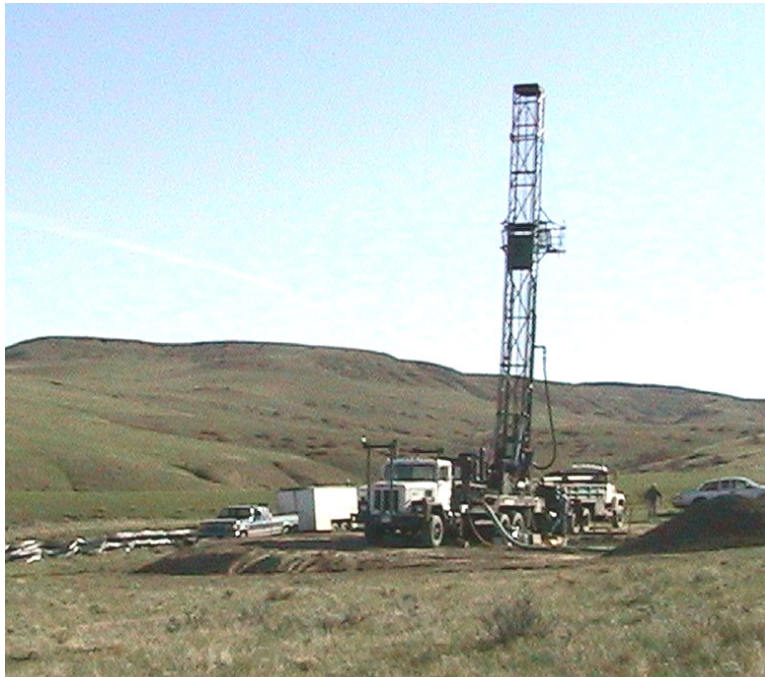


# State of Montana

## Department of Natural Resources and Conservation

### Trust Land Management Division



## MINERALS MANAGEMENT BUREAU

### Annual Report

### for FISCAL YEAR 2005



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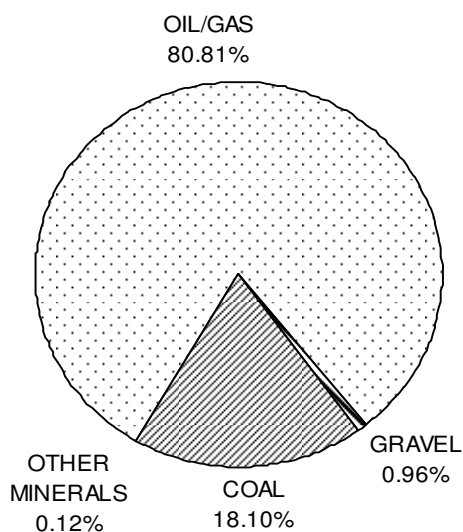
## **I - INTRODUCTION**

This report was prepared by the Minerals Management Bureau (MMB) within the Trust Lands Management Division and contains information gathered by the Bureau regarding State of Montana mineral leases. The report provides production and revenue information for each lease type managed by the Bureau. Within each lease type, there are reports providing income by county, area office, and grant. The revenue and pricing information was compiled using the cash basis method of accounting. Production information was compiled using information reported on DNRC Form 5s for each royalty month.

For questions or additional information contained in this report, contact Kirk Leikam by phone at (406) 444-4561 or e-mail at [kleikam@mt.gov](mailto:kleikam@mt.gov).

## II – Revenue Sources

### TOTAL REVENUE BY MINERAL TYPE Fiscal Year 2005

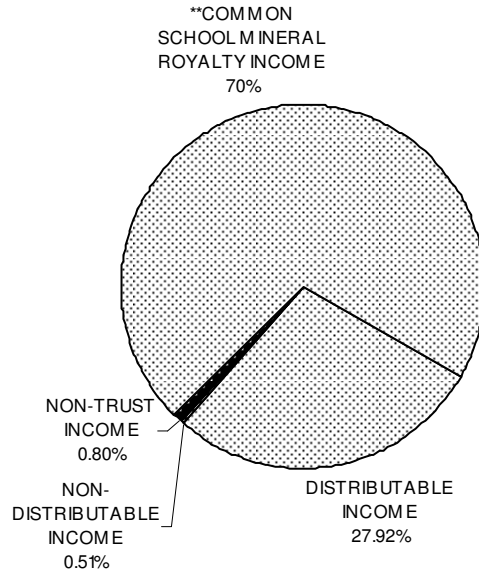


Mineral Type & Revenue Source		FY2004	FY2005	% Change From FY04
<b>Oil &amp; Gas -</b>	Rentals/Bonuses/Penalties	\$3,187,540	\$6,554,239	105.6%
	Royalties*	7,703,137	12,546,646	62.9%
	Seismic	<u>4,690</u>	<u>4,796</u>	2.3%
	<b>Total</b>	<b>\$10,895,367</b>	<b>\$19,105,681</b>	75.4%
<b>Gravel -</b>	Rentals	\$600	\$100	-83.3%
	Royalties	<u>173,178</u>	<u>227,171</u>	31.2%
	<b>Total</b>	<b>\$173,778</b>	<b>\$227,271</b>	30.8%
<b>Coal -</b>	Rentals/Bonuses	\$43,897	\$40,057	-8.7%
	Royalties	<u>4,676,964</u>	<u>4,239,865</u>	-9.3%
	<b>Total</b>	<b>\$4,720,861</b>	<b>\$4,279,923</b>	-9.3%
<b>Other Minerals –</b>				
<b>Land Use License</b>				
	Rentals/Penalties	\$2,000	\$2,051	2.6%
	Royalties	<u>5,470</u>	<u>5,145</u>	-5.9%
	<b>Total</b>	<b>\$7,470</b>	<b>\$7,196</b>	-3.7%
<b>Metalliferous Minerals</b>				
	Rentals/Penalties	\$1,260	\$9,160	627.0%
	Royalties	<u>750</u>	<u>1,250</u>	66.7%
	<b>Total</b>	<b>\$2,010</b>	<b>\$10,410</b>	417.9%
<b>Non-Metalliferous Minerals</b>				
	Rentals/Penalties	\$11,279	\$11,279	0.0%
	Royalties	<u>223</u>	<u>88</u>	-60.5%
	<b>Total</b>	<b>\$11,502</b>	<b>\$11,367</b>	-1.2%
<b>GRAND TOTAL</b>		<b><u>\$15,810,987</u></b>	<b><u>\$23,641,848</u></b>	49.5%

\* Oil and Gas Royalties include interest and shut-in payments.

# TOTAL REVENUE BY SOURCE

## Fiscal Year 2005



### TOTAL REVENUE TO SCHOOL TRUST BENEFICIARIES

## \$23,451,956

#### TOTAL NON-DISTRIBUTABLE INCOME

\$120,746  
0.5%

#### TOTAL DISTRIBUTABLE INCOME

\$6,601,635  
\$16,729,575 \*\*  
\$23,331,210  
99.5%

#### TRUST LAND REVENUE

Common Schools **	\$23,160,848	State Normal School	\$23,694
University of Montana	33,416	School for Deaf and Blind	2,317
M.S.U. Morrill	67,879	State Industrial School	33,056
M.S.U. 2nd Grant	3,264	Public Buildings	110,525
School of Mines	16,959	Rounding Adjustment	-2
		<b>Total</b>	<u><b>\$23,451,956</b></u>

#### NON-TRUST LAND REVENUE \*

Agricultural Experiment Station			\$35,361
Department of Fish, Wildlife & Parks			\$11,520
Department of Transportation			7,185
Department of Public Health and Human Services			126
DNRC – Water Resources Division			135,700
		<b>Total</b>	<u><b>\$189,892</b></u>

#### TOTAL REVENUE

**\$23,641,848**

\* Non-Trust Land income consists of revenue the Department of Natural Resources and Conservation collects as an administrator for various entities. These funds are distributed to the entity upon collection.

\*\* Pursuant to Chapter 418, Montana Session Laws of 2001 (SB495), common school mineral royalties are deposited into the guarantee account and distributed.

### III - LEASES

In FY 2005, higher oil and gas prices resulted in a significant increase in leasing activity on state lands. The number of mineral leases in FY 2005 increased 17.2% percent to 3,431, compared to 2,988 in FY 2004. Oil and gas leases increased 15.7 percent in FY 2005 to 3,300, 575 of which are currently producing. The overall number of producing mineral leases increased 4.19 percent in FY 2005 when compared to FY 2004. The schedule below summarizes lease types and corresponding acreages.

MMB activities related to existing leases include collecting royalty and rental payments, auditing, reviewing and approving assignments and tracking working interest ownership; reviewing and preparing for approval communitization agreements and unit operating agreements; and coordinating with field offices the review and approval of all proposed physical operations on state leases.

#### ACREAGE LEASED FOR OIL, GAS, AND OTHER MINERALS June 30, 2005

	Number <u>of Leases</u>	% Change from FY2004	Acreage <u>Leased</u>	% Change from FY2004	Producing <u>Leases</u>	% Change from FY2004	Producing <u>Acreage</u>	% Change from FY2004
Coal Leases	30	-6.3%	13,992	-8.4%	3	-25.00%	1,070	0.00%
Gravel Permits *	54	17.4%	1,305	88.6%	40	29.03%	1224	110.31%
Land Use Licenses	11	-21.4%	16,752	-3.7%	2	0.00%	960	0.00%
Metalliferous Leases **	6	-33.3%	1,808	-34.9%	0	0.00%	0	0.00%
Non-Metalliferous Leases	9	0.0%	3,343	0.0%	1	-66.67%	120	-40.00%
Seismic Permits	21	-19.2%	48,307	1.0%	0	0.00%	0	0.00%
Oil and Gas Leases	<u>3,300</u>	15.7%	<u>1,371,830</u>	<u>14.6%</u>	<u>575</u>	3.42%	<u>205,567</u>	1.15%
Total Leases	<u>3,431</u>	17.2%			<u>621</u>	4.19%		
Total Acres			<u>1,457,337</u>	<u>13.5%</u>			<u>208,941</u>	1.41%

\* Small Volume Permits and Permits to Test for Aggregate are not included. During FY05, DNRC field offices issued 18 Small Volume Permits and 0 Permits to Test for Aggregate.

\*\* Receive advance royalties, but none of the current metalliferous leases are actually producing minerals.

NOTE: Producing leases, licenses and permits are described as follows:

**Gravel Permits** - Includes permits that produced or paid royalties during the fiscal year. Does not include small volume or test permits.

**Coal Leases** - Includes leases that produced during the fiscal year. Does not include advance royalties.

**Land Use Licenses** - Includes salt water disposal where we received royalties or advance royalties.

**Metalliferous Leases** - Includes leases that produced during the fiscal year. Does not include advance royalties.

**Non-Metalliferous Leases** - Includes leases that produced during the fiscal year. Does not include advance royalties.

**Oil and Gas Leases** - Includes any lease with a well that is capable of production.

# FIELD REVIEWS CONDUCTED BY FIELD OFFICE AND MINERAL TYPE

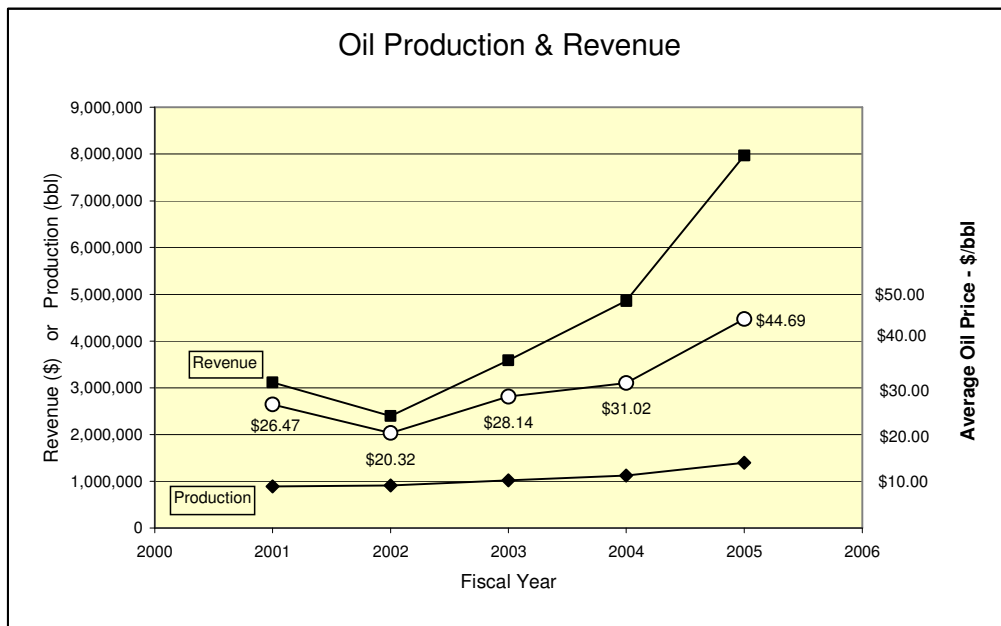
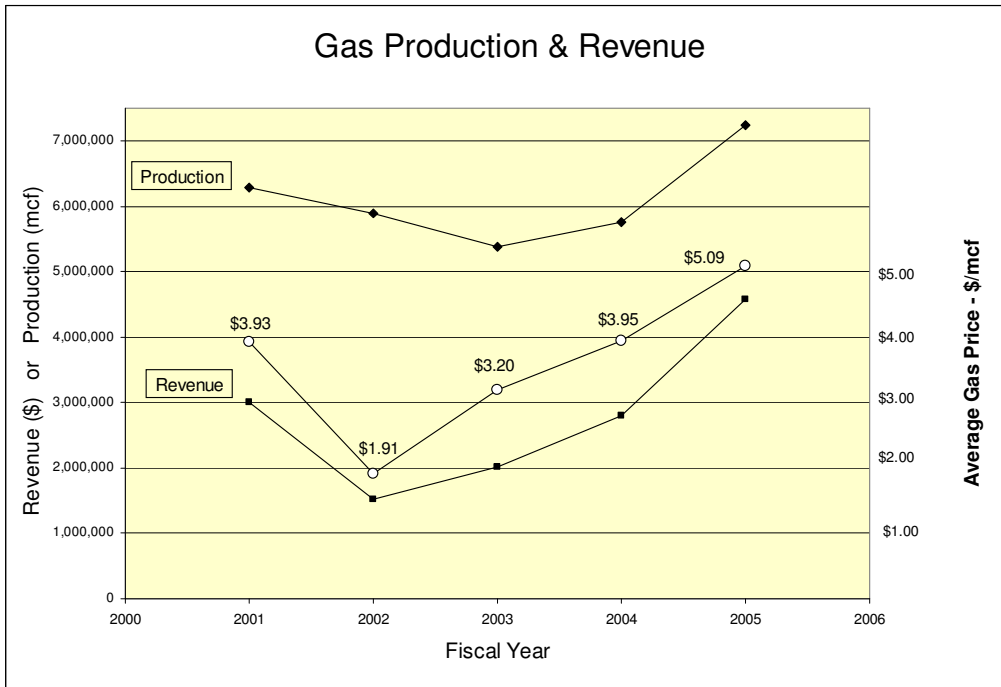
Fiscal Year 2005

AREA	UNIT	Oil & Gas	O&G Wells & Pipelines	Seismic	Coal	M & NM	Gravel	Gravel	Small	Test	TOTAL	
OFFICE	OFFICE	Leases				Leases	LUL's	Permits	Renewals	Volume	Permits	
<b>CLO</b>	Bozeman	31							3			34
	Conrad	82	8				1	1	1	3		96
	Dillon					1			1	4		6
	Helena	27				1			1	1		30
	<b>Area Office Total</b>	<b>140</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>6</b>	<b>8</b>	<b>0</b>	<b>166</b>
<b>ELO</b>		35	22	3			1	2	2			65
	<b>Area Office Total</b>	<b>35</b>	<b>22</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>65</b>
<b>NELO</b>	Glasgow	409	14	1					1	1		426
	Havre	61	10	11				3				85
	Lewistown	104		3				4				111
	<b>Area Office Total</b>	<b>574</b>	<b>24</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>1</b>	<b>1</b>	<b>0</b>	<b>622</b>
<b>NWLO</b>	Kalispell								1			1
	Libby							1				1
	Plains							1	1	3		5
	Stillwater									1		1
	Swan River							1				1
	<b>Area Office Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>0</b>
<b>SLO</b>		9	19						2			30
	<b>Area Office Total</b>	<b>9</b>	<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>30</b>
<b>SWLO</b>	Anaconda											0
	Clearwater	3							1			4
	Hamilton									1		1
	Missoula							1	1	4		6
	<b>Area Office Total</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>5</b>	<b>0</b>
<b>GRAND TOTAL</b>		<b><u>761</u></b>	<b><u>73</u></b>	<b><u>18</u></b>	<b><u>0</u></b>	<b><u>2</u></b>	<b><u>2</u></b>	<b><u>14</u></b>	<b><u>15</u></b>	<b><u>18</u></b>	<b><u>0</u></b>	<b><u>903</u></b>

# IV - OIL AND GAS LEASES

Oil and gas prices continued to rise during FY 2005, resulting in significantly higher production and revenues compared to FY 2004. The average price for a barrel of oil increased 44.1 percent from \$31.02/bbl in FY 2004 to \$44.69/bbl in FY 2005. Gas prices increased 28.8 percent over FY 2004 for an average price of \$5.09 per mcf. In FY 2005, active oil and gas wells reported 1,400,063 barrels of oil produced; 7,240,046 MCF of gas and 1,037,569 gallons of condensate. Oil production increased 25.9 percent from FY 2004, while gas production levels increased 26.4 percent when compared to FY 2004. Below are two graphs that provide a five-year summary of oil and gas production, revenue and average prices.

Production from coalbed methane wells increased 231.4 percent in FY 2005 to 1,812,952 mcf, compared to 547,057 mcf produced in FY 2004. The state received royalties for 63 CBM wells in FY 2005. All production reported was from wells in Big Horn County. CBM revenue and production amounts are included in the gas totals for this report.



ROYALTY INCOME BY  
COUNTY  
Oil, Gas, Condensate

County	Oil		Gas		Condensate		Total
	* Royalties (\$)	Production (BBL)	* Royalties (\$)	Production (MCF)	* Royalties (\$)	Production (GAL)	
Big Horn			\$1,236,378.69	1,812,952			\$1,236,378.69
Blaine	\$86,689.44	18,322	\$408,808.27	644,887			\$495,497.71
Chouteau			\$132,070.76	214,921			\$132,070.76
Daniels	\$30,987.03	8,362	122.94	1,211			\$31,109.97
Dawson	\$260,397.80	59,584					\$260,397.80
Fallon	\$2,437,471.20	433,201	\$747,173.60	1,265,322	\$32,834.15	383,151	\$3,217,478.95
Garfield	\$11,236.61	2,131					\$11,236.61
Glacier	\$42,572.98	7,338	\$79,586.66	123,691	\$5,069.07	39,808	\$127,228.71
Golden Valley			\$14,718.55	20,544			\$14,718.55
Hill			\$587,889.27	991,053			\$587,889.27
Liberty	\$171,167.35	29,112	\$132,331.54	248,400			\$303,498.89
Musselshell	\$15,544.46	2,838					\$15,544.46
Petroleum	\$18,790.25	2,802					\$18,790.25
Phillips			\$668,754.50	1,085,929			\$668,754.50
Pondera	\$103,982.66	19,603	\$38,174.78	69,367			\$142,157.44
Powder River	\$6,614.14	1,160					\$6,614.14
Richland	\$3,166,594.72	546,126	\$113,427.08	158,629	\$51,230.92	575,603	\$3,331,252.72
Roosevelt	\$589,581.94	97,525	\$24,751.06	31,026			\$614,333.00
Rosebud	\$239,525.43	35,749					\$239,525.43
Sheridan	\$430,764.95	74,188	\$23,507.76	28,335			\$454,272.71
Stillwater			\$2,820.38	4,342			\$2,820.38
Sweet Grass			\$2,540.18	6,119			\$2,540.18
Teton	\$9,689.77	1,536					\$9,689.77
Toole	\$179,304.88	29,139	\$225,586.00	462,163	\$2,028.07	2,629	\$406,918.95
Valley			\$28,750.11	49,227			\$28,750.11
Wibaux	\$170,738.20	31,347	\$12,360.93	21,928	\$4,077.37	36,378	\$187,176.50
<b>Total</b>	<b><u>\$7,971,653.81</u></b>	<b><u>1,400,063</u></b>	<b><u>\$4,479,753.07</u></b>	<b><u>7,240,046</u></b>	<b><u>\$95,239.58</u></b>	<b><u>1,037,569</u></b>	<b><u>\$12,546,646.45</u></b>

\* Totals include interest and shut-in royalty payments



ROYALTY AND MICELLANEOUS INCOME REPORTED BY AREA OFFICE

Oil, Gas, Condensate

Area Office	Unit Office	Oil Royalty	Gas Royalty	Condensate Royalty	Oil Interest	Gas Interest	Shut-In Oil	Shut-In Gas	Grand Total
<b>CLO</b>	Conrad	\$502,090.54	\$473,746.97	\$7,097.14	\$4,627.10	\$892.01		\$1,040.00	\$989,493.76
	Helena	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
	<b>Area Office Total</b>	<b>\$502,090.54</b>	<b>\$473,746.97</b>	<b>\$7,097.14</b>	<b>\$4,627.10</b>	<b>\$892.01</b>	<b>\$0.00</b>	<b>\$1,040.00</b>	<b>\$989,493.76</b>
<b>ELO</b>	N/A	\$6,307,903.90	\$872,961.61	\$88,142.44	\$4,705.68	\$0.00	\$0.00	\$0.00	\$7,273,713.63
	<b>Area Office Total</b>	<b>\$6,307,903.90</b>	<b>\$872,961.61</b>	<b>\$88,142.44</b>	<b>\$4,705.68</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$7,273,713.63</b>
<b>NELO</b>	Glasgow	\$1,041,518.34	\$713,347.09			\$28.53			\$1,754,893.96
	Havre	\$86,689.44	\$993,817.53				\$2,880.00		\$1,083,386.97
	Lewistown	<u>\$12,567.33</u>	<u>\$178,992.74</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$27.32</u>	<u>\$0.00</u>	<u>\$280.00</u>	<u>\$191,867.39</u>
	<b>Area Office Total</b>	<b>\$1,140,775.11</b>	<b>\$1,886,157.36</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$55.85</b>	<b>\$0.00</b>	<b>\$3,160.00</b>	<b>\$3,030,148.32</b>
<b>SLO</b>	N/A	\$11,551.48	\$1,239,507.52	\$0.00	\$0.00	\$0.00	\$0.00	\$2,231.74	\$1,253,290.74
	<b>Area Office Total</b>	<b>\$11,551.48</b>	<b>\$1,239,507.52</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,231.74</b>	<b>\$1,253,290.74</b>
<b>SWLO</b>	N/A	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	<b>Area Office Total</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>GRAND TOTAL</b>		<b><u>\$7,962,321.03</u></b>	<b><u>\$4,472,373.46</u></b>	<b><u>\$95,239.58</u></b>	<b><u>\$9,332.78</u></b>	<b><u>\$947.86</u></b>	<b><u>\$0.00</u></b>	<b><u>\$6,431.74</u></b>	<b><u>\$12,546,646.45</u></b>

\* Interest payments are charges collected on past due royalty payments.

ROYALTY AND RENTAL INCOME REPORTED BY GRANT  
Oil, Gas, Condensate

Grant	Royalty Income			Rentals and Other Income			
	Oil Royalty	Gas Royalty	Condensate Royalty	Rental Income	Bonus Income	Penalty Income	Seismic Permits
Common Schools	\$7,965,516.23	\$4,234,607.87	\$95,239.58	\$1,894,096.25	\$3,826,960.94	\$640,758.58	\$4,796.15
University of Montana				\$6,623.84	\$22,951.80	\$1,144.36	
M.S.U. Morrill				\$18,704.72		\$5,252.13	
M.S.U. 2nd Grant		\$43,921.81		\$1,200.00		\$1,000.00	
School of Mines				\$14,629.37		\$50.00	
State Normal School	\$343.27	\$7,129.09		\$6,074.43	\$10,490.00		
School for Deaf and Blind				\$1,740.00			
State Industrial School				\$23,389.74	\$590.00	\$8,881.42	
Public Buildings	\$5,271.02	\$27,867.40		\$19,107.11	\$18,820.00	\$8,633.29	
Galen State Hospital	\$126.30	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total Trust Income</b>	<b><u>\$7,971,256.82</u></b>	<b><u>\$4,313,526.17</u></b>	<b><u>\$95,239.58</u></b>	<b><u>\$1,985,565.46</u></b>	<b><u>\$3,879,812.74</u></b>	<b><u>\$665,719.78</u></b>	<b><u>\$4,796.15</u></b>
Agricultural Experiment Station		\$33,360.61		\$2,000.00			
Department of Transportation	\$396.99	\$81.39		\$4,308.50	\$2,000.80	\$397.01	
Department of Fish, Wildlife & Parks				\$240.00	\$11,280.00		
DNRC-Water Resources Division		\$132,784.89		\$1,349.14	\$1,565.57		
Dept. of Public Health and Human Svc.							
<b>Total Income - Other Lands</b>	<b><u>\$396.99</u></b>	<b><u>\$166,226.89</u></b>	<b><u>\$0.00</u></b>	<b><u>\$7,897.64</u></b>	<b><u>\$14,846.37</u></b>	<b><u>\$397.01</u></b>	<b><u>\$0.00</u></b>
<b>GRAND TOTAL</b>	<b><u>\$7,971,653.81</u></b>	<b><u>\$4,479,753.06</u></b>	<b><u>\$95,239.58</u></b>	<b><u>\$1,993,463.10</u></b>	<b><u>\$3,894,659.11</u></b>	<b><u>\$666,116.79</u></b>	<b><u>\$4,796.15</u></b>

NOTE: Distributable income information contained in this table is not included in any other table in this report.

## V - AGGREGATE PERMITS

ROYALTY AND PRODUCTION BY COUNTY  
Aggregate (Gravel, Sand, etc.)

County	Royalty Income	Production (cu yd)	Production (tons)
Beaverhead	\$1,369.20	2,876	6
Blaine	\$13,426.00	14,926	
Carbon	\$4,752.80	7,504	
Cascade	\$15,640.86	39,593	
Daniels	\$20.00	20	
Fergus	\$2,627.00	5,254	
Flathead	\$1,700.00	70	
Gallatin	\$1,280.00	2,560	
Hill	\$6,500.00	0 *	
Lake	\$6,750.00	4,500	
Lewis and Clark	\$180.20	267	110
Liberty	\$300.00	300	
Lincoln	\$23,500.00	0 *	
Madison	\$16,050.25	40,651	
Mineral	\$1,113.00	460	
Missoula	\$1,423.50	2,127	120
Musselshell	\$6,762.08	10,174	
Phillips	\$13,472.41	17,963	
Pondera	\$250.00	500	
Powder River	\$6,525.00	13,500	
Ravalli	\$2,180.60	0 *	145
Rosebud	\$12,033.75	29,038	
Sanders	\$36,252.50	460	552
Teton	\$2,559.60	4,731	
Toole	\$250.00	500	
Wheatland	\$14,865.49	0 *	768
Yellowstone	<u>\$35,387.10</u>	<u>50,553</u>	<u>0</u>
<b>Grand Total</b>	<b><u>\$227,171.34</u></b>	<b><u>248,527</u></b>	<b><u>1,695.00</u></b>

\* Advance Royalty Payments

ROYALTY AND RENTAL INCOME BY AREA OFFICE  
 Aggregate (Gravel, Sand, etc.)

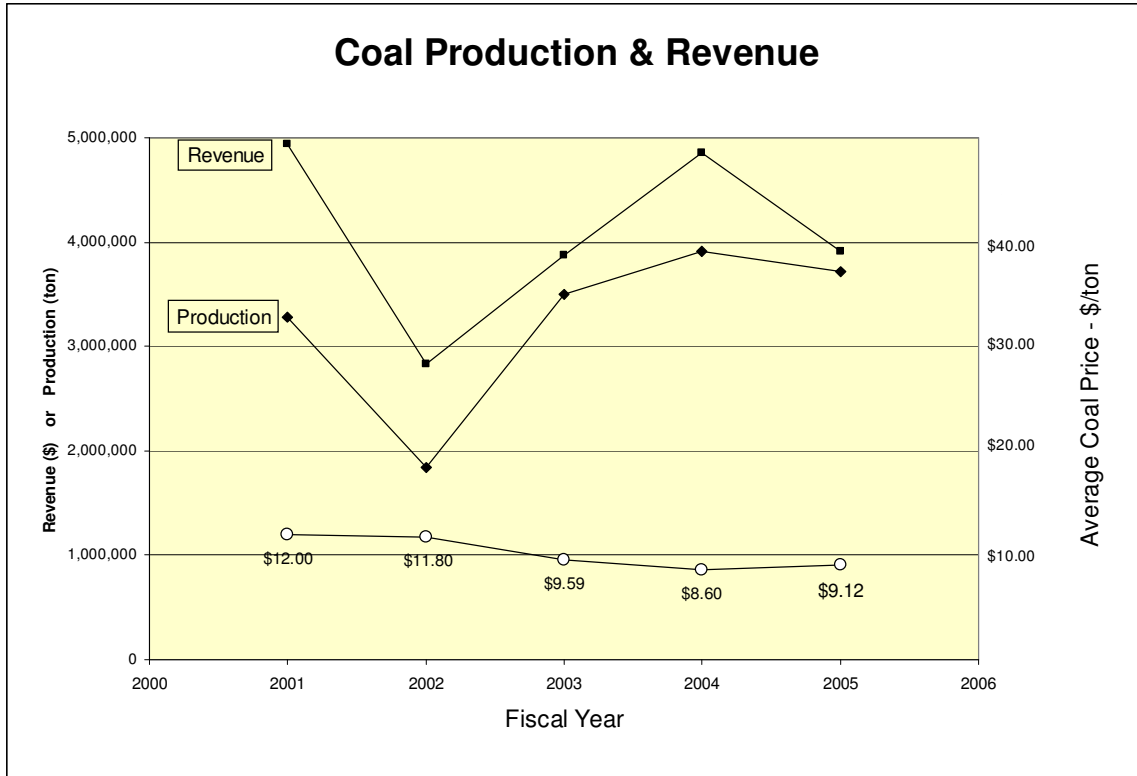
Area Office	Unit Office	Royalty Income	Rental Income	Grand Total
<b>CLO</b>	Bozeman	\$17,330.25		\$17,330.25
	Conrad	\$3,359.60		\$3,359.60
	Dillon	\$1,369.20		\$1,369.20
	Helena	<u>\$15,690.86</u>	<u>\$0.00</u>	<u>\$15,690.86</u>
	<b>Area Office Total</b>	<b>\$37,749.91</b>	<b>\$0.00</b>	<b>\$37,749.91</b>
<b>ELO</b>	N/A	<u>\$18,558.75</u>	<u>\$0.00</u>	<u>\$18,558.75</u>
<b>Area Office Total</b>		<b>\$18,558.75</b>	<b>\$0.00</b>	<b>\$18,558.75</b>
<b>NELO</b>	Glasgow	\$13,492.41		\$13,492.41
	Havre	\$19,926.00		\$19,926.00
	Lewistown	<u>\$17,492.49</u>	<u>\$0.00</u>	<u>\$17,492.49</u>
	<b>Area Office Total</b>	<b>\$50,910.90</b>	<b>\$0.00</b>	<b>\$50,910.90</b>
<b>NWLO</b>	Kalispell	\$1,000.00		\$1,000.00
	Libby	\$23,500.00		\$23,500.00
	Plains	\$36,252.50	\$100.00	\$36,352.50
	SSF	\$700.00		\$700.00
	SWA	<u>\$6,750.00</u>	<u>\$0.00</u>	<u>\$6,750.00</u>
	<b>Area Office Total</b>	<b>\$68,202.50</b>	<b>\$100.00</b>	<b>\$68,202.50</b>
<b>SLO</b>	N/A	<u>\$46,901.98</u>	<u>\$0.00</u>	<u>\$46,901.98</u>
<b>Area Office Total</b>		<b>\$46,901.98</b>	<b>\$0.00</b>	<b>\$46,901.98</b>
<b>SWLO</b>	Anaconda	\$1,193.70		\$1,193.70
	Clearwater	\$2,180.60		\$2,180.60
	Missoula	<u>\$1,473.00</u>	<u>\$0.00</u>	<u>\$1,473.00</u>
	<b>Area Office Total</b>	<b>\$4,847.30</b>	<b>\$0.00</b>	<b>\$4,847.30</b>
<b>Grand Total</b>		<b><u>\$227,171.34</u></b>	<b><u>\$100.00</u></b>	<b><u>\$227,271.34</u></b>

ROYALTY AND RENTAL INCOME BY GRANT  
 Aggregate (Gravel, Sand, etc.)

Grant	Royalty Income	Rental Income
Common Schools	\$191,295.25	\$100.00
University of Montana	\$1,623.04	
M.S.U. 2nd Grand	\$1,063.50	
School of Mines	\$2,280.00	
School for Deaf and Blind	\$576.70	
State Industrial School	\$195.00	
Public Buildings	<u>\$30,137.85</u>	<u>\$0.00</u>
<b>Total Trust Income</b>	<b><u>\$227,171.34</u></b>	<b><u>\$100.00</u></b>

## VI - COAL LEASES

Coal production decreased 4.9 percent in FY 2005 from 3,720,126 tons mined compared to 3,911,826 tons mined in FY 2004. All coal reported was produced from state leases in Big Horn County. In FY 2005, Spring Creek Coal Company produced 3,255,510 tons, while the remainder of 464,616 tons was produced by Decker Coal Company. The Coal Production and Revenue graph below is a five-year summary of coal revenue, production, and prices reported on State Trust Lands. The volume of coal mined can change significantly from year to year, as mining activity moves onto or off state land within the normal sequence of mining operations.



ROYALTY AND PRODUCTION BY COUNTY

Coal

County	Royalties (\$)	Production (ton)
Big Horn	<u>\$4,239,865.18</u>	<u>3,720,126</u>
<b>Total</b>	<b><u>\$4,239,865.18</u></b>	<b><u>3,720,126</u></b>

ROYALTY AND RENTAL BY AREA OFFICE

Coal

Area Office	Unit Office	Royalty Income	Rental Income
<b>ELO</b>	N/A	<u>\$0.00</u>	<u>\$29,391.54</u>
<b>Area Office Total</b>		<b><u>\$0.00</u></b>	<b><u>\$29,391.54</u></b>
<b>SLO</b>	N/A	<u>\$4,239,865.18</u>	<u>\$10,665.93</u>
<b>Area Office Total</b>		<b><u>\$4,239,865.18</u></b>	<b><u>\$10,665.93</u></b>
<b>Grand Total</b>		<b><u>\$4,239,865.18</u></b>	<b><u>\$40,057.47</u></b>

ROYALTY AND RENTAL INCOME BY GRANT

Coal

Grant	Royalty Income	Rentals and Other Income
Common Schools	<u>\$4,239,865.18</u>	<u>\$40,057.47</u>
<b>Total Income</b>	<b><u>\$4,239,865.18</u></b>	<b><u>\$40,057.47</u></b>

## VII - LAND USE LICENSES

ROYALTY AND PRODUCTION BY  
COUNTY  
Land Use License

County Mineral Type	Royalty Income
Dawson Salt Water Disposal	\$1,051.00
Roosevelt Salt Water Disposal	<u>\$1,000.00</u>
<b>Grand Total</b>	<b><u>\$2,051.00</u></b>

ROYALTY AND RENTAL INCOME BY AREA OFFICE  
Land Use License

Area Office	Unit Office	Royalty Income	Rental Income	Grand Total
CLO	Conrad	<u>\$0.00</u>	<u>\$1,825.00</u>	<u>\$1,825.00</u>
<b>Area Office Total</b>		<b><u>\$0.00</u></b>	<b><u>\$1,825.00</u></b>	<b><u>\$1,825.00</u></b>
ELO	N/A	<u>\$1,051.00</u>	<u>\$1,400.00</u>	<u>\$2,451.00</u>
<b>Area Office Total</b>		<b><u>\$1,051.00</u></b>	<b><u>\$1,400.00</u></b>	<b><u>\$2,451.00</u></b>
NELO	Glasgow	<u>\$1,000.00</u>	<u>\$0.00</u>	<u>\$1,000.00</u>
<b>Area Office Total</b>		<b><u>\$1,000.00</u></b>	<b><u>\$0.00</u></b>	<b><u>\$1,000.00</u></b>
SLO	N/A	<u>\$0.00</u>	<u>\$1,920.00</u>	<u>\$1,920.00</u>
<b>Area Office Total</b>		<b><u>\$0.00</u></b>	<b><u>\$1,920.00</u></b>	<b><u>\$1,920.00</u></b>
<b>Grand Total</b>		<b><u>\$2,051.00</u></b>	<b><u>\$5,145.00</u></b>	<b><u>\$7,196.00</u></b>

ROYALTY AND RENTAL INCOME BY GRANT  
Land Use License

Grant	Royalty Income	Rental Income
Common Schools	<u>\$2,051.00</u>	<u>\$5,145.00</u>
<b>Total Trust Income</b>	<b><u>\$2,051.00</u></b>	<b><u>\$5,145.00</u></b>

## VIII - METALLIFEROUS MINERAL LEASES

### ROYALTY INCOME BY COUNTY

Metalliferous Minerals

County Mineral Type	Royalty Income
Deer Lodge Gold & Gem Stones	\$250.00
Granite Gold & Gem Stones	\$250.00
Madison Gold & Gem Stones	\$500.00
Petroleum Gold & Gem Stones	<u>\$250.00</u>
<b>Grand Total</b>	<b><u>\$1,250.00</u></b>

### ROYALTY AND RENTAL INCOME BY AREA OFFICE

Metalliferous Minerals

Area Office	Unit Office	Royalty Income	Rental Income	Grand Total
CLO	Dillon	<u>\$500.00</u>	<u>\$640.00</u>	<u>\$1,140.00</u>
<b>Area Office Total</b>		<b><u>\$500.00</u></b>	<b><u>\$640.00</u></b>	<b><u>\$1,140.00</u></b>
NELO	Lewistown	<u>\$250.00</u>	<u>\$480.00</u>	<u>\$730.00</u>
<b>Area Office Total</b>		<b><u>\$250.00</u></b>	<b><u>\$480.00</u></b>	<b><u>\$730.00</u></b>
NWLO	Kalispell	<u>\$0.00</u>	<u>\$7,260.00</u>	<u>\$7,260.00</u>
<b>Area Office Total</b>		<b><u>\$0.00</u></b>	<b><u>\$7,260.00</u></b>	<b><u>\$7,260.00</u></b>
SWLO	Anaconda	\$250.00	\$300.00	\$550.00
	Missoula	<u>\$250.00</u>	<u>\$480.00</u>	<u>\$730.00</u>
<b>Area Office Total</b>		<b><u>\$500.00</u></b>	<b><u>\$780.00</u></b>	<b><u>\$1,280.00</u></b>
<b>Grand Total</b>		<b><u>\$1,250.00</u></b>	<b><u>\$9,160.00</u></b>	<b><u>\$10,410.00</u></b>



ROYALTY AND RENTAL INCOME BY GRANT

Metalliferous Minerals

Grant	Royalty Income	Rental Income
Common Schools	\$1,000.00	\$8,680.00
University of Montana	<u>\$250.00</u>	<u>\$480.00</u>
<b>Total Trust Income</b>	<b><u>\$1,250.00</u></b>	<b><u>\$9,160.00</u></b>

**IX - NON-METALLIFEROUS MINERAL LEASES**

ROYALTY AND PRODUCTION BY COUNTY

Non-Metalliferous Minerals

County Mineral Type	Royalty Income	Production (cu yd)	Average Price
Beaverhead Peat	<u>\$88.00</u>	<u>110</u>	\$0.80
<b>Grand Total</b>	<b><u>\$88.00</u></b>	<b><u>110</u></b>	

ROYALTY AND RENTAL INCOME BY AREA OFFICE

Non-Metalliferous Minerals

Area Office	Unit Office	Royalty Income	Rental Income	Grand Total
CLO	Helena		\$5,070.00	\$5,070.00
	Dillon	<u>\$88.00</u>	<u>\$1,082.94</u>	<u>\$1,170.94</u>
<b>Area Office Total</b>		<b><u>\$88.00</u></b>	<b><u>\$6,152.94</u></b>	<b><u>\$6,240.94</u></b>
ELO	N/A	<u>\$0.00</u>	<u>\$5,126.00</u>	<u>\$5,126.00</u>
<b>Area Office Total</b>		<b><u>\$0.00</u></b>	<b><u>\$5,126.00</u></b>	<b><u>\$5,126.00</u></b>
<b>Grand Total</b>		<b><u>\$88.00</u></b>	<b><u>\$11,278.94</u></b>	<b><u>\$11,366.94</u></b>

ROYALTY AND RENTAL INCOME BY GRANT  
Non-Metalliferous Minerals

Grant	Royaty Income	Rental Income
Common Schools	\$0.00	\$10,678.94
Public Buildings	<u>\$88.00</u>	<u>\$600.00</u>
<b><i>Total Trust Income</i></b>	<b><u>\$88.00</u></b>	<b><u>\$11,278.94</u></b>