

SCHEDULE 13D

Under the Securities Exchange Act of 1934
(Amendment No. 3)

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)

December 13, 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-reporting 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) N/A (See Item 3)

(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

243,088

(9) Sole Dispositive Power

(10) Shared Dispositive Power

243,088

(11) Aggregate Amount Beneficially Owned by Each Reporting Person
243,088

(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 4.1%

(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) N/A (See Item 3)

(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

243,088

(9) Sole Dispositive Power

(10) Shared Dispositive Power

243,088

(11) Aggregate Amount Beneficially Owned by Each Reporting Person
243,088

(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 4.1%

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

ONLY ITEMS REPORTED IN THIS AMENDMENT NO. 3 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 AND AMENDMENT NO. 2 DATED MAY 1, 1995. 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 4. Purpose of Transaction.

Sales by FAEH and FAE outlined in Schedule II, attached hereto, and 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 243,088 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	243,088	4.1%
FAE	243,088	4.1%

Other than as set forth in the above table, only the following person named on Schedule I 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 243,088 Units with FAE. Mr. Byrne has sole voting power and dispositive power with respect to his 1,972 Units.

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

(d) None

(e) As of December 13, 1995, FAEH and FAE ceased to be the beneficial owners of more than five percent of the outstanding Units of the Issuer.

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: December 18, 1995

FUND AMERICAN ENTERPRISES HOLDINGS, INC.

BY: /s/ Michael S. Paquette

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

FUND AMERICAN ENTERPRISES, INC.

BY: /s/ Terry L. Baxter

Name: Terry L. Baxter
Title: President and Secretary

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 within the last 60
days.

Sold by -----	Date -----	Number Sold -----	Unit Price -----
F AE	12-13-95	350,000	10.000

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