

OIL AND GAS TAX REVENUE COLLECTIONS AND ALLOCATIONS QUARTERLY UPDATE DETAIL

This memorandum provides information on oil production and prices, oil and gas tax revenue collections, and oil and gas tax revenue allocations for the biennium to date through January 2019. **The forecasted amounts reflect the 2017 legislative revenue forecast**, prepared at the close of the 2017 legislative session.

OIL PRODUCTION AND PRICE - COMPARISON OF ACTUAL AND FORECAST

The schedules below provide information on oil production and prices for the biennium to date through November 2018. Monthly oil and gas tax revenue collections and allocations reflect oil production and prices from 2 months prior. The amounts shown for the actual oil prices reflect the average of Flint Hills Resources posted prices and West Texas Intermediate posted prices.

Average Daily Oil Production - Barrels Per Day								
	Fiscal Year 2018	June 2018	July 2018	August 2018	September 2018	October 2018	November 2018	Biennium-to- Date Average
Actual	1,152,501	1,227,320	1,269,290	1,292,505	1,359,282	1,392,369	1,375,803	1,208,144
Forecast	925,000	950,000	950,000	950,000	950,000	950,000	950,000	933,333
Variance to forecast	227,501	277,320	319,290	342,505	409,282	442,369	425,803	274,811

Average Oil Price - Price Per Barrel								
	Fiscal Year 2018	June 2018	July 2018	August 2018	September 2018	October 2018	November 2018	Biennium-to- Date Average
Posted prices								
Flint Hills Resources	\$46.73	\$55.23	\$63.13	\$57.80	\$59.05	\$58.43	\$39.02	\$49.63
West Texas Intermediate	\$56.73	\$67.32	\$70.74	\$67.85	\$70.07	\$70.76	\$56.60	\$60.23
Price comparison								
Actual	\$51.73	\$61.28	\$66.94	\$62.83	\$64.56	\$64.60	\$47.81	\$54.94
Forecast	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00
Variance to forecast	\$4.73	\$14.28	\$19.94	\$15.83	\$17.56	\$17.60	\$0.81	\$7.93

OIL AND GAS TAX REVENUE COLLECTIONS - COMPARISON OF ACTUAL AND FORECAST

The schedule below provides a comparison of actual to forecasted oil and gas tax revenue collections for the biennium to date through January 2019.

	Fiscal Year 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	Biennium-to- Date Total
Actual								
Gross production tax	\$1,072,785,515	\$111,945,237	\$128,071,671	\$121,426,440	\$131,615,472	\$137,336,129	\$96,912,386	\$1,800,092,850
Oil extraction tax	981,645,818	102,860,842	119,084,328	110,004,902	122,365,078	125,109,315	86,301,065	1,647,371,348
Total actual	\$2,054,431,333	\$214,806,079	\$247,155,999	\$231,431,342	\$253,980,550	\$262,445,444	\$183,213,451	\$3,447,464,198
Forecasted								
Gross production tax	\$777,550,375	\$65,635,500	\$67,823,350	\$67,823,350	\$65,635,500	\$67,823,350	\$65,635,500	\$1,177,926,925
Oil extraction tax	761,682,000	64,296,000	66,439,200	66,439,200	64,296,000	66,439,200	64,296,000	1,153,887,600
Total forecasted	\$1,539,232,375	\$129,931,500	\$134,262,550	\$134,262,550	\$129,931,500	\$134,262,550	\$129,931,500	\$2,331,814,525
Variance to forecast								
Gross production tax	\$295,235,140	\$46,309,737	\$60,248,321	\$53,603,090	\$65,979,972	\$69,512,779	\$31,276,886	\$622,165,925
Oil extraction tax	219,963,818	38,564,842	52,645,128	43,565,702	58,069,078	58,670,115	22,005,065	493,483,748
Total variance	\$515,198,958	\$84,874,579	\$112,893,449	\$97,168,792	\$124,049,050	\$128,182,894	\$53,281,951	\$1,115,649,673
Percentage variance	33.5%	65.3%	84.1%	72.4%	95.5%	95.5%	41.0%	47.8%

OIL AND GAS TAX REVENUE COLLECTIONS BY TAX TYPE

The schedules below provide information on oil and gas gross production tax collections and oil extraction tax collections in each county and the Fort Berthold Reservation for the biennium to date through January 2019. The amounts shown for the Fort Berthold Reservation include a portion of the collections that are attributed to Dunn, McKenzie, McLean, and Mountrail Counties. Unallocated tax collections are primarily related to small miscellaneous corrections reported on tax returns. Unallocated tax collections remaining at the end of each fiscal year are allocated to the counties in the subsequent fiscal year.

Oil and Gas Gross Production Tax Collections								
	Fiscal Year 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	Biennium-to- Date Total
Billings	\$8,829,547	\$850,932	\$939,500	\$698,836	\$882,182	\$975,187	\$800,186	\$13,976,370
Bottineau	3,882,833	372,386	309,641	457,399	366,551	376,099	228,316	5,993,225
Bowman	14,480,187	1,364,970	1,445,822	1,389,032	1,426,856	1,443,843	1,103,068	22,653,778
Burke	9,112,671	896,926	879,401	727,852	1,057,136	933,890	621,460	14,229,336
Divide	23,216,753	2,091,176	2,126,398	1,222,779	2,792,904	2,177,667	1,386,470	35,014,147
Dunn	117,887,063	14,736,001	16,261,994	14,715,969	15,791,566	16,754,833	10,776,166	206,923,592
Golden Valley	2,018,398	168,732	216,419	202,184	195,325	204,318	119,661	3,125,037
McHenry	241,847	17,003	20,370	19,094	16,084	15,092	10,732	340,222
McKenzie	370,032,599	35,458,488	42,906,801	40,929,061	44,876,091	46,662,412	32,536,235	613,401,687
McLean	0	0	0	0	0	0	0	0
Mercer	280	0	0	0	0	0	0	280
Mountrail	132,354,461	13,518,031	15,887,792	14,940,295	16,661,769	17,683,928	12,053,500	223,099,776
Renville	1,417,137	134,485	147,618	145,871	129,319	138,306	94,048	2,206,784
Slope	810,239	79,981	87,418	77,425	69,481	83,416	59,888	1,267,848
Stark	13,593,808	1,021,613	1,136,279	944,904	953,875	1,071,775	810,387	19,532,641
Ward	71,516	4,577	3,519	7,894	6,128	6,070	4,313	104,017
Williams	175,021,541	19,837,573	21,554,391	20,125,524	21,563,842	22,161,377	17,041,500	297,305,748
Unallocated	0	0	0	0	0	0	0	0
Fort Berthold Reservation	199,814,635	21,392,363	24,148,308	24,822,321	24,826,363	26,647,916	19,266,456	340,918,362
Total	\$1,072,785,515	\$111,945,237	\$128,071,671	\$121,426,440	\$131,615,472	\$137,336,129	\$96,912,386	\$1,800,092,850

Oil Extraction Tax Collections								
	Fiscal Year 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	Biennium-to- Date Total
Billings	\$4,384,517	\$497,638	\$544,600	\$360,402	\$444,907	\$474,348	\$395,108	\$7,101,520
Bottineau	1,531,587	148,327	93,873	183,204	140,762	153,053	86,640	2,337,446
Bowman	5,857,550	549,064	576,804	552,808	530,730	549,392	431,311	9,047,659
Burke	6,319,001	570,531	565,500	407,665	746,476	649,367	425,110	9,683,650
Divide	16,475,500	1,391,591	1,451,954	640,607	2,027,577	1,497,141	899,962	24,384,332
Dunn	104,375,252	13,268,614	14,676,980	13,003,518	14,547,395	14,832,938	9,710,365	184,415,062
Golden Valley	1,477,107	121,039	160,914	145,022	151,625	146,018	93,254	2,294,979
McHenry	143,329	10,368	17,991	17,414	41,858	13,106	9,249	253,315
McKenzie	347,488,349	33,327,796	40,997,661	37,329,857	43,420,841	43,760,892	29,756,413	576,081,809
McLean	0	0	0	0	0	0	0	0
Mercer	0	0	0	0	0	0	0	0
Mountrail	124,144,809	12,725,921	15,032,572	14,053,212	15,206,074	16,210,257	10,213,285	207,586,130
Renville	340,432	41,187	37,227	37,346	32,865	36,564	23,931	549,552
Slope	0	0	0	0	0	0	0	0
Stark	11,995,405	872,811	973,631	781,269	482,309	384,587	169,747	15,659,759
Ward	40,552	1,895	0	3,951	2,998	3,385	2,044	54,825

Oil Extraction Tax Collections								
	Fiscal Year 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	Biennium-to- Date Total
Williams	161,707,079	18,420,939	20,278,861	18,378,468	20,329,882	20,331,800	15,441,914	274,888,943
Unallocated	242,120	23,413	32,087	6,107	6,474	3,154	599	313,954
Fort Berthold Reservation	195,123,229	20,889,708	23,643,673	24,104,052	24,252,305	26,063,313	18,642,133	332,718,413
Total	\$981,645,818	\$102,860,842	\$119,084,328	\$110,004,902	\$122,365,078	\$125,109,315	\$86,301,065	\$1,647,371,348

OIL AND GAS TAX REVENUE ALLOCATIONS

The schedule below provides information on oil and gas tax revenue collections allocated to the Three Affiliated Tribes of the Fort Berthold Reservation, state funds, and political subdivisions for the biennium to date through January 2019.

	Fiscal Year 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	Biennium-to- Date Total
Three Affiliated Tribes	\$197,466,055	\$21,141,034	\$23,895,990	\$24,463,187	\$24,539,334	\$26,355,614	\$18,954,295	\$336,815,509
Legacy fund	557,089,584	58,099,513	66,978,003	62,090,447	68,832,365	70,826,949	49,277,748	933,194,609
North Dakota outdoor heritage fund	10,799,177	0	0	0	0	0	0	10,799,177
Abandoned well reclamation fund	4,399,588	0	831,387	772,833	854,313	885,506	621,167	8,364,794
Oil and gas impact grant fund	28,353,446	0	0	0	0	0	0	28,353,446
Political subdivisions	312,091,616	28,373,433	47,491,637	33,028,017	36,593,491	36,383,695	26,165,461	520,127,350
Energy impact fund	2,000,000	0	2,000,000	0	0	0	0	4,000,000
Common schools trust fund	78,652,853	8,197,114	9,544,065	8,590,085	9,811,277	9,904,600	6,765,893	131,465,887
Foundation aid stabilization fund	78,652,853	8,197,114	9,544,065	8,590,085	9,811,277	9,904,600	6,765,893	131,465,887
Resources trust fund ¹	157,305,705	16,394,227	19,088,131	17,180,170	19,622,556	19,809,200	13,531,786	262,931,775
Oil and gas research fund	10,000,000	0	0	0	0	0	0	10,000,000
General fund	342,620,456	57,379,544	0	0	0	0	0	400,000,000
Tax relief fund	200,000,000	0	0	0	0	0	0	200,000,000
Budget stabilization fund	75,000,000	0	0	0	0	0	0	75,000,000
Lignite research fund	0	3,000,000	0	0	0	0	0	3,000,000
Strategic investment and improvements fund	0	14,024,100	67,782,721	76,716,518	83,915,937	88,375,280	61,131,208	391,945,764
State disaster relief fund	0	0	0	0	0	0	0	0
Total oil tax allocations	\$2,054,431,333	\$214,806,079	\$247,155,999	\$231,431,342	\$253,980,550	\$262,445,444	\$183,213,451	\$3,447,464,198

¹The amounts shown for the resources trust fund include transfers to the following:

	Fiscal Year 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	Biennium-to- Date Total
Energy conservation grant fund	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Renewable energy development fund	3,000,000	0	0	0	0	0	0	3,000,000
Total transfers	\$3,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$3,200,000