



Idaho leases thousands more acres for oil and gas development



April 23, 2014
Update

Income for Idahoans

The income from *leasing* is only part of the potential income to Idahoans, public schools, communities, and the State of Idaho from oil and gas activity in Idaho.

Idahoans also are benefited through royalties, severance taxes on production of oil or gas.

A 12.5% royalty on production is distributed to the permanent fund of the appropriate endowment beneficiary, other state agencies and the General Fund

A 1.5% tax on production goes to the [Oil and Gas Conservation Commission](#) to regulate oil and gas production in Idaho.

A 1% tax on production is split between:

(BOISE)

Oil and gas leases for over 17,700 acres of State-owned lands and minerals were auctioned today at the Idaho Department of Lands (IDL) in Boise. The average bid was approximately \$76 per acre.

AM Idaho LLC was awarded leases on 136 tracts for \$1,148,435 in bonus bids.

The leases were for approximately 6,071 acres in **Canyon** County; 3,281 acres in **Ada** County; 2,789 acres in **Gem** County; 2,563 acres in **Payette** County; 2,375 acres in **Washington** County; and 631 acres in **Owyhee** County.

The **highest competitive bid was \$505 per acre** on approximately 141 acres located in Canyon County. This lease sold for \$71,578 and was the largest total bid for any tract.

Of the minerals rights auctioned for oil and gas leases, 13,947 acres are owned by the State endowment trust, 1,415 acres are owned by the State public trust, and 2,348 acres are owned by other State agencies.

Lands and minerals owned by the State endowment trust are managed under a constitutional mandate to generate maximum long-term income for public schools and other specific State beneficiaries.

Today's auction **generated \$610,014 in bonus bids for the endowment trusts**, most of which will go to Idaho public schools.

Leases auctioned for **other State agencies generated \$431,873.**

The public trust acres auctioned for lease **generated \$106,547 for the State General Fund.**

Public trust lands and minerals are located in the beds of the Snake, Payette, and Boise rivers. They are owned by the State of Idaho and are managed

>>**County** where the oil or gas is produced (28%)

>>**Cities** where the oil or gas is produced (28%)

>>**Public School Income Fund** (28%)

>>**A local economic development account** to provide assistance to counties that may experience severe economic hardship due to the cutback or closure of business and industry associated with oil or gas production (16%)

[\(Idaho Code 47-330\)](#)

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for the public benefit.

No "surface occupancy" or drilling can occur on any of the tracts located in the river. Wells and related surface infrastructure also is prohibited within a quarter mile of the mean high water mark of the river unless otherwise approved by IDL.

Various other stipulations were put in place for all tracts auctioned, in order to protect the environment, surface owners (where split estate scenario was present), and other values.

Click [here](#) for the track list, lease template, and lease stipulations.

Fourteen wells in Idaho are drilled and ready for development or already in development. The next auction for State oil and gas leases is scheduled for October 15, 2014.

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