



North Dakota Legislative Council

Prepared by the Legislative Council staff
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OIL AND GAS TAX REVENUES MONTHLY UPDATE

This memorandum provides an update on oil production and prices, oil and gas tax revenue collections, and oil and gas tax revenue allocations for July 2023 and for the biennium to date. The forecasted amounts reflect the 2021 legislative revenue forecast ("original forecast") which was prepared at the close of the 2021 regular legislative session and the March 2023 revised legislative forecast ("March 2023 revised forecast"). The oil revenue forecast was not changed during the November 2021 special legislative session.

OIL PRODUCTION AND PRICES

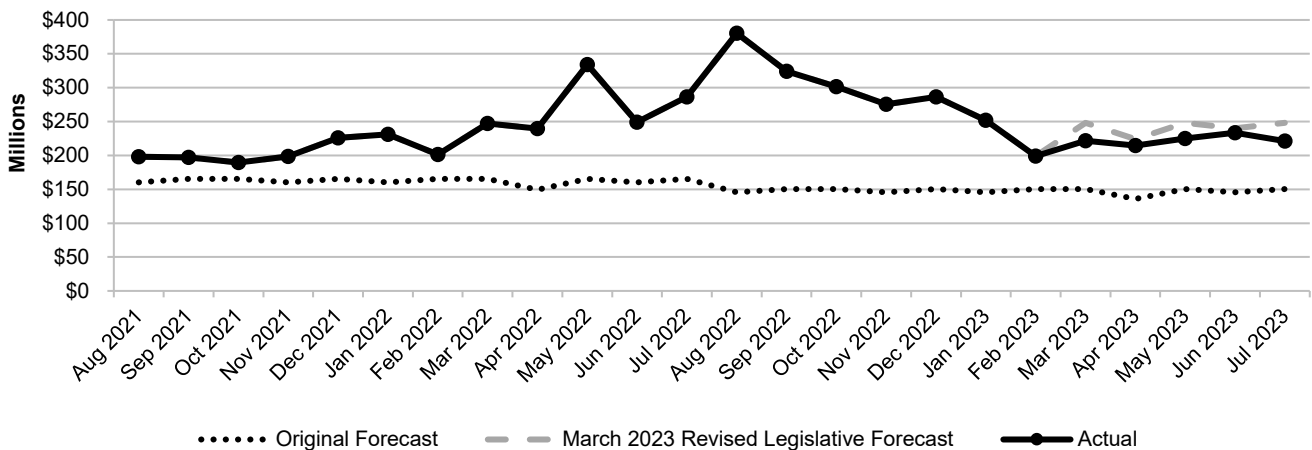
The schedule below provides information on oil production and prices for May 2023 and for the biennium to date. Oil and gas tax revenue allocations reflect production and price from 2 months prior. The actual oil prices reflect the average of Flint Hills Resources posted prices and West Texas Intermediate posted prices.

	Original Forecast							
	May 2023				Biennium to Date			
	Actual	Forecast	Variance		Actual	Forecast	Variance	
Amount			Percent	Amount			Percent	
Average daily oil production	1,133,530	1,000,000	133,530	13%	1,094,487	1,050,000	44,487	4%
Average oil price per barrel	\$68.72	\$50.00	\$18.72	37%	\$82.02	\$50.00	\$32.02	64%

	March 2023 Revised Forecast							
	May 2023				Biennium to Date			
	Actual	Forecast	Variance		Actual	Forecast	Variance	
Amount			Percent	Amount			Percent	
Average daily oil production	1,133,530	1,100,000	33,530	3%	1,094,487	1,089,773	4,714	0%
Average oil price per barrel	\$68.72	\$75.00	(\$6.28)	(8%)	\$82.02	\$82.33	(\$0.31)	0%

OIL AND GAS TAX REVENUE COLLECTIONS

The chart below provides information on total oil and gas tax revenue collections based on the original forecast, the March 2023 revised legislative forecast, and actual allocations through July 2023.



OIL AND GAS TAX REVENUE ALLOCATIONS

The schedule below provides information on oil and gas tax revenue allocations to the Three Affiliated Tribes of the Fort Berthold Reservation, state funds, and political subdivisions for July 2023 and for the biennium to date.

Original Forecast - Amounts Shown in Millions								
	July 2023				Biennium to Date			
	Actual	Forecast	Variance		Actual	Forecast	Variance	
			Amount	Percent			Amount	Percent
Three Affiliated Tribes	\$19.98	\$19.71	\$0.27	1%	\$688.47	\$486.89	\$201.58	41%
Legacy fund	60.45	39.28	21.17	54%	1,576.25	971.34	604.91	62%
North Dakota outdoor heritage fund	0.00	0.00	0.00	N/A	15.00	15.00	0.00	0%
Abandoned well reclamation fund	0.00	0.47	(0.47)	(100%)	15.64	11.72	3.92	33%
Political subdivisions	29.41	19.29	10.12	52%	806.78	518.22	288.56	56%
Common schools trust fund	9.06	6.42	2.64	41%	246.45	158.69	87.76	55%
Foundation aid stabilization fund	9.06	6.42	2.64	41%	246.45	158.69	87.76	55%
Resources trust fund	18.56	13.16	5.40	41%	505.22	325.31	179.91	55%
Oil and gas research fund	0.00	0.00	0.00	N/A	14.50	14.50	0.00	0%
State energy research center fund	0.00	0.00	0.00	N/A	5.00	5.00	0.00	0%
General fund	0.00	0.00	0.00	N/A	400.01	400.00	0.01	0%
Tax relief fund	0.00	0.00	0.00	N/A	200.00	200.00	0.00	0%
Budget stabilization fund	0.00	0.00	0.00	N/A	9.65	0.00	9.65	N/A
Lignite research fund	0.00	0.00	0.00	N/A	10.00	10.00	0.00	0%
State disaster relief fund	0.00	0.00	0.00	N/A	15.51	18.19	(2.68)	(15%)
Strategic investment and improvements fund	74.73	21.61	53.12	246%	927.95	400.00	527.95	132%
Municipal infrastructure fund	0.00	11.99	(11.99)	(100%)	115.00	11.99	103.01	859%
County and township infrastructure fund	0.00	11.99	(11.99)	(100%)	115.00	11.99	103.01	859%
Airport infrastructure fund	0.00	0.00	0.00	N/A	20.00	0.00	20.00	N/A
Total oil and gas tax revenue allocations	\$221.25	\$150.34	\$70.91	47%	\$5,932.88	\$3,717.53	\$2,215.35	60%

March 2023 Revised Forecast - Amounts Shown in Millions								
	July 2023				Biennium to Date			
	Actual	Forecast	Variance		Actual	Forecast	Variance	
			Amount	Percent			Amount	Percent
Three Affiliated Tribes	\$19.98	\$38.46	(\$18.48)	(48%)	\$688.47	\$760.44	(\$71.97)	(9%)
Legacy fund	60.45	62.98	(2.53)	(4%)	1,576.25	1,582.53	(6.28)	0%
North Dakota outdoor heritage fund	0.00	0.00	0.00	N/A	15.00	15.00	0.00	0%
Abandoned well reclamation fund	0.00	0.00	0.00	N/A	15.64	15.64	0.00	0%
Political subdivisions	29.41	28.79	0.62	2%	806.78	801.16	5.62	1%
Common schools trust fund	9.06	10.29	(1.23)	(12%)	246.45	251.57	(5.12)	(2%)
Foundation aid stabilization fund	9.06	10.29	(1.23)	(12%)	246.45	251.57	(5.12)	(2%)
Resources trust fund	18.56	21.09	(2.53)	(12%)	505.22	515.72	(10.50)	(2%)
Oil and gas research fund	0.00	0.00	0.00	N/A	14.50	14.50	0.00	0%
State energy research center fund	0.00	0.00	0.00	N/A	5.00	5.00	0.00	0%
General fund	0.00	0.00	0.00	N/A	400.01	400.00	0.01	0%
Tax relief fund	0.00	0.00	0.00	N/A	200.00	200.00	0.00	0%
Budget stabilization fund	0.00	0.00	0.00	N/A	9.65	9.65	0.00	0%
Lignite research fund	0.00	0.00	0.00	N/A	10.00	10.00	0.00	0%
State disaster relief fund	0.00	0.00	0.00	N/A	15.51	15.51	0.00	0%
Strategic investment and improvements fund	74.73	76.19	(1.46)	(2%)	927.95	927.14	0.81	0%
Municipal infrastructure fund	0.00	0.00	0.00	N/A	115.00	115.00	0.00	0%
County and township infrastructure fund	0.00	0.00	0.00	N/A	115.00	115.00	0.00	0%
Airport infrastructure fund	0.00	0.00	0.00	N/A	20.00	20.00	0.00	0%
Total oil and gas tax revenue allocations	\$221.25	\$248.09	(\$26.84)	(11%)	\$5,932.88	\$6,025.43	(\$92.55)	(2%)