**ISIS Makes Three Times as Much from Oil Smuggling as Previously Thought: Officials**

Two U.S. counter-terrorism officials tell NBC News that intelligence gathered from a U.S. raid in Syria details ISIS finances, revealing millions of dollars in oil wealth.

"The more time on target, the better the estimate," a senior U.S. official told NBC News. U.S. intelligence agencies have spent a lot of "time on target" since the target, ISIS, emerged just over a year ago. As a result, their understanding of the group's workings is becoming more intimate.

Oil smuggling, much of it to Turkey, is a key source of income for ISIS. The group uses the money in part to pay its fighters monthly salaries and provide stipends to their families. Foreign fighters tend to be the highest paid of the ISIS recruits, earning as much as a $1,000 a month, according to two Syrian sources.

ISIS, unlike al-Qaeda, sees itself as a state, providing an education and welfare system, which means the group has high running costs. Two U.S. counter-terrorism officials now tell NBC News that the amount of money ISIS can earn from selling and smuggling oil and gas is roughly to $8 to $10 million a month. The officials said this is the most accurate information they have had so far, calling previous estimates speculation.

"We have learned more about the internal market. ISIS sells oil and gas everywhere. It sells within Syria, and to the Syrian regime. It sells in Iraq. It is a more extensive and complex market than we assumed," a senior counter-terrorism official said.

Much of the new intelligence about ISIS finances was gathered during a U.S. commando raid into Syria two months ago. In the raid, Abu Sayyaf, considered by U.S. intelligence at the time to be the ISIS "money man," was killed. His wife, known as Umm Sayyaf, was taken into U.S. custody. Computers were also seized from the compound during the raid.

Previous estimates published in the media and quoting intelligence sources have said ISIS can raise between one to three million dollars a day selling oil. Today, a US official said those earlier figures were based largely on speculation.

"Before the Abu Sayyaf raid, we had no real idea of how much money they were making from smuggling. There were a lot of figures circulating, but we just didn't know," he said

Speaking at a security conference in Aspen on Thursday, Daniel Glaser, assistant secretary of treasury for terrorist financing, said oil smuggling has been extremely lucrative for ISIS.

"There's been a lot of numbers thrown out and all the numbers are soft," Glaser said. "But I can say in a one-month period earlier this year, ISIL (ISIS) made about $40 million in one month off of the sale of oil. So if you want to extrapolate that out, you can get to about $500 million in the course a year, and this is all internally generated."

But a senior counter-terrorism official said coalition airstrikes have reduced ISIS's income from that $40 million dollar monthly high point.

"Yes, they made 40 million in a month when they were more or less unrestrained. Before the airstrikes, or in the early days of the airstrikes. In the early days, we were striking for humanitarian purposes, to save the Yazidi people (from ISIS) in the Sinjar mountains. After that, we started bombing the ISIS infrastructure, which put constraints on their ability to move, their ability to sell," the official said.

Oil is only one source of income for the so-called Islamic State. Glaser, the administration official, said seizing money from Iraqi banks was a huge windfall for ISIS.

"I think the most important source of revenue for ISIS is the money that was in the bank vaults that was there when ISIL took control of the territory and in particular the bank vaults of the Bank of Iraq in Mosul, and the two big state-owned banks in Mosul but there were 90 private banks that had branches in ISIL-controlled territory," he said.

"When you add all that up, the numbers come to $500 million and maybe a billion dollars. And that's just in the bank vaults. That's just to start with.The good news is that's not renewable. Once they burn through that money, that's money that will be no longer available to them."

ISIS also continues to use traditional gangland-style methods to raise money: extortion, robbery and ransom. But as one U.S. counter terrorism official put it, "those are 'mature'," meaning ISIS has wrung about as much as they can from them.

ISIS taking high casualties, but replenishing its numbers

The U.S.-led coalition is inflicting heavy causalities against ISIS though airstrikes and local partners, but the group continues to replace its losses with new recruits.

"They're taking a beating. They're getting killed in high numbers. Forty to 90 a day are getting killed. That's heavy losses, but they are still able to keep up the numbers," a counter-terrorism official told NBC News.