Industrial Commission Approves Rule Changes Governing Oil Industry

BISMARCK – The North Dakota Industrial Commission today approved rule changes that increase pipeline regulations and reporting requirements, and provide surface owner protections regarding tanks and flare stacks.

“Today’s approval of rule changes shows the commission’s continued commitment to oversight of the oil and gas industry,” said Gov. Jack Dalrymple, commission chair. “These changes include regulations on gathering lines that were not previously included in pipeline rules.”

The rule changes also establish a process for obtaining tax incentives to encourage operators to reducing flaring.

“The Legislature saw a need for greater pipeline enforcement, due to the growth in pipelines to move all fluids in western North Dakota,” said Attorney General Wayne Stenehjem. “The proposed rules will require operators to submit data to the Industrial Commission to track construction and reclamation of pipelines, and also track pipeline locations for surface owners.”

“One of the significant legislative changes passed earlier this year is an increase in the dollars to be made available in the abandoned well and site reclamation fund,” said Agriculture Commissioner Doug Goehring. “Thanks to oil and gas tax revenues, there will now be more funding available for reclamation if no responsible party can be found to reclaim the land.”

“The Department of Mineral Resources, Oil and Gas Division considered the rule changes made in 2009-11 biennium to be some of the most significant in state history,” said Lynn Helms, department director. “We believe these changes add substantially to those very important revisions.”

After review by the attorney general’s office, the proposed rules will go the Legislature’s Administrative Rules Committee for approval. Once finalized, the rules are expected to take effect April 1, 2014.

The proposed rules and full notice can be found on the Department of Mineral Resource homepage at www.dmr.nd.gov/oilgas

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For additional information contact Alison Ritter at 328-8036