MV Oil Trust
Form 10-Q
November 10, 2008

QuickLinks -- Click here to rapidly navigate through this document

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

ý **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the quarterly period ended September 30, 2008**

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 for the transition period from to**

Commission File Number: 1-33219

MV OIL TRUST

(Exact name of registrant as specified in its charter)

Delaware	**06-6554331**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
The Bank of New York Mellon Trust Company, N.A., Trustee Global Corporate Trust 919 Congress Avenue Austin, Texas	**78701**
(Address of principal executive offices)	(Zip Code)

1-800-852-1422

(Registrant's telephone number, including area code)

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

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

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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. As of November 6, 2008 11,500,000 Units of Beneficial Interest in MV Oil Trust were outstanding.

PART I FINANCIAL INFORMATION

Item 1. Financial Statements.

MV OIL TRUST

CONDENSED STATEMENTS OF DISTRIBUTABLE INCOME

(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2008	**2007**	**2008**	**2007**
Income from net profits interest and hedge and other derivative activities	$7,854,968	$7,558,735	$21,356,403	$25,661,997
Net advances (net repayments) from (to) MV Partners	(300,000)	400,000	70,000	400,000
Cash withheld for future Trust expenses	(1,008)		(1,008)	(263,590)
Cash on hand used for current Trust expenses		15,912	1,878	160,806
General and administrative (includes $19,848 and $0 paid to MV Partners during the three months ended September 30, 2008 and 2007, respectively, and $34,848 and $60,000 during the nine months ended September 30, 2008 and 2007, respectively)	(98,993)	(415,912)	(650,863)	(626,715)
Distributable income	$7,454,967	$7,558,735	$20,776,410	$25,332,498
Distributions per unit (11,500,000 units issued and outstanding)	$ 0.6483	$ 0.6573	$ 1.8066	$ 2.2028

CONDENSED STATEMENTS OF ASSETS AND TRUST CORPUS

	September 30, 2008 (unaudited)	December 31, 2007
ASSETS		
Cash	$ 2,043	$ 2,913
Investment in net profits interest	50,383,675	50,383,675
Accumulated amortization	(6,773,178)	(4,186,531)
Total assets	$43,612,540	$46,200,057
TRUST CORPUS		
Trust corpus, 11,500,000 Trust units issued and outstanding at September 30, 2008 and December 31, 2007	$43,612,540	$46,200,057

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

MV OIL TRUST

CONDENSED STATEMENTS OF CHANGES IN TRUST CORPUS

(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2008	**2007**	**2008**	**2007**
Trust corpus, beginning of period	$44,490,374	$48,159,321	$ 46,200,057	$ 1,000
Investment in net profits interest January 24, 2007				50,383,675
Cash proceeds	7,854,968	7,558,735	21,356,403	25,661,997
Net advances (net repayments) from (to) MV Partners	(300,000)	400,000	70,000	400,000
Cash distributions	(7,454,967)	(7,558,735)	(20,776,410)	(25,332,498)
Trust expenses	(98,993)	(415,912)	(650,863)	(626,715)
Amortization of net profits interest	(878,842)	(921,669)	(2,586,647)	(3,265,719)
Trust corpus, end of period	$43,612,540	$47,221,740	$ 43,612,540	$ 47,221,740

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

MV OIL TRUST

NOTES TO CONDENSED FINANCIAL STATEMENTS

(Unaudited)

Note 1 Organization of the Trust

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

The Trust was created to acquire and hold a term net profits interest for the benefit of the Trust unitholders pursuant to a conveyance from MV Partners to the Trust. The term net profits interest is an interest in underlying properties consisting of MV Partners' net interests in all of its oil and natural gas properties located in the Mid-Continent region in the states of Kansas and Colorado (the "underlying properties"). These oil and gas properties include approximately 994 producing oil and gas wells.

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

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

Note 2 Basis of Presentation

The accompanying Condensed Statement of Assets and Trust Corpus as of December 31, 2007, which has been derived from audited financial statements, and the unaudited interim condensed financial statements as of September 30, 2008 and for the three and nine month periods ended September 30, 2008 and 2007, have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Accordingly, certain information and note disclosures normally included in annual financial statements have been condensed or omitted pursuant to those rules and regulations.

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

MV OIL TRUST

NOTES TO CONDENSED FINANCIAL STATEMENTS (Continued)

(Unaudited)

Note 2 Basis of Presentation (Continued)

disclosures necessary to make the information presented not misleading. The information furnished reflects all adjustments which are, in the opinion of the Trustee, necessary for a fair presentation of the results of the interim period presented. The financial information should be read in conjunction with the financial statements and notes thereto included in the Trust's Annual Report on Form 10-K for the year ended December 31, 2007.

Note 3 Trust Accounting Policies

The Trust uses the cash basis of accounting to report Trust receipts of the term net profits interest, receipts under the hedge and other derivative contracts and payments of expenses incurred. The term net profits interest is revenues (oil, gas and natural gas liquid sales net of any payments made in connection with the settlement of the hedge and other derivative contracts) less direct operating expenses (lease operating expenses, lease maintenance, lease overhead, and production and property taxes) and an adjustment for lease equipment cost and lease development expenses (which are capitalized in financial statements prepared in accordance with generally accepted accounting principles) of the underlying properties times 80% (term net profits interest percentage). In addition, the Trust will be entitled to receive 80% of all payments received by MV Partners upon settlement of the hedge and other derivative contracts. Actual cash receipts may vary due to timing delays of actual cash receipts from the property operators or purchasers and due to wellhead and pipeline volume balancing agreements or practices. The actual cash distributions of the Trust will be made based on the terms of the conveyance creating the Trust's net profits interest, which is on a cash basis of accounting. Expenses of the Trust, which include accounting, engineering, legal and other professional fees, Trustee fees, an administrative fee paid to MV Partners and out-of-pocket expenses, are recognized when paid. Under accounting principles generally accepted in the United States of America, revenues and expenses would be recognized on an accrual basis. Amortization of the investment in net profits interest is recorded on a unit-of-production method in the period in which the cash is received with respect to such production; therefore, a statement of cash flows is not presented. Such amortization does not reduce distributable income, rather it is charged directly to Trust corpus.

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

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

MV OIL TRUST

NOTES TO CONDENSED FINANCIAL STATEMENTS (Continued)

(Unaudited)

Note 3 Trust Accounting Policies (Continued)

No new accounting pronouncements have been adopted or issued during the quarter ended September 30, 2008 that would impact the financial statements of the Trust.

Note 4 Net Profits Interest

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

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

Note 5 Income from Net Profits Interest and Hedge and Other Derivative Activities

	Three months ended September 30,		Nine months ended September 30,	
	2008	**2007**	**2008**	**2007**
Excess of revenues over direct operating expenses and lease equipment and development costs(1)	$9,818,710	$9,177,052	$26,695,504	$31,452,543
Amounts received to settle hedges and other derivatives		271,367		1,249,954
Total of cash receipts over cash disbursements	9,818,710	9,448,419	26,695,504	32,702,497
Times net profits interest over the term of the Trust	80%	80%	80%	80%
Income from net profits interest and hedge and other derivative activities before reserve adjustments	7,854,968	7,558,735	21,356,403	26,161,997
MV Partners reserve for future capital expenditures(2)				(500,000)
Income from net profits interest and hedge and other derivative activities(3)	$7,854,968	$7,558,735	$21,356,403	$25,661,997

---

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

MV OIL TRUST

NOTES TO CONDENSED FINANCIAL STATEMENTS (Continued)

(Unaudited)

Note 5 Income from Net Profits Interest and Hedge and Other Derivative Activities (Continued)

(2)

Per terms of the net profits interest, MV Partners can reserve up to $1.0 million for future capital expenditures at any time. MV Partners withheld $0 and $1.0 million for the nine months ended September 30, 2008 and 2007, respectively. MV Partners did not utilize any of the reserve from either third quarter 2008 or 2007 payments. MV Partners utilized $0 and $0.5 million for the nine months ended September 30, 2008 and 2007, respectively. The reserve balance was $0.75 million and $0.5 million at September 30, 2008 and 2007, respectively.

(3)

The income from net profits interest and hedge and other derivative activities is based upon the cash receipts from MV Partners for the oil and gas production. The revenues from oil production are typically received by MV Partners one month after production, thus the cash received by the Trust during the quarter ended September 30, 2008 substantially represents the production by MV Partners from March 2008 through May 2008 and the cash received by the Trust during the quarter ended September 30, 2007 substantially represents the production by MV Partners from March 2007 through May 2007. The cash received by the Trust during the nine months ended September 30, 2008 substantially represents the production by MV Partners from September 2007 through May 2008 and the cash received by the Trust during the nine months ended September 30, 2007 substantially represents the production by MV Partners from July 2006 through May 2007.

Note 6 Income Taxes

The Trust is a Delaware statutory trust and is not required to pay federal or state income taxes. Accordingly, no provision for federal or state income taxes has been made.

Note 7 Distributions to Unitholders

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

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

MV OIL TRUST

NOTES TO CONDENSED FINANCIAL STATEMENTS (Continued)

(Unaudited)

Note 7 Distributions to Unitholders (Continued)

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

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

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

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

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

Note 8 Advance for Trust Expenses

Under the terms of the Trust agreement, the Trustee is allowed to borrow money to pay Trust expenses. The Trust expense holdback in the third quarter 2008 was not sufficient to pay the third quarter expenses, so the Trustee borrowed $100,000 from MV Partners to pay Trust expenses during the quarter ended September 30, 2008. Since the Trust is on the cash basis of accounting, a liability has not

MV OIL TRUST

NOTES TO CONDENSED FINANCIAL STATEMENTS (Continued)

(Unaudited)

Note 8 Advance for Trust Expenses (Continued)

been recorded for this advance. The Trustee also repaid the $400,000 borrowed in the previous quarter. Advances are shown as additions to Trust Corpus and repayments are shown as reductions to Trust Corpus.

Note 9 Subsequent Events

The Trust did not make the scheduled fourth quarterly distribution in 2008, which was to be made on October 25, 2008 to Trust unitholders owning Trust units as of October 15, 2008, because the Trust had not received cash from the net profits interest and other sources in excess of the Trust's expenses for the previous quarterly period. The scheduled fourth quarterly distribution was to be based on the net proceeds of production collected by MV Partners from July 1, 2008 through September 30, 2008. As described below, MV Partners did not distribute any funds to the Trust that were attributable to such proceeds. Any cash distributed to the Trust from MV Partners would also have taken into account 80% of all amounts paid by MV Partners to hedge contract counterparties for settlements related to the period from July 1, 2008 through September 30, 2008.

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

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

Because of the nonpayment by Eaglwing and the decreased sales during July and August 2008, there were not sufficient net proceeds collected by MV Partners from July 1, 2008 through September 30, 2008 for MV Partners to distribute cash to the Trust with respect to the net profits interest relating thereto. Neither the Trust nor the Trust unitholders are liable for any costs in excess of

MV OIL TRUST

NOTES TO CONDENSED FINANCIAL STATEMENTS (Continued)

(Unaudited)

Note 9 Subsequent Events (Continued)

net proceeds; however, the Trust will not receive any distributions from MV Partners until future net proceeds exceed the total of those excess costs, plus interest at the prime rate. As a result, the scheduled quarterly distribution in January 2009 will be substantially impacted. MV Partners currently expects that the scheduled quarterly distribution by MV Oil Trust in April 2009 will not be impacted by the nonpayment by Eaglwing or the decreased sales during July and August 2008.

Item 2. Trustee's Discussion and Analysis of Financial Condition and Results of Operations.

The following review of the Trust's financial condition and results of operations should be read in conjunction with the financial statements and notes thereto. The Trust was formed on August 3, 2006. The conveyance of the net profits interest, however, did not occur until January 24, 2007. The Trust's first quarterly distribution was paid on February 23, 2007 and consisted of an amount in cash paid by MV Partners equal to the amount that would have been payable to the Trust had the net profits interest been in effect during the period from July 1, 2006 through December 31, 2006.

The Trust's purpose is, in general, to hold the net profits interest and the assigned interest in the hedge contracts, to distribute to the Trust unitholders cash that the Trust receives in respect of the net profits interests and the assigned interest in the hedge contracts and to perform certain administrative functions in respect of the net profits interest and the Trust units. The Trust derives substantially all of its income and cash flows from the net profits interest and the hedge contracts.

Results of the Operations for the Quarters Ended September 30, 2008 and 2007

As previously noted, the cash received by the Trust during the quarter ended September 30, 2008 substantially represents the production by MV Partners from March 2008 through May 2008 and the cash received by the Trust during the quarter ended September 30, 2007 substantially represents the production by MV Partners from March 2007 through May 2007. Excess of revenues over direct operating expenses and lease equipment and development costs from the underlying properties increased $641,658 to $9,818,710 for the period from April 1, 2008 through June 30, 2008 from $9,177,052 for the period from April 1, 2007 through June 30, 2007. Included in these amounts are payments to settle hedge and other derivatives totaling $10,260,421 for the period from April 1, 2008 through June 30, 2008 and $214,103 for the period from April 1, 2007 through June 30, 2007, respectively. In addition, amounts received to settle hedge and other derivatives were $0 for the period from April 1, 2008 through June 30, 2008 and $271,367 for the period from April 1, 2007 through June 30, 2007, which resulted in total cash receipts over cash disbursements of $9,818,710 and $9,448,419, respectively. The Trust's net profits interest (80%) of these totals were $7,854,968 and $7,558,735, respectively.

The Trust's portion represents the cash proceeds received by the Trust, which is based upon the cash receipts from MV Partners for the oil and gas production. The revenues from oil production are typically received one month after production, thus the cash received by the Trust during the quarter ended September 30, 2008 substantially represents the production by MV Partners from March 2008 through May 2008 and the quarter ended September 30, 2007 substantially represents the production by MV Partners from March 2007 through May 2007. The Trustee has paid general and administrative expenses of $98,993 and $415,912 for the quarters ended September 30, 2008 and 2007, respectively. The distributable income for the quarter ended September 30, 2008 was $7,454,967, a decrease of $103,768 from a distributable income of $7,558,735 for the quarter ended September 30, 2007.

The average price received for crude oil sold was $109.31 per Bbl while the average price received for natural gas sold was $6.76 per Mcf for the period from April 1, 2008 through June 30, 2008. The average price received for crude oil sold was $58.23 per Bbl while the average price received for natural gas sold was $6.02 per Mcf for the period from April 1, 2007 through June 30, 2007.

The overall production sales volumes collected attributable to the 80% net profits interest that is for the oil and gas production collected during the period from April 1, 2008 through June 30, 2008 were 196,711 Bbls of oil, 21,686 Mcf of natural gas and 944 Bbls of natural gas liquids for a total equivalent barrels of oil of 200,939.

The overall production sales volumes collected attributable to the 80% net profits interest that is for the oil and gas production collected during the period from April 1, 2007 through June 30, 2007 were 207,258 Bbls of oil, 18,186 Mcf of natural gas and 700 Bbls of natural gas liquids for a total equivalent barrels of oil of 210,744.

As noted above, the amounts reflected in the accompanying financial statements for the Trust's quarter ended September 30, 2008 reflect cash received by the Trust during the quarter. Such cash is primarily derived from production by MV Partners from March 2008 through May 2008. MV Partners has not distributed cash to the Trust since July 2008 due to a deficiency in distributable income, which will be reflected in the Trust's financial statements for the year ending December 31, 2008. The cash that otherwise would have been distributed to the Trust in October 2008 would have been primarily derived from production by MV Partners from June 2008 through August 2008. The discussion below relates to operations of MV Partners during the quarter ended September 30, 2008, which will be reflected in the Trust's financial statements for the year ending December 31, 2008.

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

For the three months ended September 30, 2008, direct operating expenses and lease equipment and development costs from the underlying properties exceeded revenues from the underlying properties by an aggregate of $6,049,283 (with the Trust's 80% portion equal to $4,839,426). For the three months ended September 30, 2007, revenues exceeded direct operating expenses and lease equipment and development costs by an aggregate of $10,211,354 (with the Trust's 80% portion equal to $8,169,083). The $16,260,637 difference is primarily attributable to the failure of Eaglwing to pay MV Partners the aggregate of approximately $15.5 million originally owing for Eaglwing's purchase of production during June and the first 18 days of July 2008 and a related decrease in sales of oil production in July and August 2008. See "   Other Events." Included in the amounts for the three-month periods are payments to settle hedge and other derivatives totaling $12,758,898 for the three months ended September 30, 2008 and $1,703,307 for the three months ended September 30, 2007, respectively. No amounts were received to settle hedge and other derivatives for the three months ended September 30, 2008 or 2007.

The average price received for crude oil sold was $123.16 per Bbl while the average price received for natural gas sold was $9.15 per Mcf for the period from July 1, 2008 through September 30, 2008. As previously noted, Eaglwing has not paid the purchase price for the crude oil sold to it during June and the first 18 days of July 2008. The average price received for crude oil sold was $65.75 per Bbl while the average price received for natural gas sold was $5.84 per Mcf for the period from July 1, 2007 through September 30, 2007.

The overall production volumes sold and delivered to purchasers attributable to the 80% net profits interest that is for the oil and gas production sold and delivered during the period from June 1, 2008 to August 31, 2008 were 185,987 Bbls of oil, 22,185 Mcf of natural gas and 1,354 Bbls of natural gas liquids for a total equivalent barrels of oil of 190,565. As previously noted, Eaglwing has not paid the purchase price for the crude oil sold to it during June and the first 18 days of July 2008.

The overall production sales volumes collected attributable to the 80% net profits interest for the oil and gas production collected during the quarter ended September 30, 2007 were 206,397 Bbls of oil, 19,930 Mcf of natural gas and 1,254 Bbls of natural gas liquids for a total equivalent barrels of oil of 210,534.

Results of the Operations for the Nine Months Ended September 30, 2008 and 2007

Excess of revenues over direct operating expenses and lease equipment and development costs from the underlying properties decreased $4,757,039 to $26,695,504 for the period from October 1, 2007 through June 30, 2008 from $31,452,543 for the period from July 1, 2006 through June 30, 2007. Included in these amounts are payments to settle hedge and other derivatives totaling $23,056,782 for the period from October 1, 2007 through June 30, 2008 and $1,809,860 for the period from July 1, 2006 through June 30, 2007, respectively. In addition, amounts received to settle hedge and other derivatives was $0 for the period from October 1, 2007 through June 30, 2008 and $1,249,954 for the period from July 1, 2006 through June 30, 2007, which resulted in a total cash receipts over cash disbursements of $26,695,504 and $32,702,497, respectively. The Trust's portion (80%) of these totals were $21,356,403 and $26,161,997, respectively. The amount for the period ended June 30, 2007 was reduced in the first quarter of 2007 by a reserve for future capital expenditures of $1,000,000, and increased in the second quarter of 2007 by a repayment of $500,000 of the reserve, resulting in the income from net profits interest and hedge and other derivative activities of $21,356,403 and $25,661,997 for the nine months ended September 30, 2008 and 2007, respectively.

The revenues from oil production are typically received one month after production, thus the cash received by the Trust during the nine months ended September 30, 2008 substantially represents the production by MV Partners from September 2007 through May 2008 and the cash received by the Trust during the nine months ended September 30, 2007 substantially represents the production by MV Partners from July 2006 through May 2007. The Trustee has paid general and administrative expenses of $650,863 and $626,715 for the nine months ended September 30, 2008 and 2007, respectively. The distributable income for the nine months ended September 30, 2008 was $20,776,410, a decrease of $4,556,088 from a distributable income of $25,332,498 for the nine months ended September 30, 2007.

The average price received for crude oil sold was $93.25 per Bbl while the average price received for natural gas sold was $5.59 per Mcf for the period from October 1, 2007 through June 30, 2008. The average price received for crude oil sold was $59.19 per Bbl while the average price received for natural gas sold was $5.47 per Mcf for the period from July 1, 2006 through June 30, 2007.

The overall production sales volumes collected attributable to the 80% net profits interest that is for the oil and gas production collected during the nine months ended June 30, 2008 were 578,728 Bbls of oil, 64,459 Mcf of natural gas and 3,005 Bbls of natural gas liquids for a total equivalent barrels of oil of 591,424.

The overall production sales volumes collected attributable to the 80% net profits interest that is for the oil and gas production subsequent to July 1, 2006 and collected before June 30,2007 were 732,250 Bbls of oil, 70,949 Mcf of natural gas and 4,031 Bbls of natural gas liquids for a total equivalent barrels of oil of 746,695.

As noted above, the amounts reflected in the accompanying financial statements for the Trust's nine month period ended September 30, 2008 reflect cash received by the Trust during the nine months. Such cash is primarily derived from production by MV Partners from September 2007 through May 2008. MV Partners has not distributed cash to the Trust since July 2008 due to a deficiency in distributable income, which will be reflected in the Trust's financial statements for the year ending December 31, 2008. The cash that otherwise would have been distributed to the Trust in October 2008 would have been primarily derived from production by MV Partners from June 2008 through August 2008. The discussion below relates to operations of MV Partners during the nine months ended September 30, 2008 and 2007, which will be reflected in the Trust's financial statements for the year ending December 31, 2008.

Excess of revenues over direct operating expenses and lease equipment and development costs from the underlying properties decreased $14,515,006 to $11,456,590 for the nine months ended September 30, 2008 from $25,971,596 for the nine months ended September 30, 2007. Included in the amounts for the nine-month periods are payments to settle hedge and other derivatives totaling $30,781,076 for the nine months ended September 30, 2008 and $1,934,681 for the nine months ended September 30, 2007, respectively. Amounts received to settle hedge and other derivatives decreased $730,006 to $0 for the nine months ended September 30, 2008 from $730,006 for the nine months ended September 30, 2007, which resulted in total cash receipts over cash disbursements of $11,456,590 and $26,701,602, respectively. The Trust's portion (80%) of these totals were $9,165,272 and $21,361,281, respectively. The amount for the nine months ended September 30, 2007 was increased by application of the reserve for future capital expenditures of $250,000, resulting in income from net profits interest and hedge and other derivative activities of $9,165,272 and $21,611,281 for the nine months ended September 30, 2008 and 2007, respectively. The significant decrease in revenues over expenses and costs is primarily attributable to the failure of Eaglwing to pay MV Partners the aggregate of approximately $15.5 million originally owing for Eaglwing's purchase of production during June and the first 18 days of July 2008 and a related decrease in sales of oil production in July and August 2008. See " Other Events."

The average price received for crude oil sold was $107.04 per Bbl while the average price received for natural gas sold was $7.16 per Mcf for the nine months ended September 30, 2008. As previously noted, Eaglwing has not paid the purchase price for the crude oil sold to it during June and the first 18 days of July 2008. The average price received for crude oil sold was $59.86 per Bbl while the average price received for natural gas sold was $5.83 per Mcf for the nine months ended September 30, 2007.

The overall production volumes sold and delivered to purchasers attributable to the 80% net profits interest that is for the oil and gas production sold and delivered during the period from December 1, 2007 through August 31, 2008 were 567,810 Bbls of oil, 64,955 Mcf of natural gas and 3,147 Bbls of natural gas liquids for a total equivalent barrels of oil of 580,682. As previously noted, Eaglwing has not paid the purchase price for the crude oil sold to it during June and the first 18 days of July 2008.

The overall production sales volumes collected attributable to the 80% net profits interest for the oil and gas production collected during the nine months ended September 30, 2007 were 596,754 Bbls of oil, 56,575 Mcf of natural gas and 2,902 Bbls of natural gas liquids for a total equivalent barrels of oil of 608,069.

Liquidity and Capital Resources

Other than Trust administrative expenses, including any reserves established by the Trustee for future liabilities, the Trust's only use of cash is for distributions to Trust unitholders. Administrative expenses include payments to the Trustee as well as an annual administrative fee to MV Partners pursuant to an administrative services agreement. Each quarter, the Trustee determines the amount of funds available for distribution. Available funds are the excess cash, if any, received by the Trust from the net profits interest, payments from the hedge contracts and other sources (such as interest earned on any amounts reserved by the Trustee) that quarter, over the Trust's liabilities for that quarter. Available funds are reduced by any cash the Trustee decides to hold as a reserve against future liabilities. The Trustee may borrow funds required to pay liabilities if the Trustee determines that the cash on hand and the cash to be received are insufficient to cover the Trust's liability. If the Trustee borrows funds, the Trust unitholders will not receive distributions until the borrowed funds are repaid. The Trust expense holdback in the third quarter 2008 was not sufficient to pay the third quarter expenses, so the Trustee borrowed $100,000 from MV Partners to pay Trust expenses during the quarter ended September 30, 2008. The Trust borrowed an additional $100,000 from MV Partners in October 2008 and may borrow additional funds as needed.

Income to the Trust from the net profits interest is based on the calculation and definitions of "gross proceeds" and "net proceeds" contained in the conveyance.

As substantially all of the underlying properties are located in mature fields, MV Partners does not expect future costs for the underlying properties to change significantly as compared to recent historical costs other than increases due to increases in the general cost of oilfield services.

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

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

Hedge Contracts

The revenues derived from the underlying properties depend substantially on prevailing crude oil and, to a lesser extent, natural gas and natural gas liquid prices. As a result, commodity prices also affect the amount of cash flow available for distribution to the Trust unitholders. Lower prices may also reduce the amount of oil, natural gas and natural gas liquids that MV Partners can economically produce. MV Partners sells the oil, natural gas and natural gas liquid production from the underlying properties under floating market price contracts each month. Under the required terms of a 2006 bank credit facility, MV Partners entered into hedge contracts to reduce the exposure of the revenues from oil production from the underlying properties from 2008 through 2010 to fluctuations in crude oil prices and to achieve more predictable cash flow. However, these contracts limit the amount of cash available for distribution if prices increase. The hedge contracts consist of fixed price swap contracts that have been placed with Union Bank of California, Bank of America, and SemCrude, L.P., who MV Partners believes represent minimal credit risks, other than SemCrude, L.P., which has filed a voluntary petition for reorganization under Chapter 11 of the United States Bankruptcy Code. Hedge contracts relating to approximately 30,000 Bbls of oil per month are with SemCrude through December 2008. See " Other Events". MV Partners cannot provide assurance, however, that any of these trading counterparties will not become credit risks in the future. For 2009 and 2010, approximately 70% of the volumes subject to the swap contracts are under swap contracts with Union Bank of California; the remaining volumes subject to the swap contracts are under swap contracts with Bank of America.

The crude oil swap contracts will settle based on the average of the settlement price for each commodity business day in the contract month. In a swap transaction, the counterparty is required to make a payment to MV Partners for the difference between the fixed price and the settlement price if the settlement price is below the fixed price. MV Partners is required to make a payment to the counterparty for the difference between the fixed price and the settlement price if the settlement price is above the fixed price. SemCrude would owe MV Partners under the hedge contracts if the average of the settlement price for each commodity business day in the contract month of November or December 2008 is below $60.70; however, there can be no assurance that MV Partners will collect any amounts owing from SemCrude under such contracts. From October 1, 2008 through December 31, 2010, MV Partners' crude oil price risk management positions in swap contracts are as follows:

	Fixed Price Swaps	
Month	**Volumes (Bbls)**	**Weighted Average Price (Per Bbl)**
October 2008	61,167	58.53
November 2008	61,167	58.53
December 2008	61,167	58.53
January 2009	56,500	66.24
February 2009	56,500	66.24
March 2009	56,500	66.24
April 2009	56,500	66.24
May 2009	56,500	66.24
June 2009	56,500	66.24
July 2009	56,500	66.24
August 2009	56,500	66.24
September 2009	56,500	66.24
October 2009	56,500	66.24
November 2009	56,500	66.24
December 2009	56,500	66.24
January 2010	53,150	65.03
February 2010	53,150	65.03
March 2010	53,150	65.03
April 2010	53,150	65.03
May 2010	53,150	65.03
June 2010	53,150	65.03
July 2010	53,150	65.03
August 2010	53,150	65.03
September 2010	53,150	65.03
October 2010	53,150	65.03
November 2010	53,150	65.03
December 2010	53,150	65.03

MV Partners has agreed to convey to the Trust 80% of all proceeds that it receives upon settlement of the hedge contracts. There are certain risks associated with this conveyance in the event that MV Partners becomes involved as a debtor in bankruptcy proceedings. See "Risk Factors If the financial position of MV Partners degrades in the future, MV Partners may not be able to satisfy its obligations to the Trust" in the Trust's Annual Report on Form 10-K for the year ended December 31, 2007. In addition, the aggregate amounts paid by MV Partners on settlement of the hedge contracts will be deducted from the gross proceeds available for payment to the Trust under the net profits interest. See "Business Computation of Net Proceeds Net Profits Interest" also contained in the Trust's Annual Report on Form 10-K for the year ended December 31, 2007.

Other Events

As publicly reported, on July 22, 2008, SemCrude and certain of its affiliates, including Eaglwing, filed voluntarily petitions for reorganization under Chapter 11 of the United States Bankruptcy Code. Eaglwing purchased substantially all of the crude oil production of the underlying properties for the month of June 2008 and for the first 18 days of July 2008, after which date further sales to Eaglwing were terminated. As of the date of this Form 10-Q, Eaglwing has not yet paid the purchase price for such sales. Recovery on the amounts owing from Eaglwing will depend on the bankruptcy process governing Eaglwing and its debtor affiliates. At this time, there can be no assurance as to the dollar amount, if any, that may be recovered or the timing of any such recovery. Set forth below is a summary discussion of this matter, which is based on information provided to the Trustee by representatives of MV Partners.

On September 17, 2008, the Court in the consolidated SemCrude bankruptcy case entered an Order that allows the contractual operators for the underlying properties of MV Partners, Vess Oil Corporation ("Vess Oil") and Murfin Drilling Company ("Murfin Drilling") to file proofs of claims for statutory lien claims on their behalf and on behalf of working interest owners (inclusive of MV Partners' interests), overriding royalty owners and royalty owners. As of November 1, 2008, a proof of claim deadline had not been set by the Court. Vess Oil and Murfin Drilling intend to file proofs of claims on a lease by lease basis on behalf of the working interest owners (inclusive of MV Partners' interests), overriding royalty owners and royalty owners for the leases that each operates and to continue to pursue vigorously their interests in the bankruptcy process.

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

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

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

Hedge contracts relating to approximately 30,000 Bbls of oil per month are with SemCrude through December 2008. MV Partners is still paying under the terms of hedge contracts with SemCrude instead of trying to off-set amounts due on the crude oil sales in June and the first 18 days of July 2008 because the contract counterparties are different, as SemCrude is the counterparty under the hedge contracts and Eaglwing is the debtor owing money for the crude oil sales. SemCrude would owe MV Partners under the hedge contracts if the average of the settlement price for each commodity business day in the contract month is below $60.70; however, there can be no assurance that MV Partners will collect any amounts owing from SemCrude under such contracts.

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

On August 7, 2008, MV Partners closed on two separate credit facilities providing an aggregate of $9 million of funding capacity for general corporate purposes. The first credit facility consists of a new $6 million secured revolving line of credit pursuant to an amended and restated credit agreement with MV Partners' bank group. Pursuant to the terms of the revolving line of credit, the maximum amount outstanding thereunder reduces quarterly by $1,333,334 as of each of December 31, 2008, March 31, 2009 and June 30, 2009, with the facility terminating on August 5, 2009. On August 18, 2008, MV Partners borrowed $4.5 million on this line. On October 2, 2008, MV Partners prepaid $1,600,000 in principal and reduced this credit facility to a maximum of $3,000,000. On October 27, 2008, MV Partners prepaid $1,900,000 in principal, leaving a balance of $1,000,000. Based on the periodic election of MV Partners, interest accrues on this facility at prime plus .50% or LIBOR plus 2%.

The second credit facility consists of a new unsecured loan in an aggregate principal amount of $3 million from indirect equity owners of MV Partners. Payments on the loan in the amount of $666,667 are due on each of December 31, 2008, March 31, 2009 and June 30, 2009, with the remaining balance of the loan due on August 5, 2009. As of November 6, 2008, no payments had been made or were required to be made by MV Partners. Based on the periodic election of MV Partners, interest accrues on this facility at prime plus .50% or LIBOR plus 2%.

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

Note Regarding Forward-Looking Statements

This Form 10-Q includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical facts included in this Form 10-Q, including without limitation the statements under "Management's Discussion and Analysis of Financial Condition and Results of Operations" are forward-looking statements. Although MV Partners advised the Trust that they believe that the expectations reflected in the forward-looking statements contained herein are reasonable, no assurance can be given that such expectations will prove to have been correct. Important factors that could cause actual results to differ materially from expectations ("Cautionary Statements") are disclosed in this Form 10-Q and in the Trust's Annual Report on Form 10-K for the year ended December 31, 2007, including under the section "Item 1A. Risk Factors". All subsequent written and oral forward-looking statements attributable to the Trust or persons acting on its behalf are expressly qualified in their entirety by the Cautionary Statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The only assets of and sources of income to the Trust are cash and the net profits interest, which generally entitle the Trust to receive 80% of the net proceeds from oil and gas production from the underlying properties, and the Trust's interest in the hedge contracts, which generally entitle the Trust to receive 80% of any proceeds received by MV Partners from the settlement of certain hedges in existence on January 24, 2007. Consequently, the Trust is exposed to market risk from fluctuations in oil and gas prices. For more information regarding the hedge contracts, please see "Trustee's Discussion and Analysis of Financial Condition and Results of Operation Hedge Contracts" in this Form 10-Q and "Trustee's Discussion and Analysis of Financial Condition and Results of Operations Hedge Contracts" in the Trust's Annual Report on Form 10-K for the year ended December 31, 2007. Although the Trust may borrow money to pay expenses of the Trust, the amount of any such borrowings is unlikely to be material to the Trust. As a result, the Trust is not subject to any material interest rate market risk.

Item 4. Controls and Procedures.

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

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

Due to the contractual arrangements of (i) the Trust agreement and (ii) the conveyance of the net profits interest, the Trustee relies on (A) information provided by MV Partners, including historical operating data, plans for future operating and capital expenditures, reserve information and information relating to projected production, and (B) conclusions and reports regarding reserves by the Trust's independent reserve engineers. See Item 1A. Risk Factors " The trust and the public trust unitholders have no voting or managerial rights with respect to MV Partners, the operator of the underlying properties. As a result, public trust unitholders have no ability to influence the operation of the underlying properties" in the Trust's Annual Report on Form 10-K for the year ended December 31, 2007, and "Trustee's Discussion and Analysis of Financial Condition and Results of Operation" in the Trust's Annual Report on Form 10-K for the year ended December 31, 2007, for a description of certain risks relating to these arrangements and reliance on information when reported by MV Partners to the Trustee and recorded in the Trust's results of operation.

Changes in Internal Control over Financial Reporting. During the quarter ended September 30, 2008, there was no change in the Trustee's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Trustee's internal control over financial reporting relating to the Trust. The Trustee notes for purposes of clarification that it has no authority over, and makes no statement concerning, the internal control over financial reporting of MV Partners.

PART II OTHER INFORMATION

Item 1A. Risk Factors.

Except as set forth below, there have not been any material changes from the risk factors previously disclosed in the Trust's response to Item 1A. to Part 1 of its Form 10-K for the year ended December 31, 2007.

The purchaser of substantially all of the crude production of the underlying properties for the month of June 2008 and for the first 18 days of July 2008 has not paid the purchase price therefor and subsequently filed for bankruptcy relief. Because of the nonpayment and decreased sales by MV Partners during July and August 2008, there were not sufficient net proceeds attributable to the net profits interest for MV Partners to distribute cash to the Trust for the quarter ended September 30, 2008. As a result, the scheduled quarterly distribution by the Trust in October 2008 was not made and the scheduled January 2009 distribution will be substantially impacted.

Eaglwing, an affiliate of SemCrude, purchased substantially all of the crude oil produced from the underlying properties during June 2008 and the first 18 days of July 2008 and filed for reorganization under the United States Bankruptcy Code on July 22, 2008. Eaglwing has not paid the purchase price therefor and there can be no assurance what dollar amount, if any, will be collected by MV Partners from Eaglwing, and the timing of any such collection. Beginning July 18, 2008, substantially all of the production from the underlying properties subject to the net profits interest went into on-location storage tanks and a portion of the oil production was shut-in pending resolution of the marketing process for the production. From July 18, 2008 until July 31, 2008, only minor amounts of crude oil production from the underlying properties were sold. On July 31, 2008, Vess Oil and Murfin Drilling recommenced general sales of production from the underlying properties, to several purchasers other than Eaglwing, including an affiliated purchaser, under short-term arrangements using market sensitive pricing. As of August 7, 2008, field operations at the underlying properties returned to substantially normal operations, although it took until mid-August before the marketing of crude oil production normalized to the sales process and volumes that existed prior to July 18, 2008. Because of the nonpayment by Eaglwing and decreased sales by MV Partners during July and August 2008, there were not sufficient net proceeds attributable to the net profits interest for MV Partners to distribute cash to the Trust for the quarter ended September 30, 2008. As a result, the scheduled quarterly distribution by the Trust in October 2008 was not made and the scheduled January 2009 distribution will be substantially impacted. MV Partners currently expects that the scheduled quarterly distribution by MV Oil Trust in April 2009 will not be impacted by the nonpayment by Eaglwing or the decreased sales during July and August 2008. Neither the Trust nor the Trust unitholders are liable for any costs in excess of net proceeds; however, the Trust will not receive any net proceeds until future net proceeds exceed the total of those excess costs, plus interest at the prime rate. For additional information, see "Trustee's Discussion and Analysis of Financial Condition and Results of Operations Other Events" in this Form 10-Q.

Item 6. Exhibits.

(Asterisk indicates exhibit previously filed with the Securities and Exchange Commission and incorporated herein by reference.)

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

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.

MV OIL TRUST

By: The Bank of New York Mellon Trust Company, N.A.,
as Trustee

By: /s/ MIKE ULRICH

Mike Ulrich
Vice President

Date: November 7, 2008

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

QuickLinks