



OFFICE OF THE SECRETARY

**U.S. Department
of the Interior**

www.doi.gov

News Release

Date: November 19, 2013

Contact: Jessica Kershaw (DOI) 202-208-6416

Patrick Etchart (ONRR) 303-231-3162

Interior Department Disbursed \$14.2 Billion in 2013 Energy Revenues to Benefit Federal, State, Local and Tribal Governments *Second Highest Disbursement on Record Represents 17% Increase Over Previous Fiscal Year; Mineral Disbursements One of Nation's Largest Sources of Non-Tax Revenue*

WASHINGTON – As part of President Obama's all-of-the-above energy strategy to continue to expand safe and responsible domestic energy production, Secretary of the Interior Sally Jewell today announced that the Department of the Interior collected and disbursed more than \$14.2 billion in revenue generated by energy production on public lands and offshore waters in Fiscal Year 2013 – a \$2 billion or 17% increase over the previous year.

The revenues were distributed to state, local, federal and tribal accounts to support critical reclamation, conservation, recreation and historic preservation projects. Local governments apply the revenues to meet a variety of needs, ranging from school funding to infrastructure improvements and water conservation projects.

“Domestic energy production infuses funding into communities across the United States that creates American jobs, fosters land and water conservation efforts, improves critical infrastructure, and supports education,” said Jewell. “The funding reflects significant energy production from public resources in the United States and serves as a critical revenue stream for federal and state governments and tribal communities.”

The FY 2013 increase in disbursements is attributed primarily to \$2.77 billion in bonus bids received for new oil and gas leases in federal waters of the Gulf of Mexico. That includes two lease sales in FY 2013 and one sale in FY 2012 that was adjudicated in 2013, when the disbursements were made. Overall disbursements totaled \$12.15 billion in FY 2012.

“Interior offered 59 million offshore acres for energy exploration and production in fiscal year 2013 and is holding 30 onshore lease sales this year, offering nearly 5.5 million acres for energy production,” said Jewell. “As we continue to expand domestic energy production, we need to ensure that it's done safely and responsibly and that it continues to benefit the communities that are most impacted.”

Ex 12171

Worldwide
Court Reporters, Inc.

More than \$2 billion of the FY 2013 energy revenues were disbursed to 35 states as their cumulative share of revenues collected from oil, gas and mineral production on federal lands within their borders and from U.S. offshore oil and gas tracts adjacent to their shores. Among the top states receiving revenue are Wyoming (\$933 million); New Mexico (\$479 million); Utah (\$138 million); Colorado (\$130 million); California (\$102 million); North Dakota (\$90 million); Montana (\$36 million); Louisiana (\$27 million); Alaska (\$19 million) and Texas (\$17 million).

Included in the state disbursements is \$3.59 million sent directly to 43 individual counties in eight states from geothermal energy production. Also included in the state disbursements is \$297,985 to four coastal states and eligible political subdivisions – or counties and parishes – under provisions of the Gulf of Mexico Energy Security Act of 2006. A complete list of states receiving revenues through Fiscal Year 2013 is available on Interior's Office of Natural Resources Revenue's website at: <http://www.onrr.gov/>

A total of \$8.6 billion was disbursed to the U.S. Treasury to fund programs for the entire nation, making the Department's mineral revenue disbursements one of the nation's largest sources of non-tax revenue.

The \$932.9 million disbursed to 34 American Indian Tribes and nearly 30,000 individual Indian mineral owners represents an increase of more than \$200 million over FY 2012 disbursements that totaled \$717.5 million. This increase to Native Americans is attributed primarily to increasing oil production at the Ft. Berthold Reservation in North Dakota.

The Interior Department disburses 100 percent of the revenues received for energy and mineral production activities on Indian lands directly to the Tribes and individual Indian mineral owners through Interior's Bureau of Indian Affairs and the Office of Special Trustee for American Indians. Tribes then distribute the revenues among all members or apply the revenues to health care, infrastructure, education and other critical community development programs, such as senior centers, public safety projects, and youth initiatives. Many individual Indian mineral owners use these revenues as a major source of income to support their families and communities.

The disbursements also fund several special use accounts in the U.S. Treasury, including FY 2013 transfers of \$895.6 million to the Land & Water Conservation Fund, \$1.59 billion to the Reclamation Fund, and \$150 million to the Historic Preservation Fund.

The Land and Water Conservation Fund, established by Congress in 1964, uses revenue from energy development to provide grants to state, federal and local governments to acquire land, water and easements for recreation use and to protect natural treasures. Receipts deposited in the Reclamation Fund are made available by Congress through annual appropriation acts for authorized water management and efficiency programs that directly benefit 17 Western States. The Historic Preservation Fund provides matching grants to help state and tribal historic preservation offices preserve cultural and other historic resources.

All federal energy revenues are collected and disbursed by Interior's Office of Natural Resources Revenue, which is under the Assistant Secretary for Policy, Management and Budget. ONRR makes disbursements on a monthly basis from the royalties, rents and bonuses it collects from energy and mineral companies.

Federal lands and waters have helped to boost domestic energy production since President Obama took office. Last year, oil production from federal waters was up 7 percent compared to fiscal year 2008. Onshore federal oil production is also above 2008 levels – by about 35 percent. To support further increases in domestic production on federal lands and waters, the Administration continues to make new areas available for development. In Calendar Year 2013, Interior will hold 30 onshore oil and gas lease sales for public lands. The Department has already held 26 of these sales; the 1,783 parcels of land offered cover nearly 5.4 million acres. At the same time, Interior continues to modernize the way it permits production to increase efficiency while ensuring implementation of key safety and environmental standards.

###