

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: \_\_\_\_\_ Amendment to: HB 1260

Requested by Legislative Council Date of Request: 2-8-95

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, and cities.

Narrative: We do not know what "oil payments" would mean in this context. No definition was offered in the bill or testimony. Therefore we cannot determine a fiscal effect to the amendment. We have concerns about how drilling costs are going to be defined and ultimately calculated. For example, if everything goes smoothly, a well could be drilled for one price; however, if difficulties are encountered, the costs could become more than doubled what was expected. Are we going to be giving up the royalty for mistakes in drilling operations?

2. State fiscal effect in dollar amounts:

	<u>1993-95</u> <u>Biennium</u>		<u>1995-97</u> <u>Biennium</u>		<u>1997-99</u> <u>Biennium</u>	
	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Funds</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Funds</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Funds</u>
Revenues:	0	0	0	0	0	0
Expenditures:	0	0	0	0	0	0

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

a. For rest of 1993-95 biennium: 0

b. For the 1995-97 biennium: 0

c. For the 1997-99 biennium: 0

4. County and City fiscal effect in dollar amounts:

	<u>1993-95</u> <u>Biennium</u>		<u>1995-97</u> <u>Biennium</u>		<u>1997-99</u> <u>Biennium</u>	
	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>
	0	0	0	0	0	0

If additional space is needed, attach a supplemental sheet.

Signed 

Typed Name Rick D. Larson, Director

Date Prepared: 2/13/95

Department Minerals Management

Phone Number 328-2800