

Minutes of a Meeting of the Industrial Commission of North Dakota

Held on January 20, 2026, beginning at 9:00 a.m.

Governor's Conference Room – State Capitol

Present: Governor Kelly Armstrong, Chairman

Attorney General Drew H. Wrigley

Agriculture Commissioner Doug Goehring

Also Present: This meeting was open through Microsoft Teams so not all attendees are known.

Agency representatives joined various portions of the meeting.

Governor Armstrong called the meeting of the Industrial Commission to order at approximately 9:02 a.m.

Ms. Karen Tyler, Executive Director, took roll call, and Governor Armstrong, Commissioner Goehring, and Attorney General Wrigley were present.

Governor Armstrong invited the room to stand and join the Commission in saying the Pledge of Allegiance.

**DEPARTMENT OF MINERAL RESOURCES**

Mr. Nathan Anderson and Mr. Mark Bohrer presented for consideration of approval the following orders:

- i. **Case No. 30774/Order No. 33433** -regarding a petition by Phoenix Operating to authorize the recovery of a risk penalty from a nonparticipating owner and other such relief as appropriate

**It was moved by Commission Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 33433 in Case No. 30744 granting Phoenix Operating LLC the right to assess and recover a risk penalty from a nonparticipating owner, as provided by NDCC § 38-08-08 in the drilling and completing of the Nate 27-34-3 1H-LL (File No. 40469), Nate 27-34-3 2H (File No. 40403), Nate 27-34-3 3H (File No. 40329), Nate 27-34-3 4H (File No. 40404), and Nate 27-34-3 5H (File No. 40406) wells in the Burg-Bakken Pool, located in a spacing unit described as Sections 27 and 34, T.160N., R.99W., Divide County, ND, and Section 3, T.159N., R.99W., Williams County, ND, pursuant to NDAC § 43-02-03-88.1, and such other relief as is appropriate.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

- ii. **Case No. 32303/Order No. 35058** – regarding the confiscation of all production related equipment and salable oil at the Peterson 43-4R well operated by James M Peterson LLC or any working interest owner

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 35058 in Case No. 32303 approving the confiscation of all production-related equipment and salable oil at the Peterson 43-4 R well (File No. 15733), NESE Section 4, T.161N., R.81W., North Maxbass Field, Bottineau County, ND, operated by James M Peterson, LLC, or any working interest owner, pursuant to NDCC §§ 38-08-04 and 38-08-04.9.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

- iii. Case No. 32304/Order No. 35059** – regarding the confiscation of all plant related equipment and salable oil at the Bullinger Treatment Plant facility operated by TD Services LLC or any working interest owner

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 35059 in Case No. 32304 approving the confiscation of all treating plant-related equipment and salable oil at the Bullinger Treatment Plant facility (Facility No.700065), located in the NESW Section 30, T.142N., R.96W., Russian Creek Field, Dunn County, ND, operated by TD Services, LLC, or any working interest owner, pursuant to NDCC §§ 38-08-04 and 38-08-04.9.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

**Case No. 32442, 32443, 32444, 32446 and 32447 were presented together. One motion and vote was taken on the 5 orders presented.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

- iv. Case No. 32442/Order No. 35213** – regarding the confiscation of all production related equipment and salable oil at the J. W. Law 2 well operated by Rocky Top Energy LLC or any working interest owner
- v. Case No. 32443/Order No. 35214** – regarding the confiscation of all production related equipment and salable oil at the MOI Squaw Gap 22-9H well operated by Rocky Top Energy LLC or any working interest owner
- vi. Case No. 32444/Order No. 35215** -regarding the confiscation of all production related equipment and salable oil at the Cinnamon Creek 12-15H well operated by Rocky Top Energy LLC or any working interest owner
- vii. Case No. 32445/Order No. 35216** – regarding the confiscation of all production related equipment and salable oil at the Federal 12-15 well operated by Rocky Top Energy LLC or any working interest owner
- viii. Case No. 32446/Order No. 35217** – regarding the confiscation of all production related equipment and salable oil at the Davis Federal 1-31H well operated by Rocky Top Energy LLC or any working interest owner
- ix. Case No. 32447/Order No. 35218** – regarding the confiscation of all production related equipment and salable oil at the Cameron Frye 2-36-25H well operated by Rocky Top Energy LLC or any working interest owner

- x. **Case No. 32341/Order No. 35096** – regarding the temporarily abandoned status of the Storm Federal 24-30H well operated by White Rock Oil & Gas LLC and other such relief as appropriate (Attachment 10)

**Regarding Case No. 32445 and Order No. 35216, it was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 35216 in Case No. 32445 approving the confiscation of all production-related equipment and salable oil at the Federal 12-15 well (File No. 14861), SWNW Section 15, T.148N., R.102W., Boxcar Butte Field, McKenzie County, ND, operated by Rocky Top Energy, LLC, or any working interest owner, pursuant to NDCC §§ 38-08-04 and 38-08-04.9.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

**Regarding Case No. 32341 and Order No. 35096, it was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 35096 in Case No. 32341 allowing the Storm Federal 24-30H well (File No. 14411), operated by White Rock Oil & Gas, LLC, SESW Section 30, T.146N., R99W., Grassy Butte Field, McKenzie County, ND, to remain on temporarily abandoned status and such other relief as is appropriate.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

Mr. Anderson provided clarifying information related to media stories being run about Continental Resources. He also provided an update on oil and gas production in the state, the status of the hiring process for the DMR Deputy Executive Director, and the announcement of the planned retirement of Mr. Ed Murphy, the State Geologist. After nearly 46 years with the ND Geological Survey and leading the team over the past 22 years, Mr. Murphy has announced his retirement on or around July 1, 2026. A succession plan is in place and the process to find his successor starts immediately. The approximate timeline is outlined as: Job Posting open from February 9th through March 1<sup>st</sup>, conduct interviews between March 9th and March 27<sup>th</sup> & a tentative start date of April 20<sup>th</sup>.

Mr. Anderson also provided an update on the Critical Minerals Rulemaking process. A hearing is set for January 20<sup>th</sup>, 2026, from 1:30 – 5 pm in the Three Forks Hearing Room at the Department of Mineral Resources office in Bismarck, ND.

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## LEGAL UPDATE

Mr. Phil Axt and Mr. Matt Sagsveen from the Attorney General's Office provided an update related to defenses of state law, defenses of federal actions, challenges to federal actions and challenges to other state's laws impact North Dakota.

It was moved by Attorney General Wrigley and seconded by Commission Goehring that under the authority of North Dakota Century Code Sections 6-09-35, 44-04-18.4, 44-04-19.1, and 44-04-19.2 the Industrial Commission enter executive session for the purpose of attorney consultation and Bank of North Dakota confidential business.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.

The Commission met in executive session pursuant to N.D.C.C 44-04-19.1 and 44-04-19.2 for attorney consultation related to litigation. Only Commission members, their staff, and Commission staff participated in the executive session.

Following the attorney consultation executive session, the Commission met in executive session pursuant to N.D.C.C. 6-09-35, 44-04-18.4 and 44-04-19.2 to consider those items listed on the agenda under Bank of North Dakota Confidential Business. Only Commission members, their staff, Commission staff, and Bank of North Dakota staff participated in the executive session.

Any formal action taken by the Commission occurs after it reconvenes in open session. The Commission members and others present were reminded that the discussion must be limited to the announced purposes. The executive session lasted approximately 40 minutes and began at 9:48 a.m.

Meeting closed to the public for executive session pursuant to N.D.C.C. 6-09-35, 44-04-18.4, 44-04-19.1, and 44-04-19.2.

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#### **ATTORNEY CONSULTATION**

##### **Industrial Commission Members Present**

Governor Kelly Armstrong  
Attorney General Drew H. Wrigley  
Agriculture Commissioner Doug Goehring

##### Others in attendance

Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Phil Axt	Attorney General's Office
Matt Sagsveen	Attorney General's Office
Dutch Bialke	Agriculture Commissioner's Office
Nathan Anderson	Department of Mineral Resources
Mark Bohrer	Department of Mineral Resources
Karen Tyler	Industrial Commission Office

Jordan Kannianen      Industrial Commission Office  
Carmen Devney        Industrial Commission Office

## **BANK OF NORTH DAKOTA EXECUTIVE SESSION**

### **Industrial Commission Members Present**

Governor Kelly Armstrong  
Attorney General Drew H. Wrigley  
Agriculture Commissioner Doug Goehring

### **BND Members Present**

Don Morgan  
Kirby Evanger  
Rob Phennig  
Kelvin Hullet  
Christy Steffenhagen

### **Others in attendance**

Jacy Schafer            Governor's Office  
Chris Joseph            Governor's Office  
Dutch Bialke            Agriculture Commissioner's Office  
Karen Tyler             Industrial Commission Office  
Jordan Kannianen      Industrial Commission Office  
Carmen Devney        Industrial Commission Office

**A ten minute recess was taken after the Bank of North Dakota discussion. The executive session ended at 10:30 a.m. and the Commission reconvened in open session.**

**During the attorney consultation executive session, litigation matters were discussed. No action was taken.**

**During the Bank of North Dakota executive session, a motion was made by Commissioner Goehring and a second was made by Attorney General Wrigley on each of the noted agenda topics.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motions carried unanimously.**

It was noted by Ms. Tyler that pursuant to changes made to N.D.C.C 06-08.1-02(7) in the 2025 legislative session, the loans charged off and deemed uncollectable through this action would not be subject to disclosure since all loans affected were indirect participation loans and not direct loans of the bank.

## **BANK OF NORTH DAKOTA**

Mr. Jared Mack of Eide Bailly presented the North Dakota Student Loan Trust Audit. It was a clean audit with no findings. Mr. Mack thanked the BND staff for their assistance with the audit.

Mr. Don Morgan, BND President and CEO, presented the CEO Report which included discussion on bank strategic, financial, risk, and policy and program topics. Under the financial topic, Mr. Rob Pfennig presented the Q4, 2025 and FY 2025 performance highlights. BND ended 2025 with assets of \$10.7 billion. The loan portfolio balance is \$6.1 billion and the securities portfolio is \$3.9 billion. 2025 Net Income was \$231.8 million with a total return to the state of 4.69% which includes interest paid to state agencies of \$121.5 million.

The Q4 and FY 2025 Performance Highlights report can be found on the bank's website.

Mr. Morgan, Ms. Christy Steffenhagen and Mr. Kirby Evanger presented for consideration of approval the following changes to the bank's policies:

A New Model Risk Management Policy, Rescinding of Student Loan Claims Policy, Rescinding of School Eligibility for DEAL Guarantee Policy.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the recommended Bank of North Dakota policy changes.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

## **NORTH DAKOTA HOUSING FINANCE AGENCY**

Ms. Mindy Piatz of Brady Martz presented the following audit reports:

1. North Dakota Housing Finance Agency Audited Financial Statements for the years ended June 30, 2024 and 2025.
2. North Dakota Housing Finance Agency Federal Awards Report for the year ended June 30, 2025.
3. North Dakota Housing Incentive Fund Audited Financial Statements for the years ended June 30, 2024 and 2025.

Ms. Piatz reported that all three audits received unmodified opinions, which is the highest rating provided in this type of audit. One finding related to the release of escrow funds beyond a 30-day time frame was noted. The HFA has taken the necessary steps to address the finding and prevent future occurrences.

Ms. Kayla Axtman, CFO, presented a report on the Housing Finance Agency Home Mortgage Program Bond Issuance, Series 2025C \$185 million tax-exempt issuance which priced December 3, 2025. The average bond yield was 4.48% and the rate on the 30 yr fixed FirstHome loan is 5.45%.

## **NORTH DAKOTA MILL AND ELEVATOR**

Mr. Vance Taylor, Mill President and CEO, and Ms. Cathy Dub, Mill CFO presented for consideration of approval the following capital projects:

**A-B Mill Building 9<sup>th</sup> Floor Addition \$8,500,000**

The addition of a 9<sup>th</sup> Floor to the existing A-B Mill Building to facilitate the expansion of the E Mill from 500 cwt per day to 5,000 cwt per day. The expansion will also use existing space on the South End of the A-B Mill made available by the removal of the replaced millfeed handling system equipment.

**E Mill Expansion Phase I – Equipment \$11,500,000**

Expansion of the E Mill which is in the South End of the A-B Mill building from 500 cwt per day capacity to 5,000 cwt per day in the vacated obsolete Millfeed handling area and the South end of the 9<sup>th</sup> floor addition. Phase I is the purchase of the necessary milling equipment, conveying systems, electrical infrastructure and automation to expand the E Mill. The additional 4,500 cwt per day of spring wheat milling capacity will allow the servicing of increasing demand from existing customers and the addition of new customers.

**C Mill Wheat Delivery System \$700,000**

Purchase and install upgraded drag conveyors, bucket elevator legs and electrical controls to provide a reliable and efficient wheat delivery system for the C Mill, replacing the existing pneumatic system used to move wheat from our Terminal Elevator to the C Mill Cleaning House which is inefficient and is worn out to the point where replacement is required.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Mill and Elevator capital projects as presented.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

## **INDUSTRIAL COMMISSION ADMINISTRATIVE OFFICE**

Ms. Karen Tyler presented for consideration of approval the January 6, 2026, Industrial Commission meeting minutes.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the January 6, 2026, Industrial Commission meeting minutes.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

Ms. Tyler presented for consideration of approval a resolution authorizing carryforward procedures for the 2025 Bond Volume Cap carryforward amount of \$350,280,000 on behalf of the Commission in its capacity acting as the North Dakota Housing Finance Authority.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the carryforward resolution.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

Ms. Tyler gave an update on the executive search process for the North Dakota Mill and Elevator president and CEO position. The search firm RFP was published on January 5, search firms have submitted questions responses to the questions were published January 15. The deadline for proposal submissions is January 30.

The next regular Industrial Commission meeting will be held Tuesday, February 24, 2026, in the Governor's Conference Room.

With no further business, Governor Armstrong adjourned the meeting of the Industrial Commission at 11:40 a.m.

North Dakota Industrial Commission

A handwritten signature in black ink, appearing to read 'Karen Tyler', with a large, stylized flourish at the end.

Karen Tyler, Interim Executive Director

A handwritten signature in blue ink, appearing to read 'Jordan L. Kanninen', with a stylized, cursive style.

Jordan Kanninen, Deputy Executive Director