North Dakota Industrial Commission



Doug Burgum Governor Drew H. Wrigley Attorney General Doug Goehring Agriculture Commissioner

Department of Mineral Resources Director Search Committee Meeting Thursday, April 11, 2024, 1:00 pm Microsoft Teams Meeting Join on your computer, mobile app or room device Join the meeting now

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- I. Roll Call
- II. Status Update from Preng and Associates
- III. Consideration of Position Specification and Job Posting (<u>Attachment 1</u>)
- IV. Other Business
- V. Adjourn

*Bold actions indicate committee action



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Position Specification

Director, North Dakota Department of Mineral Resources

North Dakota Industrial Commission



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April 2024

Department of Mineral Resources Background Information

The North Dakota Industrial Commission (NDIC) has had regulatory authority over the management of North Dakota's oil and gas resources since 1945. The State Geologist had originally been staffed part-time by the Commission to play this role, splitting time between academic roles under the State Board of Higher Education and regulatory roles under the Industrial Commission.

In 1981, the Oil and Gas Division was created, with the Commission appointing Wes Norton as its first Director. Upon Mr. Norton's retirement, the Commission appointed Lynn Helms as its second director on June 24th, 1998. Under Lynn's leadership, the Oil and Gas Division was merged with the Geological Survey on July 1, 2005, being reorganized under the Department of Mineral Resources (DMR) with Mr. Helms as its first director. With Lynn's announced retirement on June 30th, 2024, the Commission will be tasked with hiring its next Director of the Department of Mineral Resources. Several sections of the North Dakota Century Code address the creation of DMR, its oversight and role in the state:

- Chapter 54-17 Industrial Commission
- Title 38 Mining and Gas and Oil Production
 - Chapter 38-08 Control of Oil and Gas Resources
 - o Chapter 38-08.1 Geophysical Exploration Requirements
 - Chapter 38-11.1 Oil and Gas Production Damage Compensation
 - Chapter 38-11.2 Subsurface Exploration Damages
 - o Chapter 38-12 Regulation, Development and Production of Subsurface Minerals
 - Chapter 38-12.1 Exploration Data
 - Chapter 38-15 Resolution of Conflicts in Subsurface Mineral Production
 - Chapter 38-18 Surface Owner Protection Act
 - Chapter 38-18.1 Termination of Mineral Interest
 - Chapter 38-19 Geothermal Resource Development Regulation
 - Chapter 38-21 Exploration Fund
 - o Chapter 38-22 Carbon Dioxide Underground Storage
 - o Chapter 38-23 High-Level Radioactive Waste
 - o Chapter 38-24 Underground Storage and Retrieval of Nonhydrocarbons
 - Chapter 38-25 Underground Storage of Oil and Gas

DMR operates under the management and control of the Industrial Commission which is comprised of the Governor who acts as Chairman, the Attorney General, and the Agriculture Commissioner. DMR consists of two divisions, the Oil and Gas Division and the Geological Survey.

The Oil and Gas Division regulates the drilling and production of oil and gas, with a mission to encourage and promote the development, production, and utilization of oil and gas in the state in such a manner as will prevent waste, maximize economic recovery, and fully protect the correlative rights of all owners to the end that the landowners, the royalty owners, the producers, and the general public realize the greatest possible good from these vital natural resources. The Division is also responsible for the regulation of geophysical exploration, underground gathering pipelines, and underground injection control for Class II and Class VI injection wells.



The Geological Survey publishes maps and reports on the mineralogical, paleontological, and geochemical resources of North Dakota, including oil and gas, coal, uranium, clay, sand and gravel, volcanic ash, potash, and other salts, etc. In addition to the mapping of subsurface resources, the Survey is actively mapping the surface geology throughout the state with an emphasis on urban areas and the identification of geohazards such as landslides. Survey publications support the regulatory programs of the Industrial Commission, as well as other state and federal agencies, and assist mineral companies, geotechnical consulting firms, city and county governments, landowners, and citizens of the state.

The Geological Survey regulates coal exploration, subsurface mineral exploration, and development (this includes all elements, minerals, and compounds other than oil and gas, sand and gravel, and coal), geothermal facilities (both commercial and residential), the Class III Underground Injection Control Program, and paleontological resources on state-owned lands.

The North Dakota Legislature has authorized 108 full-time equivalents for employment at DMR. The Director supervises the staff through 3 direct reports, comprised of:

- Assistant Director, Oil and Gas Division
- State Geologist
- DMR Support Staff Officer

DMR's current budget for the 2023-2025 biennium is \$32,194,371.

The Director of the Department of Mineral Resources Role

The Director of the Department of Mineral Resources reports to the North Dakota Industrial Commission. The position is responsible for the overall strategic and operational performance of DMR. The Director is responsible for developing recommendations for the North Dakota Industrial Commission which achieve the Commission's objectives of:

- Fostering, encouraging and promoting the development, production and utilization of natural resources of oil and gas in the state in such a manner as will prevent waste
- Authorizing and providing for the operation and development of oil and gas properties in such a manner that a greater ultimate recovery of oil and gas be obtained and that the correlative rights of all owners are fully protected
- Encouraging and authorizing recycling, pressure maintenance and enhanced oil recovery operations in order that the greatest possible economic recovery of oil and gas be obtained within the state to the end that the landowners, royalty owners, producers and the general public realize and enjoy the greatest possible benefit from these vital natural resources
- Regulating geophysical exploration, underground injection control of oil and natural gas fluids and carbon dioxide, mineral spacing and pooling, pore space amalgamation and surface infrastructure related to mineral production and gathering



Major tasks for the position include:

- Supervise the Oil & Gas Division Assistant Director, State Geologist, and DMR Support Staff Officer to implement agency goals and ensure compliance with statutes, regulations, and policies
- Sign orders for regulatory cases with signature authority delegated per NDIC memo
- Prepare formal enforcement actions in consultation with the Attorney General's office
- Present recommended action items to NDIC at their regularly scheduled monthly meetings
- Oversee monthly oil and gas regulatory hearings
- Present complex, technical information to a non-technical audience
- Present a monthly Director's Cut webinar to the press and the general public
- Maintain relationships and meet regularly with private sector and citizen stakeholders, tribal nations, local government agencies, other state agencies, and federal agencies
- Serve as the State's official representative on the Interstate Oil and Gas Compact Commission (IOGCC)
- Serve as a technical advisor on the Oil and Gas Research Council, Clean Sustainable Energy Authority, Plains CO₂ Reduction Partnership, North Dakota Revenue Advisory Council and the Bismarck State College Petroleum Production Advisory Board
- Certify reservation trust land acreage ratio to the Tax Commissioner annually
- Lead biennial agency strategy reviews
- Provide legislative testimony in support of the agency budget and policy initiatives
- Supervise agency audits and rule revisions



Candidate Profile

The Director of the Department of Mineral Resources position requires the executive level education, experience, talent and mindset to assess and mitigate principal operational risks and lead regulatory compliance of DMR's business. This executive must possess the education and experience to lead department operations, represent the NDIC's interest to a variety of stakeholders, lead legislative and rulemaking processes, foster the growth of North Dakota's mineral resources and balance advocacy while regulating safe and efficient production of minerals.

The oil and gas and minerals industries are integral to the growth and economic success of North Dakota. This opportunity represents a chance to have significant impact on the future of one of America's great states. The following table represents the desired experience and characteristics of a successful candidate:

Experiences and Characteristics	Must Have	Nice to Have
Experienced technical or asset leadership within the oil & gas industry, specifically the Williston Basin	•	
Possesses a masters in Geology, Petroleum Engineering or equivalent		•
Experienced in CCUS, rare earth minerals or similar		
Experience dealing with state regulators	•	
Has served in a corporate or governmental regulatory position		•
Proven collaborative leadership approach with internal and external stakeholders		
Embraces technology and creative opportunities beneficial to the state		
Strong communication and public speaking skills		
Interest in and love for North Dakota and demonstrates commitment to the state's future economic success		

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Location and Travel

This role is located in Bismarck, ND

Travel may be occasionally required for off-site meetings, training and conferences. The Director will also be expected to engage with private sector stakeholders, mineral owners and landowners across the State.

About North Dakota & Bismarck

North Dakota is a family-friendly, business-friendly state to live in. North Dakota residents experience the nation's highest quality of life, affordable living costs and the great outdoors, among many other benefits. People here are extremely friendly, and "North Dakota Nice" is a real thing. Balancing a robust energy and agricultural economy, it offers a blend of tranquil rural areas and energetic cities under vast skies. Living in North Dakota means experiencing the changing seasons, from cold, snowy winters to warm, sunny summers, and enjoying outdoor activities year-round like fishing, hunting, and hiking.

Bismarck is the capital of North Dakota and, with a metro area population of roughly 130,000, is the second most populous city in the State, after Fargo. The city is situated on the east bank of the Missouri River, a recreational gem, directly across from the City of Mandan on the opposite bank. In addition to the State Government which employs roughly 4,600, Bismarck is a hub of retail and healthcare making it the economic center of south-central North Dakota and north-central South Dakota.

Bismarck enjoys a 4-season climate and offers several area recreational opportunities with a large park system, area lakes, and an expansive network of trails. The city is also home to three colleges and one university and has a variety of cultural arts offerings. Besides having a great livability ranking according to liveability.com, Bismarck has also been dubbed, "The least stressful town in America." The city is served by Bismarck Municipal Airport.

For more information about North Dakota and Bismarck, please refer to:

- Official State Website
 <u>Home | North Dakota State Government ND Portal</u>
- North Dakota Dept of Commerce <u>https://www.commerce.nd.gov/tourism-marketing/find-good-life</u>
- City Website
 <u>www.bismarck.nd.gov</u>
- Bismarck/Mandan Chamber of Commerce
 <u>www.bismarckmandan.com</u>
- Convention & Visitors Bureau <u>www.noboundariesnd.com</u>
- The Bismarck Tribune www.bismarcktribune.com

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Compensation

DMR will offer the successful candidate a competitive compensation and comprehensive benefits package. Benefits provided by the State of North Dakota include fully paid medical insurance for the employee and dependents, including prescription drug coverage and preventative health care features. Voluntary dental and vision plans are also available. The State also offers competitive retirement plans, including a Defined Contribution Hybrid Plan, a voluntary deferred compensation plan, and a basic life insurance plan. The State also offers a generous paid-time-off policy for sick leave, vacation and holidays.

Non-Discrimination

DMR does not discriminate on the basis of race, religion, national origin, sex, age, marital status, sexual orientation, gender identity, gender expression, disability, creed, color, ancestry or medical condition.

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