



North Dakota Legislative Council

Prepared by the Legislative Council staff
 LC# 25.9092.07000
 April 2025

OIL AND GAS TAX REVENUES QUARTERLY UPDATE SUMMARY

This memorandum provides a summary of oil production and prices, oil and gas tax revenue collections, and oil and gas tax revenue allocations, including comparisons to forecasted amounts, projections for the biennium, and comparisons to the prior biennium. **The forecasted amounts reflect the 2023 legislative revenue forecast ("original forecast"), prepared at the close of the 2023 legislative session.**

QUARTERLY SUMMARY

Oil Production and Prices

The schedules below provide information on actual and forecasted oil production and prices for December 2024 through February 2025. Oil and gas tax revenue collections and allocations reflect production and prices from 2 months prior. The amounts shown for the actual oil prices reflect the North Dakota prices reported by the Tax Department.

Average Daily Oil Production - Barrels Per Day			
	December 2024	January 2025	February 2025
Actual	1,192,248	1,192,248	1,297,888
Forecast	1,100,000	1,100,000	1,100,000
Variance to forecast	92,248	92,248	197,888
Percentage variance to forecast	8.4%	8.4%	18.0%

Average Oil Price - Price Per Barrel			
	December 2024	January 2025	February 2025
Actual	\$62.69	\$67.64	\$63.94
Forecast	62.00	62.00	62.00
Variance to forecast	\$0.69	\$5.64	\$1.94
Percentage variance to forecast	1.1%	9.1%	3.1%

Oil and Gas Tax Revenue Collections

The schedule below provides a comparison of actual to forecasted oil and gas tax revenue collections for February 2025 through April 2025.

	February 2025	March 2025	April 2025
Actual	\$213,099,467	\$223,499,618	\$177,444,297
Forecast	205,077,400	205,077,400	185,231,200
Variance to forecast	\$8,022,067	\$18,422,218	(\$7,786,903)
Percentage variance to forecast	3.9%	9.0%	(4.2%)

Oil and Gas Tax Revenue Allocations

The schedule below provides information on the oil and gas tax revenue allocations to the Three Affiliated Tribes of the Fort Berthold Reservation, state funds, and political subdivisions for February 2025 through April 2025.

	February 2025	March 2025	April 2025
Three Affiliated Tribes	\$17,642,995	\$20,110,599	\$16,075,781
Legacy fund	58,717,393	61,125,146	48,516,607
North Dakota outdoor heritage fund	0	0	0
Abandoned well reclamation fund	808,288	834,116	720,211
Political subdivisions	30,838,849	30,937,706	26,584,972
Common schools trust fund	8,703,061	9,087,014	6,444,305
Foundation aid stabilization fund	8,703,061	9,087,014	6,444,305
Resources trust fund	17,841,274	18,628,378	13,210,825
Oil and gas research fund	0	0	0
State energy research center fund	0	0	0
General fund	0	0	0
Social service fund	0	0	0
Budget stabilization fund	0	0	0
Lignite research fund	0	0	0
State disaster relief fund	0	0	0
Strategic investment and improvements fund	28,514,310	73,689,645	59,447,291
PERS main system plan	0	0	0
Municipal infrastructure fund	10,665,118	0	0
County and township infrastructure fund	10,665,118	0	0
Airport infrastructure fund	20,000,000	0	0
Total	\$213,099,467	\$223,499,618	\$177,444,297

Distributions to Political Subdivisions

The schedule below provides information on the distribution of oil and gas gross production tax collections to political subdivisions for February 2025 through April 2025. The formula for the distributions to political subdivisions became effective with July 2023 oil production and September 2023 distributions. However, this memorandum reports the distributions to political subdivisions for the period August 2023 to July 2025 to align with the reporting for the allocations to state funds.

	February 2025	March 2025	April 2025
Hub cities	\$4,313,490	\$4,318,011	\$3,935,355
Hub city school districts	801,146	802,151	717,116
Counties	16,792,327	16,844,347	14,247,856
Cities (excluding hub cities)	5,626,103	5,645,875	4,775,328
School districts (excluding hub city school districts)	2,203,490	2,223,023	1,975,086
Townships	1,102,293	1,104,299	934,231
Total	\$30,838,849	\$30,937,706	\$26,584,972

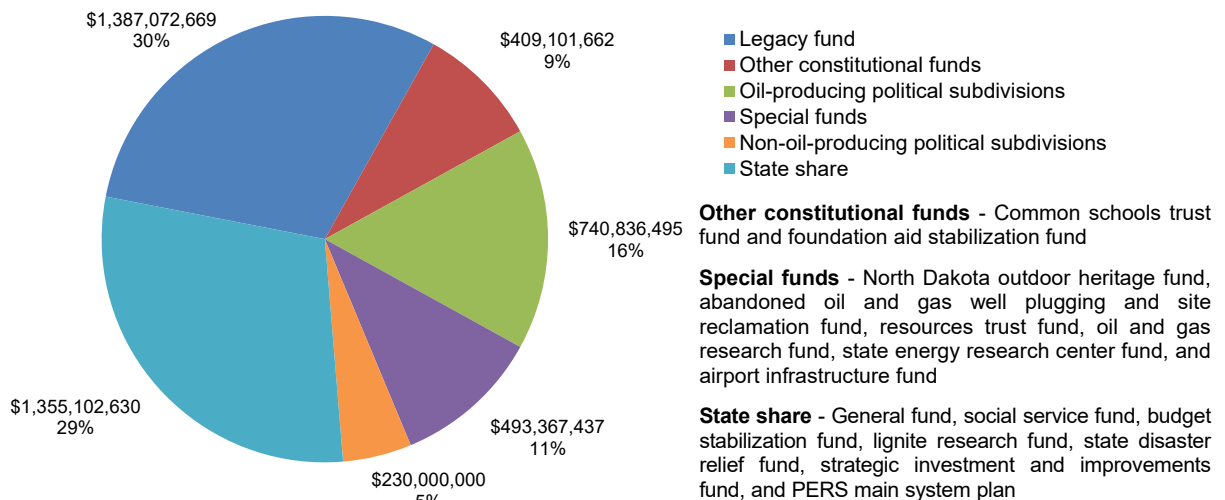
CURRENT BIENNIUM COMPARISON TO FORECAST

The schedule below provides a comparison of actual to forecasted oil and gas tax revenue allocations for the biennium to date through April 2025.

	Biennium to Date		Increase (Decrease)	
	Actual	Forecast	Amount	Percentage
Three Affiliated Tribes	\$437,344,523	\$591,027,795	(\$153,683,272)	(26.0%)
Legacy fund	1,387,072,669	1,184,196,424	202,876,245	17.1%
North Dakota outdoor heritage fund	15,000,000	15,000,000	0	0.0%
Abandoned well reclamation fund	14,038,238	12,567,239	1,470,999	11.7%
Political subdivisions	740,836,495	607,267,911	133,568,584	22.0%
Common schools trust fund	204,550,831	193,463,741	11,087,090	5.7%
Foundation aid stabilization fund	204,550,831	193,463,741	11,087,090	5.7%
Resources trust fund	419,329,199	396,600,661	22,728,538	5.7%
Oil and gas research fund	17,500,000	17,500,000	0	0.0%
State energy research center fund	7,500,000	7,500,000	0	0.0%
General fund	460,000,904	460,000,000	904	0.0%
Social service fund	250,000,000	250,000,000	0	0.0%
Budget stabilization fund	0	0	0	N/A
Lignite research fund	10,000,000	10,000,000	0	0.0%
State disaster relief fund	8,450,480	12,533,761	(4,083,281)	(32.6%)
Strategic investment and improvements fund	561,651,246	400,000,000	161,651,246	40.4%
PERS main system plan	65,000,000	65,000,000	0	0.0%
Municipal infrastructure fund	115,000,000	58,033,964	56,966,036	98.2%
County and township infrastructure fund	115,000,000	58,033,963	56,966,037	98.2%
Airport infrastructure fund	20,000,000	0	20,000,000	N/A
Total	\$5,052,825,416	\$4,532,189,200	\$520,636,216	11.5%

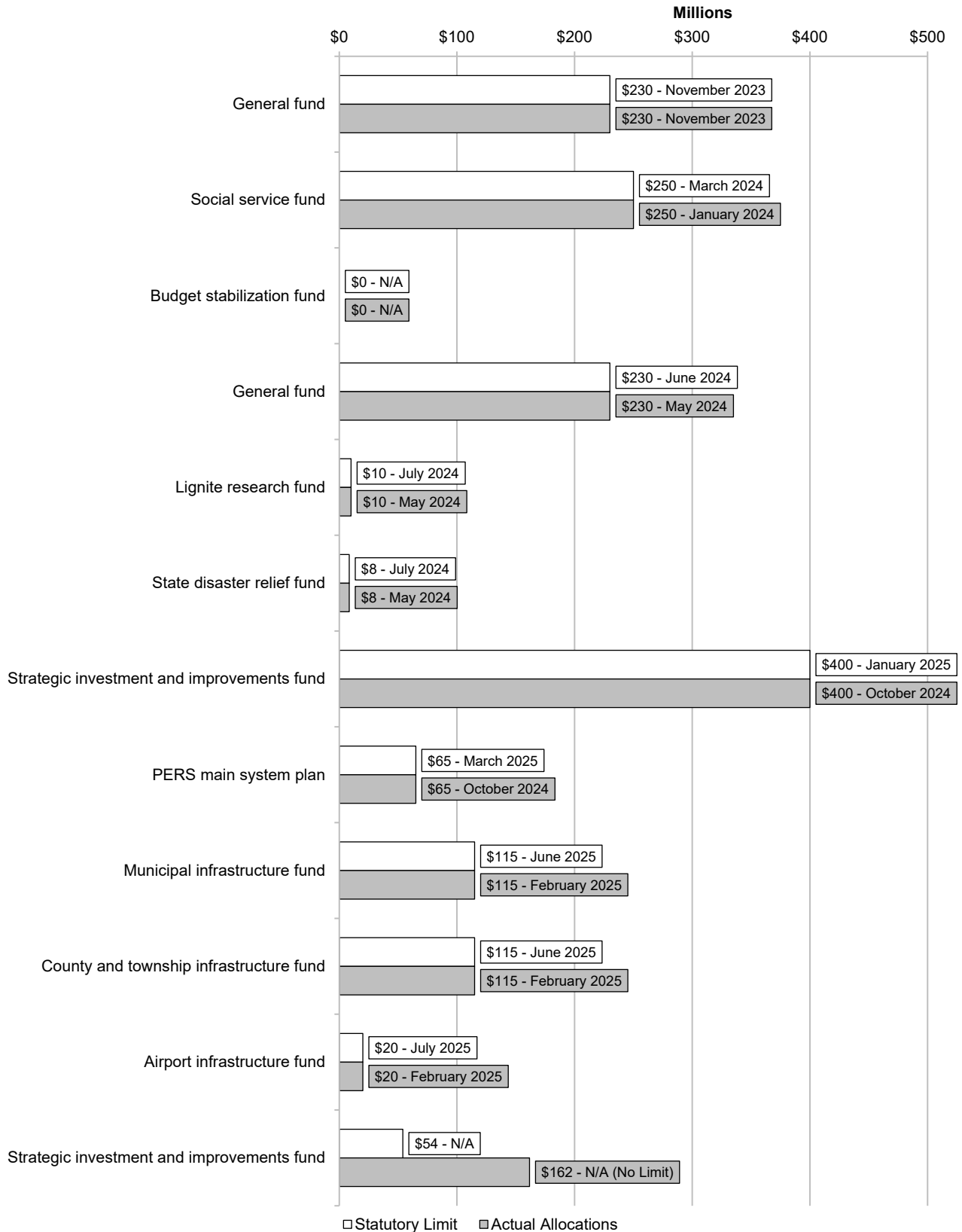
OIL AND GAS TAX REVENUE ALLOCATIONS

The chart below provides information on the oil and gas tax revenue allocations, excluding the allocations to the Three Affiliated Tribes of the Fort Berthold Reservation, for the biennium to date through April 2025.



STATE'S SHARE - FUND STATUS

The chart below provides information on the status of the state's share of allocations ("buckets") for the biennium to date through April 2025. The dates in the white boxes reflect when the funds are estimated to reach the statutory limit based on the 2023 legislative revenue forecast, prepared at the close of the 2023 legislative session. The dates shown in the gray boxes reflect when the funds reached the statutory limit or when the funds are anticipated to reach the statutory limit as adjusted for the actual allocations for the biennium to date.



CURRENT BIENNIUM PROJECTIONS

The schedule below provides information on actual oil tax revenue allocations for the biennium to date through April 2025 and forecasted amounts for the remainder of the biennium. The amount shown for the original forecast reflects the 2023 legislative revenue forecast, prepared at the close of the 2023 legislative session.

2023-25 Biennium Actual Allocations and Remaining Forecast				
	Actual Through April 2025	Remaining Forecast	Biennium Total	Original Forecast
Three Affiliated Tribes	\$437,344,523	\$79,420,489	\$516,765,012	\$670,448,284
Legacy fund	1,387,072,669	159,022,893	1,546,095,562	1,343,219,317
North Dakota outdoor heritage fund	15,000,000	0	15,000,000	15,000,000
Abandoned well reclamation fund	14,038,238	961,762	15,000,000	14,485,700
Political subdivisions	740,836,495	75,125,923	815,962,418	682,393,834
Common schools trust fund	204,550,831	25,979,782	230,530,613	219,443,523
Foundation aid stabilization fund	204,550,831	25,979,782	230,530,613	219,443,523
Resources trust fund	419,329,199	53,258,550	472,587,749	449,859,211
Oil and gas research fund	17,500,000	0	17,500,000	17,500,000
State energy research center fund	7,500,000	0	7,500,000	7,500,000
General fund	460,000,904	0	460,000,904	460,000,000
Social service fund	250,000,000	0	250,000,000	250,000,000
Budget stabilization fund	0	0	0	0
Lignite research fund	10,000,000	0	10,000,000	10,000,000
State disaster relief fund	8,450,480	0	8,450,480	12,533,761
Strategic investment and improvements fund	561,651,246	188,867,619	750,518,865	453,978,847
PERS main system plan	65,000,000	0	65,000,000	65,000,000
Municipal infrastructure fund	115,000,000	0	115,000,000	115,000,000
County and township infrastructure fund	115,000,000	0	115,000,000	115,000,000
Airport infrastructure fund	20,000,000	0	20,000,000	20,000,000
Total	\$5,052,825,416	\$608,616,800	\$5,661,442,216	\$5,140,806,000

CURRENT BIENNIUM TO PRIOR BIENNIUM COMPARISON

Oil Production and Prices

The schedules below provide information on actual and forecasted oil production and prices for the first 21 months of the 2023-25 biennium and 2021-23 biennium. Oil and gas tax revenue collections and allocations reflect oil production and prices from 2 months prior.

Average Daily Oil Production - Barrels Per Day				
	2023-25 Biennium Through February 2025	2021-23 Biennium Through February 2023	Increase (Decrease)	
			Amount	Percentage
Actual	1,217,064	1,089,170	127,894	11.7%
Forecast	1,100,000	1,057,143	42,857	4.1%
Variance to forecast	117,064	32,027	85,037	265.5%
Percentage variance to forecast	10.6%	3.0%		

Average Oil Price - Price Per Barrel				
	2023-25 Biennium Through February 2025	2021-23 Biennium Through February 2023	Increase (Decrease)	
			Amount	Percentage
Actual	\$70.31	\$81.66	(\$11.35)	(13.9%)
Forecast	66.57	50.00	16.57	33.1%
Variance to forecast	\$3.74	\$31.66	(\$27.92)	(88.2%)
Percentage variance to forecast	5.6%	63.3%		

Oil and Gas Tax Revenue Collections

The schedule below provides a comparison of actual to forecasted oil and gas tax revenue collections for the first 21 months of the 2023-25 biennium and 2021-23 biennium.

	2023-25 Biennium Through April 2025	2021-23 Biennium Through April 2023	Increase (Decrease)	
			Amount	Percentage
Actual	\$5,052,825,416	\$5,253,138,190	(\$200,312,774)	(3.8%)
Forecast	4,532,189,200	3,271,325,000	1,260,864,200	38.5%
Variance to forecast	\$520,636,216	\$1,981,813,190	(\$1,461,176,974)	(73.7%)
Percentage variance to forecast	11.5%	60.6%		