



INDUSTRIAL COMMISSION OF NORTH DAKOTA

Jack Dalrymple
Governor

Wayne Stenehjem
Attorney General

Doug Goehring
Agriculture Commissioner

For Immediate Release

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North Dakota Enhances Oil Field Oversight

Bismarck -- With additional staffing requested by Gov. Jack Dalrymple and authorized by the 2011 Legislature, North Dakota will become one of the nation's top 10 states in regulatory oversight of its oil and gas industry within six months. The state is on pace to become the nation's most effective regulator in terms of frequency of field inspections within a year, said Lynn Helms, director of North Dakota's Department of Mineral Resources.

By July 1, 2012, North Dakota will enhance oversight of its oil and gas industry to implement best in class regulatory practices as outlined by the Interstate Oil and Gas Compact Commission (IOGCC) Council of State Regulatory Officials. Department of Mineral Resources staff will have the capability to provide best in class regulatory practices for oversight of 200 drilling rigs and regular inspections of oil producing wells, idle wells and salt water injection wells, Helms told members of the Industrial Commission on Wednesday.

Oil companies are currently drilling about 176 wells in North Dakota, Helms said, adding that the number of drilling rigs is expected to reach about 200 by June 2013.

Governor Dalrymple, chairman of the Industrial Commission, said he also has directed the Department of Mineral Resources, the Department of Health, the state Water Commission and the Game and Fish Department to review all state programs to ensure that their oversight of safety and health standards is keeping pace with the state's fast-developing oil and gas industry.

"We need to know what disciplines are required and that we have reviewed everything we are inspecting for," Dalrymple said. "Our regulation must keep pace with the improvements in technology and the growth of the industry. It is in the state's best interests to continually review and coordinate our regulatory programs," he said.

The Department of Mineral Resources will have 25 full-time employees dedicated to field inspections once the newly funded positions are filled and will add four other oversight support staff as well. The department is currently reviewing applications to immediately fill three field inspector positions, one position for a meter specialist and will be advertising for more applicants.

Agriculture Commissioner and Industrial Commission member Doug Goehring said, "It is important to assure North Dakotans that best management practices are being implemented in the regulation of the oil industry."

The Commission's third member, Attorney General Wayne Stenehjem, said, "The Department of Mineral Resources must also focus on maintaining a well-trained staff and retaining its experienced staff."

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