

INDUSTRIAL COMMISSION OF NORTH DAKOTA

Doug Burgum Governor

Wayne Stenehjem Attorney General

Doug Goehring Agriculture Commissioner

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North Dakota Industrial Commission authorizes Department of Mineral Resources to confiscate abandoned wells in North Dakota

BISMARCK, N.D. – The North Dakota Industrial Commission today approved orders from the Department of Mineral Resources to confiscate abandoned wells in North Dakota. A hearing was held on June 10 to review and consider confiscation and plugging of over 350 wells in the state. At the hearing more than 70 additional wells were identified as likely to be orphaned by mid-July.

This decision is the result of the Bakken Restart Task Force's efforts to support North Dakota's highly skilled oil and gas workforce during this unprecedented time of low oil and gas activity while investing in projects that would provide long-term benefits to the state.

The Industrial Commission secured approval in May from the North Dakota Emergency Commission and legislative Budget Section of \$33.2 million in federal CARES Act coronavirus relief funds. These initial funds provided to the Department of Mineral Resources are specifically designated to be used for plugging of abandoned wells. This work is projected to maintain 500-600 oil and gas service sector jobs.

The next step will be to receive the Budget Section's final approval for an additional \$33 million that was allocated from CARES Act funding during the June 18 Emergency Commission meeting. This additional funding is to be used for the reclamation of confiscated well and facility sites that is projected to maintain 300 additional oil and gas service sector jobs to complete the work.

The Department of Mineral Resources will be putting bid packages together for the plugging and reclamation work. More details about these bid packages will be available at www.dmr.nd.gov/oilgas.

CARES Act funds are to be used by states, territories, and tribal governments for expenditures incurred due to the public health emergency with respect to COVID-19 in the face of revenue declines.

The North Dakota Industrial Commission is made up of North Dakota Governor Doug Burgum, Attorney General Wayne Stenehjem, and Agriculture Commissioner Doug Goehring.

For more information, contact:

Katie Haarsager, Department of Mineral Resources, PIO

Phone: 701-328-8036 Email: kahaarsager@nd.gov