



**U.S. Department of the Interior  
Minerals Management Service  
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***NEWS RELEASE***

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**32 States Receive \$318 Million in First Half of 2002 as Share of Federal Mineral Revenues**

Despite a four-month court-ordered computer network shutdown, the Interior's Minerals Management Service distributed more than \$318 million to 32 states during the first six months of 2002.

"This is truly money for America," said Interior Secretary Gale Norton. "Portions of this money are invested back into communities for historic preservation projects, purchase of parks and recreation lands, and acquisition of land and water resources for recreational use, habitat protection, scenic beauty, and biological diversity." The money represents the states' cumulative share of revenues collected for mineral production on federal lands located within their borders and from federal offshore oil and gas tracts adjacent to their shores.

"The fact that MMS continued to make estimated payments to the states in spite of the computer shutdown demonstrates this department's outstanding commitment to America," said Norton. The shutdown was implemented department-wide in response to a federal court order issued December 7, 2001 and lifted at MMS in late March 2002. The agency is now working to reconcile these estimates with a several-month backlog of payment and production records.

"This year's halfway total is less than last year's record \$656 million but is close to the 2000 figure of \$362 million," said Norton. "The numbers largely reflect a recent decline in prices of crude oil and natural gas."

The MMS is responsible for collecting, accounting for, auditing and disbursing revenues associated with mineral leases on federal and Indian lands. Disbursements are made to states on a monthly basis, as bonuses, rents, royalties and other revenues are collected. A state is entitled to a share of the mineral revenues collected from federal lands located within that state's boundaries. For the majority of federal lands, states and the federal government share the revenues: 50 percent to the state, 40 percent to the Reclamation Fund for water projects, and 10 percent to the U.S. Treasury. One exception, Alaska, gets a 90-percent share, as prescribed by the Alaska Statehood Act. Certain coastal states with federal offshore tracts adjacent to their seaward boundaries receive 27 percent of those mineral royalties as well. Remaining offshore revenues are deposited in special accounts of the U.S. Treasury, including the General Fund, the Historic Preservation Fund and the Land and Water Conservation Fund.

Amounts distributed to states during the first half of 2002 were:

Alabama	\$2,739,998.65	Michigan	\$115,493.26	Oklahoma	\$423,305.29

Alaska	\$4,578,795.55	Minnesota	\$323.75	Oregon	\$1,798.50
Arizona	\$48,554.03	Mississippi	\$389,259.47	Pennsylvania	\$8,702.92
Arkansas	\$501,293.05	Missouri	\$190,052.50	South Dakota	\$221,800.71
California	\$5,970,074.12	Montana	\$8,374,559.45	Texas	\$3,783,367.19
Colorado	\$16,386,328.45	Nebraska	\$4,730.22	Utah	\$11,122,364.65
Idaho	\$674,000.00	Nevada	\$1,372,000.00	Virginia	\$19,914.03
Illinois	\$39,697.54	New Mexico	\$88,514,504.84	Washington	\$295,185.25
Kansas	\$493,000.00	North Carolina	\$79.00	West Virginia	\$22,000.00
Kentucky	\$17,377.95	North Dakota	\$2,040,057.40	Wyoming	\$164,691,586.20
Louisiana	\$5,619,603.45	Ohio	\$72,851.60	Total	\$318,732,659.02

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas and other mineral resources on the outer continental shelf in federal offshore waters. The agency also collects, accounts for and disburses mineral revenues from federal and Indian leases. These revenues totaled nearly \$10 billion in 2001 and more than \$120 billion since the agency was created in 1982. Annually, nearly \$1 billion from those revenues go into the Land and Water Conservation Fund for the acquisition and development of state and federal parks and recreation lands.

--MMS-20 Years of Service to America--

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MMS Internet website address: <http://www.mms.gov>