



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 October 2020. **The forecasted amounts reflect the 2019 legislative revenue forecast**, prepared at the close of the 2019 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 August 2020. 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 2020	June 2020	July 2020	August 2020	Biennium-to-Date Average
Actual	1,391,837	893,591	1,042,081	1,164,432	1,320,144
Forecast	1,400,000	1,440,000	1,440,000	1,440,000	1,408,000
Variance to forecast	(8,163)	(546,409)	(397,919)	(275,568)	(87,856)

Average Oil Price - Price Per Barrel					
	Fiscal Year 2020	June 2020	July 2020	August 2020	Biennium-to-Date Average
Posted prices					
Flint Hills Resources	\$36.61	\$32.35	\$31.69	\$32.91	\$35.75
West Texas Intermediate	\$48.23	\$38.31	\$40.77	\$42.39	\$46.68
Price comparison					
Actual	\$42.42	\$35.33	\$36.23	\$37.65	\$41.22
Forecast	48.50	48.00	48.00	48.00	48.40
Variance to forecast	(\$6.08)	(\$12.67)	(\$11.77)	(\$10.35)	(\$7.18)

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 October 2020.

	Fiscal Year 2020	August 2020	September 2020	October 2020	Biennium-to-Date Total
Actual					
Gross production tax	\$1,079,912,250	\$43,800,991	\$53,889,364	\$62,224,655	\$1,239,827,260
Oil extraction tax	956,351,054	35,615,522	45,185,240	54,305,828	1,091,457,644
Total actual	\$2,036,263,304	\$79,416,513	\$99,074,604	\$116,530,483	\$2,331,284,904
Forecasted					
Gross production tax	\$1,214,391,500	\$101,606,400	\$104,993,280	\$104,993,280	\$1,525,984,460
Oil extraction tax	1,189,608,000	99,532,800	102,850,560	102,850,560	1,494,841,920
Total forecasted	\$2,403,999,500	\$201,139,200	\$207,843,840	\$207,843,840	\$3,020,826,380
Variance to forecast					
Gross production tax	(\$134,479,250)	(\$57,805,409)	(\$51,103,916)	(\$42,768,625)	(\$286,157,200)
Oil extraction tax	(233,256,946)	(63,917,278)	(57,665,320)	(48,544,732)	(403,384,276)
Total variance	(\$367,736,196)	(\$121,722,687)	(\$108,769,236)	(\$91,313,357)	(\$689,541,476)
Percentage variance	(15.3%)	(60.5%)	(52.3%)	(43.9%)	(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 October 2020. 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 2020	August 2020	September 2020	October 2020	Biennium-to-Date Total
Billings	\$7,698,624	\$323,534	\$430,623	\$445,692	\$8,898,473
Bottineau	2,779,795	150,633	122,627	205,025	3,258,080
Bowman	9,600,983	526,367	557,496	599,891	11,284,737
Burke	8,562,936	370,297	555,687	503,766	9,992,686
Divide	13,988,596	363,188	702,219	978,242	16,032,245
Dunn	137,289,535	3,437,052	5,145,789	7,116,157	152,988,533
Golden Valley	1,105,075	62,345	73,830	69,746	1,310,996
McHenry	121,331	1,642	876	10,995	134,844
McKenzie	352,466,737	13,115,039	16,556,567	20,727,072	402,865,415
McLean	0	0	0	0	0
Mercer	0	0	0	0	0
Mountrail	116,279,292	6,418,741	7,750,421	8,356,052	138,804,506
Renville	1,017,491	49,146	44,491	73,212	1,184,340
Slope	513,114	33,274	35,999	34,669	617,056
Stark	5,991,521	258,973	365,795	392,186	7,008,475
Ward	34,611	1,843	2,247	1,512	40,213
Williams	195,239,062	8,350,235	9,588,401	10,101,081	223,278,779
Fort Berthold Reservation	227,223,547	10,338,682	11,956,296	12,609,357	262,127,882
Total	\$1,079,912,250	\$43,800,991	\$53,889,364	\$62,224,655	\$1,239,827,260

Oil Extraction Tax Collections					
	Fiscal Year 2020	August 2020	September 2020	October 2020	Biennium-to-Date Total
Billings	\$4,562,873	\$193,999	\$155,354	\$235,491	\$5,147,717
Bottineau	856,434	63,192	59,084	78,720	1,057,430
Bowman	2,269,341	133,365	147,773	155,978	2,706,457
Burke	4,968,204	209,850	295,719	296,109	5,769,882
Divide	7,858,226	230,211	360,727	507,386	8,956,550
Dunn	123,959,881	2,572,698	4,248,323	6,312,362	137,093,264
Golden Valley	685,304	46,016	50,917	41,072	823,309
McHenry	104,566	1,244	0	10,426	116,236
McKenzie	315,753,135	10,901,898	14,245,156	18,686,894	359,587,083
McLean	0	0	0	0	0
Mercer	0	0	0	0	0
Mountrail	100,289,625	4,583,644	6,197,193	7,007,217	118,077,679
Renville	281,118	16,814	15,619	22,525	336,076
Slope	0	0	0	0	0
Stark	3,464,187	134,814	101,502	208,128	3,908,631
Ward	12,190	(13,880)	0	0	(1,690)
Williams	174,272,878	6,814,435	8,170,074	8,613,992	197,871,379
Unallocated	54,893	3,439	6,994	4,606	69,932
Fort Berthold Reservation	216,958,199	9,723,783	11,130,805	12,124,922	249,937,709
Total	\$956,351,054	\$35,615,522	\$45,185,240	\$54,305,828	\$1,091,457,644

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 October 2020.

	Fiscal Year 2020	August 2020	September 2020	October 2020	Biennium-to-Date Total
Three Affiliated Tribes	\$221,143,033	\$10,454,469	\$11,962,387	\$13,074,475	\$256,634,364
Legacy fund	544,536,079	20,688,613	26,133,665	31,036,803	622,395,160
North Dakota outdoor heritage fund	7,500,000	0	670,929	793,845	8,964,774
Abandoned well reclamation fund	6,127,912	267,698	335,465	396,922	7,127,997
Political subdivisions	296,997,610	11,745,144	29,325,804	17,466,647	355,535,205
Common schools trust fund	84,835,809	3,054,429	3,942,323	4,788,986	96,621,547
Foundation aid stabilization fund	84,835,809	3,054,429	3,942,323	4,788,986	96,621,547
Resources trust fund ¹	173,913,403	6,261,579	8,081,761	9,817,421	198,074,164
Oil and gas research fund	12,327,472	477,803	293,599	687,328	13,786,202
State energy research center fund	5,000,000	0	0	0	5,000,000
General fund	350,614,919	23,412,349	14,386,348	11,586,384	400,000,000
Tax relief fund	200,000,000	0	0	0	200,000,000
Budget stabilization fund	48,431,258	0	0	0	48,431,258
Lignite research fund	0	0	0	10,000,000	10,000,000
State disaster relief fund	0	0	0	0	0

	Fiscal Year 2020	August 2020	September 2020	October 2020	Biennium-to-Date Total
Municipal infrastructure fund	0	0	0	12,092,686	12,092,686
Strategic investment and improvements fund	0	0	0	0	0
County and township infrastructure fund	0	0	0	0	0
Airport infrastructure fund	0	0	0	0	0
Total oil tax allocations	\$2,036,263,304	\$79,416,513	\$99,074,604	\$116,530,483	\$2,331,284,904
¹ The amounts shown for the resources trust fund include transfers to the following:					
	Fiscal Year 2020	August 2020	September 2020	October 2020	Biennium-to-Date Total
Energy conservation grant fund	\$869,568	\$31,308	\$40,409	\$49,087	\$990,372
Renewable energy development fund	3,000,000	0	0	0	3,000,000
Total transfers	\$3,869,568	\$31,308	\$40,409	\$49,087	\$3,990,372