

FIRST ENGROSSMENT

Sixtieth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE CONCURRENT
RESOLUTION NO. 3009

Introduced by

Representatives Froelich, S. Meyer

Senator Heitkamp

1 A concurrent resolution directing the Legislative Council to study the feasibility and desirability
2 of providing incentives to the private sector to construct a refinery or expand current refinery
3 capacity in the state.

4 **WHEREAS**, North Dakota is the ninth largest oil-producing state in the United States
5 and produced nearly 98,000 barrels of oil per day in 2005, totaling 35.6 million barrels of oil for
6 the year; and

7 **WHEREAS**, the state currently is producing 110,000 barrels of oil per day; and

8 **WHEREAS**, all-time production of crude oil in North Dakota amounts to more than
9 1.5 billion barrels; and

10 **WHEREAS**, at the end of 2005, there were 3,908 wells capable of producing oil and
11 gas in North Dakota with the average well producing approximately 25 barrels of oil per day;
12 and

13 **WHEREAS**, during 2005, 58.1 billion cubic feet of natural gas was produced in North
14 Dakota and 50.7 billion cubic feet of natural gas was processed in North Dakota; and

15 **WHEREAS**, the state's oil production increased in 2005, up 4,519,688 barrels from the
16 previous year; and

17 **WHEREAS**, there were 348 drilling permits issued during 2005, compared to 216 the
18 previous year; and

19 **WHEREAS**, the Tesoro Refinery at Mandan refines nearly 60,000 barrels of Williston
20 Basin crude oil per day; and

21 **WHEREAS**, the growing oil production in the Williston Basin has surpassed existing
22 transportation and refining capacity and crude oil producers in the Williston Basin have seen
23 their ability to market crude oil restricted and some have experienced significant price
24 differentials from New York Mercantile Exchange posted crude oil prices as a result of these
25 transportation constraints; and

1 **WHEREAS**, incentives provided by the state to the private sector to build a refinery or
2 expand current refinery capacity in the state would be beneficial to the state and its oil and gas
3 industry;

4 **NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES**
5 **OF NORTH DAKOTA, THE SENATE CONCURRING THEREIN:**

6 That the Legislative Council study the feasibility and desirability of providing incentives
7 to the private sector to construct a refinery or expand current refinery capacity; and

8 **BE IT FURTHER RESOLVED**, that the Legislative Council report its findings and
9 recommendations, together with any legislation required to implement the recommendations, to
10 the Sixty-first Legislative Assembly.