



INDUSTRIAL COMMISSION OF NORTH DAKOTA

Jack Dalrymple
Governor

Wayne Stenehjem
Attorney General

Doug Goehring
Agriculture Commissioner

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Industrial Commission OKs rule changes governing oil industry

BISMARCK – The North Dakota Industrial Commission today approved rule changes that increase oversight of the oil development industry, provide for greater transparency over the drilling process and enhance environmental protections.

“We want to do away with open pits for production wastewater,” Dalrymple said. “There are treatment processes available today to clean and recycle these waste liquids so that we leave a lighter footprint on the environment. Our management and oversight must reflect improvements made possible through new technologies.”

The changes include prohibiting the use of open pits to store liquids left over from the drilling process. The ban applies to all oil wells drilled below 5,000 feet. Exemptions to the ban require a public hearing and Industrial Commission approval. The rule change requires oil companies to separate liquids and drilling mud from rock cuttings. The liquids can then be hauled away for disposal or recycling rather than stored in reserve pits.

“Certainly, there may be a situation that is extraordinary enough to justify a request to waive the rule, but that would be an exception,” says Attorney General Wayne Stenehjem. “As the Industrial Commission we want to be fully involved in this exemption process.”

Other rule changes include requirements that oil companies must now publicly disclose the chemicals used in the hydraulic fracturing or “fracking” process. The new fracking rule requires the oil industry to report all chemicals used to fracfocus.org, a national chemical disclosure website, within 60 days of completing the fracturing process.

“The commission also established requirements for remote-operated or automatic shutdown devices on wells that could pose a public health threat,” said Agriculture Commissioner Doug Goehring. “The bond required for single wells and salt water disposal wells has been increased from \$20,000 to \$50,000.”

The proposed rules are now being reviewed by the attorney general’s office. When that review is complete, the proposed rules will go to the Legislature’s Administrative Rules Committee for approval. Once final, the rules are expected to take effect April 1, 2012. The proposed rules can be found on the Department of Mineral Resource’s homepage www.dmr.nd.gov/oilgas

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