

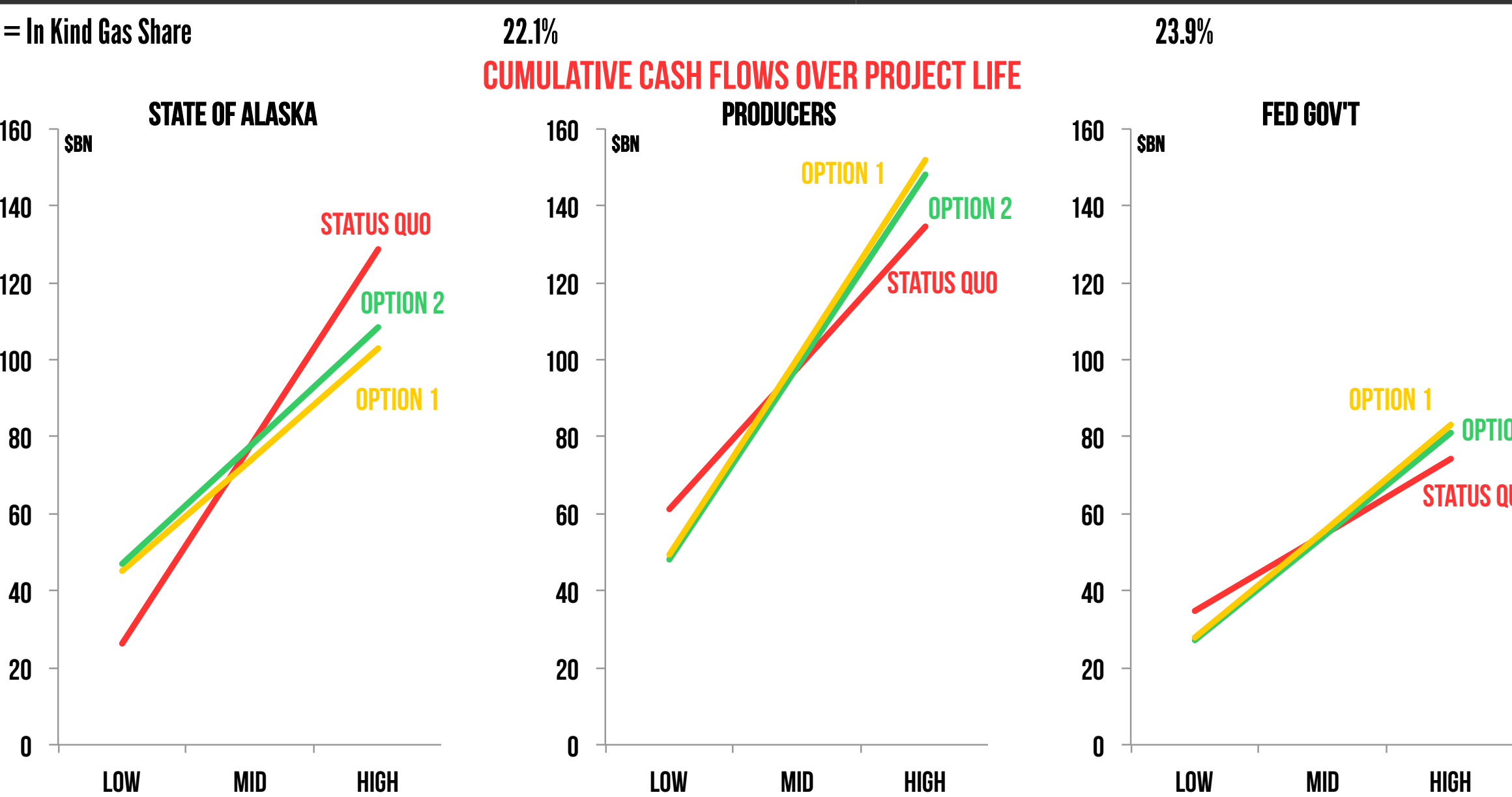
# ECONOMIC MODELING OF VARYING GAS SHARES FOR SOA

Prepared for Senate Resources Committee  
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	Option 1	Option 2
+ Royalty Gas	Royalty varies depending on which leases are producing gas. Average royalty estimated at 13%	Royalty varies depending on which leases are producing gas. Average royalty estimated at 13%
+ Gross Tax	SB 138 proposes a shift from net profit tax (35%) to a gross production tax of 10.5%	Another option would be to raise the gross production tax from 10.5% to 12.5%.



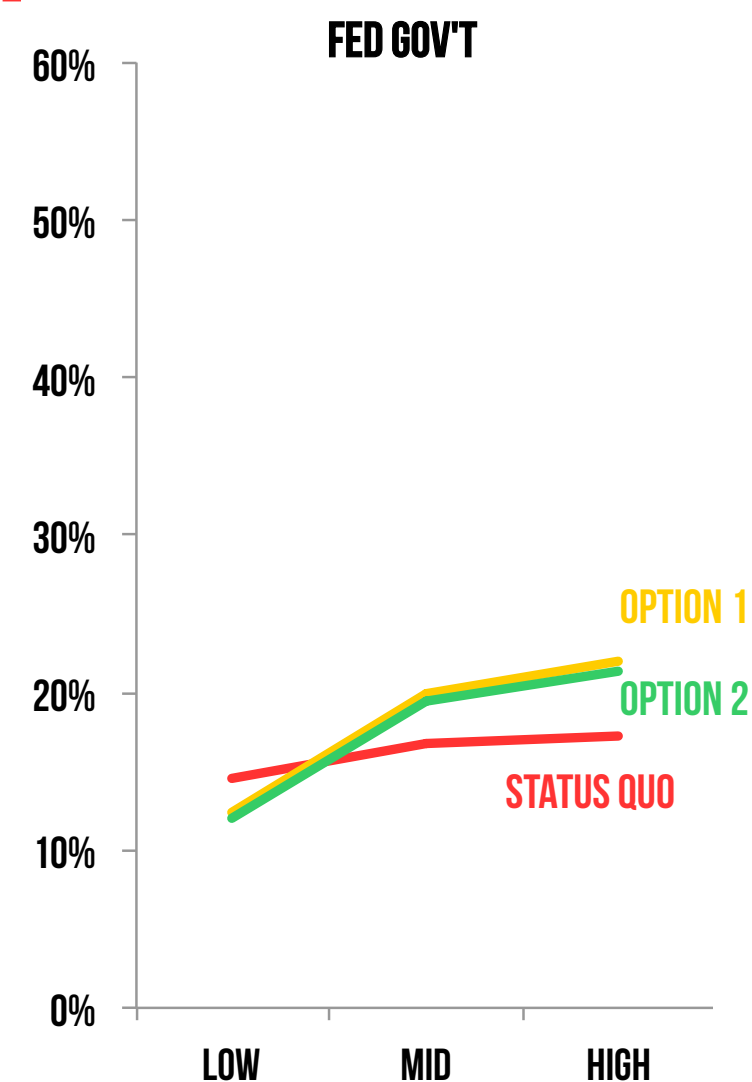
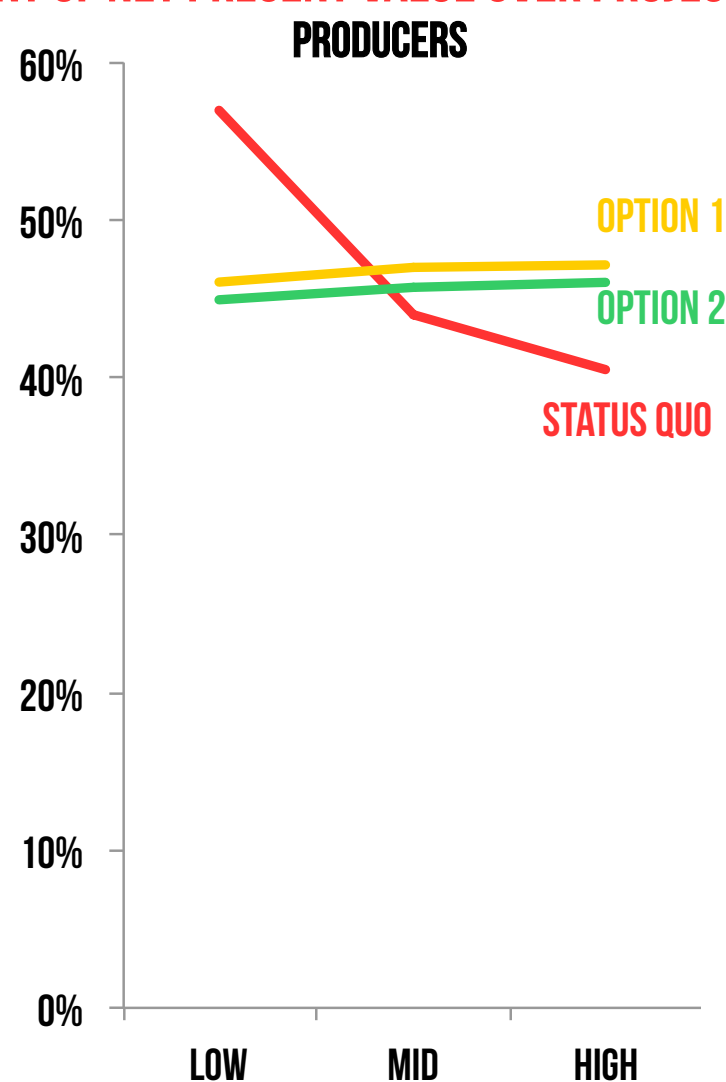
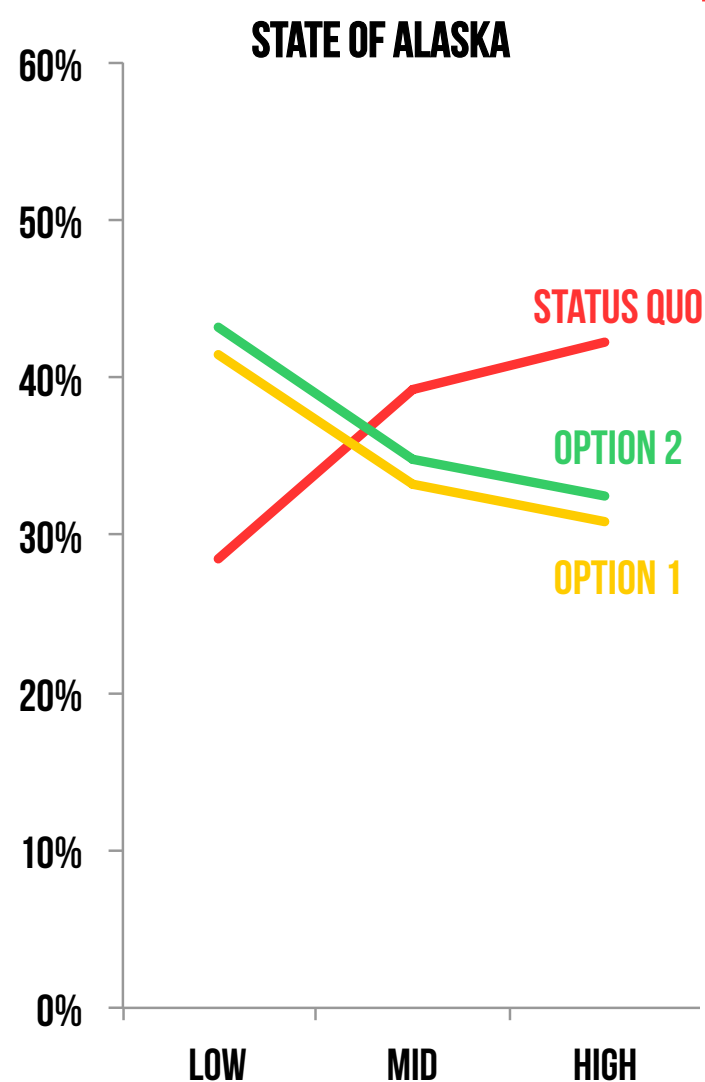
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= In Kind Gas Share

22.1%

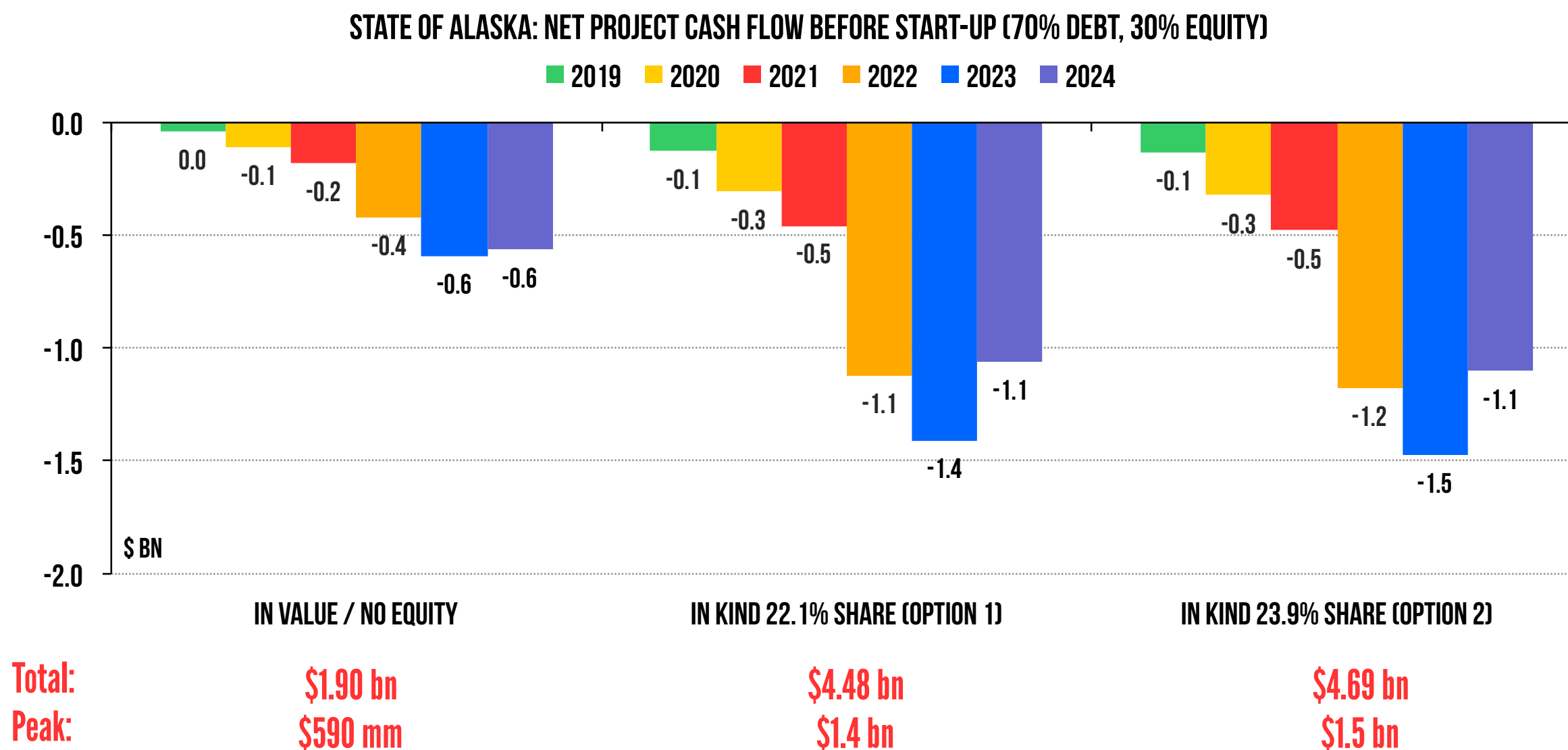
23.9%

## PERCENT OF NET PRESENT VALUE OVER PROJECT LIFE



# SOA OUTLAYS VARY ~208 MM DEPENDING ON GAS SHARE

Annual outlays could vary by an average of 34 mm based on 22.1% share vs. 23.9% share



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