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Contact: Patrick Etchart, (303) 231-3162
Gary Strasburg, (202) 208-3985

States earn more than \$1.325 billion in 2004 mineral revenues

DENVER – Thirty-six states saw an increase of 21% in federal revenue shares over the previous year's cumulative share of \$1.096 billion. The revenues, which totaled more than \$1.325 billion for Calendar Year 2004, were collected and distributed to the states by the Department of the Interior's Minerals Management Service (MMS).

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 state waters.

"These revenues are an extremely important source of funds to many states," said Johnnie Burton, Director of the Minerals Management Service. Burton noted that many states share their revenues with individual counties and apply the money to a variety of local needs ranging from education funding to roads and other infrastructure improvements. The state of New Mexico, with the second highest total revenue, funds its public education with these energy-related receipts.

During Calendar Year 2004, the state of Wyoming led all states by receiving more than \$604.4 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 \$382.8 million, while \$89.4 million was received by the state of Colorado. Other states sharing revenues included Utah with more than \$72.4 million; Louisiana with \$41.4 million; Montana at \$31.7 million; California with more than \$29.4 million; Alaska at \$19.8 million; and Texas, which received more than \$14.8 million.

The MMS is the federal agency 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 as royalties, rents, bonuses and other revenues are collected by MMS.

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 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 appropriations from the offshore royalty-funded Land and Water Conservation Fund to help them with park and land acquisitions.

In addition, coastal states with federal offshore tracts adjacent to their seaward boundaries receive 27 percent of those mineral revenues. Remaining offshore revenues collected by the Minerals Management Service are deposited in various accounts of the U.S. Treasury, with the majority of those revenues going to the General Fund.

MMS, part of the U.S. Department of the Interior, oversees 1.76 billion acres of the Outer Continental Shelf, managing offshore energy and minerals while protecting the human, marine, and coastal environments through advanced science and technology research. The OCS provides 30 percent of oil and 23 percent of natural gas produced domestically, and sand used for coastal restoration. MMS collects, accounts for, and disburses mineral revenues from Federal and American Indian lands, with fiscal year 2004 disbursements of around \$8 billion and more than \$143 billion since 1982. The Land and Water Conservation Fund, which pays for acquisition of state and federal park and recreation land, gets nearly \$1 billion a year.

States receiving revenues in Calendar Year 2004 include:

Alabama	\$13,872,723
Alaska	\$19,820,700
Arizona	\$126,198
Arkansas	\$2,756,457
California	\$29,419,573
Colorado	\$89,441,190
Florida	\$6,110
Idaho	\$2,052,663
Illinois	\$126,139
Indiana	\$59
Kansas	\$1,545,678
Kentucky	\$81,458
Louisiana	\$41,476,896
Michigan	\$439,336
Minnesota	\$10,894
Mississippi	\$1,363,653
Missouri	\$1,046,614
Montana	\$31,732,323

Nebraska	\$20,086
Nevada	\$3,027,285
New Mexico	\$382,777,356
North Carolina	\$118
North Dakota	\$6,929,548
Ohio	\$363,393
Oklahoma	\$3,893,227
Oregon	\$13,314
Pennsylvania	\$32,297
South Carolina	\$102
South Dakota	\$457,830
Tennessee	\$99
Texas	\$14,821,992
Utah	\$72,495,984
Virginia	\$25,380
Washington	\$516,587
West Virginia	\$380,238
Wyoming	\$604,428,157

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