

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC. 20549**

**FORM 10-Q**

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

For the quarterly period ended **March 31, 2017**  
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**  
(State or other jurisdiction of incorporation or  
organization)

**81-0551518**  
(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       Smaller reporting company   
Emerging growth company

(Do not check if a smaller reporting 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 May 4, 2017, 30,675,431 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**

See attached financial statements on the following pages.

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

**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**(In Thousands)**  
**(Unaudited)**

	<u>March 31,</u> <u>2017</u>	<u>December 31,</u> <u>2016</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 10,608	\$ 8,212
Trade and other receivables	4,057	4,332
Net profits interests receivable - related party	3,133	2,225
Total current assets	17,798	14,769
Other non-current assets	56	19
Property and leasehold improvements - at cost:		
Oil and natural gas properties (full cost method)	340,563	340,563
Accumulated full cost depletion	(289,904)	(288,163)
Total	50,659	52,400
Leasehold improvements	625	625
Accumulated amortization	(616)	(602)
Total	9	23
Total assets	\$ 68,522	\$ 67,211
<b>LIABILITIES AND PARTNERSHIP CAPITAL</b>		
Current liabilities:		
Accounts payable and other current liabilities	\$ 745	\$ 252
Current portion of deferred rent incentive	9	23
Total current liabilities	754	275
Commitments and contingencies (Note 2)		
Partnership capital:		
General partner	1,826	1,809
Unitholders	65,942	65,127
Total partnership capital	67,768	66,936
Total liabilities and partnership capital	\$ 68,522	\$ 67,211

The accompanying condensed 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)**

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2017</b>	<b>2016</b>
<b>Operating revenues:</b>		
Royalties	\$ 10,623	\$ 5,784
Net profits interests	1,660	23
Lease bonus	30	189
Other	414	130
<b>Total operating revenues</b>	<b>12,727</b>	<b>6,126</b>
<b>Costs and expenses:</b>		
Operating, including production taxes	987	507
Depreciation, depletion and amortization	1,755	2,236
General and administrative expenses	1,463	1,885
<b>Total costs and expenses</b>	<b>4,205</b>	<b>4,628</b>
<b>Net income</b>	<b>\$ 8,522</b>	<b>\$ 1,498</b>
<b>Allocation of net income:</b>		
General partner	\$ 300	\$ 60
Unitholders	\$ 8,222	\$ 1,438
<b>Net income per common unit (basic and diluted)</b>	<b>\$ 0.27</b>	<b>\$ 0.05</b>
<b>Weighted average common units outstanding (000's)</b>	<b>30,675</b>	<b>30,675</b>

The accompanying condensed 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)**

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2017</b>	<b>2016</b>
Net cash provided by operating activities	\$ 10,086	\$ 4,470
Cash flows used in financing activities:		
Distributions paid to general partner and unitholders	(7,690)	(6,339)
Increase (decrease) in cash and cash equivalents	2,396	(1,869)
Cash and cash equivalents at beginning of period	8,212	7,136
Cash and cash equivalents at end of period	<u>\$ 10,608</u>	<u>\$ 5,267</u>

The accompanying condensed 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. is a publicly traded Delaware limited partnership that was formed in December 2001, and commenced operations on January 31, 2003. The 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. All significant intercompany balances and transactions have been eliminated in consolidation.

The 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 statement 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. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations” for additional information. 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 dilutive income per unit do not differ. These interim financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Partnership’s annual report on Form 10-K for the year ended December 31, 2016.

*Fair Value of Financial Instruments* - The carrying amount of cash and cash equivalents, trade receivables and payables approximates fair value because of the short maturity of those instruments. These estimated fair values may not be representative of actual values of the financial instruments that could have been realized as of quarter close or that will be realized in the future.

**2 Commitments and Contingencies:** The Partnership and Dorchester Minerals Operating LP 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.

*Operating Leases* - We have entered into an operating lease agreement in the ordinary course of our business activities. The third amendment to our office lease was signed on April 17, 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 now expires in 2029. Under the third amendment to the office lease, monthly rental payments will range from \$25,000 - \$30,000 and the Partnership will receive a tenant improvement allowance of \$650,000. The Partnership recognizes a deferred rent liability for the rent escalations when the amount of straight-line rent exceeds the lease payments, and reduces the deferred rent liability when the lease payments exceed the straight-line rent expense. For the tenant improvement allowance, the Partnership will record a deferred rent liability and will amortize the deferred rent over the lease term as a reduction to rent expense.

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

**3 Distributions to Holders of Common Units:** Unitholder cash distributions per common unit since 2015 have been:

	Per Unit Amount		
	2017	2016	2015
First quarter	\$ 0.306700	\$ 0.147417	\$ 0.306553
Second quarter		\$ 0.257977	\$ 0.167430
Third quarter		\$ 0.252224	\$ 0.194234
Fourth quarter		\$ 0.241475	\$ 0.199076

Each of the foregoing distributions were paid on 30,675,431 units. The first quarter distribution will be paid May 11, 2017. Fourth quarter distributions shown above are paid in the first calendar quarter of the following year. The partnership agreement requires the next cash distribution to be paid by August 14, 2017.

**4 New Accounting Pronouncements:** In May 2014, the 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. Adoption of this standard could result in retrospective application, either in the form of recasting all prior periods presented or a cumulative adjustment to equity in the period of adoption. The guidance is effective for annual and interim reporting periods beginning after December 15, 2017.

Our Partnership's revenues are substantially attributable to oil and gas sales. Based on our initial review of our contracts, we believe the timing and presentation of revenues under ASU 2014-09 will be consistent with our current revenue recognition policy as described above. The Partnership will continue to monitor specific developments for our industry as it relates to ASU 2014-09.

In February 2016, the FASB issued ASU 2016-02, 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 Company has lease commitments of approximately \$3 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. Accordingly, at this time we cannot estimate the amount that will be capitalized when this standard is adopted.



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

**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 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 net profits overriding royalty interests (referred to as the Net Profits Interests, or “NPIs”) in various properties owned by Dorchester Minerals Operating LP, a Delaware limited partnership owned directly and indirectly by our general partner. We refer to Dorchester Minerals Operating LP as the “operating partnership” or “DMOLP.” 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 Interest, no payment is made and any deficit is accumulated and carried over and reflected in the following month’s calculation of net profit.

Each of the five NPIs 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.

Minerals NPI production volumes and prices are within the consolidated financial statements in accordance with U.S. GAAP. Our financial statements will continue to reflect such information even if the NPI is in temporary deficit due to capital expenditures. Accrued net profits income in the first quarter of 2016 from this NPI are zero because accrued cumulative capital costs exceeded accrued cumulative operating income. Accrued net profits income in the first quarter of 2017 from this NPI are within the consolidated financial statements.

The Minerals NPI is in a deficit on a cash basis for March 2017 with a cumulative total of \$800,000.

## Commodity Price Risks

Our profitability is affected by oil and natural gas market prices. Oil and natural gas 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 Months Ended March 31, 2017 as compared to Three Months Ended March 31, 2016

Normally, 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	
	March 31,	
	2017	2016
Accrual basis sales volumes:		
Royalty properties gas sales (mmcf)	854	854
Royalty properties oil sales (mbbls)	175	142
NPI gas sales (mmcf)	572	828
NPI oil sales (mbbls)	67	89
Accrual basis weighted average sales price:		
Royalty properties gas sales (\$/mcf)	\$ 3.31	\$ 1.80
Royalty properties oil sales (\$/bbl)	\$ 44.44	\$ 29.90
NPI gas sales (\$/mcf)	\$ 2.71	\$ 2.10
NPI oil sales (\$/bbl)	\$ 40.55	\$ 30.83

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 first quarter increased 23% from 142 mbbls in 2016 to 175 mbbls in the same period of 2017. The increase in volumes during the first quarter compared to the same period of 2016 is a result of increased Permian Basin production partially offset by natural reservoir declines. Natural gas sales volumes attributable to our Royalty Properties during the first quarter remained constant at 854 mmcf for the first quarter of 2017 and 2016.

Oil sales volumes attributable to our NPIs during the first quarter of 2017 and 2016 were 67 mbbls and 89 mbbls, respectively, resulting in a decrease of 25%. The decrease in oil sales volumes is a result of natural reservoir declines. Natural gas sales volumes attributable to our NPIs during the first quarter decreased 31% from 828 mmcf in 2016 to 572 mmcf in 2017. The decrease is due to a higher amount of suspense releases in the first quarter of 2016 and natural reservoir declines.

Our first quarter net operating revenues increased 108% from \$6,126,000 in 2016 to \$12,727,000 during 2017. This increase is primarily a result of increases in sales prices and other income partially offset with a decrease in lease bonus income versus the first quarter of 2016. The first quarter of 2017 includes income of \$1,100,000 related to legal settlements on our royalty properties.

First quarter operating costs and expenses increased 95% from \$507,000 during 2016 to \$987,000 during 2017. The increases versus the prior year are primarily a result of higher production taxes due to higher oil and natural gas sales prices.

General and administrative expenses of \$1,463,000 during the first quarter of 2017 decreased 22% compared to \$1,885,000 during the same period of 2016. The expense decreases are primarily due to higher legal costs associated with royalty litigation in the first quarter of 2016.

Depletion and amortization costs of \$1,755,000 during the first quarter of 2017 decreased 22% compared to \$2,236,000 during the first quarter of 2016. We adjust our depletion each quarter for significant changes in our estimates of oil and natural gas reserves.

First quarter net income allocable to common units increased 472% from \$1,438,000 during 2016 to \$8,222,000 during 2017. The increase is mainly due to higher oil and natural gas sales prices, higher oil volumes, and higher income from other sources.

Net cash provided by operating activities increased 126% from \$4,470,000 during the first three months of 2016 to \$10,086,000 during the same period of 2017. The increase is mainly driven by higher oil and natural gas sales prices.

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 2017 first quarter totaled approximately \$10,200,000. These receipts generally reflect oil sales during December 2016 through February 2017 and natural gas sales during November 2016 through January 2017. The weighted average indicated prices for oil and natural gas sales received during the 2017 first quarter attributable to the Royalty Properties were \$44.17/bbl and \$3.36/mcf, respectively.

Cash receipts attributable to our NPIs during the 2017 first quarter totaled approximately \$800,000. These receipts generally reflect oil and natural gas sales from the properties underlying the NPIs during November 2016 through January 2017. The weighted average indicated prices for oil and natural gas sales received during the 2017 first quarter attributable to our NPIs were \$36.35/bbl and \$2.26/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 in accordance with our partnership agreement. Since 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 payments of expenses. Since 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 of the Notes to the Condensed Consolidated Financial Statements 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 plans to continuously 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 \$10,608,000 at March 31, 2017 and \$8,212,000 at December 31, 2016.

### ***Critical Accounting Policies***

We utilize the full cost method of accounting for costs related to our oil and natural gas properties. Under this method, all such costs are capitalized and amortized on an aggregate basis over the estimated lives of the properties using the units-of-production method. These capitalized costs are subject to a ceiling test, however, which limits such pooled costs to the aggregate of the present value of future net revenues attributable to proved oil and natural gas reserves discounted at 10% plus the lower of cost or market value of unproved properties. The full cost ceiling is evaluated at the end of each quarter and when events indicate possible impairment.

The discounted present value of our proved oil and natural gas reserves is a major component of the ceiling calculation and requires many subjective judgments. Estimates of reserves are forecasts based on engineering and geological analyses. Different reserve engineers may reach different conclusions as to estimated quantities of natural gas or crude oil reserves based on the same information. Our reserve estimates are prepared by independent consultants. The passage of time provides more qualitative information regarding reserve estimates, and revisions are made to prior estimates based on updated information. However, there can be no assurance that significant revisions will not be necessary in the future. Significant downward revisions could result in an impairment representing a non-cash charge to income. In addition to the impact on the calculation of the ceiling test, estimates of proved reserves are also a major component of the calculation of depletion.

While the quantities of proved reserves require substantial judgment, the associated prices of oil and natural gas reserves that are included in the discounted present value of our reserves are objectively determined. The ceiling test calculation requires use of the unweighted arithmetic average of the first day of the month price during the 12-month period ending on the balance sheet date and costs in effect as of the last day of the accounting period, which are generally held constant for the life of the properties. As a result, the present value is not necessarily an indication of the fair value of the reserves. Oil and natural gas prices have historically been volatile and the prevailing prices at any given time may not reflect our Partnership's or the industry's forecast of future prices.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 NPI properties 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.

### **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 March 31, 2017 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 6. EXHIBITS**

See the attached Index to Exhibits.

**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

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

Date: May 4, 2017

By: /s/ Leslie Moriyama  
Leslie Moriyama  
Chief Financial Officer

Date: May 4, 2017

## INDEX TO EXHIBITS

<u>Number</u>	<u>Description</u>
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	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)
3.4	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)
3.5	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)
3.6	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)
3.7	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)
3.8	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)
3.9	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)
3.10	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) of the Securities Exchange Act of 1934
31.2*	Certification of Chief Financial Officer of the Partnership pursuant to Rule 13a-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



## 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 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 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.

Date: May 4, 2017

/s/ William Casey McManemin

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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.

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 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 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

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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: May 4, 2017

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 March 31, 2017 (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: May 4, 2017

/s/ Leslie Moriyama  
\_\_\_\_\_  
Leslie Moriyama  
Chief Financial Officer

Date: May 4, 2017