



# Fiscal Year 2015 Annual Report

*State of Montana*

*Department of Natural Resources and Conservation*

*Trust Land Management Division*

*Minerals Management Bureau*





**INTRODUCTION**

This report was prepared by the Minerals Management Bureau (MMB or the Bureau) within the Trust Land 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. Revenue and pricing information was compiled using the cash basis method of accounting. Oil and gas production was compiled using information reported on the State of Montana DS-450 Royalty Report Form 5 each month.

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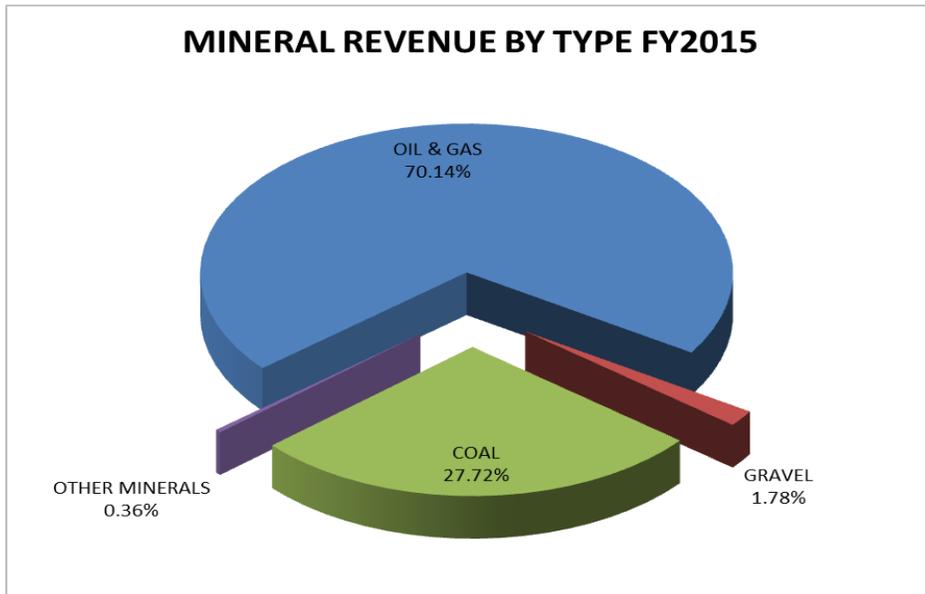
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**REVENUE SOURCES**

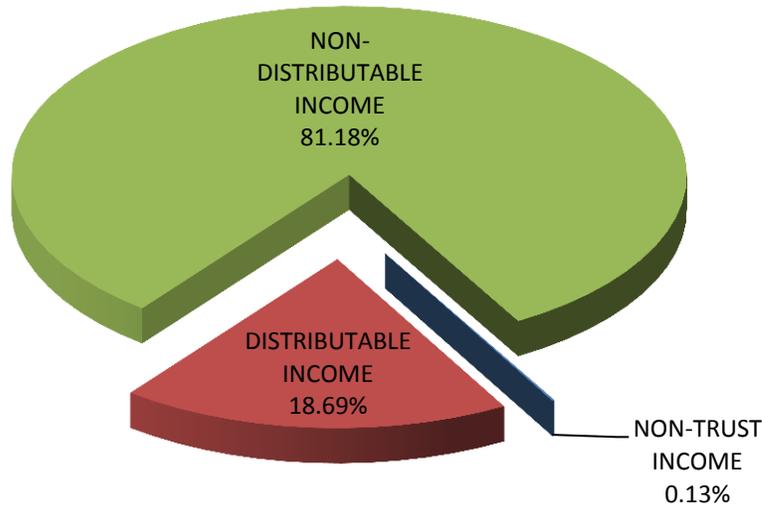


<b>Mineral Type &amp; Revenue Source</b>		<b>FY2014</b>	<b>FY2015</b>	<b>% Change from FY14</b>
OIL & GAS-	<i>Rentals/Bonuses/Penalties</i>	\$8,094,917	\$5,163,885	-36.21%
	<i>Royalties *</i>	\$21,835,231	\$14,868,183	-31.91%
	<i>Surface Damages</i>	\$9,950	-\$3,944	-139.64%
	<i>Seismic</i>	\$5,688	\$0	-100.00%
	<b>Total</b>	<b>\$29,945,786</b>	<b>\$20,028,124</b>	<b>-33.12%</b>
GRAVEL -	<i>Rentals</i>	\$200	\$800	300.00%
	<i>Royalties</i>	\$947,294	\$504,535	-46.74%
	<b>Total</b>	<b>\$947,494</b>	<b>\$505,335</b>	<b>-46.67%</b>
COAL -	<i>Rentals/Bonuses</i>	\$49,515	\$53,355	7.76%
	<i>Royalties</i>	\$8,130,763	\$7,862,948	-3.29%
	<b>Total</b>	<b>\$8,180,278</b>	<b>\$7,916,303</b>	<b>-3.23%</b>
OTHER MINERALS -				
LAND USE LICENSE				
	<i>Rentals/Penalties</i>	\$14,810	\$68,900	365.23%
	<i>Royalties</i>	\$1,000	\$13,370	1237.00%
	<b>Total</b>	<b>\$15,810</b>	<b>\$82,270</b>	<b>420.37%</b>
METALLIFEROUS MINERALS				
	<i>Rentals/Penalties</i>	\$2,842	\$277	-90.25%
	<i>Royalties</i>	\$1,029	\$20	-98.06%
	<b>Total</b>	<b>\$3,871</b>	<b>\$297</b>	<b>-92.33%</b>
NON-METALLIFEROUS MINERALS				
	<i>Rentals/Penalties</i>	\$10,556	\$10,056	-4.74%
	<i>Royalties</i>	\$12,545	\$11,205	-10.68%
	<b>Total</b>	<b>\$23,101</b>	<b>\$21,261</b>	<b>-7.97%</b>
<b>GRAND TOTAL</b>		<b><u>\$39,116,340</u></b>	<b><u>\$28,553,590</u></b>	<b><u>-27.00%</u></b>

\* Includes interest and shut-in payments



## GROSS REVENUE BY SOURCE Fiscal Year 2015



### GROSS REVENUE FOR SCHOOL TRUST BENEFICIARIES

**\$28,516,768**

<i>GROSS NON-DISTRIBUTABLE REVENUE</i>	<i>GROSS DISTRIBUTABLE REVENUE **</i>
<b>\$23,178,828</b>	<b>\$5,337,940</b>
81.28%	18.72%

**TRUST LAND REVENUE (by Trust)**

Common Schools	\$27,233,623	State Normal School	\$16,235
University of Montana	\$10,020	School for Deaf and Blind	\$8,715
M.S.U. Morrill	\$54,569	State Reform School	\$30,451
M.S.U. 2nd Grant	\$5,921	Public Buildings **	\$118,644
Montana Tech	\$38,119	Veterans Home Income	\$1,014
		Public Land Trust	\$999,457
		<b>Total Trust Grants:</b>	<b>\$28,516,768</b>

**NON-TRUST LAND REVENUE \***

Agricultural Experiment Station	\$19,880
Department of Fish, Wildlife & Parks	\$76
Department of Transportation	\$14,546
Department of Public Health and Human Services	\$181
DNRC – Water Resources Division	\$2,139
	<b>Total Non-Trust Grants: \$36,822</b>

**TOTAL REVENUE** **\$28,553,590**

\* Non-Trust Land revenue 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.

\*\* Royalties collected on behalf of Public Buildings are deposited into their Distributable Trust fund



## **LEASES**

**Oil & Gas Leasing:** In FY15, oil and gas leasing decreased by 30.5% from FY14 to a total of 3,588 leases. Cancellations of over 1500 leases and a continued drop in new leasing accounted for the majority of the overall decrease. Quarterly lease sales in FY15 totaled 150 leases as compared to the 49 leases sold in FY14, representing an increase of 206%. However, bonus revenue for new leases in FY15 totaled just over \$1.9 million compared to more than \$3.7 million on state trust lands in FY14. Producing leases decreased by 1.9% during FY15, totaling 672 leases. Producing leases now make up 18.7% of all oil and gas leases. Oil and gas leases account for nearly 1.5 million of the 6.2 million mineral acres on State trust lands, which is a decrease of 30.9% over FY14.

**Seismic Permit** activity essentially dropped off during the 15 fiscal year from 8 permits covering 21,827 to 2 permits covering 1,600 acres.

**Hard Rock – Industrial Leasing:** The total number of metalliferous and non-metalliferous leases dropped from 9 to 7. These leases covered 3,194 acres and generated \$11,225 in royalty revenues.

**Gravel Permits:** Permit counts increased by 3 permits even though total acreage decreased over 50% during FY15. Producing permits increased by 7 to a total of 41 leases, while the acreage of producing leases decreased by just over 26%. Gravel royalty revenue in FY15, totaled just above \$500k which was nearly a 50% decline from FY14.

**Coal Leasing:** The number of coal leases remained constant at 35 total leases covering 17,145 acres with 6 producing on 2,160 acres.

**Land Use Licenses** increased by 5% with a count of 42 in FY15 as compared to 40 in FY14. Acreage assigned to those licenses also increased by 13.7% to 9,468 acres.

**Small Volume Permits and Permits to Test for Aggregate** are not included in the table below. During FY15, DNRC field offices issued 13 small volume permits and 6 permits to test for aggregate, as compared to the 5 and 4 permits respectively in FY14.

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

### **Producing Leases Criteria:**

**Gravel Permits** - Includes permits that produced during the fiscal year. Does not include advance royalties paid. 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 activities such as salt water disposal, access roads and pipelines constructed on state land.

**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.

Type of Lease	No. of Leases	% Change from FY14	Acreage Leased	% Change from FY14	Producing Leases	% Change from FY14	Producing Acreage	% Change from FY14
<i>Coal Leases</i>	35	0.0%	17,145	0.0%	6	0.0%	2,160	0.0%
<i>Gravel Permits</i>	48	6.7%	1,117	-57.5%	41	20.6%	1,812	-26.4%
<i>Land Use Licenses</i>	42	5.0%	9,468	13.7%	2	100.0%	960	200.0%
<i>Metalliferous Leases</i>	1	-66.7%	92	-89.0%	1	0.0%	92	0.0%
<i>Non-Metalliferous Leases</i>	6	0.0%	3,102	0.0%	2	0.0%	998	0.0%
<i>Seismic Permits</i>	2	-75.0%	1,600	-92.7%	0		0	
<i>Gas Storage Agreements</i>	4	0.0%	8,311	0.0%	0		0	
<i>Oil and Gas Leases</i>	3,588	-30.5%	1,415,777	-30.9%	672	-1.9%	251,949	-1.4%
<b>Total Leases</b>	<b>3726</b>	<b>-29.71%</b>			<b>724</b>	<b>-0.69%</b>		
<b>Total Acres</b>			<b>1,456,612</b>	<b>-31.04%</b>			<b>257,971</b>	<b>-1.35%</b>



## MINERAL ACTIVITY BY FIELD OFFICE

This table represents the total field activity by Area office and Unit office.

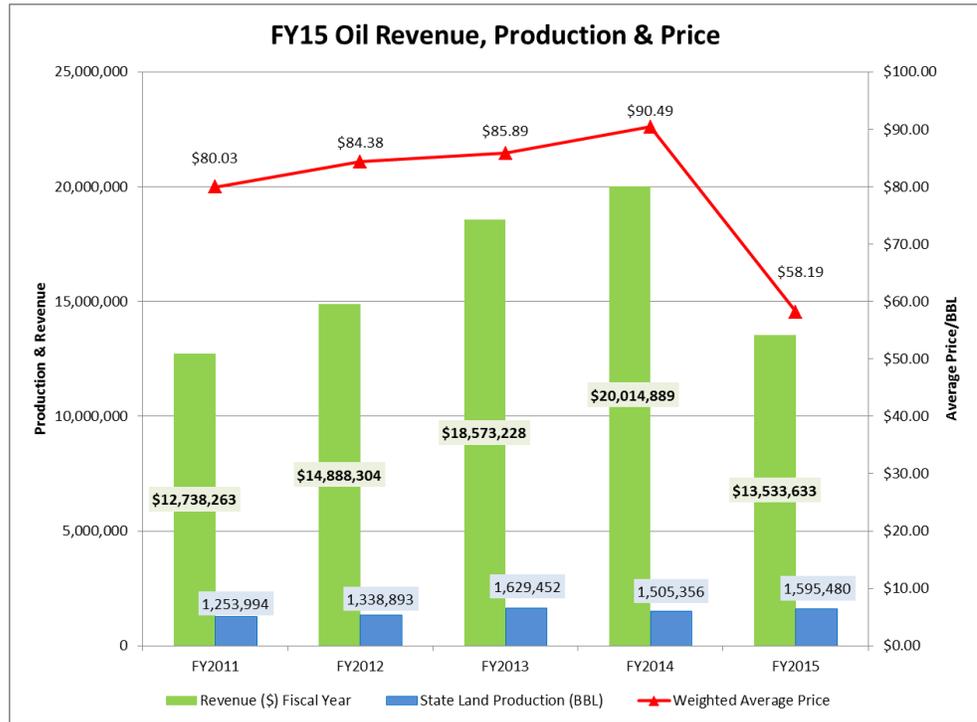
Area Office / Unit Office	Oil & Gas Leases	O&G Wells & Pipelines	Seismic Permits	Coal Leases	M & NM Leases	Land Use Licenses	Gravel Permits	Gravel Renewals	Small Volume	Test Permits	TOTAL
Bozeman								1			
Conrad	14		1				1	1	4	1	
Dillon								1	2		
Helena	13					1		1			
<b>CLO Total</b>	<b>27</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>6</b>	<b>1</b>	<b>41</b>
	74	6	1				1	3	1	2	
<b>ELO Total</b>	<b>74</b>	<b>6</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>2</b>	<b>88</b>
Glasgow	38	1						1	1	1	
Havre	2	1					2		1	1	
Lewistown	4						1		1		
<b>NELO Total</b>	<b>44</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>55</b>
Kalispell								1			
Libby							1				
Plains								5	1		
Stillwater											
Swan Lake							1		1		
<b>NWLO Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>6</b>	<b>2</b>	<b>0</b>	<b>10</b>
	5			2		1			1		
<b>SLO Total</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>9</b>
Anaconda										1	
Clearwater								2			
Hamilton											
Missoula											
<b>SWLO Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>3</b>
<b>GRAND TOTAL</b>	<b>150</b>	<b>8</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>2</b>	<b>7</b>	<b>16</b>	<b>13</b>	<b>6</b>	<b>206</b>

**DNRC Area and Unit office field staff** conduct on-site reviews and prepare environmental assessments when mineral exploration or development is proposed on state land. These reviews address resource concerns and provide site specific stipulations to mitigate impacts for project development. Stipulations may include such items as restricting work to dry or frozen conditions, noxious weed control, timing restrictions to address wildlife concerns, and reclamation requirements. Field staff also conduct periodic reviews of mineral development to verify that lessees are complying with lease requirements. The table above breaks down the number of reviews by mineral type for the fiscal year 15.



### OIL AND GAS REVENUE AND PRODUCTION

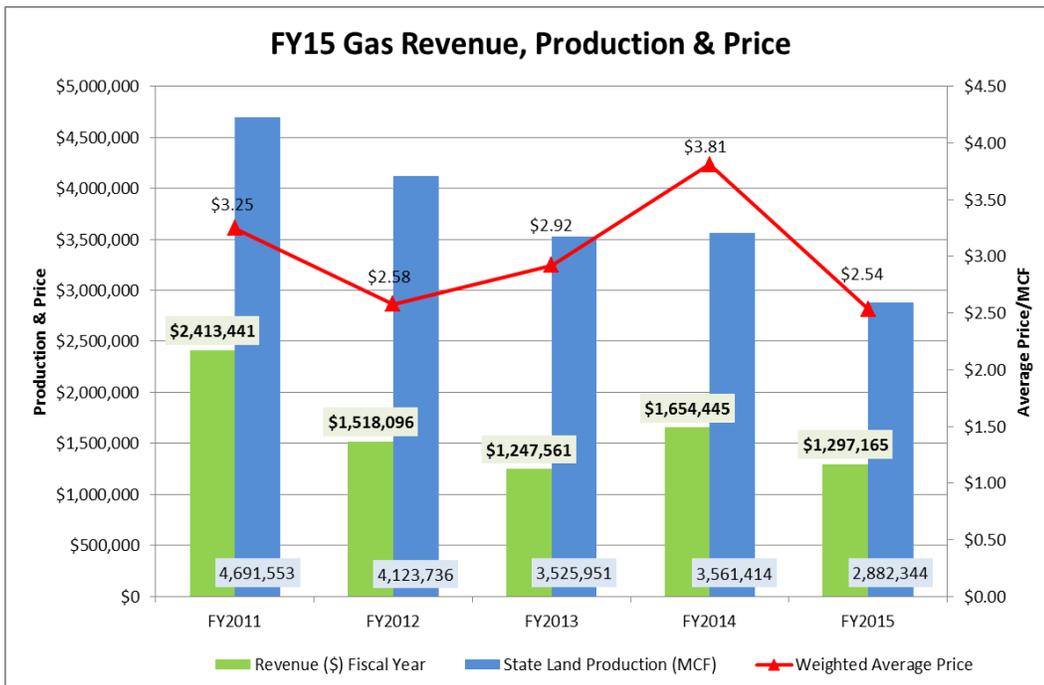
**OIL:** Even though oil production increased, due to the vastly decreased price per barrel, oil revenues dropped by almost \$6.5 million. In FY15, 1,595,480 barrels of oil were produced, an increase of 6% from last fiscal year. The decline in price has led to nearly 1500 cancelled or terminated leases. The average price for a barrel of oil



produced from State land leases was \$58.19 as compared to \$90.49 in FY14, a decrease of 35.7%. Oil royalties alone accounted for 47.4% of all revenue sources.

**Gas:** In FY15, the average price for gas produced on State lands decreased to \$2.54 from \$3.81 per thousand cubic feet (mcf), representing a 33% decrease from FY14. Gas production decreased, as well, by nearly 19% in FY15 to 2,882,344 thousand cubic feet. Due to both a decrease in production and

average price, FY15 gas royalty revenue collected was down to \$1,297,165 from \$1,654,445 in FY14. Gas revenues accounted for 4.5% of all revenue received in FY15, and ranked third by royalty revenue source, after oil and coal.





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County	Oil (BBL)		Gas (MCF)		Condensate (GAL)		Total Royalties
	Royalties*	Production	Royalties*	Production	Royalties*	Production	
Big Horn			\$ 6,315.19	4,674.00			\$6,315.19
Blaine	\$ 184,202.03	27,753.11	\$ 87,220.48	229,690.78			\$271,422.51
Carbon	\$ 4,171.47	508.19					\$4,171.47
Chouteau			\$ 29,097.51	83,272.85			\$29,097.51
Dawson	\$ 603,360.27	66,525.38					\$603,360.27
Fallon	\$ 1,795,548.55	197,187.98	\$ 163,737.60	455,677.84			\$1,959,286.15
Garfield	\$ 23,286.94	2,322.86					\$23,286.94
Glacier	\$ 44,936.50	6,281.62	\$ 40,615.33	66,065.13	\$ 4,060.33	29,265.56	\$89,612.16
Golden Valley			\$ 8,392.87	27,606.58			\$8,392.87
Hill			\$ 151,072.37	389,416.26			\$151,072.37
Liberty	\$ 268,851.56	31,958.55	\$ 29,369.84	93,542.15			\$298,221.40
Mountrail, ND		572.32					\$0.00
Musselshell	\$ 12,897.32	1,719.35					\$12,897.32
Petroleum	\$ 5,290.62	652.82					\$5,290.62
Phillips			\$ 223,406.08	586,834.30			\$223,406.08
Pondera	\$ 154,133.19	18,776.19	\$ 21,189.45	19,439.89			\$175,322.64
Powder River	\$ 118,768.83	14,834.32	\$ 720.00				\$119,488.83
Richland	\$ 5,618,480.68	718,877.02	\$ 209,300.42	348,595.94	\$ 26,471.19	340,861.70	\$5,854,252.29
Roosevelt	\$ 3,527,355.09	371,075.88	\$ 137,677.29	189,431.22	\$ 6,776.46	27,541.87	\$3,671,808.84
Rosebud	\$ 152,194.71	18,857.43					\$152,194.71
Sheridan	\$ 514,796.89	56,228.22	\$ 3,271.71	2,642.39			\$518,068.60
Stillwater			\$ 1,940.86	4,500.00			\$1,940.86
Sweet Grass			\$ 916.14				\$916.14
Teton	\$ 9,984.59	1,550.02					\$9,984.59
Toole	\$ 358,863.75	41,164.20	\$ 162,986.95	307,203.14	\$ 76.97	545.38	\$521,927.67
Valley			\$ 14,059.43	56,999.34			\$14,059.43
Wibaux	\$ 136,510.20	18,634.79	\$ 5,875.30	16,752.45			\$142,385.50
<b>Grand Total</b>	<b>\$ 13,533,633.19</b>	<b>1,595,480.25</b>	<b>\$ 1,297,164.82</b>	<b>2,882,344.27</b>	<b>\$ 37,384.95</b>	<b>398,214.51</b>	<b>\$ 14,868,182.96</b>

\* Totals include interest and shut-in royalty payments

Top Revenue Producing Counties - Oil

- #1 Richland \$5.62 million
- #2 Roosevelt \$3.53 million
- #3 Fallon \$1.80 million

Top Revenue Producing Counties - Gas

- #1 Phillips \$223 thousand
- #2 Richland \$209 thousand
- #3 Fallon \$163 thousand



# Fiscal Year 2015 Annual Report

## Royalty Income by Area and Unit Office (Oil, Gas, Condensate)

Pay Type	<i>CLO</i>	<i>ELO</i>	<i>NELO</i>		<i>SLO</i>	Pay Type Totals
	Conrad	Miles City	Glasgow	Lewistown	Billings	
Oil Royalty	\$809,759.46	\$8,441,650.28	\$4,042,151.98	\$189,492.65	\$17,068.79	\$13,500,123.16
Oil Interest	\$11,297.64	\$1,083.32				\$12,380.96
Oil Royalty Audit	\$15,712.49	\$5,416.58				\$21,129.07
Gas Royalty	\$195,266.55	\$373,960.77	\$378,414.51	\$271,183.73	\$4,285.79	\$1,223,111.35
Gas Interest	\$13,716.08	\$2,173.41			\$170.90	\$16,060.39
Gas Royalty Audit	\$44,218.94	\$2,779.14			\$683.76	\$47,681.84
Shut in Gas	\$960.00	\$720.00		\$4,599.50	\$4,031.74	\$10,311.24
Shut in Oil						\$0.00
Condensate Royalt	\$4,137.33	\$26,471.16	\$6,776.46			\$37,384.95
<b>AO Totals</b>	<b>\$1,095,068.49</b>	<b>\$8,854,254.66</b>	<b>\$4,427,342.95</b>	<b>\$465,275.88</b>	<b>\$26,240.98</b>	<b>\$14,868,182.96</b>

## Royalty and Rental Income by Grant (Oil, Gas, Condensate)

Grant	<i>Bonus Income</i>	<i>Surface Damages</i>	<i>Penalty Income</i>	<i>Rental Income</i>	<i>Oil Royalty</i>	<i>Gas Royalty</i>	<i>Condensate Royalty</i>	<i>Total Revenue by Grant</i>
Common Schools	\$ 1,887,977.58	\$ (3,944.00)	\$ 1,123,564.87	\$ 1,894,183.35	\$ 12,577,372.82	\$ 1,220,216.88	\$ 38,589.45	\$ 18,737,960.95
Public Buildings	\$ 7,440.00		\$ 22,854.89	\$ 26,884.43	\$ 4,859.74	\$ 42,909.90		\$ 104,948.96
School for Deaf & Blind			\$ 3,400.00	\$ 4,500.00				\$ 7,900.00
Pine Hills School	\$ 2,000.00		\$ 13,079.83	\$ 15,351.45				\$ 30,431.28
State Normal School	\$ 152.10		\$ 2,946.40	\$ 11,462.18		\$ 1,674.49		\$ 16,235.17
University of MT			\$ 5,600.00	\$ 4,320.00				\$ 9,920.00
MSU Morrill	\$ 15,810.84		\$ 9,262.51	\$ 20,316.00	\$ -	\$ 9,179.66		\$ 54,569.01
School of Mines	\$ 4,700.00		\$ 10,275.20	\$ 21,537.50				\$ 36,512.70
Veterans Home				\$ 1,013.41				\$ 1,013.41
Public Land Trust			\$ 18,204.88	\$ 20,553.53	\$ 950,759.02	\$ 11,146.13	\$ (1,206.52)	\$ 999,457.04
<b>Total Trust</b>	<b>\$ 1,918,080.52</b>	<b>\$ (3,944.00)</b>	<b>\$ 1,209,188.58</b>	<b>\$ 2,020,121.85</b>	<b>\$ 13,532,991.58</b>	<b>\$ 1,285,127.06</b>	<b>\$ 37,382.93</b>	<b>\$ 19,998,948.52</b>
Agricultural Experiment Station			\$ 4,679.08	\$ 4,847.44		\$ 10,353.83		\$ 19,880.35
Dept of Transportation			\$ 418.69	\$ 4,311.26	\$ 487.64	\$ 1,682.67		\$ 6,900.26
Galen State Hospital				\$ 100.00	\$ 80.97			\$ 180.97
Dept of Fish, Wildlife & Parks				\$ -	\$ 73.00	\$ 1.26	\$ 2.02	\$ 76.28
Water Resources Division			\$ 1,124.30	\$ 1,013.69		\$ -		\$ 2,137.99
<b>Total Non-Trust</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$6,222.07</b>	<b>\$10,272.39</b>	<b>\$641.61</b>	<b>\$12,037.76</b>	<b>\$2.02</b>	<b>\$29,175.85</b>
<b>Grand Total</b>	<b>\$1,918,080.52</b>	<b>-\$3,944.00</b>	<b>\$1,215,410.65</b>	<b>\$2,030,394.24</b>	<b>\$13,533,633.19</b>	<b>\$1,297,164.82</b>	<b>\$37,384.95</b>	<b>\$20,028,124.37</b>



## AGGREGATE

### Royalty and Production by County (Sand, Gravel, Rock)

County	CubicYards (Sand & Gravel)		Tons (Rock)		Total Royalty
	* Royalty \$	Production	* Royalty \$	Production	
Beaverhead	\$12,921.00	12,732.00			\$12,921.00
Big Horn	\$300.00	300.00			\$300.00
Blaine	\$14,731.00	11,150.00			\$14,731.00
Cascade	\$6,107.50	5,310.88			\$6,107.50
Custer	\$540.00	360.00			\$540.00
Daniels	\$200.00	100.00			\$200.00
Gallatin	\$1,606.65	1,606.65	\$100.00		\$1,706.65
Golden Valley	\$300.00	100.00			\$300.00
Hill	\$24,651.48	32,868.64			\$24,651.48
Lake	\$1,500.00	460.00		37.90	\$1,500.00
Lewis and Clark	\$3,935.00	5,403.00			\$3,935.00
Madison	\$33,920.00	30,946.00			\$33,920.00
Missoula	\$5,920.50	2,071.00			\$5,920.50
Pondera	\$8,970.00	7,770.00			\$8,970.00
Richland	\$82,074.00	18,412.00			\$82,074.00
Rosebud	\$38,161.00	33,525.00			\$38,161.00
Sanders	\$75.00	67.00	\$53,951.90	2,004.81	\$54,026.90
Teton	\$6,313.07	5,875.90			\$6,313.07
Toole	\$2,080.00	1,773.00			\$2,080.00
Wheatland			\$3,835.74	401.76	\$3,835.74
Yellowstone	\$202,341.10	160,293.00			\$202,341.10
<b>Grand Total</b>	<b>\$446,647.30</b>	<b>331,124.07</b>	<b>\$57,887.64</b>	<b>2,444.47</b>	<b>\$504,534.94</b>

\* Totals may include advance royalty payments

### Royalty and Rental by Area Office

Unit Office/Area Office	Royalty Income	Rental Income
Bozeman	\$35,626.65	
Conrad	\$17,363.07	
Dillon	\$12,921.00	
Helena	\$6,107.50	
<b>CLO Area Office Totals</b>	<b>\$72,018.22</b>	<b>\$0.00</b>
Miles City	\$120,775.00	
<b>ELO Area Office Totals</b>	<b>\$120,775.00</b>	<b>\$0.00</b>
Glasgow	\$200.00	
Havre	\$39,382.48	\$500.00
Lewistown	\$4,135.74	
<b>NELO Area Office Totals</b>	<b>\$43,718.22</b>	<b>\$500.00</b>
Plains	\$54,026.90	\$100.00
Swan River	\$1,500.00	
<b>NWLO Area Office Totals</b>	<b>\$55,526.90</b>	<b>\$100.00</b>
Billings	\$202,641.10	
<b>SLO Area Office Totals</b>	<b>\$202,641.10</b>	<b>\$0.00</b>
Clearwater	\$9,855.50	\$200.00
<b>SWLO Area Office Totals</b>	<b>\$9,855.50</b>	<b>\$200.00</b>
<b>Grand Total</b>	<b>\$504,534.94</b>	<b>\$800.00</b>

### Royalty and Rental by Grant

Grant	Royalty Income	Rental Income
Common Schools	\$475,292.12	\$600.00
MSU 2nd Grant	\$5,920.50	
Public Buildings	\$13,335.07	
Pine Hills School	\$20.00	
School for Deaf & Blind	\$615.00	\$200.00
School of Mines	\$1,606.65	
University of Montana	\$100.00	
Department of Transportation	\$7,645.60	
<b>Grand Total</b>	<b>\$504,534.94</b>	<b>\$800.00</b>



## **COAL LEASES**

**Production:** Coal production on State trust lands increased by 4.65% in FY15 to 4,673,194 tons mined compared to 4,465,582 tons mined in FY14. All coal reported was produced from 6 State leases in Big Horn and Rosebud counties. The volume of coal mined can change significantly from year to year, as mining activity moves on to or off of state land within the normal sequence of operations. Coal production figures represent the twelve production months during the fiscal year, regardless of the date it was received.

### *Royalty and Production by County - Coal*

County	Royalties (\$)	Production (ton)
Big Horn	\$6,987,555.20	4,373,886
Rosebud	\$875,392.33	299,308
<b>Total</b>	<b>\$7,862,947.53</b>	<b>4,673,194</b>

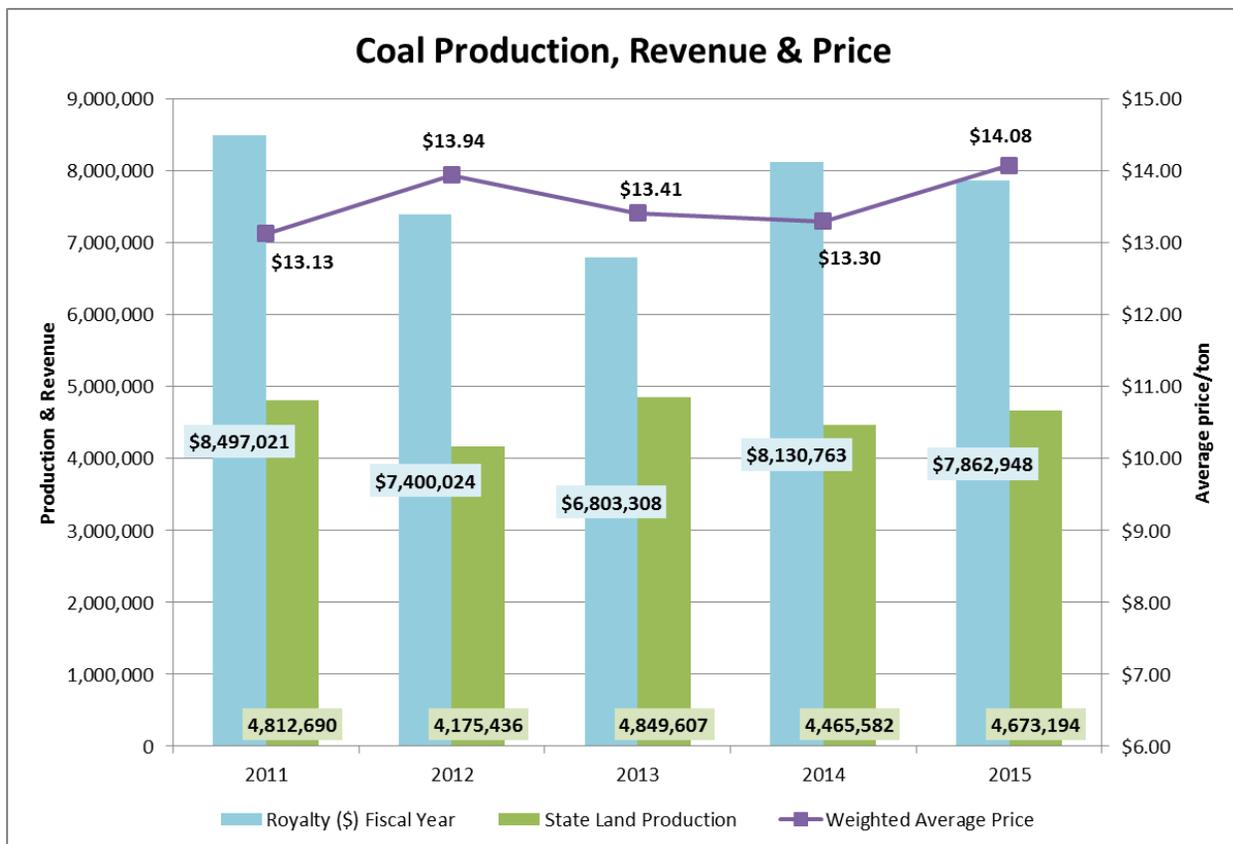
### *Royalty and Rental by Area Office - Coal*

Area Office	Royalty Income	Rental Income	Total
ELO	\$875,392.33	\$36,929.16	\$912,321.49
SLO	\$6,987,555.20	\$16,426.23	\$7,003,981.43
<b>Total</b>	<b>\$7,862,947.53</b>	<b>\$53,355.39</b>	<b>\$7,916,302.92</b>

### *Royalty and Rental Income by Grant - Coal*

Grant	Royalty Income	Rental Income	Total
Common Schools	\$7,862,947.53	\$53,355.39	\$7,916,302.92
<b>Total</b>	<b>\$7,862,947.53</b>	<b>\$53,355.39</b>	<b>\$7,916,302.92</b>

**Revenues:** In FY15, coal royalty revenues totaled \$7,862,948. Royalty revenue decreased 3.29% over FY14. Coal prices for State land production increased to \$14.08 per ton from \$13.30 per ton in FY14. Revenues reported are those received and processed only during the fiscal year. All coal revenues received in FY15 on State trust land leases benefit the common schools grant.





## LAND USE LICENSES

### Land Use Licenses:

- Can apply to any type of mineral and are issued for mineral activities that are not included in other types of leases or permits.
- The length of license is determined by individual situation
- Examples of licensed activities include salt water disposal, access roads and pipelines to non-State wells, non-mechanized prospecting for minerals, groundwater monitoring wells, gravity surveys and infrastructure for coal bed methane fields.
- Under a Land Use License for non-mechanized prospecting, the user may explore but cannot remove or sell minerals.

### ***Royalty and Rental Income by County - LUL***

County	Royalty Income	Rental Income	Total
Big Horn		\$66,650.00	\$66,650.00
Dawson	\$12,369.55		\$12,369.55
Jefferson		\$850.00	\$850.00
Musselshell		\$150.00	\$150.00
Richland		\$500.00	\$500.00
Roosevelt	\$1,000.00	\$750.00	\$1,750.00
<b>Grand Total</b>	<b>\$13,369.55</b>	<b>\$68,900.00</b>	<b>\$82,269.55</b>

Note: There is no production associated with Salt Water Disposal

### ***Royalty and Rental Income by Area Office - LUL***

Area Office - Unit Office	Royalty Income	Rental Income	Total
CLO Helena		\$850.00	\$850.00
ELO Miles City	\$12,369.55	\$500.00	\$12,869.55
NELO Glasgow		\$750.00	\$750.00
NELO Lewistown	\$1,000.00		\$1,000.00
SLO Billings		\$66,800.00	\$66,800.00
<b>Grand Total</b>	<b>\$13,369.55</b>	<b>\$68,900.00</b>	<b>\$82,269.55</b>

Note: Rental income may include surface damages not covered under an oil and gas lease.

### ***Royalty and Rental Income by Grant - LUL***

Grant	Royalty Income	Rental Income	Total
Common Schools	\$13,369.55	\$68,900.00	\$82,269.55
<b>Total Trust Income</b>	<b>\$13,369.55</b>	<b>\$68,900.00</b>	<b>\$82,269.55</b>



## METALLIFEROUS MINERAL LEASES

**Metalliferous Leases** cover a variety of commercially marketed metallic minerals such as gold, silver, and copper, as well as gemstones including rubies, garnets and sapphires.

### *Royalty and Rental Income by County - Metalliferous Minerals*

County	Royalty Income	*Rental Income	Total
Fergus (Gold)	\$19.65	\$277.08	\$296.73
<b>Grand Total</b>	<b>\$19.65</b>	<b>\$277.08</b>	<b>\$296.73</b>

### *Royalty and Rental Income by Area Office - Metalliferous Minerals*

Area Office - Unit Office	Royalty Income	*Rental Income	Total
NELO Lewistown	\$19.65	\$277.08	\$296.73
<b>Grand Total</b>	<b>\$19.65</b>	<b>\$277.08</b>	<b>\$296.73</b>

### *Royalty and Rental Income by Grant - Metalliferous Minerals*

Grant	Royalty Income	*Rental Income	Total
Common Schools	\$19.65	\$277.08	\$296.73
<b>Total Trust Income</b>	<b>\$19.65</b>	<b>\$277.08</b>	<b>\$296.73</b>

\* Rental figures include in lieu of exploration payments

## NON-METALLIFEROUS MINERAL LEASES

**Non-metalliferous Leases** cover a variety of commercially marketed non-metallic minerals such as limestone, bentonite, and peat moss.

### *Royalty and Rental Income by County - Non-Metalliferous Minerals*

County	Royalty Income	*Rental Income	Total
Beaverhead		\$360.00	\$360.00
Carter	\$11,204.74	\$4,626.00	\$15,830.74
Jefferson		\$5,070.00	\$5,070.00
<b>Grand Total</b>	<b>\$11,204.74</b>	<b>\$10,056.00</b>	<b>\$21,260.74</b>

### *Royalty and Rental Income by Area Office - Non-Metalliferous Minerals*

Area Office - Unit Office	Royalty Income	*Rental Income	Total
CLO Dillon		\$360.00	\$360.00
Helena		\$5,070.00	\$5,070.00
ELO Miles City	\$11,204.74	\$4,626.00	\$15,830.74
<b>Grand Total</b>	<b>\$11,204.74</b>	<b>\$10,056.00</b>	<b>\$21,260.74</b>

### *Royalty and Rental Income by Grant - Non-Metalliferous Minerals*

Grant	Royalty Income	*Rental Income	Total
Public Buildings		\$360.00	\$360.00
Common Schools	\$11,204.74	\$9,696.00	\$20,900.74
<b>Total Trust Income</b>	<b>\$11,204.74</b>	<b>\$10,056.00</b>	<b>\$21,260.74</b>

\* Rental figures include in lieu of exploration payments