)*.

(a) Subsection (a) of the definition of "Available Cash" in Section 1.1 of the Partnership Agreement is hereby amended and restated in its entirety as follows:

> (a) all cash and cash equivalents of the Partnership on hand at the end of such Quarter (other than cash proceeds received by the Partnership from a public or private offering of securities of the Partnership), less

(b) The definition of "Direct Expenses" in Section 1.1 of the Partnership Agreement is hereby amended and restated in its entirety as follows:

> "Direct Expenses" means expenses that are properly paid directly from the Partnership (even if paid on behalf of the Partnership by the General Partner or an Affiliate thereof and reimbursed by the Partnership), including, without limitation, professional (e.g. audit, tax, legal, engineering) and regulatory fees and expenses, ad valorem taxes, severance taxes, the fees of independent managers or directors of the General Partner (or its general partner), and premiums for officers' and managers' liability insurance, as well as expenses of the General Partner (including, without limitation, compensation expenses and rent) related to professional (including, without limitation, audit, tax, legal and engineering) and regulatory matters of the Partnership.

2. *Amendment to Section 2.4 (Purpose and Business)*. Section 2.4 is hereby amended and restated in its entirety as follows:

SECTION 2.4. *Purpose and Business.*

The purpose and nature of the business to be conducted by the Partnership shall be to (a) acquire, manage, operate, and sell the Assets and any similar assets or properties now or hereafter acquired by the Partnership and to distribute all Available Cash to owners of Partnership Interests according to their respective Percentage Interests, (b) engage directly in or enter into or form any corporation, partnership, joint venture, limited liability company or other entity or arrangement to engage indirectly in, any business activity that the General Partner approves and which lawfully may be conducted by a limited partnership organized pursuant to the Delaware Act and, in connection therewith, to exercise all of the rights and powers conferred upon the Partnership pursuant to the agreements relating to such business activity; provided, however, that the General Partner reasonably determines, as of the date of the acquisition or commencement of such activity, that the income generated by such activity is (i) "qualifying income" (as such term is defined pursuant to Section 7704 of the Code), and (ii) enhances the operations of an activity of the Partnership, (c) raise capital through the public or private offer and sale of Partnership Securities and options, rights, warrants and appreciation rights relating to the Partnership Securities for any Partnership purpose and (d) do anything necessary or appropriate to accomplish the foregoing. In managing the business of the Partnership, the General Partner shall use all reasonable efforts to prevent the Partnership from realizing income that would be treated as "unrelated business taxable income" (as such term is defined in Section 512 of the Code) to a Limited Partner or Assignee that is otherwise exempt from United States federal income tax. The General Partner has no obligation or duty to the Partnership, the Limited Partners or the Assignees to propose or approve, and in its discretion may decline to propose or approve, the conduct by the Partnership of any business, except as provided for in Section 7.3.

3. *Amendment to Section 5.7 (Limitations on Issuance of Additional Partnership Securities)*. Section 5.7(a) is hereby amended and restated in its entirety as follows:

(a) Without approval of a Unit Majority, the Partnership shall not issue in a single transaction or group of related transactions any Partnership Securities representing Limited Partner Interests if, immediately after giving effect to such issuance, such newly issued Partnership Securities would represent over 40% of the outstanding Limited Partner Interests.

4. *Amendment to Section 6.3 (Requirement and Characterization of Distributions; Distributions to Record Holders)*. Section 6.3(b) is hereby amended and restated in its entirety as follows:

(b) Notwithstanding Section 6.3(a), in the event of the dissolution and liquidation of the Partnership, all receipts received during or after the Quarter in which the Liquidation Date occurs, other than from borrowings described in (b)(ii) of the definition of Available Cash, shall be applied and distributed solely in accordance with, and subject to the terms and conditions of, Section 12.4.

5. *Amendment to Section 7.3 (Restrictions on General Partner's Authority)*. Section 7.3(c) is hereby amended and restated in its entirety as follows:

(c) After consummation of the transactions contemplated by the Combination Agreement, the General Partner may not, without written approval of a Unit Majority, cause the Partnership to acquire or obtain any oil or gas property interest (including mineral fee interests, royalty and overriding royalty interests) unless such acquisition is complementary to the Partnership's objectives and is made either (A) in exchange for Partnership Interests (other than General Partner Interests, and subject to the restrictions described in Section 5.7) (B) in exchange for cash proceeds of any public or private offer and sale of Partnership Securities or options, rights, warrants or appreciation rights relating to the Partnership Securities or (C) in exchange for other cash from the operations of the Partnership ("Operating Cash"), provided this clause (C) shall only be available to the extent the aggregate cost of any acquisitions (including acquisition expenses) made in exchange for Operating Cash during the 12-month period ending on the first to occur of the execution of a definitive agreement for such acquisition and its consummation (the "Determination Date") is equal to or less than 10% of the Partnership's aggregate cash distributions made pursuant to Section 6.3(a) with respect to the four most recent Quarters for which such cash distributions have been made as of the Determination Date. The Partnership Interests referred to in this Section 7.3(c) include but are not limited to Common Units. Notwithstanding any provision to the contrary in this Agreement (including Section 5.7 and this 7.3(c)), in the event that the Partnership acquires properties for a combination of Operating Cash and Partnership Interests, (i) the Operating Cash component of the acquisition consideration shall be equal to or less than 5% of the aggregate cash distributions made by the Partnership for the four most recent Quarters and (ii) the amount of Partnership Interests to be issued in such acquisition, after giving effect to such issuance, shall not exceed 10% of the outstanding Limited Partnership Interests.

6. *Amendment to Section 7.14 (Officers; Compensation; Terms.)*. Section 7.14(b) is hereby amended and restated in its entirety as follows:

(b) Compensation. No officer of the Partnership will be compensated for serving as an officer or employee of the Partnership, but such Persons may hold positions with the General Partner or one or more of its Affiliates and may be compensated thereby and such compensation may be reimbursed by the Partnership as Direct Expenses, Management Expenses or charged against any ORRI as Production Costs.

7. *Ratification of Partnership Agreement*. Except as expressly modified and amended herein, all of the terms and conditions of the Partnership Agreement shall remain in full force and effect.

8. *Governing Law*. This Amendment will be governed by and construed in accordance with the laws of the State of Delaware, without regard to the principles of conflicts of law.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the General Partner has executed and delivered this Amendment in accordance with the Partnership Agreement, and as of the date first written above.

GENERAL PARTNER:

Dorchester Minerals Management LP

By: Dorchester Minerals Management GP LLC,
its General Partner

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

LIMITED PARTNERS:

On behalf of all Limited Partners, as attorney-in-fact, pursuant to the power of attorney in Section 2.6 of the Partnership Agreement:

Dorchester Minerals Management LP

By: Dorchester Minerals Management GP LLC,
its General Partner

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

Exhibit 31.1

CERTIFICATIONS

I, William Casey McManemin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Dorchester Minerals, L.P.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ William Casey McManemin
William Casey McManemin
Chief Executive Officer of
Dorchester Minerals Management GP LLC
The General Partner of Dorchester Minerals
Management LP
The General Partner of Dorchester Minerals, L. P.

Date: August 6, 2018

Exhibit 31.2

I, Leslie Moriyama, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Dorchester Minerals, L.P.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Leslie Moriyama
Leslie Moriyama
Chief Financial Officer of
Dorchester Minerals Management GP LLC,
The General Partner of Dorchester Minerals
Management LP
The General Partner of Dorchester Minerals, L.P.

Date: August 6, 2018

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)

In connection with the accompanying Quarterly Report of Dorchester Minerals, L.P., (the "Partnership") on Form 10-Q for the period ended June 30, 2018 (the "Report"), each of the undersigned officers of Dorchester Minerals Management GP LLC, General Partner of Dorchester Minerals Management LP, General Partner of the Partnership, hereby certifies that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

/s/ William Casey McManemin
William Casey McManemin
Chief Executive Officer

Date: August 6, 2018

/s/ Leslie Moriyama
Leslie Moriyama
Chief Financial Officer

Date: August 6, 2018