

Mineral Revenue Collections

January - December 2000



Photo courtesy of U.S. Department of Energy

Mineral Revenue Collections

January - December 2000

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Executive Summary

Revenues from mineral leases on Federal and American Indian lands rose 56.2 percent, or \$2.5 billion, from \$4.6 billion in 1999, to \$7.1 billion in 2000 (tables 3 and 4, and figure 2). The increase was attributed to higher oil and gas prices, additional bonus collections from offshore competitive lease sales, and a higher volume of settlement payments during the period.

Federal offshore revenue collections jumped 63.4 percent, or \$2.0 billion, in 2000. Offshore royalties rose nearly \$1.6 billion, bonus collections increased \$192.5 million, and other revenues, including settlement payments, were up \$270.7 million (tables 3 and 4, and figure 7). Offshore oil and gas royalties were both higher in 2000 due to rising prices. The increase in prices stimulated a resurgent interest in offshore competitive lease sales.

Federal onshore revenues increased \$451.7 million, or 37.8 percent, during the same period. Oil and gas royalties were up 71.2 percent, or \$402.7 million. A \$55.7 million decline in bonus receipts was offset, in part, by a \$51.8 million increase in other revenues associated with settlement payments (tables 3 and 4, and figure 10). Bonus receipts in 1999 were unusually high due to a large lease sale in the National Petroleum Reserve in Alaska.

Revenues from American Indian lands rose \$90.6 million, or 50.8 percent, during the period. Oil and gas royalties again accounted for the majority of the increase (tables 3 and 4, and figure 13).

Coal Summary

The U.S. Department of Energy (DOE) reports that the electricity sector consumes over 90 percent of all coal in the United States. Phase II emission requirements under the Clean Air Act have lead many utilities to switch to low sulfur coal, which is primarily produced in the Powder River Basin. Coal demand

rose in 2000 as a result of higher oil and gas prices, and declines in hydroelectric and nuclear generation.

Sales volume on Federal and American Indian lands increased 4.4 percent to 432.9 million short tons in 2000 while royalties rose a corresponding 4.2 percent, or \$15.6 million (tables 3 and 4, and figure 3).

Natural Gas Summary

The DOE reports that mild winter weather and low prices in recent years reduced gas exploration, development, and storage inventories. Underground working gas storage levels at the end of 2000 were about 31 percent lower than one year ago. Demand accelerated in 2000 due to summer power demands, and a return to colder, more normal winter weather patterns. The DOE advises that increased demand and lower supplies have caused average spot prices for gas to more than double from 1999 to the end of 2000.

Federal and American Indian gas royalties soared 50.3 percent, or \$1.1 billion, in 2000 (tables 3 and 4, and figure 3).

Oil Summary

The Organization of Petroleum Exporting Countries (OPEC) cut production in the last year to stimulate prices. The Federal Government released 30 million barrels of oil from the Strategic Petroleum Reserve in September 2000 to alleviate low domestic inventories. The DOE reports that sustained demand and low inventories caused oil prices to rise in November 2000 to their highest level since the Gulf War, nearly a decade earlier. The DOE expects prices to remain near \$30 per barrel throughout the next year.

Federal and American Indian oil royalties were up 79.5 percent, or \$870.1 million, in 2000 (tables 3 and 4, and figure 3).

Notice

This report is designed to provide a general record of collection activity during the period. Some information in this report necessarily includes estimated data that may change after publication. The report is subsequently not intended to be a final accounting of collections or disbursements. Detailed disbursement information is available to all States through explanation of payment reports mailed monthly to each State office. Final collection and disbursement information is published annually in *Mineral Revenues*.

Selected sales volume and sales value data in this report have not been adjusted to resolve distortions created by payors reporting on communitization or unitization agreements, nonstandard leases and agreements, and prior-period adjustments. Sales volume and sales value information in *Mineral Revenues* is adjusted to accommodate these types of distortions. Time and resource constraints preclude adjustments in this quarterly report series.

American Indian nonstandard lease and agreement collections are not available in the first three quarters of the year. These collections are subsequently added into the fourth quarter of each year in this report. Complete American Indian nonstandard lease and agreement collections are published in *Mineral Revenues*.

About This Report

The Mineral Revenue Collections report provides information addressing royalty, rent, bonus, and other revenue receipts from Federal and American Indian leases. The Minerals Management Service (MMS) Minerals Revenue Management Program distributes the report on a quarterly basis to Congressional, Federal, State, American Indian, and industry representatives.

Some information in this report necessarily includes estimated data that may change after publication. Numbers in parentheses may include current year collections and credits, and prior-year adjustments.

Mineral Lease Revenues

The report addresses four types of lease revenues:

- **Bonuses** — Leases issued in areas known or believed to contain minerals are awarded through a competitive bidding process. Bonuses represent the cash amount successfully bid to win the rights to a lease.
- **Rents** — A rent schedule is established at the time a lease is issued. Rents are annual payments, normally a fixed dollar amount per acre, required to preserve the rights to a lease while the lease is not in production.
- **Minimum Royalties** — A Federal lease may further contain a minimum royalty provision. Minimum royalty is the annual payment, on a per acre basis, required to maintain the rights to a lease until production exceeds a minimum value. Once annual production exceeds the minimum value, minimum royalty payments are no longer required.

Minimum royalties are included under the entry "Other Revenues" in this report. "Other Revenues" includes settlement payments, gas storage fees, estimated payments, and recoupments in addition to minimum royalties.

- **Royalties** — A royalty is due when production begins. Royalty payments represent a stated share or percentage of the amount or the value of the mineral produced. The royalty may be an established minimum, a step-scale, or a sliding-scale. A step-scale royalty rate increases by steps as the average production on the lease increases. A sliding-scale royalty rate is based on average production and applies to all production from the lease.

Sales Volume and Sales Value

Sales volume represents the volume of a commodity reported sold during the year. Sales value represents the dollar value of the commodity reported sold during the year. Selected sales volume and sales value figures in the annual *Mineral Revenues* report are adjusted to resolve distortions that may be created by communitization and unitization agreements, nonstandard leases and agreements, and prior-period adjustments. Time and resource constraints preclude a similar adjustment of sales volume and sales value in this quarterly report series.

Revenue Collections and Disbursements

Revenues collected from mineral leases on Federal lands are distributed to States, to the U.S. Department of the Treasury (Treasury), and to a number of designated special-purpose accounts administered by Federal agencies, depending on the land category and the applicable law involved. The Bureau of Indian Affairs (BIA) disburses revenues collected from American Indian leases to the appropriate American Indian Tribes and allotted tract mineral owners.

Royalty payments are generally due on the last day of the month following the month of production, unless that day falls on a weekend or holiday. Payments are then due on the first business day of the following month. Since revenues collected in one month are

disbursed in the following month, collection totals in a given year will not equal disbursement totals for the same year.

Since 1983, MMS has generally disbursed mineral revenues derived from leases on public domain lands and shared with the States in the month following receipt of the payment. Disbursements are made under the provisions of section 104 of the Federal Oil and Gas Royalty Management Act of 1982 which amended the revenue disbursement provisions of the Mineral Leasing Act of 1920 (MLA), 30 U.S.C. 191.

The MMS deposits American Indian revenues in accounts administered by the Office of Trust Funds Management (OTFM) where they are invested and subsequently distributed to American Indian Tribes and individual American Indian lessors by BIA.

The MMS administers mineral leases from different land categories. Legislation and regulations govern formulas for the disbursement of revenues from these leases.

- **Offshore Lands** — Royalty, rent, and bonus revenues from Federal offshore mineral leases on the Outer Continental Shelf (OCS) are deposited to the General Fund of the Treasury through miscellaneous receipts. Under other applicable laws, specified amounts from total offshore revenues are transferred to the Land and Water Conservation Fund (LWCF). The LWCF, administered by the National Park Service, provides revenues for the Federal Government, State governments, and local governments to purchase parks and recreation areas and to plan, acquire, and develop land and water resources for recreational use. Offshore mineral leasing provides approximately 70-90 percent of LWCF revenues.

The National Historic Preservation Fund (NHPF), administered by the National Park Service, is designed to expand and accelerate historic preservation plans and activities. The annual funding authorization of \$150 million to the NHPF expired at the end of Fiscal Year (FY) 1997. A transfer of \$150 million was erroneously made in FY 1998 and recovered in FY 1999. Legislation authorizing resumption of the \$150 million annual funding was passed in FY 2000.

Section 8(g) of the Outer Continental Shelf Lands Act (OCSLA) Amendments of 1978 provided that the States were to receive a "fair and equitable" division of revenues generated from the leasing of lands within 3 miles of the seaward boundary of a coastal State containing one or more oil and gas pools or fields underlying both the OCS and lands subject to the jurisdiction of the State.

The States and the Federal Government, however, could not reach agreement concerning the meaning of the term "fair and equitable." Revenues generated within the 3-mile boundary were placed into an escrow fund beginning in August 1979. Revenues from the Beaufort Sea in Alaska were placed into a second escrow fund under section 7, beginning in December 1979.

Congress resolved the dispute over the meaning of "fair and equitable" in the OCSLA Amendments of 1985, Public Law 99-272. The law provides for the following distribution of section 8(g) revenues to the States:

- Disbursement of escrow funds in FY 1986-87;
- A series of annual settlement payments disbursed to the States over a 15-year period from FY 1987 to FY 2001; and
- Recurring annual disbursements of 27 percent of royalty, rent, and bonus revenues received within each affected State's 8(g) zone.

Congress passed a second law, Public Law 100-202, permitting distribution of section 7 Beaufort Sea escrow funds to Alaska in FY 1988.

- **Public Domain Lands** — The majority of Federal lands are in the public domain. Under section 35 of MLA, States other than Alaska receive 50 percent of all royalties, rents, and bonuses collected from any public domain leases located within their respective boundaries.

Forty percent of mineral revenues is deposited in the Reclamation Fund administered by the Bureau of Reclamation. The Reclamation Fund provides revenues to build, maintain, and operate water and

associated power projects on arid and semiarid Western lands. Federal onshore mineral leasing provides approximately 40-50 percent of Reclamation Fund revenues.

Ten percent of mineral revenues from public domain leases is directed into the General Fund of the Treasury through miscellaneous receipts.

Alaska receives 90 percent of all royalties, rents, and bonuses paid for mineral production on public domain leases in Alaska. The State also receives 50 percent of all mineral revenues generated from the National Petroleum Reserve Alaska.

- **Acquired Lands** — The MMS collects royalties, rents, and bonuses from leases issued under the Mineral Leasing Act for Acquired Lands of 1947, 30 U.S.C. 351 et seq., on behalf of a number of Federal agencies. Revenues are disbursed according to laws applicable to the lands.

Seventy-five percent of mineral receipts from leases on acquired lands within a national forest administered by the U.S. Department of Agriculture is distributed to the General Fund of the Treasury. The remaining 25 percent is distributed to the State(s) where the forest is located.

Seventy-five percent of mineral revenues from leases on acquired lands within a national grassland administered by the U.S. Department of Agriculture is distributed to the General Fund of the Treasury. The remaining 25 percent is distributed to the county where the grassland is located.

Seventy-five percent of mineral receipts from acquired Flood Control Act lands administered by the U.S. Army Corps of Engineers is distributed to the State in which the lease is located. The remaining 25 percent is distributed to the General Fund of the Treasury.

Mineral revenues derived from leases on acquired National Wildlife Refuge lands are shared with the county in which the lease is located, according to one of three alternative formulas prescribed by

statute. The remainder is deposited in the General Fund of the Treasury.

All mineral receipts generated from leases on acquired reclamation project lands are paid to the Reclamation Fund.

Mineral revenues collected from leases on acquired military lands issued before 1981 are deposited in the General Fund of the Treasury. Revenues collected from mineral leases on acquired military lands issued beginning January 1, 1981, are disbursed in the same manner as revenues from public domain leases.

Receipts from other acquired lands are deposited in a general Treasury account.

- **American Indian Lands** — The BIA collects bonuses and rents from nonproducing leases. The MMS disburses mineral royalties and rents from producing American Indian Tribal and allotted leases to OTFM. The BIA subsequently makes disbursements to Tribes and to individual American Indian lessors, with the following exceptions:
 - Oil and gas payments to four Tribes—the Jicarilla Apache, the Blackfeet, the Navajo Nation, and the Southern Ute—are made directly by the lease payor to financial institutions contracted by the Tribes to receive their mineral payments.
 - The BIA has authorized payors to make direct payments to selected individual American Indian lessors.
 - The Osage Nation manages all mineral leases on its Tribal lands and collects its own revenues.
 - Solid mineral royalties are paid directly to the applicable Tribes or to a designated BIA office.
- **Alaska Native Lands** — Payments to the Cook Inlet Region, Inc., in Alaska on behalf of Alaskan Natives for the interests the Region holds in several former Federal leases, are made directly by lease payors to the corporation.

Products and Units of Measurement

<u>Product</u>	<u>Unit of Measurement</u>
Amethyst	Grams
Carbon Dioxide	Mcf (thousand cubic feet)
Coal	Short tons (2,000 pounds)
Copper	Short tons
Garnet Gem	Kilograms
Gas	Mcf
Gas Plant Products	Gallons
Geothermal and Heated Water Sources	Millions of British thermal units
Helium	Mcf
Nitrogen	Mcf
Oil	Barrels (42 U.S. gallons)
Phosphate	Short tons
Potash	Short tons
Quartz Crystals	Pounds
Sand and Gravel	Short tons
Sodium	Short tons
Sulfur	Short tons
All Other Solid Minerals	Short tons

NOTE: Sulfur is reported as either a fluid or solid mineral based on the method of extraction. Fluid mineral sulfur is produced by extracting the product from the oil and gas stream. All onshore sulfur and a limited amount of offshore sulfur are currently produced from the oil and gas stream. Solid mineral sulfur is extracted using the Frasch process. The majority of offshore sulfur is produced using the Frasch mining method.

Copper reported in pounds and sulfur reported in long tons have been converted to short tons in this report.

Sodium product figures include sodium borate and carbonate compounds.

National Summary



Photo courtesy of Texaco Inc.

Table 1. Revenues from Federal and American Indian mineral leases, by quarter, Calendar Year 2000

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Coal Royalties	\$ 96,915,480	\$ 93,660,218	\$ 91,517,270	\$ 105,856,972	\$ 387,949,940
Gas Royalties	690,091,935	618,028,681	878,462,096	1,093,972,662	3,280,555,374
Oil Royalties	426,101,536	448,791,466	538,753,319	550,793,566	1,964,439,887
Other Royalties . . .	<u>59,683,814</u>	<u>61,538,087</u>	<u>62,990,921</u>	<u>79,651,573</u>	<u>263,864,395</u>
Royalty Subtotal	\$1,272,792,765	\$1,222,018,452	\$1,571,723,606	\$1,830,274,773	\$5,896,809,596
Rents	\$ 19,717,787	\$ 77,377,724	\$ 66,986,086	\$ 88,977,409	\$ 253,059,006
Bonuses	\$ 57,943,425	\$ 303,387,055	\$ 60,368,853	\$ 154,475,194	\$ 576,174,527
Other Revenues . .	<u>\$ 79,039,846</u>	<u>\$ 79,951,107</u>	<u>\$ 78,453,843</u>	<u>\$ 160,274,891</u>	<u>\$ 397,719,687</u>
Total	\$1,429,493,823	\$1,682,734,338	\$1,777,532,388	\$2,234,002,267	\$7,123,762,816

Table 2. Revenues from Federal and American Indian mineral leases, by quarter, Calendar Year 1999

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Coal Royalties	\$ 93,558,806	\$ 96,651,585	\$ 82,210,517	\$ 99,971,756	\$ 372,392,664
Gas Royalties	509,179,444	462,096,130	585,435,172	626,602,276	2,183,313,022
Oil Royalties	196,015,364	246,788,504	302,017,421	349,513,541	1,094,334,830
Other Royalties . . .	<u>26,707,329</u>	<u>33,583,173</u>	<u>41,492,494</u>	<u>52,238,756</u>	<u>154,021,752</u>
Royalty Subtotal	\$ 825,460,943	\$ 839,119,392	\$1,011,155,604	\$1,128,326,329	\$3,804,062,268
Rents	\$ 20,997,029	\$ 75,652,980	\$ 86,328,343	\$ 66,017,269	\$ 248,995,621
Bonuses	\$ 55,578,204	\$ 111,238,362	\$ 94,701,926	\$ 177,798,231	\$ 439,316,723
Other Revenues . .	<u>\$ (2,155,814)</u>	<u>\$ 1,996,396</u>	<u>\$ 26,082,337</u>	<u>\$ 41,894,686</u>	<u>\$ 67,817,605</u>
Total	\$ 899,880,362	\$1,028,007,130	\$1,218,268,210	\$1,414,036,515	\$4,560,192,217

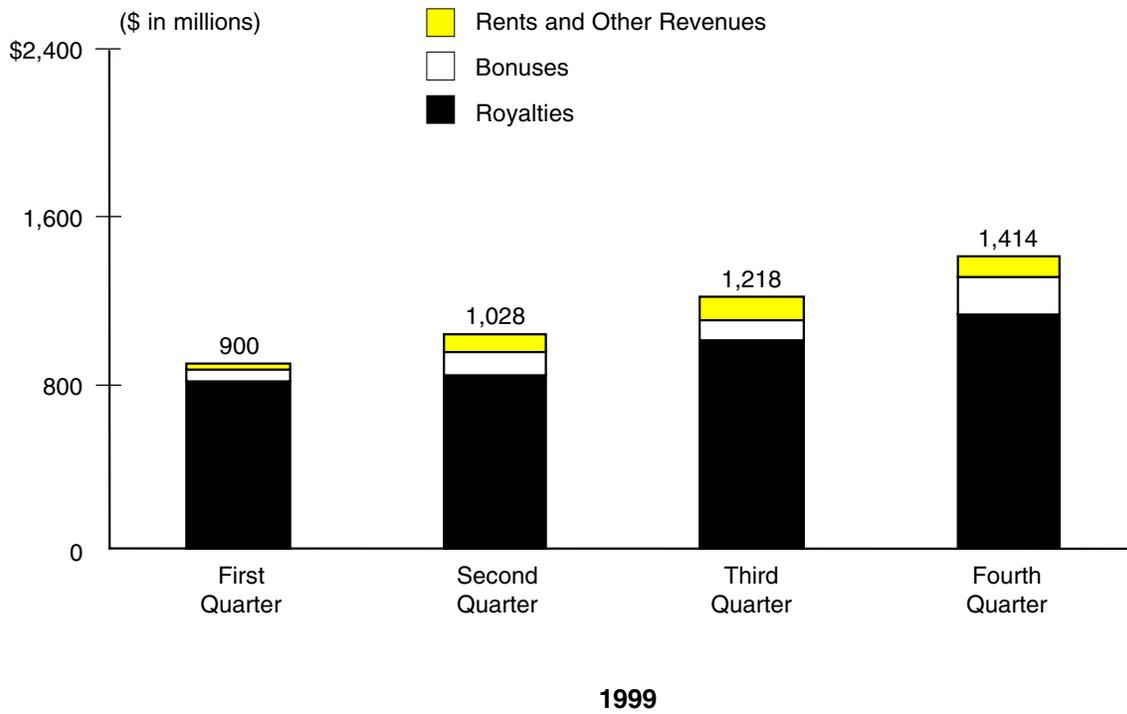
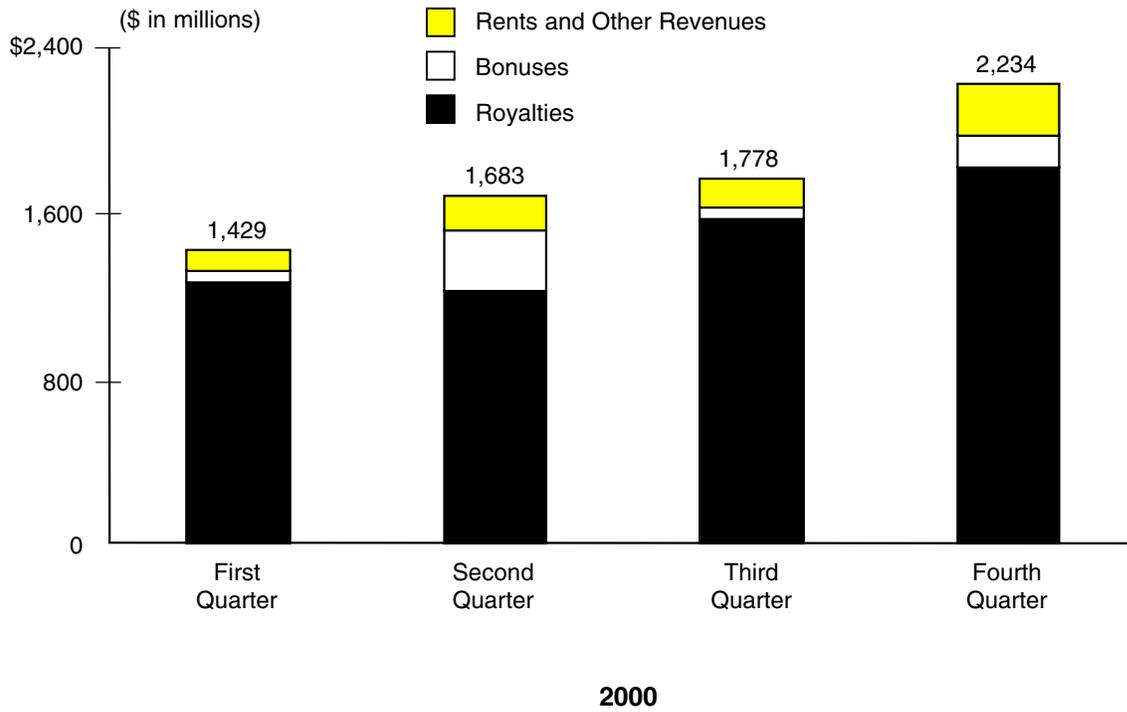


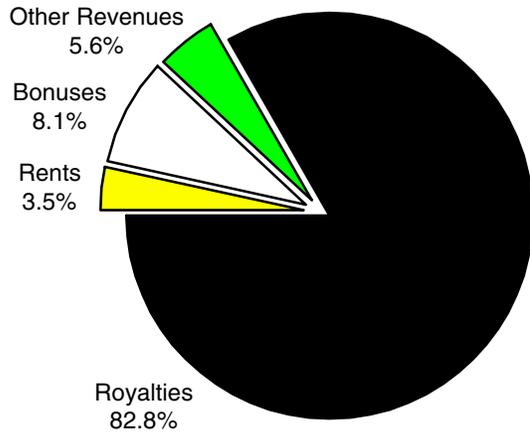
Figure 1. Revenues by source from Federal and American Indian mineral leases, by quarter, Calendar Years 1999 and 2000

Table 3. Revenues from Federal and American Indian mineral leases, January - December, 2000

	Federal Offshore	Federal Onshore	American Indian	Total
Coal Royalties	\$ ---	\$ 329,566,786	\$ 58,383,154	\$ 387,949,940
Gas Royalties	2,451,875,964	703,994,981	124,684,429	3,280,555,374
Oil Royalties	1,642,700,114	263,851,425	57,888,348	1,964,439,887
Other Royalties	<u>141,221,225</u>	<u>107,954,462</u>	<u>14,688,708</u>	<u>263,864,395</u>
Royalty Subtotal ...	\$4,235,797,303	\$1,405,367,654	\$255,644,639	\$5,896,809,596
Rents	\$ 207,828,582	\$ 44,504,085	\$ 726,339	\$ 253,059,006
Bonuses	\$ 441,798,474	\$ 134,376,053	\$ ---	\$ 576,174,527
Other Revenues	<u>\$ 324,238,283</u>	<u>\$ 60,999,723</u>	<u>\$ 12,481,681</u>	<u>\$ 397,719,687</u>
Total	\$5,209,662,642	\$1,645,247,515	\$268,852,659	\$7,123,762,816

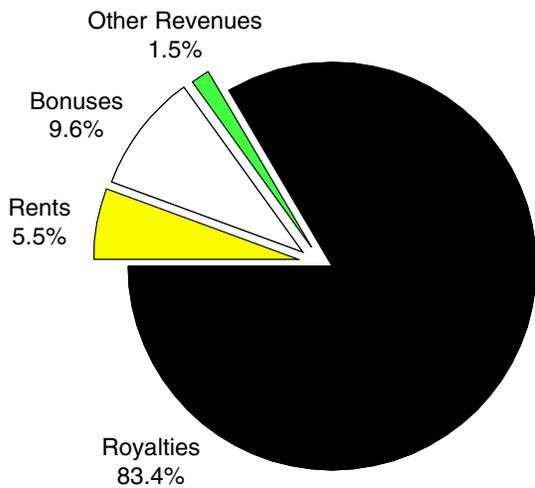
Table 4. Revenues from Federal and American Indian mineral leases, January - December, 1999

	Federal Offshore	Federal Onshore	American Indian	Total
Coal Royalties	\$ ---	\$ 311,760,661	\$ 60,632,003	\$ 372,392,664
Gas Royalties	1,689,088,833	421,915,689	72,308,500	2,183,313,022
Oil Royalties	922,653,396	143,257,775	28,423,659	1,094,334,830
Other Royalties	<u>66,373,840</u>	<u>76,728,731</u>	<u>10,919,181</u>	<u>154,021,752</u>
Royalty Subtotal ...	\$2,678,116,069	\$ 953,662,856	\$172,283,343	\$3,804,062,268
Rents	\$ 207,452,954	\$ 40,612,236	\$ 930,431	\$ 248,995,621
Bonuses	\$ 249,257,630	\$ 190,059,093	\$ ---	\$ 439,316,723
Other Revenues	<u>\$ 53,561,802</u>	<u>\$ 9,180,255</u>	<u>\$ 5,075,548</u>	<u>\$ 67,817,605</u>
Total	\$3,188,388,455	\$1,193,514,440	\$178,289,322	\$4,560,192,217



Royalties	\$5,896,809,596
Rents	253,059,006
Bonuses	576,174,527
Other Revenues	397,719,687
Total	\$7,123,762,816

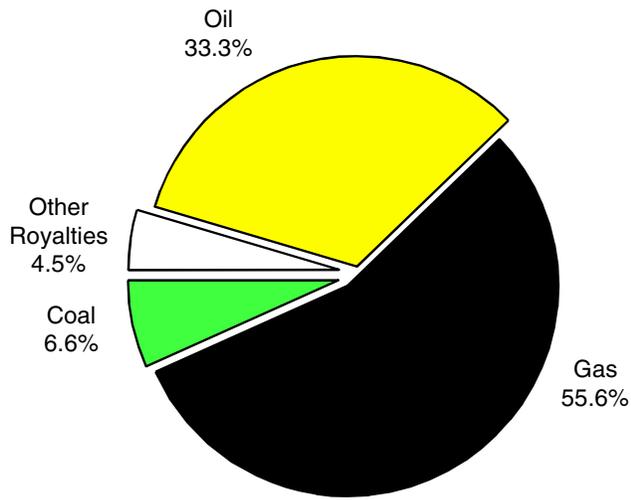
January - December, 2000



Royalties	\$3,804,062,268
Rents	248,995,621
Bonuses	439,316,723
Other Revenues	67,817,605
Total	\$4,560,192,217

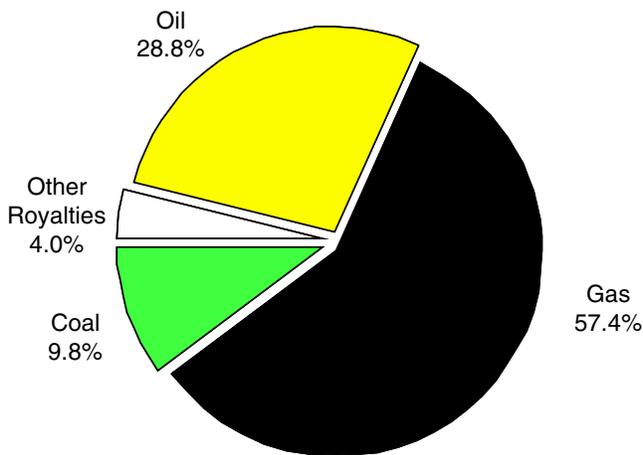
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Figure 2. Revenues from Federal and American Indian mineral leases by source, January - December, 1999 and 2000



Coal	\$ 387,949,940
Gas	3,280,555,374
Oil	1,964,439,887
Other Royalties	263,864,395
Total	\$5,896,809,596

January - December, 2000



Coal	\$ 372,392,664
Gas	2,183,313,022
Oil	1,094,334,830
Other Royalties	154,021,752
Total	\$3,804,062,268

January - December, 1999

Figure 3. Royalties from Federal and American Indian mineral leases by commodity, January - December, 1999 and 2000

Federal Offshore Mineral Revenues



Photo courtesy of Chevron Corporation, Dennis Harding

Table 5. Revenues from Federal offshore mineral leases, by quarter, Calendar Year 2000

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Coal Royalties	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Gas Royalties	506,726,092	455,564,360	654,740,725	834,844,787	2,451,875,964
Oil Royalties	345,303,946	378,792,206	454,853,343	463,750,619	1,642,700,114
Other Royalties	<u>32,413,773</u>	<u>34,901,671</u>	<u>30,886,855</u>	<u>43,018,926</u>	<u>141,221,225</u>
Royalty Subtotal	\$ 884,443,811	\$ 869,258,237	\$ 1,140,480,923	\$ 1,341,614,332	\$ 4,235,797,303
Rents	\$ 8,903,612	\$ 68,113,195	\$ 52,540,662	\$ 78,271,113	\$ 207,828,582
Bonuses	\$ ---	\$ 292,771,205	\$ 16,280,128	\$ 132,747,141	\$ 441,798,474
Other Revenues	\$ <u>52,307,193</u>	\$ <u>63,064,664</u>	\$ <u>63,039,763</u>	\$ <u>145,826,663</u>	\$ <u>324,238,283</u>
Total	\$ 945,654,616	\$ 1,293,207,301	\$ 1,272,341,476	\$ 1,698,459,249	\$ 5,209,662,642

Table 6. Revenues from Federal offshore mineral leases, by quarter, Calendar Year 1999

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Coal Royalties	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Gas Royalties	393,695,283	362,121,501	457,043,164	476,228,885	1,689,088,833
Oil Royalties	165,183,174	213,916,693	251,841,112	291,712,417	922,653,396
Other Royalties	<u>6,340,156</u>	<u>14,066,149</u>	<u>21,064,248</u>	<u>24,903,287</u>	<u>66,373,840</u>
Royalty Subtotal	\$ 565,218,613	\$ 590,104,343	\$ 729,948,524	\$ 792,844,589	\$ 2,678,116,069
Rents	\$ 11,271,864	\$ 66,471,613	\$ 54,720,053	\$ 74,989,424	\$ 207,452,954
Bonuses	\$ ---	\$ 100,335,209	\$ 58,774,616	\$ 90,147,805	\$ 249,257,630
Other Revenues	\$ <u>1,615,619</u>	\$ <u>2,726,351</u>	\$ <u>21,781,979</u>	\$ <u>27,437,853</u>	\$ <u>53,561,802</u>
Total	\$ 578,106,096	\$ 759,637,516	\$ 865,225,172	\$ 985,419,671	\$ 3,188,388,455

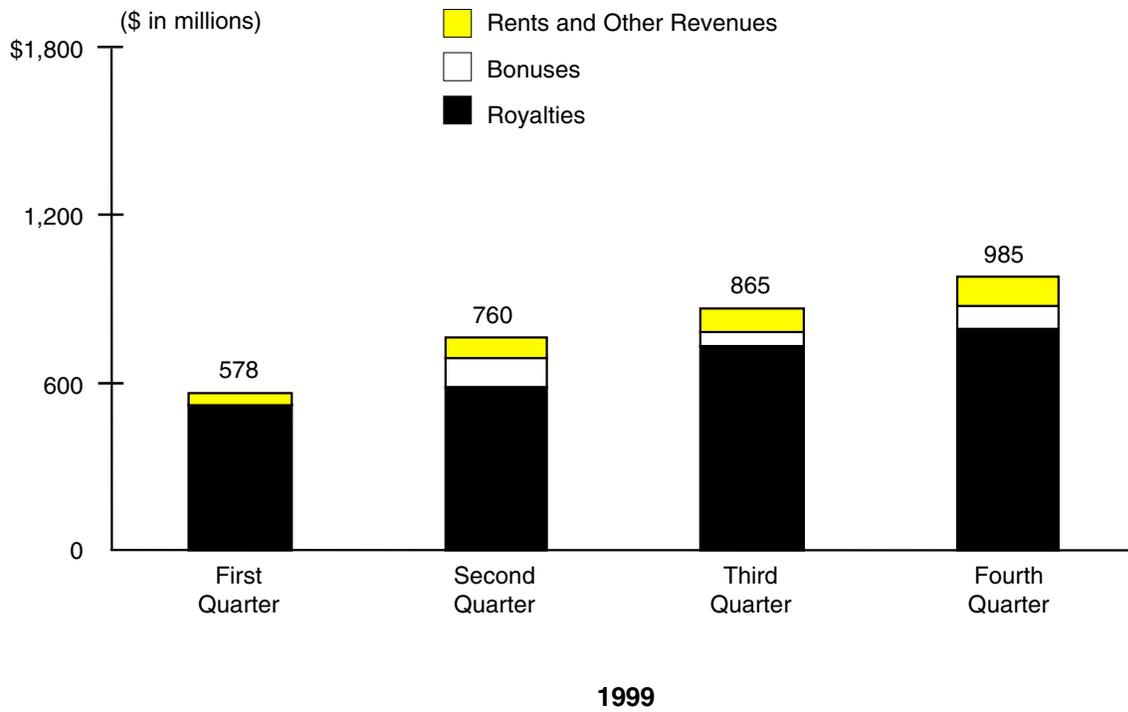
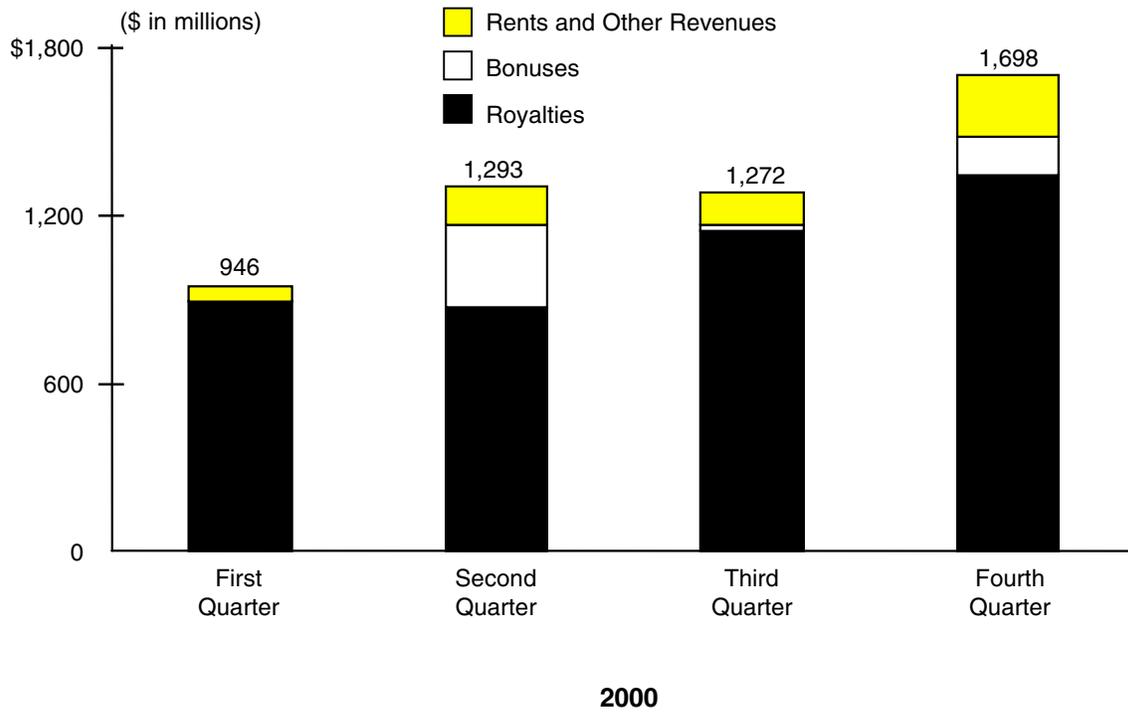


Figure 4. Revenues by source from Federal offshore mineral leases, by quarter, Calendar Years 1999 and 2000

Table 7. Summary of royalties, rents, bonuses, and other revenues from Federal offshore mineral leases, January - December, 2000

	Sales Volume	Sales Value	Royalties/ Revenues
Gas			
Alabama	92,025,052	\$ 308,696,101	\$ 50,346,541
Alaska	---	---	---
California	36,712,196	155,497,737	25,371,372
Gulf of Mexico	46,304,952	159,251,650	12,395,608
Louisiana	3,661,353,702	12,369,548,430	1,887,395,837
Mississippi	20,756,164	66,316,028	11,004,899
Texas	<u>865,548,000</u>	<u>2,848,623,413</u>	<u>465,361,707</u>
Subtotal	4,722,700,066	\$15,907,933,359	\$2,451,875,964
Gas Lost			
California	(10,770)	\$ (23,155)	\$ (3,860)
Louisiana	<u>1,274,044</u>	<u>3,181,372</u>	<u>406,166</u>
Subtotal	1,263,274	\$ 3,158,217	\$ 402,306
Gas Plant Products			
Alabama	71,660,042	\$ 27,689,693	\$ 3,663,796
Alaska	---	---	---
California	40,070,442	19,233,812	1,271,355
Gulf of Mexico	---	---	---
Louisiana	2,150,280,483	1,021,918,276	130,068,080
Mississippi	---	---	---
Texas	<u>33,848,876</u>	<u>15,297,581</u>	<u>1,931,125</u>
Subtotal	2,295,859,843	\$ 1,084,139,362	\$ 136,934,356
Oil			
Alabama	33,553	\$ 543,148	\$ 90,454
Alaska	---	---	---
California	34,373,524	720,174,378	108,836,818
Gulf of Mexico	793,398	12,506,515	1,431,444
Louisiana	514,137,284	10,311,369,484	1,461,302,753
Mississippi	---	---	---
Texas	<u>16,432,588</u>	<u>437,226,828</u>	<u>71,038,645</u>
Subtotal	565,770,347	\$11,481,820,353	\$1,642,700,114
Sulfur			
Alabama	38,853	\$ 1,315,174	\$ 79,305
California	4,715	6,813	209
Louisiana	<u>1,281,487</u>	<u>62,544,182</u>	<u>3,805,049</u>
Subtotal	1,325,055	\$ 63,866,169	\$ 3,884,563
Royalty Total		\$28,540,917,460	\$4,235,797,303

Table 7. Summary of royalties, rents, bonuses, and other revenues from Federal offshore mineral leases, January - December, 2000 (cont.)

	Sales Volume	Sales Value	Royalties/ Revenues
Rents			
Alabama			\$ 116,590
Alaska			1,225,550
California			443,650
Florida			34,655
Gulf of Mexico			155,908,505
Louisiana			32,996,918
Mississippi			238,240
New York			147,456
Texas			16,717,018
Rents Total			\$ 207,828,582
Bonuses			
Alabama			\$ ---
Alaska			---
Gulf of Mexico			312,973,381
Louisiana			83,630,219
Mississippi			---
Texas			45,194,874
Bonuses Total			\$ 441,798,474
Other Revenues			
Alabama			\$ 1,867,528
Alaska			49,405
California			12,554,745
Gulf of Mexico			1,582,691
Louisiana			249,743,784
Mississippi			263,987
Oregon			---
Texas			58,176,143
Other Revenues Total			\$ 324,238,283
Total Revenues			\$ 5,209,662,642

NOTE: Boundaries for offshore State areas have not been legally defined beyond the area identified in section 8(g) of the Outer Continental Shelf Lands Act Amendments of 1985, Public Law 99-272. Beginning in 1996, revenues from new offshore leases issued in the Gulf of Mexico employ American Petroleum Institute (API) Standard State Codes for offshore lands. These include both State areas identified by API and a general entry, "Gulf of Mexico," for areas beyond the standard API State areas. Revenues from leases issued before 1996 that were previously identified with a particular State area continue to be listed under that State in this report.

Royalty collections from oil from offshore lands in the Gulf of Mexico began declining in April of Calendar Year (CY) 1999. The Minerals Revenue Management (MRM) is taking oil royalties in kind (a volume of the commodity) rather than in value (cash) to replenish the Department of Energy Strategic Petroleum Reserve. The MRM took approximately 14 million barrels in kind in CY 1999 and an additional 15 million barrels in CY 2000. This equated to approximately 100 million barrels in sales volume in CY 1999 and a little more than 100 million barrels in sales volume in CY 2000. The payors report sales volume for the leases; however, the payors do not report sales value nor royalty value for the leases. This materially reduces oil sales value and oil royalty value in the table for affected States and areas in the Gulf of Mexico.

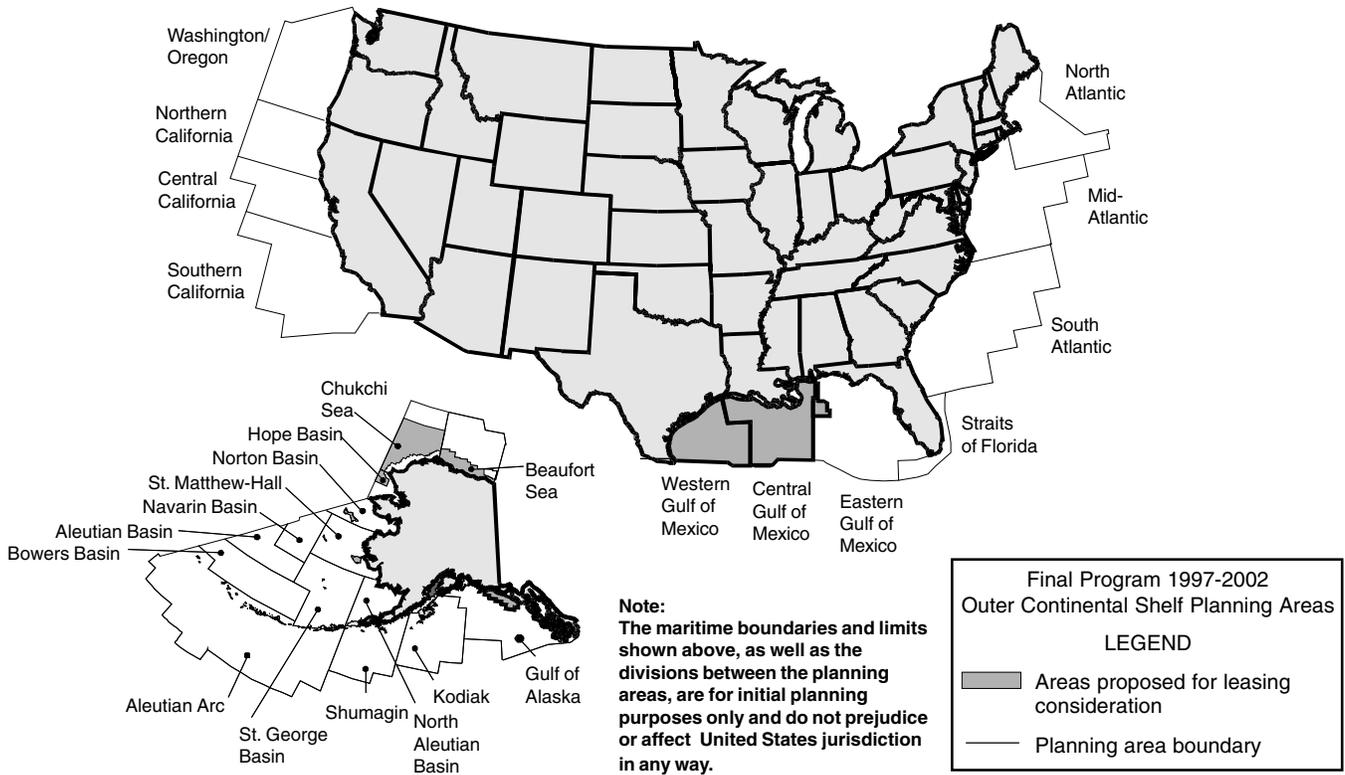


Figure 5. Map of Federal offshore regions in current Federal offshore oil and gas leasing program

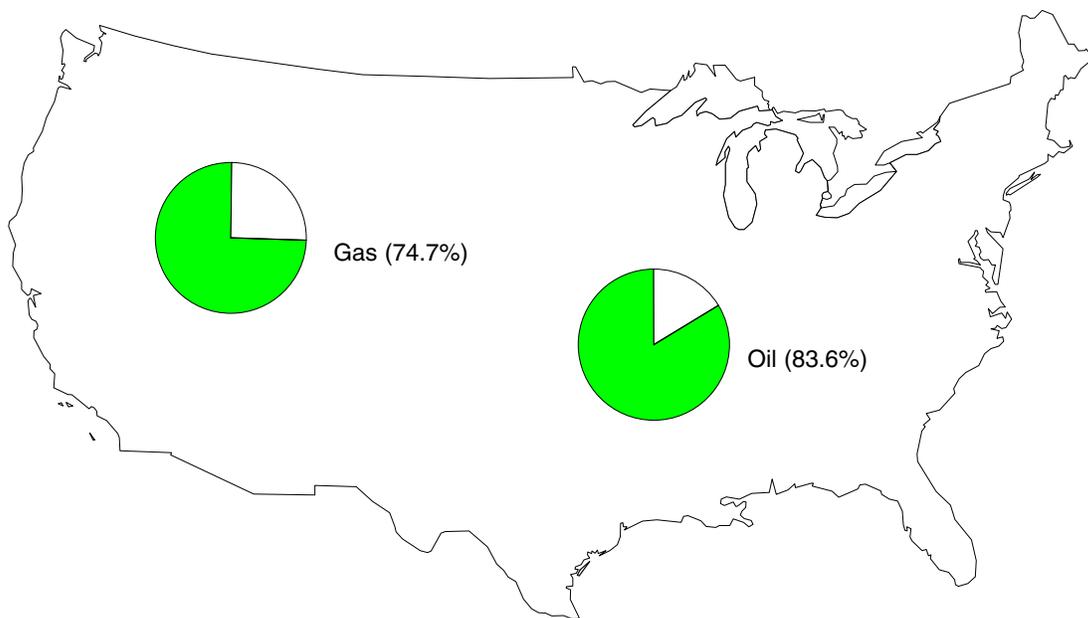
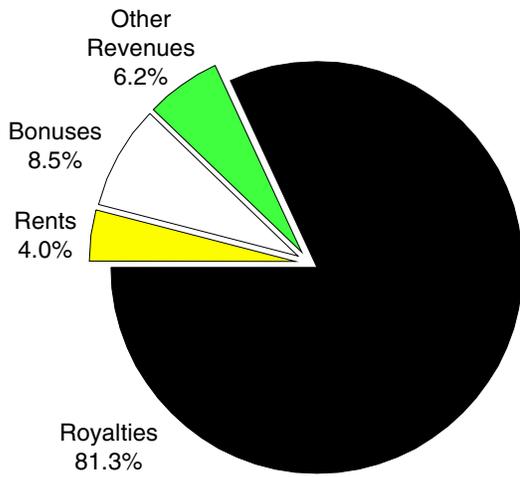
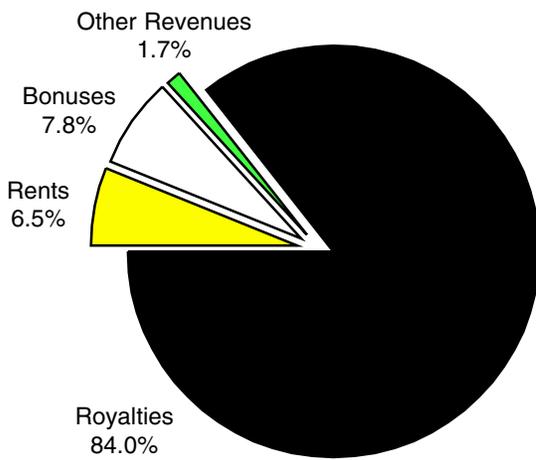


Figure 6. Federal offshore royalties as a percentage of total Federal and American Indian royalties from oil and gas, January - December, 2000



Royalties	\$4,235,797,303
Rents	207,828,582
Bonuses	441,798,474
Other Revenues	324,238,283
Total	\$5,209,662,642

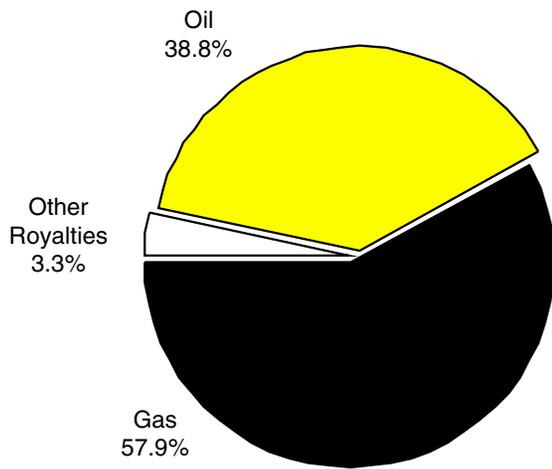
January - December, 2000



Royalties	\$2,678,116,069
Rents	207,452,954
Bonuses	249,257,630
Other Revenues	53,561,802
Total	\$3,188,388,455

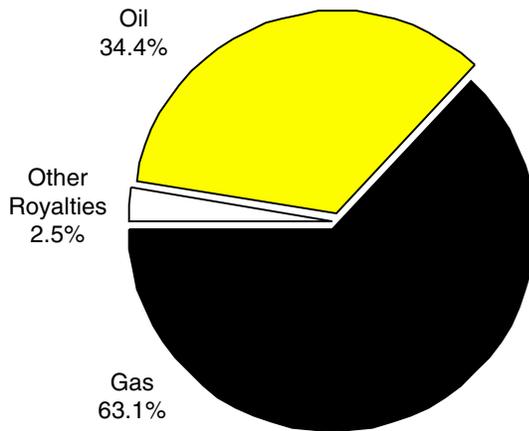
January - December, 1999

Figure 7. Revenues from Federal offshore mineral leases by source, January - December, 1999 and 2000



Gas	\$2,451,875,964
Oil	1,642,700,114
Other Royalties	141,221,225
Total	\$4,235,797,303

January - December, 2000



Gas	\$1,689,088,833
Oil	922,653,396
Other Royalties	66,373,840
Total	\$2,678,116,069

January - December, 1999

Figure 8. Royalties from Federal offshore mineral leases by commodity, January - December, 1999 and 2000

Federal Onshore Mineral Revenues



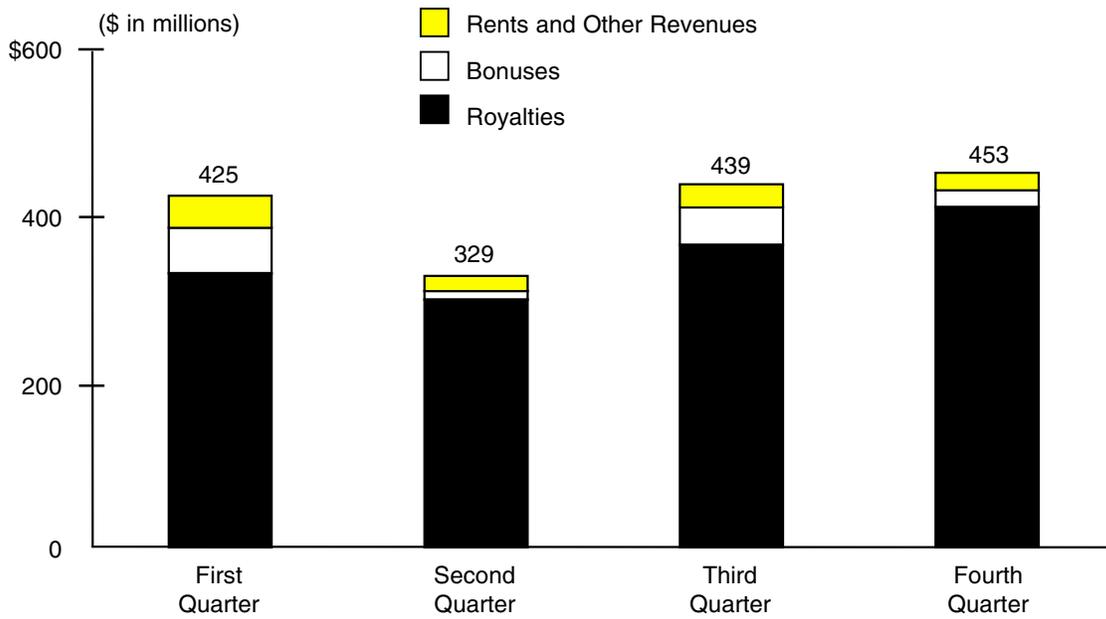
Photo courtesy of Shell Oil Company

Table 8. Revenues from Federal onshore mineral leases, by quarter, Calendar Year 2000

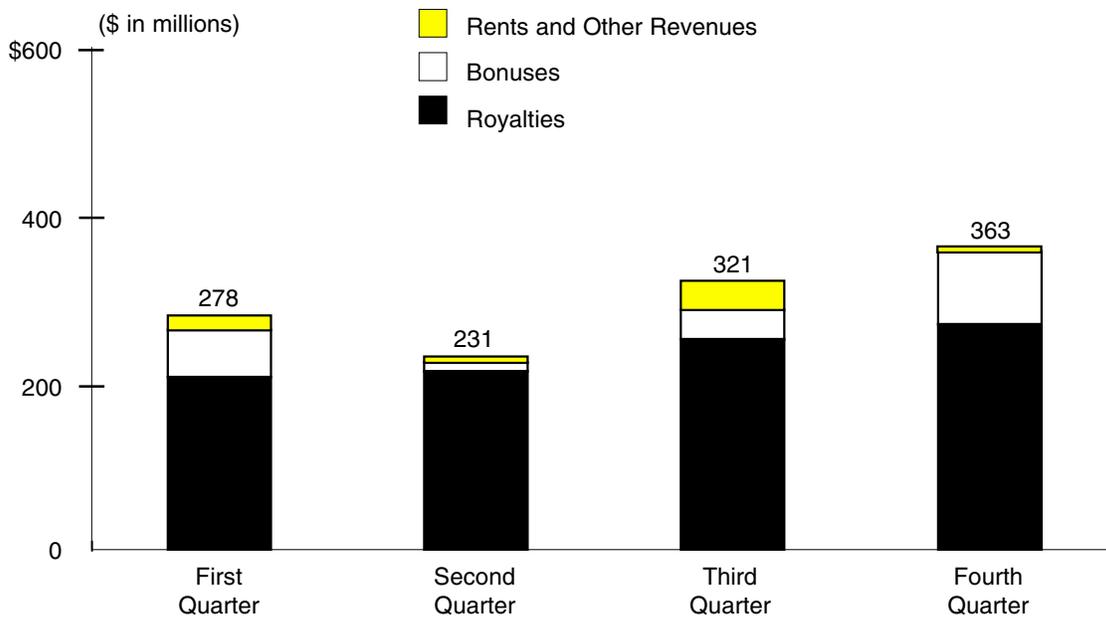
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Coal Royalties	\$ 81,069,316	\$ 79,073,756	\$ 78,413,928	\$ 91,009,786	\$ 329,566,786
Gas Royalties	158,048,877	138,609,917	189,856,909	217,479,278	703,994,981
Oil Royalties	67,645,806	58,325,806	69,678,010	68,201,803	263,851,425
Other Royalties . . .	<u>24,149,607</u>	<u>22,434,723</u>	<u>28,018,080</u>	<u>33,352,052</u>	<u>107,954,462</u>
Royalty Subtotal .	\$330,913,606	\$298,444,202	\$365,966,927	\$410,042,919	\$1,405,367,654
Rents	\$ 10,615,669	\$ 9,089,349	\$ 14,329,165	\$ 10,469,902	\$ 44,504,085
Bonuses	\$ 57,943,425	\$ 10,615,850	\$ 44,088,725	\$ 21,728,053	\$ 134,376,053
Other Revenues . .	<u>\$ 25,176,567</u>	<u>\$ 10,660,110</u>	<u>\$ 14,438,413</u>	<u>\$ 10,724,633</u>	<u>\$ 60,999,723</u>
Total	\$424,649,267	\$328,809,511	\$438,823,230	\$452,965,507	\$1,645,247,515

Table 9. Revenues from Federal onshore mineral leases, by quarter, Calendar Year 1999

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Coal Royalties	\$ 77,563,220	\$ 80,155,729	\$ 77,089,347	\$ 76,952,365	\$ 311,760,661
Gas Royalties	98,993,431	85,719,638	112,972,171	124,230,449	421,915,689
Oil Royalties	25,719,302	29,403,771	42,199,648	45,935,054	143,257,775
Other Royalties . . .	<u>18,578,177</u>	<u>17,242,145</u>	<u>17,856,847</u>	<u>23,051,562</u>	<u>76,728,731</u>
Royalty Subtotal .	\$220,854,130	\$212,521,283	\$250,118,013	\$270,169,430	\$ 953,662,856
Rents	\$ 9,450,827	\$ 8,952,534	\$ 31,574,287	\$ (9,365,412)	\$ 40,612,236
Bonuses	\$ 55,578,204	\$ 10,903,153	\$ 35,927,310	\$ 87,650,426	\$ 190,059,093
Other Revenues . .	<u>\$ (7,875,304)</u>	<u>\$ (1,425,672)</u>	<u>\$ 3,608,510</u>	<u>\$ 14,872,721</u>	<u>\$ 9,180,255</u>
Total	\$278,007,857	\$230,951,298	\$321,228,120	\$363,327,165	\$1,193,514,440



2000



1999

Figure 9. Revenues by source from Federal onshore mineral leases, by quarter, Calendar Years 1999 and 2000

Table 10. Summary of royalties, rents, bonuses, and other revenues from Federal onshore mineral leases, January - December, 2000

	Sales Volume	Sales Value	Royalties/ Revenues
Carbon Dioxide			
Colorado	224,758,561	\$ 153,331,148	\$ 9,447,694
New Mexico	9,252,857	4,289,065	538,859
Wyoming	29,492,467	9,021,815	11,202
Subtotal	263,503,885	\$ 166,642,028	\$ 9,997,755
Clay			
Alabama	49,034	\$ 98,068	\$ 3,923
Utah	44,475	133,426	6,671
Subtotal	93,509	\$ 231,494	\$ 10,594
Coal			
Alabama	295,772	\$ 13,894,338	\$ 1,028,181
Colorado	21,578,335	373,243,476	32,892,898
Kentucky	70,214	1,860,947	116,725
Montana	22,990,647	207,267,305	25,667,032
New Mexico	7,304,960	168,370,807	21,069,036
North Dakota	2,903,561	26,211,288	1,170,258
Oklahoma	725,003	21,010,552	606,604
Utah	22,093,546	466,050,862	28,768,082
Washington	1,644,330	46,382,245	3,358,547
Wyoming	325,180,662	1,743,683,970	214,889,423
Subtotal	404,787,030	\$3,067,975,790	\$329,566,786
Cobalt			
Missouri	6	\$ 12,028	\$ 433
Copper			
Missouri	10,189	\$ 4,830,677	\$ 141,754
Gas			
Alabama	851,734	\$ 2,538,435	\$ 316,744
Alaska	20,120,751	32,200,463	4,098,291
Arkansas	9,210,381	29,182,523	3,902,535
California	6,303,363	21,532,088	3,261,428
Colorado	74,602,010	207,303,912	24,533,080
Kansas	14,096,665	37,784,372	4,687,429
Kentucky	283,440	953,881	112,562
Louisiana	12,773,322	40,387,406	5,541,015
Michigan	3,851,564	12,325,004	1,527,068
Mississippi	643,709	2,045,924	257,620
Montana	15,761,109	42,680,012	5,147,051
New Mexico	1,105,657,843	3,147,906,328	368,261,578

Table 10. Summary of royalties, rents, bonuses, and other revenues from Federal onshore mineral leases, January - December, 2000 (cont.)

	Sales Volume	Sales Value	Royalties/ Revenues
Gas (cont.)			
New York	23,393	\$ 80,459	\$ 10,037
North Dakota	6,147,081	14,276,264	1,741,296
Ohio	583,710	1,977,383	223,745
Oklahoma	16,532,452	40,339,184	5,042,398
Pennsylvania	140,754	295,583	36,741
South Dakota	317,581	719,531	87,832
Texas	51,093,238	110,361,394	13,298,548
Utah	80,219,557	237,097,861	28,104,378
Virginia	461,014	1,484,197	184,210
West Virginia	769,427	2,246,726	275,898
Wyoming	<u>718,626,877</u>	<u>2,004,419,625</u>	<u>233,343,497</u>
Subtotal	2,139,070,975	\$5,990,138,555	\$703,994,981
Gas Lost			
California	13,134	\$ 25,217	\$ 3,152
Gas Plant Products			
Alabama	121,287	\$ 42,348	\$ 5,327
Alaska	1,625,619	1,037,907	123,982
California	1,318,018	692,699	77,788
Colorado	35,390,980	21,942,407	1,895,824
Kansas	7,140,355	3,233,434	358,328
Louisiana	3,783,114	2,080,466	225,853
Michigan	1,162,409	511,460	56,056
Montana	3,261,259	2,021,569	136,688
New Mexico	846,757,494	362,081,385	33,925,486
North Dakota	2,140,646	917,296	94,688
Oklahoma	1,028,144	462,665	53,299
Texas	2,912,902	1,310,806	162,540
Utah	28,708,262	10,622,057	407,887
Wyoming	<u>406,927,439</u>	<u>168,184,767</u>	<u>13,648,868</u>
Subtotal	1,342,277,928	\$ 575,141,266	\$ 51,172,614
Geothermal			
California	26,685,089	\$ 111,276,823	\$ 13,088,543
Nevada	3,129,494	14,896,392	1,489,639
Utah	<u>949,123</u>	<u>2,069,088</u>	<u>206,909</u>
Subtotal	30,763,706	\$ 128,242,303	\$ 14,785,091

Table 10. Summary of royalties, rents, bonuses, and other revenues from Federal onshore mineral leases, January - December, 2000 (cont.)

	Sales Volume	Sales Value	Royalties/ Revenues
<i>Gilsonite</i>			
Utah	14,195	\$ 2,851,766	\$ 190,665
<i>Hot Water</i>			
California	7,557,439	\$ 12,847,647	\$ 1,284,765
Nevada	9,443	42,399	4,240
New Mexico	<u>12,478</u>	<u>12,728</u>	<u>1,273</u>
Subtotal	7,579,360	\$ 12,902,774	\$ 1,290,278
<i>Langbeinite</i>			
New Mexico	724,446	\$ 64,607,977	\$ 1,292,160
<i>Lead</i>			
Missouri	259,931	\$113,712,206	\$ 2,419,159
<i>Limestone</i>			
Virginia	22,601	\$ 194,820	\$ 9,741
<i>Magnesium</i>			
Utah	47,928	\$ 613,029	\$ 17,249
<i>Nitrogen</i>			
North Dakota	47,065	\$ 9,414	\$ 1,154
<i>Oil</i>			
Alabama	77,642	\$ 2,139,744	\$ 265,725
Alaska	350,519	9,527,121	1,181,931
Arkansas	1,012	15,012	1,876
California	23,346,018	522,028,271	26,069,753
Colorado	4,663,603	132,250,674	16,075,111
Florida	11,235	284,164	35,520
Illinois	66,492	1,694,420	195,458
Kansas	176,758	4,915,366	487,007
Kentucky	11,058	298,779	4,125
Louisiana	998,457	20,442,205	2,389,709
Michigan	50,276	1,356,733	170,892
Mississippi	653,700	15,730,811	1,701,987
Montana	2,925,984	77,407,805	8,314,594
Nebraska	55,744	1,451,594	172,723
Nevada	622,724	14,121,766	1,668,153
New Mexico	27,914,021	788,271,035	75,668,892
North Dakota	6,010,529	162,496,456	20,789,879
Ohio	32,409	750,362	34,080

Table 10. Summary of royalties, rents, bonuses, and other revenues from Federal onshore mineral leases, January - December, 2000 (cont.)

	Sales Volume	Sales Value	Royalties/ Revenues
Oil (cont.)			
Oklahoma	198,127	\$ 5,039,731	\$ 503,776
Pennsylvania	1,326	30,863	448
South Dakota	185,282	5,051,490	632,958
Texas	489,319	12,678,183	1,415,018
Utah	3,567,359	90,790,421	9,176,091
West Virginia	10,078	216,702	27,088
Wyoming	<u>35,779,996</u>	<u>931,343,459</u>	<u>96,868,631</u>
Subtotal	108,199,668	\$2,800,333,167	\$263,851,425
Oil Lost			
Kansas	30	\$ 491	\$ 48
New Mexico	60	1,621	203
Oklahoma	<u>11</u>	<u>273</u>	<u>34</u>
Subtotal	101	\$ 2,385	\$ 285
Phosphate			
Idaho	5,918,543	\$ 94,039,568	\$ 4,701,979
Potash			
New Mexico	1,329,145	\$ 127,450,668	\$ 2,549,014
Utah	<u>14,251</u>	<u>1,502,618</u>	<u>45,079</u>
Subtotal	1,343,396	\$ 128,953,286	\$ 2,594,093
Purge Liquor			
Wyoming	63,697	\$ 1,149,960	\$ 68,726
Quartz Crystals			
Arkansas	21,052	\$ 51,458	\$ 2,518
Sand and Gravel			
Nevada	1,962,430	\$ 8,870,184	\$ 434,639
Sodium			
Arizona	633	\$ 20,889	\$ 1,044
California	926,967	66,639,779	3,280,942
Colorado	102,466	13,599,904	679,860
New Mexico	1,092,441	2,173,957	108,439
Utah	4,502	39,391	1,181
Wyoming	<u>3,568,856</u>	<u>239,847,773</u>	<u>13,326,785</u>
Subtotal	5,695,865	\$ 322,321,693	\$ 17,398,251

Table 10. Summary of royalties, rents, bonuses, and other revenues from Federal onshore mineral leases, January - December, 2000 (cont.)

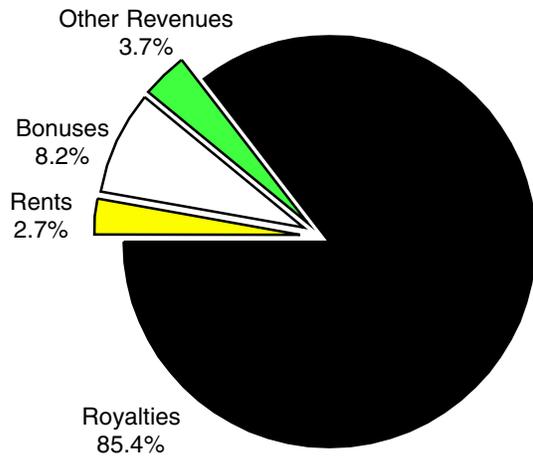
	Sales Volume	Sales Value	Royalties/ Revenues
Sulfur			
Alabama	293	\$ 8,249	\$ 1,032
California	553	3,719	186
Montana	707	5,490	242
New Mexico	8,674	57,680	2,486
North Dakota	2,513	8,690	854
Wyoming	<u>460,107</u>	<u>11,705,114</u>	<u>77,536</u>
Subtotal	472,847	\$ 11,788,942	\$ 82,336
Trona Ore			
Wyoming	9,016	\$ 503,925	\$ 25,208
Zinc			
Missouri	78,779	\$ 41,817,832	\$ 1,314,628
Royalty Total		\$13,537,963,744	\$1,405,367,654
Rents			
Alabama			\$ 42,959
Alaska			3,400,282
Arizona			141,291
Arkansas			387,522
California			481,166
Colorado			4,392,889
Florida			6,219
Idaho			(14,604)
Illinois			2,748
Kansas			24,754
Kentucky			13,347
Louisiana			269,871
Maryland			496
Michigan			62,218
Minnesota			2,705
Mississippi			616,982
Missouri			(76,907)
Montana			2,717,170
Nebraska			2,364
Nevada			2,197,755
New Mexico			3,070,259
North Dakota			775,083
Ohio			15,554
Oklahoma			260,273

Table 10. Summary of royalties, rents, bonuses, and other revenues from Federal onshore mineral leases, January - December, 2000 (cont.)

	Sales Volume	Sales Value	Royalties/ Revenues
Rents (cont.)			
Oregon			\$ 107,116
Pennsylvania			11
South Dakota			307,904
Texas			378,112
Utah			4,395,183
Virginia			8,480
Washington			134,694
West Virginia			139,581
Wyoming			<u>20,240,608</u>
Rents Total			\$ 44,504,085
Bonuses			
Alaska			\$ 125,076
Arizona			1,712
Arkansas			6,824
California			259,395
Colorado			6,640,436
Florida			4,036
Kansas			31,675
Kentucky			3,054
Louisiana			113,735
Michigan			3,911
Mississippi			170,160
Montana			2,352,640
Nebraska			1,010
Nevada			25,876
New Mexico			20,586,123
North Dakota			563,042
Ohio			2,570
Oklahoma			1,192,552
Pennsylvania			14
South Dakota			103,449
Texas			961,725
Utah			6,624,374
Virginia			181,282
Washington			71,139
West Virginia			156,433
Wyoming			<u>94,193,810</u>
Bonuses Total			\$134,376,053

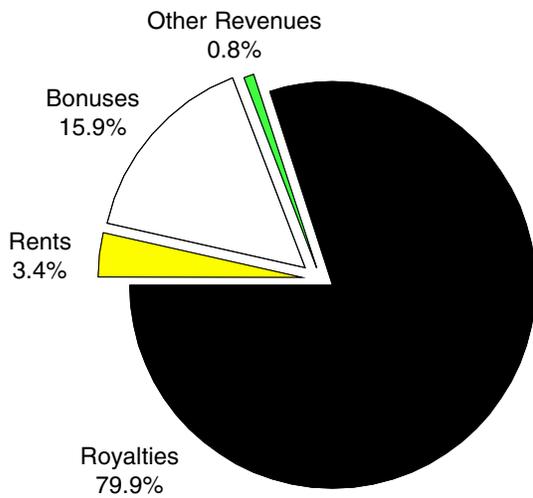
Table 10. Summary of royalties, rents, bonuses, and other revenues from Federal onshore mineral leases, January - December, 2000 (cont.)

	Sales Volume	Sales Value	Royalties/ Revenues
<i>Other Revenues</i>			
Alabama			\$ 28,243
Alaska			54,006
Arkansas			188,201
California			1,589,597
Colorado			5,501,482
Florida			2,173
Georgia			218
Idaho			89,680
Illinois			(1,673)
Kansas			164,174
Kentucky			21,924
Louisiana			854,236
Maryland			13,684
Michigan			(59,675)
Minnesota			48,660
Mississippi			147,035
Missouri			18,832
Montana			3,433,364
Nebraska			37,172
Nevada			90,977
New Mexico			22,624,895
North Carolina			474
North Dakota			929,237
Ohio			1,789
Oklahoma			118,210
Pennsylvania			23,592
South Dakota			44,289
Texas			256,854
Utah			2,477,521
Virginia			4,288
West Virginia			145,223
Wyoming			22,151,041
Other Revenues Total			\$ 60,999,723
Total Revenues			\$1,645,247,515



Royalties	\$1,405,367,654
Rents	44,504,085
Bonuses	134,376,053
Other Revenues	60,999,723
Total	\$1,645,247,515

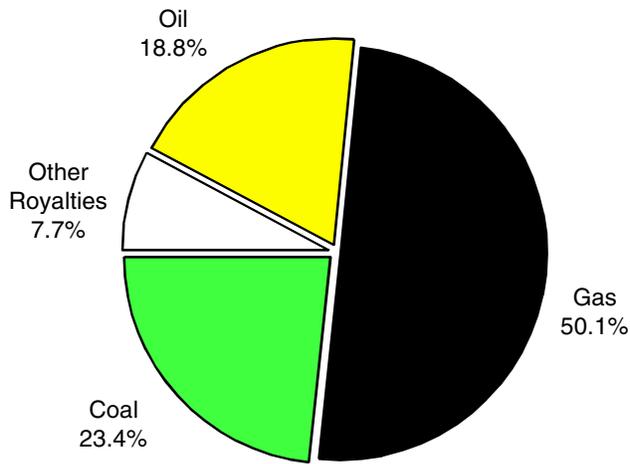
January - December, 2000



Royalties	\$ 953,662,856
Rents	40,612,236
Bonuses	190,059,093
Other Revenues	9,180,255
Total	\$1,193,514,440

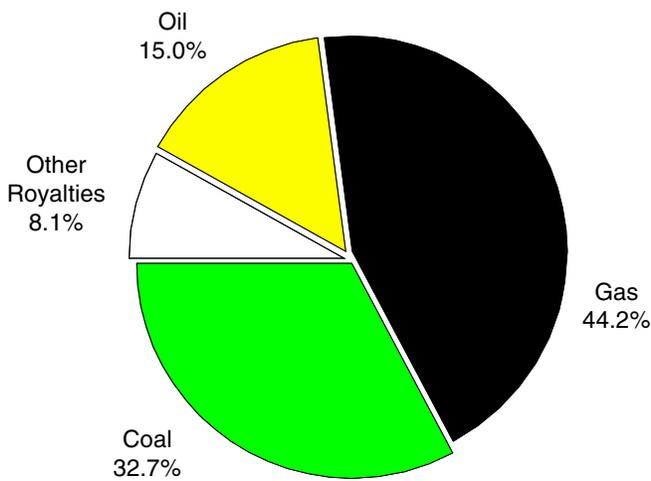
January - December, 1999

Figure 10. Revenues from Federal onshore mineral leases by source, January - December, 1999 and 2000



Coal	\$ 329,566,786
Gas	703,994,981
Oil	263,851,425
Other Royalties	107,954,462
Total	\$1,405,367,654

January - December, 2000



Coal	\$311,760,661
Gas	421,915,689
Oil	143,257,775
Other Royalties	76,728,731
Total	\$953,662,856

January - December, 1999

Figure 11. Royalties from Federal onshore mineral leases by commodity, January - December, 1999 and 2000

American Indian Mineral Revenues



Photo courtesy of Corel Corporation

Table 11. Revenues from American Indian mineral leases, by quarter, Calendar Year 2000

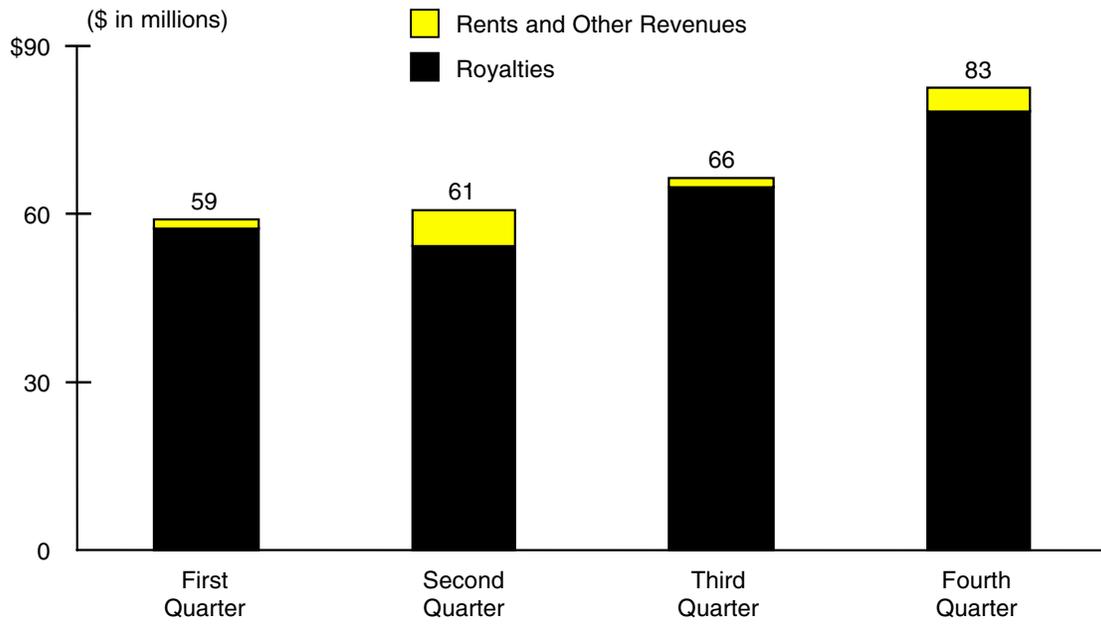
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Coal Royalties	\$15,846,164	\$14,586,462	\$ 13,103,342	\$ 14,847,186	\$ 58,383,154
Gas Royalties	25,316,966	23,854,404	33,864,462	41,648,597	124,684,429
Oil Royalties	13,151,784	11,673,454	14,221,966	18,841,144	57,888,348
Other Royalties	<u>3,120,434</u>	<u>4,201,693</u>	<u>4,085,986</u>	<u>3,280,595</u>	<u>14,688,708</u>
Royalty Subtotal	\$57,435,348	\$54,316,013	\$65,275,756	\$78,617,522	\$255,644,639
Rents	\$ 198,506	\$ 175,180	\$ 116,259	\$ 236,394	\$ 726,339
Bonuses	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Other Revenues	<u>\$ 1,556,086</u>	<u>\$ 6,226,333</u>	<u>\$ 975,667</u>	<u>\$ 3,723,595</u>	<u>\$ 12,481,681</u>
Total	\$59,189,940	\$60,717,526	\$66,367,682	\$82,577,511	\$268,852,659

NOTE: American Indian bonuses are collected by the Bureau of Indian Affairs.

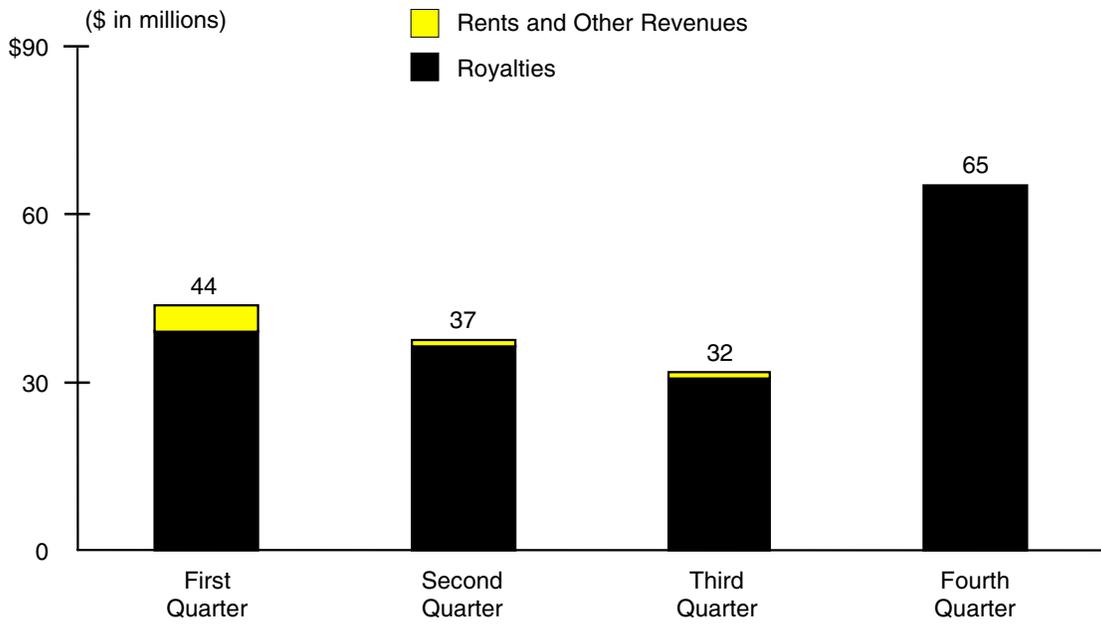
Table 12. Revenues from American Indian mineral leases, by quarter, Calendar Year 1999

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Coal Royalties	\$15,995,586	\$16,495,856	\$ 5,121,170	\$23,019,391	\$ 60,632,003
Gas Royalties	16,490,730	14,254,991	15,419,837	26,142,942	72,308,500
Oil Royalties	5,112,888	3,468,040	7,976,661	11,866,070	28,423,659
Other Royalties	<u>1,788,996</u>	<u>2,274,879</u>	<u>2,571,399</u>	<u>4,283,907</u>	<u>10,919,181</u>
Royalty Subtotal	\$39,388,200	\$36,493,766	\$31,089,067	\$65,312,310	\$172,283,343
Rents	\$ 274,338	\$ 228,833	\$ 34,003	\$ 393,257	\$ 930,431
Bonuses	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---
Other Revenues	<u>\$ 4,103,871</u>	<u>\$ 695,717</u>	<u>\$ 691,848</u>	<u>\$ (415,888)</u>	<u>\$ 5,075,548</u>
Total	\$43,766,409	\$37,418,316	\$31,814,918	\$65,289,679	\$178,289,322

NOTE: American Indian bonuses are collected by the Bureau of Indian Affairs.



2000



1999

Figure 12. Revenues by source from American Indian mineral leases, by quarter, Calendar Years 1999 and 2000

Table 13. Summary of royalties, rents, and other revenues from American Indian mineral leases, January - December, 2000

	Sales Volume	Sales Value	Royalties/ Revenues
Coal			
Arizona	13,142,599	\$ 283,091,582	\$ 35,782,776
Montana	7,101,555	50,010,752	3,402,663
New Mexico	<u>7,865,682</u>	<u>154,214,629</u>	<u>19,197,715</u>
Subtotal	28,109,836	\$ 487,316,963	\$ 58,383,154
Copper			
Arizona	71,095	\$ 21,988,780	\$ 1,534,468
Gas			
Arizona	260,904	\$ 616,602	\$ 124,439
Colorado	184,411,423	481,579,046	68,911,289
Montana	1,480,801	3,763,331	597,179
New Mexico	55,812,991	165,833,726	24,284,111
North Dakota	256,101	515,249	74,379
Oklahoma	18,873,727	59,099,985	10,465,800
Texas	8,385,988	30,029,273	5,830,227
Utah	9,600,797	32,914,480	5,227,288
Wyoming	<u>18,994,252</u>	<u>54,072,688</u>	<u>9,169,717</u>
Subtotal	298,076,984	\$ 828,424,380	\$ 124,684,429
Gas Lost			
Montana	51,748	\$ 146,311	\$ 18,289
Utah	<u>79,471</u>	<u>130,966</u>	<u>21,833</u>
Subtotal	131,219	\$ 277,277	\$ 40,122
Gas Plant Products			
Arizona	468,951	\$ 203,372	\$ 41,299
Colorado	2,729,766	1,378,862	154,888
Montana	201,664	94,498	13,169
New Mexico	90,813,124	38,851,886	4,476,640
North Dakota	1,656,521	852,735	61,905
Oklahoma	13,674,752	2,855,207	470,711
Texas	14,460,471	7,430,028	1,020,493
Utah	8,375,711	3,848,648	460,731
Wyoming	<u>1,023,910</u>	<u>533,505</u>	<u>76,926</u>
Subtotal	133,404,870	\$ 56,048,741	\$ 6,776,762
Gypsum			
New Mexico	774,520	\$ 3,098,080	\$ 779,837

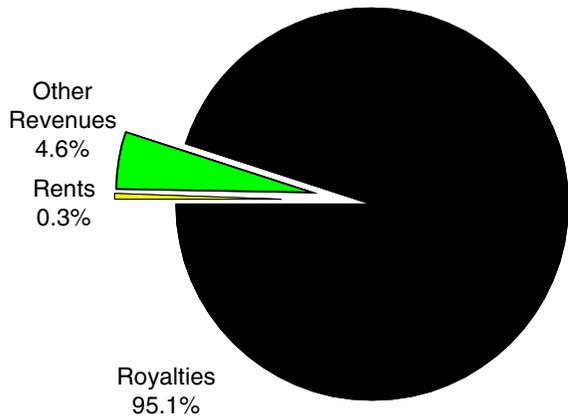
Table 13. Summary of royalties, rents, and other revenues from American Indian mineral leases, January - December, 2000 (cont.)

	Sales Volume	Sales Value	Royalties/ Revenues
Oil			
Arizona	56,110	\$ 1,554,050	\$ 263,622
Colorado	84,632	2,259,013	337,623
Michigan	883	18,264	2,426
Montana	642,244	16,786,111	2,550,800
New Mexico	602,399	17,977,696	2,509,569
North Dakota	76,587	2,062,230	299,382
Oklahoma	1,348,124	35,456,980	5,323,948
South Dakota	4,065	90,827	18,165
Texas	390,080	11,153,834	2,186,607
Utah	7,131,102	192,006,492	30,914,553
Wyoming	<u>2,583,233</u>	<u>67,585,113</u>	<u>13,481,653</u>
Subtotal	12,919,459	\$ 346,950,610	\$ 57,888,348
Oil Lost			
New Mexico	24	\$ 443	\$ 55
Oklahoma	<u>1</u>	<u>5</u>	<u>1</u>
Subtotal	25	\$ 448	\$ 56
Sand and Gravel			
Arizona	2,508,009	\$ 11,386,361	\$ 1,980,524
California	1,467,623	7,235,381	1,404,393
Colorado	66,569	232,992	45,267
Nevada	505,147	2,485,323	258,782
New Mexico	1,615,657	4,443,057	1,231,536
Oklahoma	10,415	20,830	6,910
Utah	39,493	151,258	21,421
Washington	<u>451,600</u>	<u>1,508,344</u>	<u>301,041</u>
Subtotal	6,664,513	\$ 27,463,546	\$ 5,249,874
Silica Sand			
Arizona	36,423	\$ 819,518	\$ 16,026
Sulfur			
North Dakota	77	\$ 246	\$ 31
Uranium			
Washington	168,859	\$ 3,892,283	\$ 291,532
Total Royalties		\$1,776,280,872	\$255,644,639

Table 13. Summary of royalties, rents, and other revenues from American Indian mineral leases, January - December, 2000 (cont.)

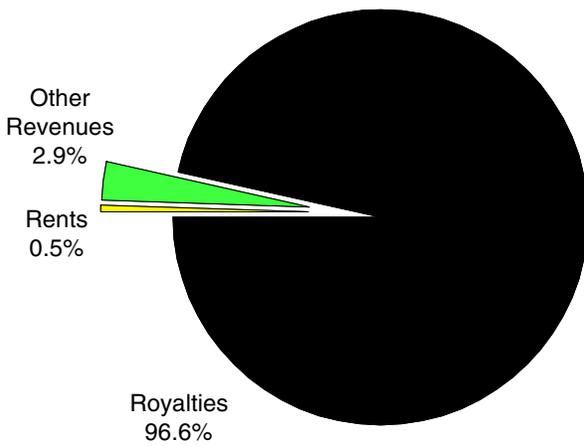
	Sales Volume	Sales Value	Royalties/ Revenues
Rents			
Arizona			\$ 7,762
Colorado			104,662
Idaho			200
Michigan			147
Montana			68,550
New Mexico			236,164
North Dakota			5,365
Oklahoma			123,694
South Dakota			800
Utah			97,907
Wyoming			81,088
Rents Total			\$ 726,339
Other Revenues			
Arizona			\$ 673,332
California			18,211
Colorado			2,021,391
Idaho			1,200
Michigan			478
Montana			163,570
Nevada			71,352
New Mexico			(1,162,846)
North Dakota			25,900
Oklahoma			1,070,170
Texas			4,428
Utah			3,882,453
Washington			(3,000)
Wyoming			5,715,042
Other Revenues Total			\$ 12,481,681
Total Revenues			\$268,852,659

NOTE: This table includes sales volume, sales value, or revenues for American Indian nonstandard leases and agreements.



Royalties	\$255,644,639
Rents	726,339
Other Revenues	12,481,681
Total	\$268,852,659

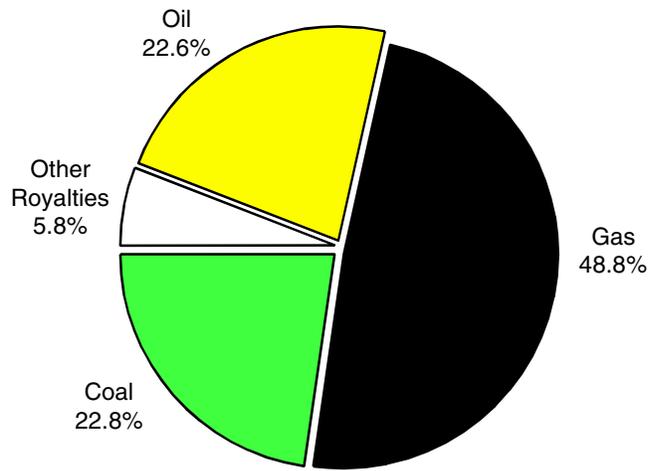
January - December, 2000



Royalties	\$ 172,283,343
Rents	930,431
Other Revenues	5,075,548
Total	\$ 178,289,322

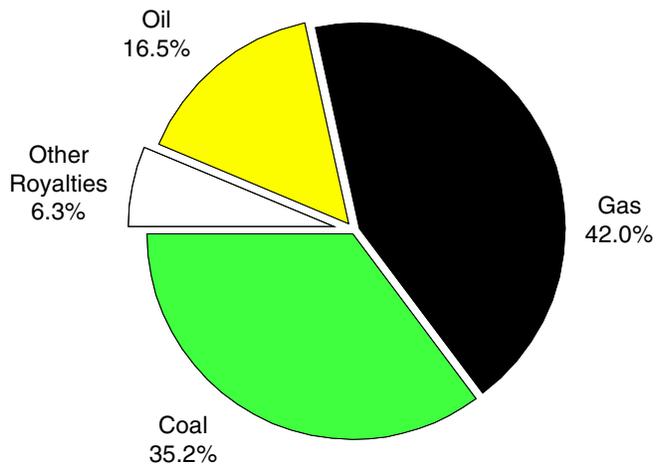
January - December, 1999

Figure 13. Revenues from American Indian mineral leases by source, January - December, 1999 and 2000



Coal	\$ 58,383,154
Gas	124,684,429
Oil	57,888,348
<u>Other Royalties</u>	<u>14,688,708</u>
Total	\$255,644,639

January - December, 2000



Coal	\$ 60,632,003
Gas	72,308,500
Oil	28,423,659
<u>Other Royalties</u>	<u>10,919,181</u>
Total	\$172,283,343

January - December, 1999

Figure 14. Royalties from American Indian mineral leases by commodity, January - December, 1999 and 2000

Glossary

Acquired lands — Lands in Federal ownership that the Government obtained by deed through purchase, gift, exchange, or condemnation proceedings.

American Indian allotment — An allocation of a parcel of public lands or American Indian reservation lands to an American Indian for individual use. Revenue from mineral production from leases on American Indian allotments is paid to the individual American Indian allottee. See **American Indian allottee**.

American Indian allottee — Any American Indian who holds title to land or an interest in land subject to Federal restrictions against alienation. See **American Indian allotment**.

American Indian land — Lands owned by American Indians, including either Tribal lands held in trust by the United States or subject to Federal restrictions against alienation, or allotted land owned by an individual American Indian with Federal restrictions against alienation. The Bureau of Indian Affairs monitors American Indian leases.

Barrel/bbl — A measure of volume for petroleum products. One barrel is equivalent to 42 U.S. gallons or 0.1589 cubic meters. One cubic meter equals 6.293 barrels.

BIA — Bureau of Indian Affairs. A Federal agency within the U.S. Department of the Interior responsible for facilitating the full development of the human and natural resource potential of American Indian and Alaskan Native people to manage their own affairs under a trust relationship with the Federal Government.

Bonus — The cash consideration paid to the United States by the successful bidder for a mineral lease. The payment is made in addition to the rent and royalty obligations specified in the lease.

Bureau of Land Management — A Federal agency within the U.S. Department of the Interior that

administers public lands and natural resources. Bureau of Land Management programs provide for the protection, orderly development, and use of public lands and resources under principles of multiple use and sustained yield.

Competitive leasing — The Federal Government issues leases on Federal onshore lands where there are known mineral deposits, or where inference of probable mineralization may be derived from knowledge of the geology of the land. The lands are offered for lease by competitive bidding following publication of the offer of the lands for lease. The lease is issued to the highest bidder at a sale by public auction. The Federal Government offers leases of certain Outer Continental Shelf tracts by competitive sealed bid. The bids are received, announced, and recorded, and the lease is generally issued to the highest bidder. See **Noncompetitive leasing**.

Cook Inlet Region, Inc. — One of 12 regional corporations established by the Alaska Native Claims Settlement Act in 1971 to manage real property and capital assets paid as compensation for the aboriginal land rights of Alaska Natives. The Cook Inlet Region, Inc., maintains land holdings containing significant proven reserves of oil, natural gas, coal, and other mineral commodities.

Department of the Interior — A Cabinet-level department in the Executive Branch of the Federal Government responsible for the administration of most of the nationally owned public lands and natural resources. The Department of the Interior is further responsible for American Indian reservation communities and for individuals who live in Island Territories under U.S. administration.

DOE — U.S. Department of Energy. A Cabinet-level department in the Executive Branch of the Federal Government responsible for coordinating a comprehensive and balanced national energy plan. The Department of Energy is responsible for long-term research and development of energy technology;

marketing Federal power; energy conservation; the nuclear weapons program; and a central energy data collection and analysis program.

Explanation of payment — A series of reports produced by the Minerals Management Service Royalty Management Program, mailed twice each month to American Indian Tribes and once each month to States. The reports for individual American Indian allotted tract mineral owners are produced and distributed twice each month by the Bureau of Indian Affairs with information supplied by the Royalty Management Program. The reports address the source and nature of mineral revenue disbursements.

Federal land — All land and interests in land owned by the Federal Government, including Outer Continental Shelf, public domain, acquired, and military lands.

Federal Oil and Gas Royalty Management Act of 1982 — Federal Oil and Gas Royalty Management Act of 1982, 30 U.S.C. 1701 *et seq.* Public Law 97-451 enacted to ensure that royalties from oil and gas produced from Federal and American Indian lands and the Outer Continental Shelf are properly collected and accounted for under the direction of the Secretary of the Interior.

FY — Fiscal Year. A period of time used for accounting purposes. The Federal Government recognizes a fiscal year that begins October 1 of one year and ends September 30 of the following year.

Lease — A legal document executed between a landowner, as lessor, and a company or individual, as lessee, that conveys the right to exploit the premises for minerals or other products for a specified period of time over a given area.

LWCF — Land and Water Conservation Fund. The Land and Water Conservation Act of 1965 created a fund, currently administered by the National Park Service, to provide revenues for the Federal Government, State governments, and local governments to purchase parks and recreation areas and to plan, acquire, and develop land and water

resources for recreational use. Approximately 10-30 percent of the legislated yearly minimum of \$900 million is provided through revenues from surplus property sales and receipts from the motorboat fuels tax. The remaining 70-90 percent of the legislated yearly minimum is provided from offshore mineral leasing under the provisions of the Outer Continental Shelf Lands Act, as amended.

Mcf — Thousand cubic feet.

Mineral — Naturally occurring organic or inorganic substances with characteristics and uses that bring them within the purview of mineral laws. Minerals may be obtained under applicable laws from public lands by purchase, lease, or preemptive entry.

Mineral Leasing Act for Acquired Lands of 1947, as amended, 30 U.S.C. 351 *et seq.* — An act that extends mineral leasing laws, including the Mineral Leasing Act of 1920 and subsequent amendments, to all lands acquired by the United States, and authorizes mineral leasing on those lands. Mineral leases on acquired lands cannot be issued without the concurrence of the acquiring agency. The act requires disbursement of mineral receipts from acquired lands in the manner prescribed by legislation governing the type of land in question, including acquired national grasslands, and acquired national forest lands. See **MLA**.

Minerals Revenue Management — See **MMS**.

Minimum royalty — An annual payment, on a per-acre basis, required to maintain the rights to a lease until production exceeds a minimum value. Once annual production exceeds the minimum value, minimum royalty payments are no longer required in that lease year.

MLA — Mineral Leasing Act of 1920, as amended, 30 U.S.C. 181 *et seq.* An act, with subsequent amendments, that promotes the production of coal, gas, oil, oil shale, phosphate, potassium, and sodium on Federal public domain lands. The act establishes procedures to explore and develop each of these minerals and specifies terms and conditions for issuing permits and leases. Rental and royalty terms are specified for each mineral, and general conditions

are established for pipeline right-of-way, lease diligence, royalty disposition, and holding restrictions. The act requires sharing royalty and other lease revenues with the States. The Secretary of the Interior is authorized to promulgate rules and regulations to implement and enforce the act.

MMS — Minerals Management Service. A Federal agency within the U.S. Department of the Interior that administers the Offshore Minerals Management Program and the Minerals Revenue Management Program. The Offshore Minerals Management Program is responsible for the Outer Continental Shelf leasing program and for ensuring that exploration and production of the Nation's offshore mineral resources is conducted in a safe manner with concern for the environment. The Minerals Revenue Management Program is responsible for the accurate and timely determination, collection, and distribution of royalties from Federal and American Indian lands, and bonuses and rents from Federal lands.

NHPF — National Historic Preservation Fund. A fund, currently administered by the National Park Service, designed to expand and accelerate historic preservation plans and activities. NHPF provides revenues for matching grants-in-aid to States and local governments, and funds the National Trust for Historic Preservation. Offshore mineral leasing provided 100 percent of fund revenues.

Noncompetitive leasing — Leases issued to qualified applicants for land not specifically known or presumed to contain mineral or petroleum deposits in quantity. See **Competitive leasing**.

OCS — Outer Continental Shelf. All submerged lands seaward and outside the area of lands beneath navigable waters. Lands beneath navigable waters are interpreted as extending from the coastline 3 nautical miles into the Arctic Ocean, the Atlantic Ocean, the Pacific Ocean, and the Gulf of Mexico, excluding the coastal waters off Texas and western Florida. Lands beneath navigable waters are interpreted as extending from the coastline 3 marine leagues into the Gulf of Mexico off Texas and western Florida.

OCSLA — Outer Continental Shelf Lands Act of 1953, as amended, 43 U.S.C. 1331 *et seq.* An act that

establishes procedures for U.S. jurisdiction over Outer Continental Shelf lands and authorizes the Secretary of the Interior to issue exploration permits and mineral leases for oil, gas, sulfur, and other mineral resources on those lands. The Secretary is authorized to implement alternative bidding systems, including net profit share leases, to promote development of marginal oil and gas deposits. Significant amendments were enacted into the original law in 1978 and 1985.

Operator — The individual, partnership, firm, or corporation having control or management of operations on a leased area or a portion thereof. The operator may be the lessee, designated agent of the lessee, a holder of rights under an approved operation agreement, or an agent of an operating rights holder.

OTFM — Office of Trust Funds Management. An office within the U.S. Department of the Interior responsible for the management and investment of Tribal and American Indian trust funds for the Office of Special Trustee for American Indians.

Public lands — Any land and interest in land owned by the United States and administered by the Secretary of the Interior through the Bureau of Land Management and the Minerals Management Service, without regard to the manner through which the United States acquired ownership, except (1) lands located on the Outer Continental Shelf, and (2) lands held for the benefit of American Indians, Aleuts, and Eskimos. The Bureau of Land Management considers acquired lands to be a category of public lands. The Minerals Management Service distinguishes public domain lands from acquired lands for purposes of various statutory revenue distributions. See **Acquired lands**.

Rent — Periodic payments made by the holder of a lease, during the primary lease term, for the right to use the land or resources for purposes established in the lease.

Royalty — Payment, in value (money) or in kind (a volume of the commodity), of a stated proportionate interest in production from mineral deposits by the lessees to the lessor. The royalty

rate may be an established minimum, a step-scale, or a sliding-scale. A step-scale royalty rate increases by steps as the average production on the lease increases. A sliding-scale royalty rate is based on average production and applies to all production from the lease.

Sales value — Proceeds received for the sale of a mineral.

Sales volume — The volume of mineral production measured at the royalty settlement point determined by the Bureau of Land Management for onshore

production and the Minerals Management Service for offshore production.

Treasury — U.S. Department of the Treasury. A Cabinet-level department in the Executive Branch of the Federal Government responsible for the financial resources of the United States. The Treasury is responsible for regulating national banks, determining international economic policy, collecting income taxes and customs duties, reporting Government daily financial transactions, and manufacturing coins and bills for circulation.

Appendix

Inch-Pound/Metric Conversion

Measurements in this report use English (inch-pound) units. Federal and industry organizations are moving toward International System Units, often referred to as metric units. The following table provides factors for converting measurements to inch-pound or metric units. To obtain the metric equivalent, multiply the inch-pound unit by the conversion factor. To obtain the inch-pound equivalent, multiply the metric unit by the conversion factor.

To convert from inch-pound unit	Multiply by	To equal metric unit
acre	0.4047	hectare
barrel (42 U.S. gallons)	0.1589	cubic meter
barrel (42 U.S. gallons)	0.136	metric ton
cubic foot	0.0283	cubic meter
gallon	3.785	liter
mile	1.609	kilometer
ton, long (2,240 U.S. lb.)	1.016	metric ton
ton, short (2,000 U.S. lb.)	0.9072	metric ton
To convert from metric unit	Multiply by	To equal inch-pound unit
cubic meter	6.293	barrel (42 U.S. gallons)
cubic meter	35.33	cubic foot
hectare	2.471	acre
kilometer	0.6215	mile
liter	0.2642	gallon
metric ton	7.33	barrels (42 U.S. gallons)
metric ton	0.9843	long ton (2,240 U.S. lb.)
metric ton	1.1023	short ton (2,000 U.S. lb.)



As the Nation's principal conservation agency, the Department of the Interior has responsibility for most of our nationally owned public lands and natural resources. This includes fostering sound use of our land and water resources; protecting our fish, wildlife, and biological diversity; preserving the environmental and cultural values of our national parks and historical places; and providing for the enjoyment of life through outdoor recreation. The Department assesses our energy and mineral resources and works to ensure that their development is in the best interests of all our people by encouraging stewardship and citizen participation in their care. The Department also has a major responsibility for American Indian reservation communities and for people who live in island territories under U.S. administration.



As a bureau of the Department of the Interior, the Minerals Management Service's (MMS) primary responsibilities are to manage the mineral resources located on the Nation's Outer Continental Shelf (OCS), collect revenue from the Federal OCS and onshore Federal and American Indian lands, and distribute those revenues.

Moreover, in working to meet its responsibilities, the **Offshore Minerals Management Program** administers the OCS competitive leasing program and oversees the safe and environmentally sound exploration and production of our Nation's offshore natural gas, oil and other mineral resources. The MMS **Minerals Revenue Management Program** meets its responsibilities by ensuring the efficient, timely and accurate collection and disbursement of revenue from mineral leasing and production due to American Indian tribes and allottees, States and the U.S. Treasury.

The MMS strives to fulfill its responsibilities through the general guiding principles of: (1) being responsive to the public's concerns and interests by maintaining a dialogue with all potentially affected parties and (2) carrying out its programs with an emphasis on working to enhance the quality of life for all Americans by lending MMS assistance and expertise to economic development and environmental protection.