



INDUSTRIAL COMMISSION OF NORTH DAKOTA

Jack Dalrymple
Governor

Wayne Stenehjem
Attorney General

Doug Goehring
Agriculture Commissioner

NEWS

July 1, 2014

NDIC adopts an additional flaring reduction policy

BISMARCK – The North Dakota Industrial Commission today approved policy aimed at reducing the amount of natural gas flaring from the Bakken and Three Forks Formations. The policy establishes oil production limits that will take effect if producers fail to meet requirements to capture natural gas at the well site.

“Today’s policy approval is a dynamic shift in the way regulators approach reducing natural gas flaring,” said Gov. Jack Dalrymple. “The surge in shale gas production has required the Commission to take an unconventional approach at regulations by getting operators to make plans to capture natural gas at day one.”

Last March, the Commission approved a six-step policy aimed at reducing flaring. This [order](#) is the next step of that policy to be implemented, and it provides regulatory teeth to the requirement to have a gas capture plan as of June 1. Gas capture plans (GCP) are a detailed plan of how much natural gas an operator anticipates producing from a well, the method of delivering the natural gas to a processor, and where the natural gas will be processed. If an operator fails to comply with a GCP, as well as flaring reduction targets, they may face the production restrictions laid out in today’s commission order.

“This is just the beginning of a new era in North Dakota, said Attorney General Wayne Stenehjem. More than 200 pages of comments as well as testimony received at the April 22 hearing helped guide the Commission to craft a policy to better manage this valuable resource.”

“The hardest work is still ahead,” said Agriculture Commissioner Doug Goehring. “The Oil and Gas Division staff now has additional tools to ensure gas capture plans help meet the reduction targets adopted by the Commission.”

The Commission’s goals are to reduce flaring to 26 percent by fourth quarter 2014; 23 percent by first quarter 2015; 15 percent by first quarter 2016 and 10 percent with the potential for five percent by fourth quarter 2020.

The Industrial Commission consists of Gov. Jack Dalrymple, Chairman, Attorney General Wayne Stenehjem and Agriculture Commissioner Doug Goehring. The Commission oversees the Department of Mineral Resources which includes the Oil and Gas Division and Geological Survey.

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