

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 2)

Cross Timbers Royalty Trust

(Name of Issuer)

Units of Beneficial Interest

(Title of Class of Securities)

22757R 10 9

(CUSIP Number)

Michael S. Paquette
Vice President and Controller
Fund American Enterprises Holdings, Inc.
The 1820 House,
Main Street,
Norwich, Vermont 05055-0850
(802) 649-3633

(Name, Address and Telephone Number of Person Authorized
to Receive Notices and Communications)

May 1, 1995

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box ____.

Check the following box if a fee is being paid with this statement ____.
(A fee is not required only if the reporting person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto re-ported beneficial ownership of five percent or less of such class. See Rule 13d-7.)

NOTE: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

(1) Name of Reporting Person. S.S. or I.R.S. Identification No. of Above Person

Fund American Enterprises Holdings, Inc.
94-2708455

(2) Check the Appropriate Box if a Member of a Group (See Instructions) (a) _____
(b) _____

(3) (SEC Use Only)

(4) Source of Funds (See Instructions)

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

(6) Citizenship or Place of Organization Delaware

Number of Units
Beneficially Owned
by Each Reporting
Person With

(7) Sole Voting Power

(8) Shared Voting Power

643,096
(9) Sole Dispositive Power

(10) Shared Dispositive Power

643,096

(11) Aggregate Amount Beneficially Owned by Each Reporting Person
643,096

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Units (See Instructions)

(13) Percent of Class Represented by Amount in Row (11)
Approximately 10.7%

(14) Type of Reporting Person (See Instructions) HC, CO

(1) Name of Reporting Person. S.S. or I.R.S. Identification No. of Above Person

Fund American Enterprises, Inc.
51-0328932

(2) Check the Appropriate Box if a Member of a Group (See Instructions) (a) _____
(b) _____

(3) (SEC Use Only)

(4) Source of Funds (See Instructions)

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

(6) Citizenship or Place of Organization Delaware

Number of Units
Beneficially Owned
by Each Reporting
Person With

(7) Sole Voting Power

(8) Shared Voting Power

643,096

(9) Sole Dispositive Power

(10) Shared Dispositive Power

643,096

(11) Aggregate Amount Beneficially Owned by Each Reporting Person
643,096

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Units (See Instructions)

(13) Percent of Class Represented by Amount in Row (11)
Approximately 10.7%

(14) Type of Reporting Person (See Instructions) HC, CO

(1) Name of Reporting Person. S.S. or I.R.S. Identification No. of Above Person

Source One Mortgage Services Corporation
38-2011419

(2) Check the Appropriate Box if a Member of a Group (See Instructions) (a) _____
(b) _____

(3) (SEC Use Only)

(4) Source of Funds (See Instructions)

(5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

(6) Citizenship or Place of Organization Delaware

Number of Units
Beneficially Owned
by Each Reporting
Person With

(7) Sole Voting Power

(8) Shared Voting Power

0
(9) Sole Dispositive Power

(10) Shared Dispositive Power

0

(11) Aggregate Amount Beneficially Owned by Each Reporting Person
0

(12) Check if the Aggregate Amount in Row (11) Excludes Certain Units (See Instructions)

(13) Percent of Class Represented by Amount in Row (11)
0.0%

(14) Type of Reporting Person (See Instructions) C0

ONLY ITEMS REPORTED IN THIS AMENDMENT NO. 2 TO SCHEDULE 13D ARE AMENDED FROM THE FILING ON SCHEDULE 13D FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON NOVEMBER 9, 1992, AS AMENDED BY AMENDMENT NO. 1 DATED AUGUST 24, 1993. ALL OTHER ITEMS REMAIN UNCHANGED. UNLESS OTHERWISE SPECIFIED, ALL DEFINED TERMS USED HEREIN HAVE THE MEANING PREVIOUSLY ASCRIBED TO THEM IN THE SCHEDULE 13D.

Item 1. Security and Issuer.

Item 2. Identity and Background.

The address of the principle business and principle office of FAE (a wholly owned subsidiary of FAEH) is The 1820 House, Main Street, Norwich, Vermont 05055-0850. Schedule I, attached hereto, which is incorporated herein by reference, replaces Schedule I to the Schedule 13D.

Item 3. Source and Amount of Funds or Other Consideration.

On April 14, 1995, SOMSC transferred 683,088 Units to FAE at 11.375 each.

Item 4. Purpose of Transaction.

Sales by FAE outlined in Schedule II, attached hereto, which is incorporated herein by reference, were made in the ordinary course of business and not for the purpose or effect of changing or influencing the control of the Issuer or in connection with, or as a participant in, any transaction having such purpose or effect.

Item 5. Interest in Securities of the Issuer.

(a) FAEH owns all 643,096 Units indirectly through FAE. The aggregate number of Units and the corresponding percentage of the outstanding Units such number represents is as follows:

| Person | Units Beneficially Owned | Percentage of Units Beneficially Owned |
|--------|--------------------------|--|
| FAEH | 643,096 | 10.7% |
| FAE | 643,096 | 10.7% |
| SOMSC | 0 | 0.0% |

Other than as set forth in the above table, only the following person named on Schedule I, attached hereto, which is incorporated herein by reference, beneficially owned any Units:

| Person | Units Beneficially Owned | Percentage of Units Beneficially Owned |
|---------------|--------------------------|--|
| John J. Byrne | 1,972 | less than .1% |

(b) FAEH shares voting power and dispositive power with respect to its 643,096 Units with FAE. Mr. Byrne has sole voting power and dispositive power with respect to his 1,972 Units.

(c) Schedule II, attached hereto, which is incorporated herein by reference, describes all transactions by FAEH, FAE and SOMSC or to the knowledge of FAEH, FAE and SOMSC any of the persons listed on Schedule I, attached hereto, which is incorporated herein by reference, in Units effected during the past 60 days.

SIGNATURE

After reasonable inquiry and to the best of the knowledge and belief of the undersigned, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: May 8, 1995

FUND AMERICAN ENTERPRISES HOLDINGS, INC.

BY: _____ /S/

Name: Michael S. Paquette
Title: Vice President and
Controller

FUND AMERICAN ENTERPRISES, INC.

BY: _____ /S/

Name: Terry L. Baxter
Title: President and Secretary

SOURCE ONE MORTGAGE SERVICES CORPORATION

BY: _____ /S/

Name: Michael S. Paquette
Title: Authorized Representative *

* Power of Attorney on file

SCHEDULE I TO SCHEDULE 13D

Following is a list of the directors and executive officers of Fund American Enterprises Holdings, Inc. ("FAEH"), and Fund American Enterprises, Inc. ("FAE") setting forth the business address and present principal occupation or employment (and the name, principal business and address of any corporation or organization in which such employment is conducted) of each such person. Each such person is a citizen of the United States of America.

| Name and Business Address ----- | Office ----- | Present Principal Occupation or Employment ----- |
|---|--|--|
| FAEH | | |
| Dennis P. Beaulieu Fund American Enterprises Holdings, Inc. The 1820 House, Main Street Norwich VT 05055-0850 | Corporate Secretary of FAEH | Corporate Secretary of FAEH |
| John J. Byrne Fund American Enterprises Holdings, Inc. The 1820 House, Main Street Norwich VT 05055-0850 | Chairman of the Board, President & Chief Executive Officer of FAEH, Chairman of the Board of FAE | Chairman of the Board, President & Chief Executive Officer of FAEH |
| Howard L. Clark 200 Park Avenue, Suite 4501 New York NY 10166 | Director of FAEH | Retired |
| Howard L. Clark, Jr. Lehman Brothers Holdings, Inc. American Express Tower New York NY 10128 | Director of FAEH | Vice Chairman of Lehman Brothers Holdings, Inc. |
| Robert P. Cochran Financial Security Assurance Holdings, Ltd. 350 Park Avenue New York NY 10022 | Director of FAEH | President & Chief Executive Officer of Financial Security Assurance Holdings, Ltd. |
| George J. Gillespie, III Cravath, Swaine & Moore 825 Eighth Avenue New York NY 10019 | Director of FAEH | Partner in Cravath, Swaine & Moore |
| K. Thomas Kemp Fund American Enterprises Holdings, Inc. The 1820 House, Main Street Norwich VT 05055-0850 | Executive Vice President of FAEH, Director of FAEH and FAE | Executive Vice President of FAEH |
| Gordon S. Macklin 8212 Burning Tree Road Bethesda MD 20817 | Director of FAEH | Chairman of White River Corporation |

SCHEDULE I TO SCHEDULE 13D (cont.)

| Name and Business Address | Office | Present Principal Occupation or Employment |
|--|---|---|
| FAEH | | |
| Michael S. Paquette Fund American Enterprises Holdings, Inc. The 1820 House, Main Street Norwich VT 05055-0850 | Vice President & Controller of FAEH, Director of FAE | Vice President & Controller of FAEH |
| Allan L. Waters Fund American Enterprises Holdings, Inc. The 1820 House, Main Street Norwich VT 05055-0850 | Senior Vice President & Chief Financial Officer of FAEH, Director of FAE | Senior Vice President & Chief Financial Officer of FAEH |
| Arthur Zankel First Manhattan Co. 437 Madison Ave. New York NY 10022 | Director of FAEH | Co-Managing Partner First Manhattan Co. |
| FAE | | |
| Terry L. Baxter Fund American Enterprises, Inc. The 1820 House, Main Street Norwich VT 05055-0850 | President & Secretary of FAE, Director of FAE | President & Secretary of FAE |

SCHEDULE II TO SCHEDULE 13D

Sales of Units of Beneficial Interest of Cross Timbers Royalty Trust by the Reporting Persons and by persons listed in Schedule I, attached hereto, which is incorporated herein by reference, within the last 60 days.

| Sold by ----- | Date ----- | Number Sold ----- | Unit Price ----- |
|--------------------------------|---------------|----------------------|---------------------|
| SOMSC (Intercompany to FAE) | 04-14-95 | 683,088 | 11.375 |
| FAE | 04-18-95 | 7,592 | 11.000 |
| FAE | 04-19-95 | 5,600 | 11.125 |
| FAE | 04-21-95 | 11,500 | 11.000 |
| FAE | 04-27-95 | 2,300 | 10.750 |
| FAE | 05-01-95 | 13,000 | 11.000 |