



ECONOMIC BENEFITS OF THE OIL & GAS INDUSTRY

In the U.S., the oil and natural gas industry supports 9.2 million American jobs, which is 5.2 percent of the total employment in the country. The associated labor income is estimated to be \$558 billion, or 6.3 percent of the national labor income total. The industry's total value added contribution to the national economy was over \$1 trillion, accounting for 7.5 percent of U.S. gross domestic product in 2007¹. Statistics are similar here in Colorado our industry is one of the top employers and contributors to state and local revenues.

KEY POINTS

- The **OIL & GAS** industry in Colorado directly employs over 40,000 people and supports over 107,000 jobs in the state and provides \$6.5 billion in total labor income and \$31 billion in economic output annually.
- Only the cities of Denver, Colorado Springs, and Boulder have more jobs than the State's oil and natural gas industry.²
- In Colorado, more than 75 percent of residential homes use natural gas as their primary energy source for home heating, one of the highest shares in the nation.³
- Colorado had more than 40,000 oil & gas wells in production.⁴
- Ten of the Nation's 100 largest natural gas fields and three of its 100 largest oil fields are found in Colorado.³
- Colorado produces 1/4 of all coalbed methane in the U.S.³
- Severance tax is levied on extraction of metals, coal, oil and gas and is part of TABOR revenue base. Oil and gas pay over 90% of the state's severance tax.⁵
- The total assessed values for taxable Oil and Gas property in 2010 was \$6.25 billion or 5.63% of the state total.⁶

Information Sources:

¹ "The Economic Impacts of the Oil and Natural Gas Industry on the U.S. Economy: Employment, Labor Income and Value Added," Prepared for American Petroleum Institute by PriceWaterhouseCoopers - September 8, 2009

² "Assessment Of Oil And Gas Industry Economic And Fiscal Impacts In Colorado In 2010" Business Research Division, CU Boulder – November 2011

³ EIA, Colorado Energy Profile, last updated 12/31/2009 http://tonto.eia.doe.gov/state/state_energy_profiles.cfm?sid=CO 1/2/2010

⁴ Colorado Oil & Gas Conservation Commission (COGCC)

⁵ Department of Local Affairs, https://dola.colorado.gov/sdd/sdd_tier1.jsf

⁶ Department of Local Affairs - Colorado Assessed Values Manual 1995-2009

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