



## NEWS RELEASE

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### **Thirty-four States Earn \$1.9 Billion in Royalty Receipts** *MMS Reports FY 2007 Disbursements*

DENVER – Thirty-four states earned more than \$1.9 billion during Fiscal Year 2007 as part of their share of federal revenues collected by the Department of the Interior’s Minerals Management Service (MMS).

“These revenues from mineral production on federal lands play a crucial role in many state budgets,” said Randall Luthi, MMS director. “The funds support everything from education to infrastructure improvements and capital projects.”

MMS is the federal bureau within the Department of the Interior responsible for collecting, auditing and disbursing revenues associated with mineral leases on federal and American Indian lands. Disbursements are made to states on a monthly basis from royalties, rents, bonuses and other revenues collected by MMS.

The \$1,972,322,944 distributed to states during the Fiscal Year that ended Sept. 30, 2007 compares with Fiscal Year 2006 payments to states that totaled more than \$2.2 billion. A preliminary analysis indicates the slight decline is the result of several factors, including lower natural gas prices during the fiscal year and a drop in lease sale bonuses from the previous year, among others.

Fiscal Year 2007 marked the first full year that MMS distributed funds from geothermal energy production directly to the individual counties where that production occurs. Luthi noted that the Energy Policy Act of 2005 mandated that 25 percent of receipts from geothermal energy production be disbursed directly to counties where that production occurs, in an effort to increase use of that alternative energy resource. As part of that mandate, and included in the \$1.9 billion distributed overall, MMS distributed more than \$4.3 million to 32 counties in the states of California, Idaho, New Mexico, Nevada, Oregon and Utah.

During Fiscal Year 2007, the state of Wyoming led all states by receiving more than \$925 million as its share of revenues collected from mineral production on federal lands within its borders, including oil, gas and coal production. New Mexico’s share was nearly \$553 million, while the state of Utah received more than \$135 million. Other energy-producing states sharing revenues included Colorado with more than \$122 million; California with more than \$61 million;

Montana with \$39.1 million; Louisiana at \$24 million; Alaska at \$21.7 million; and Texas, which received approximately \$21.6 million in Fiscal Year 2007.

The disbursements represent the states' cumulative share of revenues collected from mineral production on federal lands located within their borders, and from federal offshore oil and gas tracts adjacent to their shores. For the majority of onshore federal lands, states receive 50 percent of the revenues while the other 50 percent goes to various funds of the U.S. Treasury, including the Reclamation Fund for water projects. Alaska receives a 90 percent share as prescribed by the Alaska Statehood Act. States may also receive matching appropriations from the offshore oil and gas royalty-funded Land and Water Conservation Fund, the Reclamation Fund, and other special-use funds.

In addition, Texas, Alabama, Louisiana and Mississippi with producing federal offshore tracts adjacent to state waters receive 27 percent of those mineral royalties. Remaining offshore revenues collected by the MMS are deposited in various accounts of the U.S. Treasury, with the majority of those revenues going to the General Fund.

States receiving revenues through Fiscal Year 2007 include:

Alabama	\$14,173,908.88
Alaska	\$21,796,671.52
Arizona	\$41,792.37
Arkansas	\$8,143,230.86
California	\$61,240,940.54
Colorado	\$122,894,226.71
Florida	\$6,649.38
Idaho	\$4,729,812.55
Illinois	\$205,558.80
Indiana	\$8,046.75
Kansas	\$1,876,305
Kentucky	\$714,750.97
Louisiana	\$24,029,594.03
Michigan	\$616,971.05
Minnesota	\$13,126.30
Mississippi	\$2,226,547.50
Missouri	\$3,598,352.32
Montana	\$39,158,279.03
Nebraska	\$24,176.98
Nevada	\$7,663,678.82
New Mexico	\$552,934,465.33
North Dakota	\$13,775,447.53
Ohio	\$493,091.99
Oklahoma	\$6,988,592.26
Oregon	\$558,122.83
Pennsylvania	\$55,584.87
South Carolina	\$277.50
South Dakota	\$1,007,068.91

Texas	\$21,667,264.63
Utah	\$135,429,658.25
Virginia	\$233,474.14
Washington	\$366,365.07
West Virginia	\$389,004.34
Wyoming	\$925,261,906.81
Total	\$1,972,322,944.82

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