



North Dakota Legislative Council

Prepared by the Legislative Council staff
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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 March 2026 through May 2026. 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			
	March 2026	April 2026	May 2026
Actual	1,142,657	1,141,417	1,125,012
Forecast	1,150,000	1,150,000	1,150,000
Variance to forecast	(7,343)	(8,583)	(24,988)
Percentage variance to forecast	(0.6%)	(0.7%)	(2.2%)

Average Oil Price - Price Per Barrel			
	March 2026	April 2026	May 2026
Actual	\$84.33	\$92.91	\$100.64
Forecast	59.00	59.00	59.00
Variance to forecast	\$25.33	\$33.91	\$41.64
Percentage variance to forecast	42.9%	57.5%	70.6%

Oil and Gas Tax Revenue Collections

The schedule below provides a comparison of actual to forecasted oil and gas tax revenue collections for May 2026 to July 2026.

	May 2026	June 2026	July 2026
Actual	\$265,214,079	\$287,664,230	\$316,314,427
Forecast	188,460,160	182,380,800	188,460,160
Variance to forecast	\$76,753,919	\$105,283,430	\$127,854,267
Percentage variance to forecast	40.7%	57.7%	67.8%

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 May 2026 to July 2026.

	May 2026	June 2026	July 2026
Three Affiliated Tribes	\$18,542,327	\$20,217,930	\$23,861,325
Legacy Fund	74,183,591	80,327,092	87,837,695
North Dakota Outdoor Heritage Fund	0	0	0
Abandoned Well Reclamation Fund	1,061,837	808,296	0
Political subdivisions	38,055,035	39,793,619	42,941,956
Common Schools Trust Fund	10,647,985	11,797,990	13,021,092
Foundation Aid Stabilization Fund	10,647,985	11,797,990	13,021,092
Resources Trust Fund	21,828,370	24,185,879	26,693,238
Oil and Gas Research Fund	1,817,077	1,980,922	2,185,544
State Energy Research Center Fund	908,539	990,461	472,090
General Fund	82,801,825	95,764,051	71,434,124
Social Service Fund	4,719,508	0	0
Budget Stabilization Fund	0	0	0
Lignite Research Fund	0	0	10,000,000
State Disaster Relief Fund	0	0	8,553,249
Municipal Infrastructure Fund	0	0	8,146,511
County and Township Infrastructure Fund	0	0	8,146,511
PERS main system plan	0	0	0
Airport Infrastructure Fund	0	0	0
Strategic Investment and Improvements Fund	0	0	0
Total	\$265,214,079	\$287,664,230	\$316,314,427

Distributions to Political Subdivisions

The schedule below provides information on the distribution of oil and gas gross production tax collections to political subdivisions for May 2026 to July 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.

	May 2026	June 2026	July 2026
Hub cities	\$5,724,039	\$5,874,530	\$6,148,816
Hub city school districts	920,157	953,599	1,014,552
Counties	20,594,692	21,627,874	23,501,769
Cities (excluding hub cities)	6,919,340	7,267,057	7,896,725
School districts (excluding hub city school districts)	2,556,493	2,663,360	2,850,991
Townships	1,340,314	1,407,199	1,529,103
Total	\$38,055,035	\$39,793,619	\$42,941,956

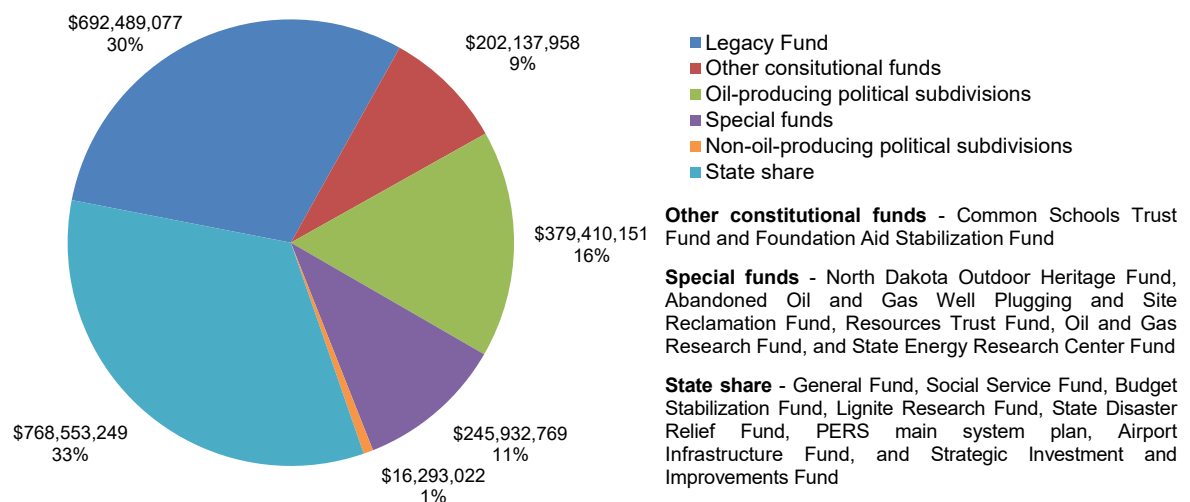
CURRENT BIENNIUM COMPARISON TO FORECAST

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

	Biennium to Date		Increase (Decrease)	
	Actual	Forecast	Amount	Percentage
Three Affiliated Tribes	\$172,101,092	\$197,811,324	(\$25,710,232)	(13.0%)
Legacy Fund	692,489,077	607,396,525	85,092,552	14.0%
North Dakota Outdoor Heritage Fund	7,500,000	7,500,000	0	0.0%
Abandoned Well Reclamation Fund	7,500,000	7,500,000	0	0.0%
Political subdivisions	379,410,151	339,007,666	40,402,485	11.9%
Common Schools Trust Fund	101,068,979	89,878,048	11,190,931	12.5%
Foundation Aid Stabilization Fund	101,068,979	89,878,048	11,190,931	12.5%
Resources Trust Fund	207,191,404	184,249,996	22,941,408	12.5%
Oil and Gas Research Fund	16,241,365	13,984,896	2,256,469	16.1%
State Energy Research Center Fund	7,500,000	6,992,448	507,552	7.3%
General Fund	500,000,000	424,767,449	75,232,551	17.7%
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	0	10,000,000	N/A
State Disaster Relief Fund	8,553,249	0	8,553,249	N/A
Municipal Infrastructure Fund	8,146,511	0	8,146,511	N/A
County and Township Infrastructure Fund	8,146,511	0	8,146,511	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	\$2,476,917,318	\$2,218,966,400	\$257,950,918	11.6%

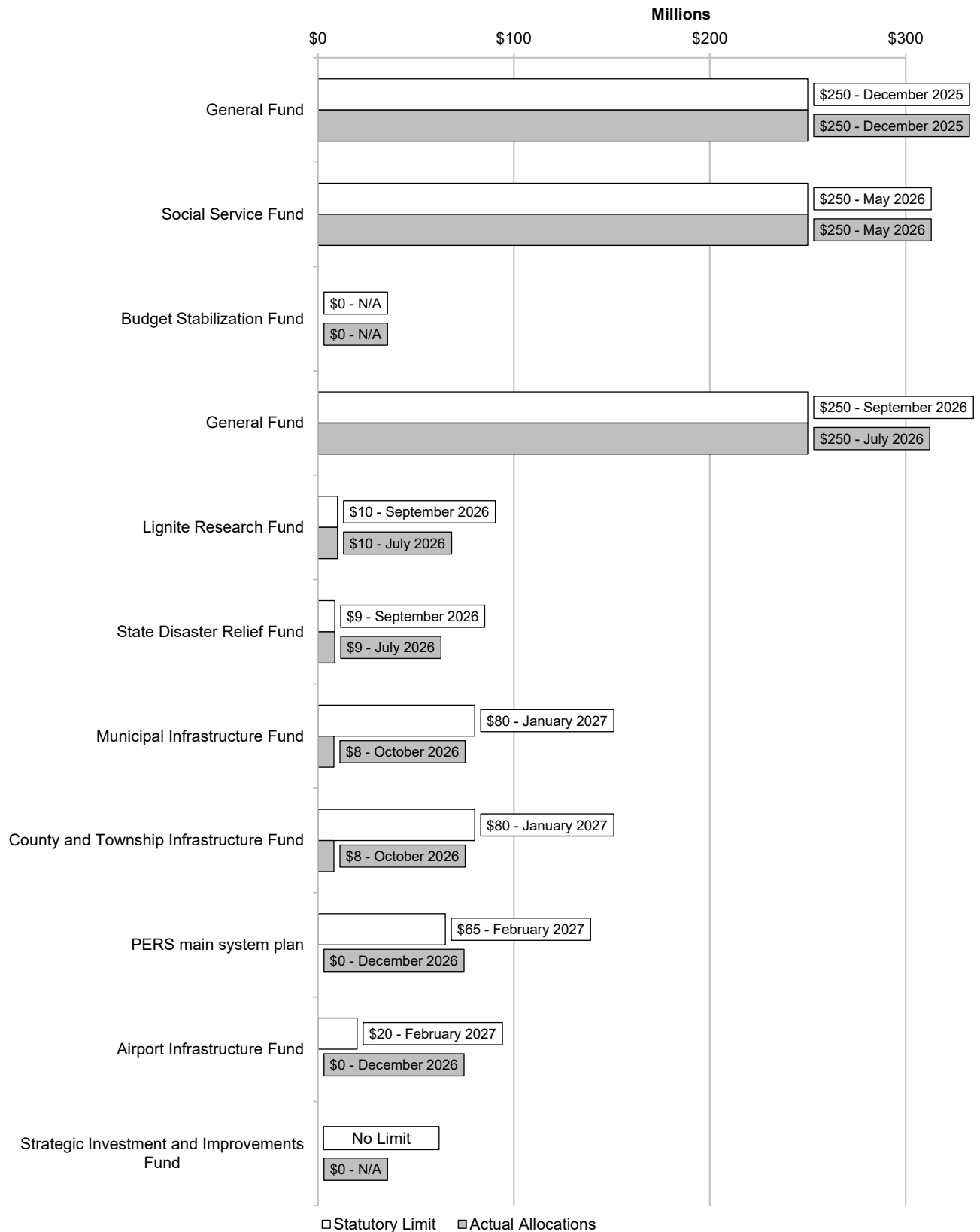
OIL AND GAS TAX REVENUE ALLOCATIONS

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 July 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 July 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 BIENNIUM PROJECTIONS

The schedule below provides information on actual oil tax revenue allocations for the biennium to date through July 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 July 2026	Remaining Forecast	Biennium Total	Original Forecast
Three Affiliated Tribes	\$172,101,092	\$182,792,573	\$354,893,665	\$380,603,897
Legacy Fund	692,489,077	561,293,470	1,253,782,547	1,168,689,995
North Dakota Outdoor Heritage Fund	7,500,000	7,500,000	15,000,000	15,000,000
Abandoned Well Reclamation Fund	7,500,000	6,984,382	14,484,382	14,484,382
Political subdivisions	379,410,151	318,267,672	697,677,823	657,275,338
Common Schools Trust Fund	101,068,979	83,056,056	184,125,035	172,934,104
Foundation Aid Stabilization Fund	101,068,979	83,056,056	184,125,035	172,934,104
Resources Trust Fund	207,191,404	170,264,914	377,456,318	354,514,910
Oil and Gas Research Fund	16,241,365	1,258,635	17,500,000	17,500,000
State Energy Research Center Fund	7,500,000	0	7,500,000	7,500,000
General Fund	500,000,000	0	500,000,000	500,000,000
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	8,553,249	0	8,553,249	7,562,403
Municipal Infrastructure Fund	8,146,511	71,853,489	80,000,000	80,000,000
County and Township Infrastructure Fund	8,146,511	71,853,489	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	407,360,064	407,360,064	295,508,067
Total	\$2,476,917,318	\$2,050,540,800	\$4,527,458,118	\$4,269,507,200

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 12 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 May 2026	2023-25 Biennium Through May 2024	Increase (Decrease)	
			Amount	Percentage
Actual	1,152,516	1,155,101	(2,585)	(0.2%)
Forecast	1,150,000	1,100,000	50,000	4.5%
Variance to forecast	2,516	55,101	(52,585)	(95.4%)
Percentage variance to forecast	0.2%	5.0%		

Average Oil Price - Price Per Barrel				
	2025-27 Biennium Through May 2026	2023-25 Biennium Through May 2024	Increase (Decrease)	
			Amount	Percentage
Actual	\$65.25	\$72.97	(\$7.72)	(10.6%)
Forecast	59.00	70.00	(11.00)	(15.7%)
Variance to forecast	\$6.25	\$2.97	\$3.28	110.4%
Percentage variance to forecast	10.6%	4.2%		

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

	2025-27 Biennium Through July 2026	2023-25 Biennium Through July 2024	Increase (Decrease)	
			Amount	Percentage
Actual	\$2,476,917,318	\$3,064,161,781	(\$587,244,463)	(19.2%)
Forecast	2,218,966,400	2,726,185,000	(507,218,600)	(18.6%)
Variance to forecast	\$257,950,918	\$337,976,781	(\$80,025,863)	(23.7%)
Percentage variance to forecast	11.6%	12.4%		