



INDUSTRIAL COMMISSION OF NORTH DAKOTA

Doug Burgum
Governor
October 22, 2020

Wayne Stenejem
Attorney General

Doug Goehring
Agriculture Commissioner

U.S. Army Corps of Engineers
Omaha District
Attn: CENWO-PMA-C (DAPLNOI)
1616 Capitol Avenue
Omaha, NE 68102

NOW-DAPL-EIS@usace.army.mil

Subject: "Scoping Comments, Dakota Access Pipeline Crossing"

Dear Sirs:

The North Dakota Industrial Commission (NDIC) appreciates this opportunity to comment on the scope of the Environmental Impact Study (EIS).

The State of North Dakota is ranked 2nd in the United States among all states in the production of oil and gas. North Dakota produces more than 525 million barrels of oil and 1 trillion cubic feet of natural gas per year.

The NDIC, Department of Mineral Resources, Oil and Gas Division administers North Dakota's comprehensive oil and gas regulations under North Dakota Century Code Title 38 and N.D. Administrative Code Chapter 43-02-03. These regulations include regulation of the drilling, producing, and plugging of wells; the restoration of drilling and production sites; the perforating and chemical treatment of wells, including hydraulic fracturing; the spacing of wells; operations to increase ultimate recovery such as cycling of gas, the maintenance of pressure, and the introduction of gas, water, or other substances into producing formations; disposal of saltwater and oil field wastes through the ND Underground Injection Control Program; and all other operations for the production of oil or gas.

The NDIC supports USACE consideration of the four alternatives identified in your letter of September 25, 2020 and does not recommend consideration of other alternatives.

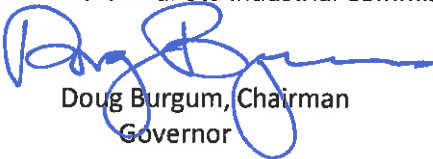
The NDIC recommends the following issues be included in the scope of the EIS:

- 1) The ability of alternative oil transportation resources to accommodate the oil currently transported through DAPL.
- 2) The environmental impact of oil transportation shifting from DAPL to rail transportation.

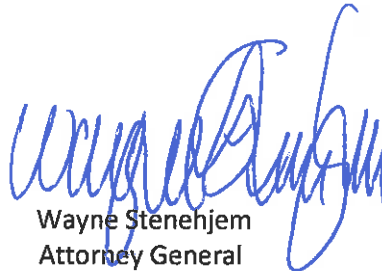
- 3) The potential that loss of DAPL transportation will result in wells being shut-in.
- 4) The potential loss of jobs that would result from increased oil transport costs. Specifically, social and economic impacts of job losses among Native Americans from all tribal nations.
- 5) The potential negative impact on supporting industries such as third-party oil gathering companies, local natural gas gathering, processing, and transmission providers, and Native American owned oilfield service companies within all tribal nations.
- 6) The environmental impact of investment shifting from gas gathering, processing, and transmission infrastructure to alternative oil transportation infrastructure.
- 7) The potential that oil and gas operators will leave North Dakota or not fully develop North Dakota leases. Specifically, social and economic impacts of reduced development and lost recovery of mineral resources owned by all Native American allottees and tribal nations.
- 8) The negative fiscal impact on the State and other stakeholders from a transition to more expensive methods of transporting oil.
- 9) The impact on oil and gas tax revenue and the resulting impact on the State's economy, state government services, and local government services.
- 10) The social and economic impacts of reduced funding of state and local government services.

Sincerely,

North Dakota Industrial Commission



Doug Burgum, Chairman
Governor



Wayne Stenehjem
Attorney General



Doug Goehring
Agriculture Commissioner