Economic and Tax Revenue Trends in Colorado’s Oil and Gas Industry

Office of State Planning and Budgeting
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Overview

- Oil and Gas in Colorado’s Economy
- Prices and Production
- Employment
- State Revenue
Oil and Gas Industry’s Share of State Economy

2014
Oil and Gas
4.2%

2015
Oil and Gas
2.7%

Source: U.S. Bureau of Economic Analysis
Portion of Growth in Wages in Colorado Resulting from Oil and Gas Industry, 2009 to 2014

- 8% Portion of Wages Growth from Direct Oil and Gas Employment
- 5% Portion of Wages Growth from Oil and Gas Multiplier
- All Other Wages

Source: Colorado Department of Labor and Employment, ESI; OSPB Calculations
County Location Quotients

Location quotient greater than 1 indicates the county has a greater concentration of the industry compared with the U.S.

Source: Economic Modeling Specialists International
Oil and Gas Drilling Rigs in Colorado

Source: Baker Hughes, Energy Information Administration
Industrial Sector GDP

- CO GDP Excluding Industrial Sectors (Left Axis)
- CO GDP for Industrial Sectors* (Right Axis)
Crude Oil Production and Price Indices
(January 2010=100)

Source: U.S. Energy Information Administration
Global Supply/Demand Balance and Price of Oil

*Includes crude oil and other liquid fuels

Source: U.S. Energy Information Administration

Governor's Office of State Planning and Budgeting
U.S. Supply/Demand Balance and Price of Natural Gas

Supply/Demand Balance (Left Axis)
Natural Gas Henry Hub Spot Price (Right Axis)

Forecast

Source: U.S. Energy Information Administration
Oil and Gas Employment and Operating Drilling Rigs in Colorado

*Actual data on drilling rigs through the third quarter of 2016, actual employment data through the first quarter of 2016. The dotted lines show projections for employment and drilling rigs.
Source: Colorado Department of Labor and Employment; Baker Hughes
Overall Job Growth and Mining Sector Jobs in Colorado
(year over year % change)

Source: U.S. Bureau of Labor Statistics
Colorado Initial Unemployment Claims in the Oil and Gas Industry

Source: Colorado Department of Labor and Employment
Assessed Value from Oil and Natural Gas Production in Colorado

Source: Colorado Oil and Gas Conservation Commission, Colorado Department of Local Affairs Division of Property Taxation, and OSPB September 2016 Forecast
Change in Total Assessed Value By School District Forecast for 2016 Assessment Year (Budget Year 2016-17)

Source: Colorado Legislative Council Staff December 2015 Forecast
State Severance Tax Revenue

Source: OSPB September 2016 Forecast
State Federal Mineral Leasing Revenue

Source: OSPB September 2016 Forecast
Thank You

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