



INDUSTRIAL COMMISSION OF NORTH DAKOTA

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For Immediate Release

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Industrial Commission Amends Gas Capture Policy

BISMARCK - The North Dakota Industrial Commission today approved amendments to the April 17, 2018 Guidance Policy in relation to North Dakota Industrial Commission Order 24665 regarding gas capture. The amendments include additional action items, which support federal efforts to streamline right-of-way processes and efforts to encourage investment in value-added projects.

Lynn Helms, director of the North Dakota Department of Mineral Resources, and Justin Kringstad, director of the North Dakota Pipeline Authority, presented an overview of the current state of gas capture at the Oct. 25th North Dakota Industrial Commission meeting.

“After hearing that overview, we challenged Mr. Helms to review the state’s gas capture policy. Due to the staggering pace of gas production we are seeing out of new wells, it was time to revisit our policy. The goal of this policy is to reduce flaring. However, this policy must also be balanced with what infrastructure is in place and how the industry is evolving,” stated the Industrial Commission in a joint statement.

The Commission’s gas capture goal of 85 percent was originally set to increase to 88 percent on Nov. 1, 2018. This amendment extends the time period of the 85 percent goal to Dec. 31st, 2020; a goal of 88 percent from Jan. 21, 2021 through Dec. 31, 2024 and a final goal of 91 percent beginning Jan. 1, 2025.

“Extension of the 85 percent gas capture goal would allow time for gatherers, processors, operators, and other end users to evaluate next steps in this gas-rich climate while still producing oil reserves,” stated Mr. Helms.

The new guidance encourages midstream investment and incentivizes produced gas storage and enhanced oil recovery efforts, which will allow the gas to be marketed during a better price environment.

The updated guidance policy will be posted on the Department of Mineral Resources homepage.

The Industrial Commission consists of Gov. Doug Burgum, as Chairman, Attorney General Wayne Stenehjem and Agriculture Commissioner Doug Goehring.

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