



North Dakota Legislative Council

Prepared by the Legislative Council staff
LC# 27.9060.02000
January 2026

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 2025 legislative revenue forecast ("original forecast")**, prepared at the close of the 2025 legislative session.

QUARTERLY SUMMARY Oil Production and Prices

The schedules below provide information on actual and forecasted oil production and prices for September 2025 through November 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			
	September 2025	October 2025	November 2025
Actual	1,167,656	1,176,625	1,189,104
Forecast	1,150,000	1,150,000	1,150,000
Variance to forecast	17,656	26,625	39,104
Percentage variance to forecast	1.5%	2.3%	3.4%

Average Oil Price - Price Per Barrel			
	September 2025	October 2025	November 2025
Actual	\$56.69	\$53.36	\$52.87
Forecast	59.00	59.00	59.00
Variance to forecast	(\$2.31)	(\$5.64)	(\$6.13)
Percentage variance to forecast	(3.9%)	(9.6%)	(10.4%)

Oil and Gas Tax Revenue Collections

The schedule below provides a comparison of actual to forecasted oil and gas tax revenue collections for November 2025 through January 2026.

	November 2025	December 2025	January 2026
Actual	\$176,897,318	\$180,523,970	\$176,354,058
Forecast	182,380,800	188,460,160	182,380,800
Variance to forecast	(\$5,483,482)	(\$7,936,190)	(\$6,026,742)
Percentage variance to forecast	(3.0%)	(4.2%)	(3.3%)

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 November 2025 through January 2026.

	November 2025	December 2025	January 2026
Three Affiliated Tribes	\$12,625,709	\$12,631,842	\$10,985,395
Legacy Fund	49,358,394	50,438,008	49,674,718
North Dakota Outdoor Heritage Fund	1,419,392	1,411,337	1,419,020
Abandoned Well Reclamation Fund	709,696	705,668	709,510
Political subdivisions	27,178,744	27,827,384	26,882,181
Common Schools Trust Fund	7,080,632	7,434,217	7,208,890
Foundation Aid Stabilization Fund	7,080,632	7,434,217	7,208,890
Resources Trust Fund	14,515,295	15,240,146	14,778,224
Oil and Gas Research Fund	1,143,704	1,152,714	1,154,019
State Energy Research Center Fund	571,852	576,357	577,010
General Fund	55,213,268	24,033,887	0
Social Service Fund	0	31,638,193	55,756,201
Budget Stabilization Fund	0	0	0
Lignite Research Fund	0	0	0
State Disaster Relief Fund	0	0	0
Municipal Infrastructure Fund	0	0	0
County and Township Infrastructure Fund	0	0	0
PERS main system plan	0	0	0
Airport Infrastructure Fund	0	0	0
Strategic Investment and Improvements Fund	0	0	0
Total	\$176,897,318	\$180,523,970	\$176,354,058

Distributions to Political Subdivisions

The schedule below provides information on the distribution of oil and gas gross production tax collections to political subdivisions for November 2025 through January 2026. The formula for the distributions to political subdivisions became effective with July 2025 oil production and September 2025 distributions. However, this memorandum reports the distributions to political subdivisions for the period August 2025 to July 2027 to align with the reporting for the allocations to state funds.

	November 2025	December 2025	January 2026
Hub cities	\$4,778,455	\$4,835,938	\$4,756,129
Hub city school districts	710,027	722,801	705,066
Counties	14,124,389	14,512,081	13,953,724
Cities (excluding hub cities)	4,744,082	4,873,810	4,684,770
School districts (excluding hub city school districts)	1,901,736	1,937,152	1,872,363
Townships	920,055	945,602	910,129
Total	\$27,178,744	\$27,827,384	\$26,882,181

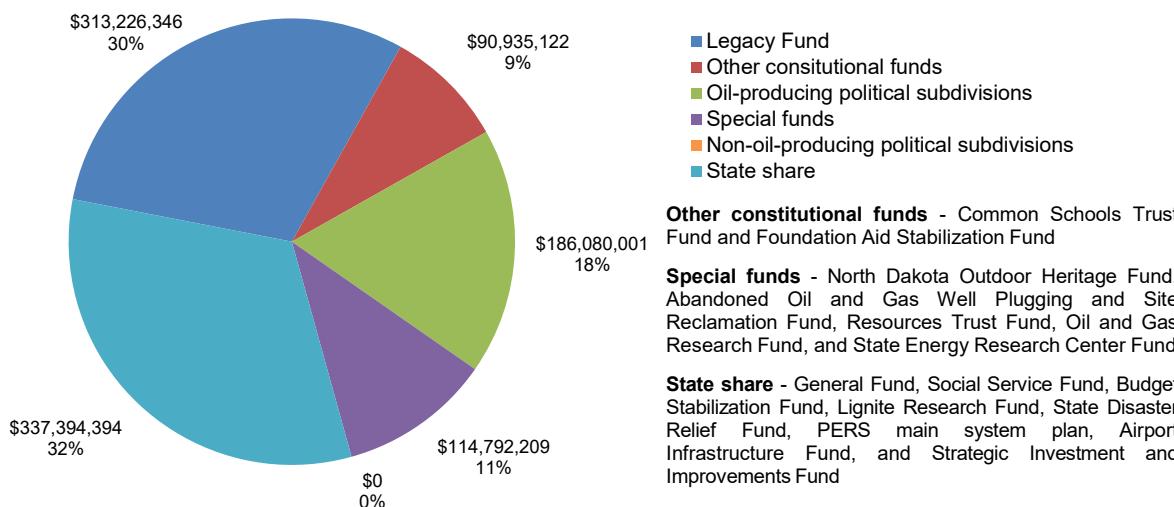
CURRENT BIENNIUM COMPARISON TO FORECAST

The schedule below provides a comparison of actual to forecasted oil and gas tax revenue allocations for the biennium to date through January 2026.

	Biennium to Date		Increase (Decrease)	
	Actual	Forecast	Amount	Percentage
Three Affiliated Tribes	\$76,562,540	\$99,171,843	(\$22,609,303)	(22.8%)
Legacy Fund	313,226,346	304,530,312	8,696,034	2.9%
North Dakota Outdoor Heritage Fund	7,398,334	6,903,779	494,555	7.2%
Abandoned Well Reclamation Fund	3,699,166	3,451,891	247,275	7.2%
Political subdivisions	186,080,001	178,587,125	7,492,876	4.2%
Common Schools Trust Fund	45,467,561	45,062,145	405,416	0.9%
Foundation Aid Stabilization Fund	45,467,561	45,062,145	405,416	0.9%
Resources Trust Fund	93,208,500	92,377,395	831,105	0.9%
Oil and Gas Research Fund	6,990,806	6,782,525	208,281	3.1%
State Energy Research Center Fund	3,495,403	3,391,262	104,141	3.1%
General Fund	250,000,000	250,000,000	0	0.0%
Social Service Fund	87,394,394	77,202,458	10,191,936	13.2%
Budget Stabilization Fund	0	0	0	N/A
Lignite Research Fund	0	0	0	N/A
State Disaster Relief Fund	0	0	0	N/A
Municipal Infrastructure Fund	0	0	0	N/A
County and Township Infrastructure Fund	0	0	0	N/A
PERS main system plan	0	0	0	N/A
Airport Infrastructure Fund	0	0	0	N/A
Strategic Investment and Improvements Fund	0	0	0	N/A
Total	\$1,118,990,612	\$1,112,522,880	\$6,467,732	0.6%

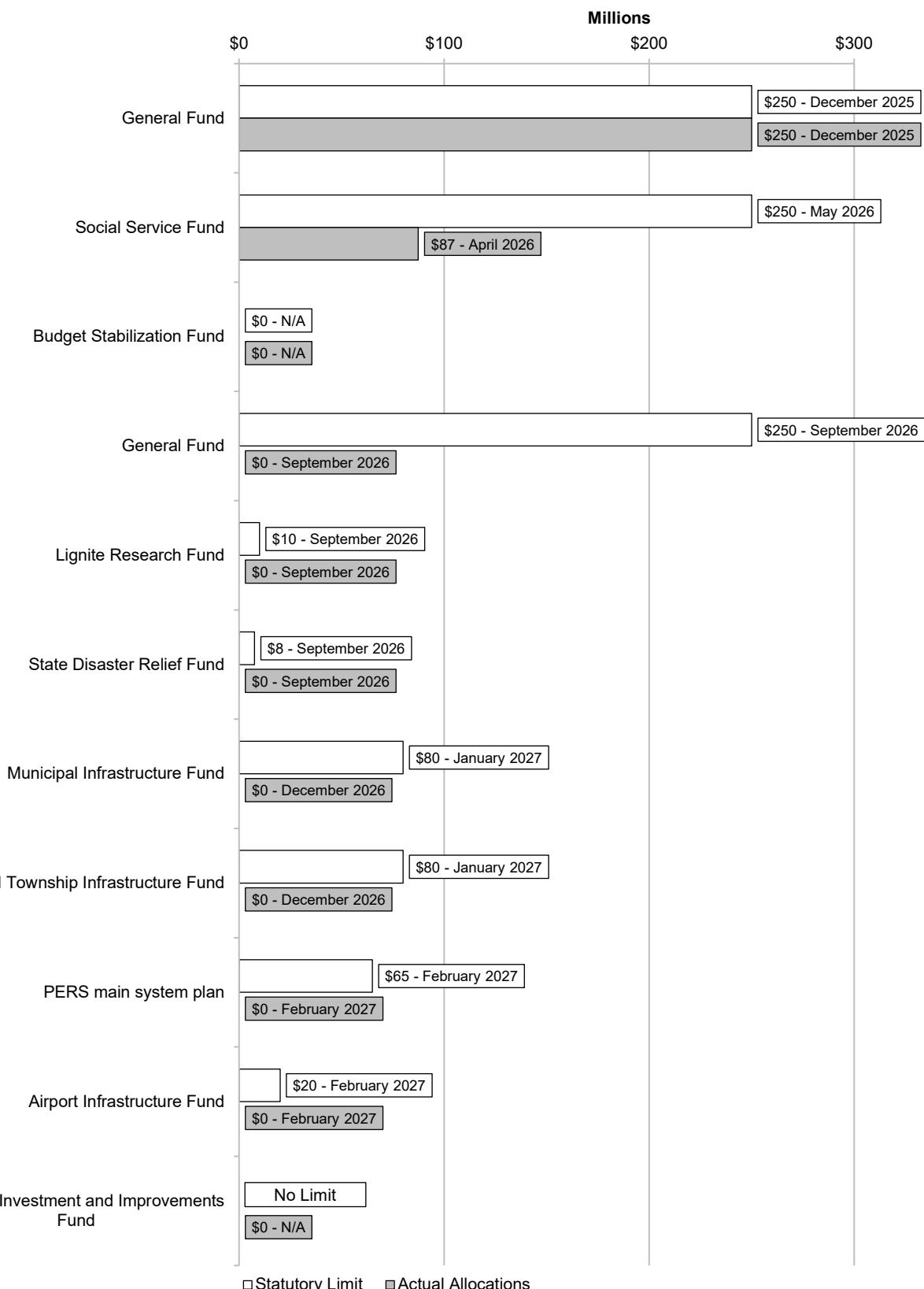
OIL AND GAS TAX REVENUE ALLOCATIONS

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 January 2026.



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 January 2026. The dates in the white boxes reflect when the funds are estimated to reach the statutory limit based on the 2025 legislative revenue forecast, prepared at the close of the 2025 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 BIENNIA PROJECTIONS

The schedule below provides information on actual oil tax revenue allocations for the biennium to date through January 2026 and forecasted amounts for the remainder of the biennium. The amount shown for the original forecast reflects the 2025 legislative revenue forecast, prepared at the close of the 2025 legislative session.

2025-27 Biennium Actual Allocations and Remaining Forecast				
	Actual Through January 2026	Remaining Forecast	Biennium Total	Original Forecast
Three Affiliated Tribes	\$76,562,540	\$281,432,054	\$357,994,594	\$380,603,897
Legacy Fund	313,226,346	864,159,683	1,177,386,029	1,168,689,995
North Dakota Outdoor Heritage Fund	7,398,334	7,601,666	15,000,000	15,000,000
Abandoned Well Reclamation Fund	3,699,166	10,785,216	14,484,382	14,484,382
Political subdivisions	186,080,001	478,688,213	664,768,214	657,275,338
Common Schools Trust Fund	45,467,561	127,871,959	173,339,520	172,934,104
Foundation Aid Stabilization Fund	45,467,561	127,871,959	173,339,520	172,934,104
Resources Trust Fund	93,208,500	262,137,515	355,346,015	354,514,910
Oil and Gas Research Fund	6,990,806	10,509,194	17,500,000	17,500,000
State Energy Research Center Fund	3,495,403	4,004,597	7,500,000	7,500,000
General Fund	250,000,000	250,000,000	500,000,000	500,000,000
Social Service Fund	87,394,394	162,605,606	250,000,000	250,000,000
Budget Stabilization Fund	0	0	0	0
Lignite Research Fund	0	10,000,000	10,000,000	10,000,000
State Disaster Relief Fund	0	7,560,000	7,560,000	7,562,403
Municipal Infrastructure Fund	0	80,000,000	80,000,000	80,000,000
County and Township Infrastructure Fund	0	80,000,000	80,000,000	80,000,000
PERS main system plan	0	65,000,000	65,000,000	65,000,000
Airport Infrastructure Fund	0	20,000,000	20,000,000	20,000,000
Strategic Investment and Improvements Fund	0	306,756,658	306,756,658	295,508,067
Total	\$1,118,990,612	\$3,156,984,320	\$4,275,974,932	\$4,269,507,200

CURRENT BIENNIA TO PRIOR BIENNIA COMPARISON

Oil Production and Prices

The schedules below provide information on actual and forecasted oil production and prices for the first 6 months of the 2025-27 biennium and 2023-25 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				
	2025-27 Biennium Through November 2025	2023-25 Biennium Through November 2023	Increase (Decrease)	
			Amount	Percentage
Actual	1,171,097	1,185,993	(14,896)	(1.3%)
Forecast	1,150,000	1,100,000	50,000	4.5%
Variance to forecast	21,097	85,993	(64,896)	(75.5%)
Percentage variance to forecast	1.8%	7.8%		

Average Oil Price - Price Per Barrel				
	2025-27 Biennium Through November 2025	2023-25 Biennium Through November 2023	Increase (Decrease)	
			Amount	Percentage
Actual	\$57.19	\$75.15	(\$17.96)	(23.9%)
Forecast	59.00	70.00	(11.00)	(15.7%)
Variance to forecast	(\$1.81)	\$5.15	(\$6.96)	(135.1%)
Percentage variance to forecast	(3.1%)	7.4%		

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 6 months of the 2025-27 biennium and 2023-25 biennium.

	2025-27 Biennium Through January 2026	2023-25 Biennium Through January 2024	Increase (Decrease)	
			Amount	Percentage
Actual	\$1,118,990,612	\$1,589,137,199	(\$470,146,587)	(29.6%)
Forecast	1,112,522,880	1,366,827,000	(254,304,120)	(18.6%)
Variance to forecast	\$6,467,732	\$222,310,199	(\$215,842,467)	(97.1%)
Percentage variance to forecast	0.6%	16.3%		