

Oil and Gas Research Fund  
 Financial Statement  
**2007-2009 Biennium**  
 August 6, 2009 Oil and Gas Research Council Meeting

Cash Balance

July 1, 2007 Balance	\$ 526,952.26
Revenues through May 31, 2008	\$ 3,055,726.46*
Expenditures through June 30, 2008	<u>\$ 2,313,771.31</u>
	\$ 1,268,907.41
<b>Estimated</b> Technical Services & Administrative Costs	\$ 74,692.41**
Outstanding Project Commitments as of 6/30/09	<u>\$ 1,194,215.00</u>
Balance	\$ 0.00

Oil and Gas Research Fund  
 Continuing Appropriation Authority  
 2007-2009 Biennium

Balance July 1, 2007	\$ 526,952.26
Projected Income from Project Applications & Interest	\$ 60,000.00*
Revenues (2% of State's Share of Oil Tax Revenues)	<u>\$3,000,000.00</u>
	<u>\$3,586,952.26</u>

**57-51.1-07.3. Oil and gas research fund - Deposits - Continuing appropriation.**

There is established a special fund in the state treasury to be known as the oil and gas research fund. Two percent of the state's share of the oil and gas gross production tax and oil extraction tax revenues up to three million dollars per biennium must be deposited into the oil and gas research fund. The state treasurer shall transfer into the oil and gas research fund two percent of the state's share of the oil and gas production tax and the oil extraction tax revenues for the previous three months. All money deposited in the oil and gas research fund and interest on all such moneys are appropriated as a continuing appropriation to the council to be used for purposes stated in chapter 54-17.6.

\*The interest income for the month of June has not been provided to my office as of the date of this report. I estimate an amount of less than \$550.00 will be earned during the month of June.

\*\*The final costs have not been determined for technical services during the 2007-2009 biennium.

### Oil and Gas Research Program Budget Allocation/Applications

Priorities	%	2007-2009			2007-2009 Available Funds	Grant Round 13 05/01/07	Grant Round 14 08/15/07	Grant Round 15 11/01/07	Grant Round 16 06/01/08	Returned Commitments	Remaining Available Funds 1/01/09	Grant Rounds 17 & 18 1/01/09
		Biennium New Monies	Carried Over Funds	Carried Over Commitments								
Research	77.00%	\$2,495,000	\$526,952	\$682,620	\$2,339,332	\$170,100	\$40,000	\$1,555,550	\$0	\$182,972	\$756,654	\$825,000
Education	10.00%	\$300,000	\$0	\$38,000	\$262,000	\$17,900	\$0	\$110,000	\$63,000	\$10,000	\$81,100	\$11,900
Subtotal	87.00%	\$2,795,000	\$526,952	\$720,620	\$2,601,332	\$188,000	\$40,000	\$1,665,550	\$63,000	\$192,972	\$837,754	\$836,900
Pipeline*	10.00%	\$175,000	\$0	\$175,000	\$0							
Admin.	3.00%	\$90,000	\$0	\$0	\$90,000							
Total	100.00%	\$3,060,000	\$526,952	\$895,620	\$2,691,332	\$188,000	\$40,000	\$1,665,550	\$63,000	\$192,972	\$837,754	\$836,900

\*The Council had indicated a total of \$300,000 should be made available for the Pipeline Authority. Of that amount \$125,000 was transferred in the 2005-2007 biennium. The \$175,000 reflected here is the remaining amount of the \$300,000 and that has been transferred to the Pipeline Authority Fund.

Pipeline Authority Fund  
 Financial Statement  
**2007-2009 Biennium**  
 August 6, 2009 Oil and Gas Research Council Meeting

	<u>Cash Balance</u>
July 1, 2007 Balance	\$115,715.00*
Transfer from Oil and Gas Research Fund	\$175,000.00
Interest Income Revenues through May 31, 2009	\$ 5,671.19**
Expenditures through June 30, 2009	<u>\$262,810.40</u>
	\$ 33,575.79
Outstanding Commitments as of June 30, 2009	<u>\$ 6,500.00***</u>
Balance	\$ 27,075.79

Pipeline Authority Fund  
 Breakdown of Expenditures  
 2007-2009 Biennium

Consultant Services (Pipeline Authority Director)	\$ 157,071.00
Director Travel Expenditures	\$ 8,569.21
Contracted Studies	\$ 84,757.99
Administration/Printing of reports/newsletters	\$ 5,519.43
Legal Services	\$ 1,892.90
Website Design	\$ 3,600.00
Other Administrative Expenditures	<u>\$ 1,399.87</u>
	\$ 262,810.40

The Industrial Commission, based on the recommendation of the Oil and Gas Research Council, authorized the initial transfer of \$300,000 from the Oil and Gas Research Fund for the Pipeline Authority Fund. This was approximately 10% of the biennial income of the Oil and Gas Research Fund.

\*Of the initial \$300,000 transferred from the Oil and Gas Research Fund \$9,285 was expended prior to the 2007-2009 biennium.

\*\*The interest income for the month of June has not been provided to my office as of the date of this report. I estimate an amount of less than \$25 will be earned during the month of June.

\*\*\*The final payment to KLJ/Rooney Engineering (\$5,000) will be made following their presentation to the Oil and Gas Research Council. A payment of \$1,500 is due for designing/printing/mailing of the most recent quarterly newsletter.