

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 2018. **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 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										
	June 2017	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	Biennium-to-Date Average
Actual	1,032,873	1,048,099	1,089,318	1,107,345	1,183,810	1,196,976	1,182,836	1,179,564	1,174,769	1,132,843
Forecast	925,000	925,000	925,000	925,000	925,000	925,000	925,000	925,000	925,000	925,000
Variance to forecast	107,873	123,099	164,318	182,345	258,810	271,976	257,836	254,564	249,769	207,843

Average Oil Price - Price Per Barrel										
	June 2017	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	Biennium-to-Date Average
Posted prices										
Flint Hills Resources	\$34.72	\$35.83	\$37.93	\$39.56	\$43.54	\$49.75	\$50.32	\$54.08	\$50.98	\$44.08
West Texas Intermediate	\$45.20	\$46.68	\$48.06	\$49.88	\$51.69	\$56.54	\$57.95	\$63.55	\$62.16	\$53.52
Price comparison										
Actual	\$39.96	\$41.26	\$43.00	\$44.72	\$47.62	\$53.15	\$54.14	\$58.82	\$56.57	\$48.80
Forecast	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00	47.00
Variance to forecast	(\$7.04)	(\$5.74)	(\$4.00)	(\$2.28)	\$0.62	\$6.15	\$7.14	\$11.82	\$9.57	\$1.80

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 2018.

	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	Biennium-to-Date Total
Actual										
Gross production tax	\$62,166,428	\$65,405,007	\$71,875,951	\$72,025,519	\$85,847,060	\$90,242,808	\$96,222,038	\$109,320,772	\$86,877,270	\$739,982,853
Oil extraction tax	55,901,459	57,810,484	65,260,391	66,051,597	77,869,033	81,219,756	89,736,196	99,579,562	80,708,409	674,136,887
Total actual	\$118,067,887	\$123,215,491	\$137,136,342	\$138,077,116	\$163,716,093	\$171,462,564	\$185,958,234	\$208,900,334	\$167,585,679	\$1,414,119,740
Forecasted										
Gross production tax	\$63,908,250	\$66,038,525	\$66,038,525	\$63,908,250	\$66,038,525	\$63,908,250	\$66,038,525	\$66,038,525	\$59,647,700	\$581,565,075
Oil extraction tax	62,604,000	64,690,800	64,690,800	62,604,000	64,690,800	62,604,000	64,690,800	64,690,800	58,430,400	569,696,400
Total forecasted	\$126,512,250	\$130,729,325	\$130,729,325	\$126,512,250	\$130,729,325	\$126,512,250	\$130,729,325	\$130,729,325	\$118,078,100	\$1,151,261,475
Variance to forecast										
Gross production tax	(\$1,741,822)	(\$633,518)	\$5,837,426	\$8,117,269	\$19,808,535	\$26,334,558	\$30,183,513	\$43,282,247	\$27,229,570	\$158,417,778
Oil extraction tax	(6,702,541)	(6,880,316)	569,591	3,447,597	13,178,233	18,615,756	25,045,396	34,888,762	22,278,009	104,440,487
Total variance	(\$8,444,363)	(\$7,513,834)	\$6,407,017	\$11,564,866	\$32,986,768	\$44,950,314	\$55,228,909	\$78,171,009	\$49,507,579	\$262,858,265
Percentage variance	(6.7%)	(5.7%)	4.9%	9.1%	25.2%	35.5%	42.2%	59.8%	41.9%	22.8%

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 2018. 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										
	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	Biennium-to-Date Total
Billings	\$538,192	\$665,840	\$527,541	\$840,140	\$645,773	\$632,780	\$717,786	\$848,928	\$704,906	\$6,121,886
Bottineau	243,091	261,488	228,995	341,937	322,482	340,944	322,613	367,607	310,266	2,739,423
Bowman	969,430	1,003,279	1,038,627	1,052,668	1,073,585	1,208,927	1,254,041	1,397,669	1,248,593	10,246,819
Burke	605,619	641,443	697,779	650,990	753,413	684,520	810,943	987,022	636,492	6,468,221
Divide	1,644,110	1,685,269	1,684,251	1,617,317	1,930,199	2,241,808	2,033,062	2,335,396	1,540,065	16,711,477
Dunn	7,472,819	6,965,679	8,633,938	8,311,147	9,759,466	8,413,280	9,622,315	11,718,385	9,059,820	79,956,849
Golden Valley	141,374	153,015	147,536	127,937	140,717	157,244	188,812	216,691	170,702	1,444,028
McHenry	20,070	20,293	21,537	17,901	20,513	22,082	21,805	20,597	17,108	181,906
McKenzie	20,373,492	23,057,364	24,893,480	24,331,362	30,016,202	31,385,307	34,181,262	40,082,938	30,271,875	258,593,282
McLean	0	0	0	0	0	0	0	0	0	0
Mercer	0	0	0	0	0	0	0	0	128	128
Mountrail	7,611,623	7,587,736	8,186,716	8,282,354	9,737,371	12,062,578	11,824,037	14,060,916	11,772,192	91,125,523
Renville	94,027	97,950	116,083	103,476	110,990	128,065	117,905	128,261	108,689	1,005,446
Slope	54,492	57,353	60,481	48,893	65,151	68,413	66,775	69,414	73,874	564,846
Stark	769,627	1,018,279	1,039,865	1,088,244	1,238,692	1,339,424	1,290,071	1,297,355	1,094,061	10,175,618
Ward	5,625	4,906	5,182	4,330	7,407	6,411	5,090	9,190	5,851	53,992
Williams	9,405,148	10,326,961	11,348,845	11,906,880	14,237,786	14,045,699	15,333,609	16,836,783	14,399,726	117,841,437
Unallocated	0	0	0	0	0	0	0	0	0	0
Fort Berthold Reservation	12,217,689	11,858,152	13,245,095	13,299,943	15,787,313	17,505,326	18,431,912	18,943,620	15,462,922	136,751,972
Total	\$62,166,428	\$65,405,007	\$71,875,951	\$72,025,519	\$85,847,060	\$90,242,808	\$96,222,038	\$109,320,772	\$86,877,270	\$739,982,853

Oil Extraction Tax Collections										
	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	Biennium-to-Date Total
Billings	\$296,334	\$315,928	\$307,861	\$314,503	\$354,418	(\$37,285)	\$421,463	\$463,415	\$414,723	\$2,851,360
Bottineau	(11,024)	101,398	103,531	100,244	145,280	153,041	143,415	163,141	130,566	1,029,592
Bowman	406,529	415,688	414,337	428,870	422,236	470,868	518,547	566,521	506,184	4,149,780
Burke	456,699	469,852	508,372	456,758	542,926	445,088	582,916	687,997	392,017	4,542,625
Divide	1,257,430	1,108,506	1,098,058	1,048,338	1,396,733	1,723,298	1,518,834	1,704,403	1,095,966	11,951,566
Dunn	7,054,864	6,178,873	7,712,532	7,443,405	8,347,615	6,995,229	8,400,221	10,115,621	7,941,019	70,189,379
Golden Valley	104,913	110,645	111,407	99,277	104,664	98,829	144,524	138,656	152,044	1,064,959
McHenry	11,659	12,023	12,063	9,154	12,520	13,253	13,522	12,442	10,557	107,193
McKenzie	18,329,791	20,411,394	23,171,567	23,438,967	27,679,971	28,890,887	33,170,918	37,279,203	29,298,544	241,671,242
McLean	0	0	0	0	0	0	0	0	0	0
Mercer	0	0	0	0	0	0	0	0	0	0
Mountrail	7,002,068	7,048,157	7,542,978	7,703,829	9,114,388	11,581,573	11,085,988	13,342,978	11,113,289	85,535,248
Renville	24,015	24,796	28,009	27,288	27,853	20,575	25,659	32,059	24,510	234,764
Slope	(1)	0	0	0	0	0	0	0	0	(1)
Stark	683,303	912,676	946,779	967,217	1,123,072	1,076,944	1,169,016	1,158,241	975,620	9,012,868

Oil Extraction Tax Collections										
	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	Biennium-to-Date Total
Ward Williams	3,213	3,578	2,876	2,547	3,710	3,998	2,941	5,075	4,102	32,040
Unallocated	8,409,184	9,194,930	10,393,251	11,004,635	13,139,666	12,628,282	14,425,907	15,463,852	13,556,346	108,216,053
Fort Berthold Reservation	(30,456)	4,182	10,256	9,497	15,379	21,281	32,060	(220)	60,992	122,971
Total	11,902,938	11,497,858	12,896,514	12,997,068	15,438,602	17,133,895	18,080,265	18,446,178	15,031,930	133,425,248
	\$55,901,459	\$57,810,484	\$65,260,391	\$66,051,597	\$77,869,033	\$81,219,756	\$89,736,196	\$99,579,562	\$80,708,409	\$674,136,887

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 2018.

	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	Biennium-to-Date Total
Three Affiliated Tribes	\$12,057,437	\$11,678,005	\$13,070,804	\$13,148,505	\$15,612,957	\$17,319,611	\$18,256,089	\$18,694,898	\$15,247,426	\$135,085,732
Legacy fund	31,803,135	33,461,246	37,219,660	37,478,583	44,430,941	46,242,886	50,310,643	57,061,632	45,701,475	383,710,201
North Dakota outdoor heritage fund	799,177	856,750	938,094	939,609	1,120,956	1,163,800	1,244,642	1,446,034	1,142,630	9,651,692
Abandoned well reclamation fund	399,588	428,375	469,047	469,805	560,478	581,900	622,321	723,017	145,057	4,399,588
Oil and gas impact grant fund	3,353,446	6,507,580	7,402,364	7,419,034	3,671,022	0	0	0	0	28,353,446
Political subdivisions	19,621,993	32,741,183	22,146,822	22,356,505	25,311,149	25,645,343	26,491,104	29,032,710	23,590,503	226,937,312
Energy impact fund	0	2,000,000	0	0	0	0	0	0	0	2,000,000
Common schools trust fund	4,400,446	4,631,262	5,236,388	5,305,453	6,243,043	6,408,586	7,165,593	8,113,338	6,567,648	54,071,757
Foundation aid stabilization fund	4,400,446	4,631,262	5,236,388	5,305,453	6,243,043	6,408,586	7,165,593	8,113,338	6,567,648	54,071,757
Resources trust fund ¹	8,800,891	9,262,525	10,472,776	10,610,906	12,486,086	12,817,172	14,331,186	16,226,677	13,135,296	108,143,515
Oil and gas research fund	901,693	616,717	1,000,125	1,002,139	1,320,379	1,466,497	1,602,896	1,859,744	229,810	10,000,000
General fund	31,529,635	16,400,586	33,943,874	34,041,124	46,716,039	37,368,742	0	0	0	200,000,000
Tax relief fund	0	0	0	0	0	16,039,441	58,768,167	67,628,946	55,258,186	197,694,740
Budget stabilization fund	0	0	0	0	0	0	0	0	0	0
Lignite research fund	0	0	0	0	0	0	0	0	0	0
Strategic investment and improvements fund	0	0	0	0	0	0	0	0	0	0
State disaster relief fund	0	0	0	0	0	0	0	0	0	0
Total oil tax allocations	\$118,067,887	\$123,215,491	\$137,136,342	\$138,077,116	\$163,716,093	\$171,462,564	\$185,958,234	\$208,900,334	\$167,585,679	\$1,414,119,740

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

	August 2017	September 2017	October 2017	November 2017	December 2017	January 2018	February 2018	March 2018	April 2018	Biennium-to-Date Total
Energy conservation grant fund	\$44,004	\$46,313	\$52,364	\$53,055	\$4,264	\$0	\$0	\$0	\$0	\$200,000
Renewable energy development fund	264,027	277,876	314,183	318,327	374,583	384,515	429,936	486,800	149,753	3,000,000
Total transfers	\$308,031	\$324,189	\$366,547	\$371,382	\$378,847	\$384,515	\$429,936	\$486,800	\$149,753	\$3,200,000