

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 April 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 February 2019. 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	December 2018	January 2019	February 2019	Biennium-to- Date Average
Actual	1,152,501	1,227,320	1,269,290	1,292,505	1,359,282	1,392,369	1,376,803	1,402,741	1,403,808	1,335,064	1,232,819
Forecast	925,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000	950,000	935,714
Variance to forecast	227,501	277,320	319,290	342,505	409,282	442,369	426,803	452,741	453,808	385,064	297,105

Average Oil Price - Price Per Barrel											
	Fiscal Year 2018	June 2018	July 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	February 2019	Biennium-to- Date Average
Posted prices											
Flint Hills Resources	\$46.73	\$55.23	\$63.13	\$57.80	\$59.05	\$58.43	\$39.02	\$22.53	\$37.69	\$46.30	\$47.62
West Texas Intermediate	\$56.73	\$67.32	\$70.74	\$67.85	\$70.07	\$70.76	\$56.60	\$46.68	\$51.38	\$55.01	\$58.91
Price comparison											
Actual	\$51.73	\$61.28	\$66.94	\$62.83	\$64.56	\$64.60	\$47.81	\$34.61	\$44.54	\$50.66	\$53.27
Forecast	47.00	47.00	47.00	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	(\$12.39)	(\$2.46)	\$3.66	\$6.27

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 April 2019.

	Fiscal Year 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019	April 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	\$74,032,238	\$93,190,144	\$94,037,914	\$2,061,353,146
Oil extraction tax	981,645,818	102,860,842	119,084,328	110,004,902	122,365,078	125,109,315	86,301,065	64,772,419	84,618,304	83,148,268	1,879,910,339
Total actual	\$2,054,431,333	\$214,806,079	\$247,155,999	\$231,431,342	\$253,980,550	\$262,445,444	\$183,213,451	\$138,804,657	\$177,808,448	\$177,186,182	\$3,941,263,485
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	\$67,823,350	\$67,823,350	\$61,259,800	\$1,374,833,425
Oil extraction tax	761,682,000	64,296,000	66,439,200	66,439,200	64,296,000	66,439,200	64,296,000	66,439,200	66,439,200	60,009,600	1,346,775,600
Total forecasted	\$1,539,232,375	\$129,931,500	\$134,262,550	\$134,262,550	\$129,931,500	\$134,262,550	\$129,931,500	\$134,262,550	\$134,262,550	\$121,269,400	\$2,721,609,025
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	\$6,208,888	\$25,366,794	\$32,778,114	\$686,519,721
Oil extraction tax	219,963,818	38,564,842	52,645,128	43,565,702	58,069,078	58,670,115	22,005,065	(1,666,781)	18,179,104	23,138,668	533,134,739
Total variance	\$515,198,958	\$84,874,579	\$112,893,449	\$97,168,792	\$124,049,050	\$128,182,894	\$53,281,951	\$4,542,107	\$43,545,898	\$55,916,782	\$1,219,654,460
Percentage variance	33.5%	65.3%	84.1%	72.4%	95.5%	95.5%	41.0%	3.4%	32.4%	46.1%	44.8%

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 April 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	February 2019	March 2019	April 2019	Biennium-to- Date Total
Billings	\$8,829,547	\$850,932	\$939,500	\$698,836	\$882,182	\$975,187	\$800,186	\$664,979	\$910,554	\$963,069	\$16,514,972
Bottineau	3,882,833	372,386	309,641	457,399	366,551	376,099	228,316	163,838	262,094	261,370	6,680,527
Bowman	14,480,187	1,364,970	1,445,822	1,389,032	1,426,856	1,443,843	1,103,068	911,836	971,138	924,266	25,461,018
Burke	9,112,671	896,926	879,401	727,852	1,057,136	933,890	621,460	441,851	670,772	682,270	16,024,229
Divide	23,216,753	2,091,176	2,126,398	1,222,779	2,792,904	2,177,667	1,386,470	877,394	1,459,724	1,318,649	38,669,914
Dunn	117,887,063	14,736,001	16,261,994	14,715,969	15,791,566	16,754,833	10,776,166	8,507,038	10,469,969	10,779,594	236,680,193
Golden Valley	2,018,398	168,732	216,419	202,184	195,325	204,318	119,661	89,872	119,621	113,202	3,447,732
McHenry	241,847	17,003	20,370	19,094	16,084	15,092	10,732	6,973	9,029	11,204	367,428
McKenzie	370,032,599	35,458,488	42,906,801	40,929,061	44,876,091	46,662,412	32,536,235	26,688,046	32,797,160	32,261,921	705,148,814
McLean	0	0	0	0	0	0	0	0	0	0	0
Mercer	280	0	0	0	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	9,024,585	11,009,779	11,608,590	254,742,730
Renville	1,417,137	134,485	147,618	145,871	129,319	138,306	94,048	56,618	95,289	100,000	2,458,691
Slope	810,239	79,981	87,418	77,425	69,481	83,416	59,888	52,529	54,718	51,903	1,426,998
Stark	13,593,808	1,021,613	1,136,279	944,904	953,875	1,071,775	810,387	535,581	703,390	787,099	21,558,711
Ward	71,516	4,577	3,519	7,894	6,128	6,070	4,313	2,710	4,472	2,281	113,480
Williams	175,021,541	19,837,573	21,554,391	20,125,524	21,563,842	22,161,377	17,041,500	12,657,006	16,378,809	15,962,489	342,304,052
Unallocated	0	0	0	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	13,351,382	17,273,626	18,210,007	389,753,377
Total	\$1,072,785,515	\$111,945,237	\$128,071,671	\$121,426,440	\$131,615,472	\$137,336,129	\$96,912,386	\$74,032,238	\$93,190,144	\$94,037,914	\$2,061,353,146

Oil Extraction Tax Collections											
	Fiscal Year 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019	April 2019	Biennium-to- Date Total
Billings	\$4,384,517	\$497,638	\$544,600	\$360,402	\$444,907	\$474,348	\$395,108	\$414,665	\$619,268	\$660,304	\$8,795,757
Bottineau	1,531,587	148,327	93,873	183,204	140,762	153,053	86,640	40,166	80,435	82,128	2,540,175
Bowman	5,857,550	549,064	576,804	552,808	530,730	549,392	431,311	354,908	380,647	363,871	10,147,085
Burke	6,319,001	570,531	565,500	407,665	746,476	649,367	425,110	256,608	438,301	286,492	10,665,051
Divide	16,475,500	1,391,591	1,451,954	640,607	2,027,577	1,497,141	899,962	581,746	925,477	855,084	26,746,639
Dunn	104,375,252	13,268,614	14,676,980	13,003,518	14,547,395	14,832,938	9,710,365	7,738,692	9,520,966	9,100,420	210,775,140
Golden Valley	1,477,107	121,039	160,914	145,022	151,625	146,018	93,254	65,764	80,236	87,652	2,528,631
McHenry	143,329	10,368	17,991	17,414	41,858	13,106	9,249	5,968	8,120	9,797	277,200
McKenzie	347,488,349	33,327,796	40,997,661	37,329,857	43,420,841	43,760,892	29,756,413	24,321,169	30,389,116	29,741,614	660,533,708
McLean	0	0	0	0	0	0	0	0	0	0	0
Mercer	0	0	0	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	7,308,937	9,977,393	9,305,439	234,177,899
Renville	340,432	41,187	37,227	37,346	32,865	36,564	23,931	16,005	25,081	28,187	618,825
Slope	0	0	0	0	0	0	0	0	0	0	0
Stark	11,995,405	872,811	973,631	781,269	482,309	384,587	169,747	297,186	538,386	596,287	17,091,618

Oil Extraction Tax Collections											
	Fiscal Year 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019	April 2019	Biennium-to-Date Total
Ward	40,552	1,895	0	3,951	2,998	3,385	2,044	1,053	2,615	678	59,171
Williams	161,707,079	18,420,939	20,278,861	18,378,468	20,329,882	20,331,800	15,441,914	11,169,200	15,029,944	14,496,203	315,584,290
Unallocated	242,120	23,413	32,087	6,107	6,474	3,154	599	2,551	2,599	612	319,716
Fort Berthold Reservation	195,123,229	20,889,708	23,643,673	24,104,052	24,252,305	26,063,313	18,642,133	12,197,801	16,599,720	17,533,500	379,049,434
Total	\$981,645,818	\$102,860,842	\$119,084,328	\$110,004,902	\$122,365,078	\$125,109,315	\$86,301,065	\$64,772,419	\$84,618,304	\$83,148,268	\$1,879,910,339

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 April 2019.

	Fiscal Year 2018	August 2018	September 2018	October 2018	November 2018	December 2018	January 2019	February 2019	March 2019	April 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	\$12,774,590	\$16,936,673	\$17,871,755	\$384,398,527
Legacy fund	557,089,584	58,099,513	66,978,003	62,090,447	68,832,365	70,826,949	49,277,748	37,809,020	48,261,533	47,794,328	1,067,059,490
North Dakota outdoor heritage fund	10,799,177	0	0	0	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	34,794	0	0	8,399,588
Oil and gas impact grant fund	28,353,446	0	0	0	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	20,472,022	25,183,004	24,666,586	590,448,962
Energy impact fund	2,000,000	0	2,000,000	0	0	0	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	5,257,462	6,801,858	6,561,477	150,086,684
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	5,257,462	6,801,858	6,561,477	150,086,684
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	10,514,924	13,603,717	13,122,953	300,173,369
Oil and gas research fund	10,000,000	0	0	0	0	0	0	0	0	0	10,000,000
General fund	342,620,456	57,379,544	0	0	0	0	0	0	0	0	400,000,000
Tax relief fund	200,000,000	0	0	0	0	0	0	0	0	0	200,000,000
Budget stabilization fund	75,000,000	0	0	0	0	0	0	0	0	0	75,000,000
Lignite research fund	0	3,000,000	0	0	0	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	46,684,383	60,219,805	60,607,606	559,457,558
State disaster relief fund	0	0	0	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	\$138,804,657	\$177,808,448	\$177,186,182	\$3,941,263,485

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	February 2019	March 2019	April 2019	Biennium-to-Date Total
Energy conservation grant fund	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Renewable energy development fund	3,000,000	0	0	0	0	0	0	0	0	0	3,000,000
Total transfers	\$3,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,200,000