NORTH Dakota | Mineral Resources

Be Legendary.™

Nathan D. Anderson, Director
Mark F. Bohrer, Assistant Director Oil & Gas Division
Edward C. Murphy, Director Geological Survey, State Geologist
Michael Ziesch, Staff Officer
Robyn Loumer, Finance Manager

NORTH DAKOTA DEPARTMENT OF MINERAL RESOURCES

The Legislature created the Industrial Commission of North Dakota in 1919 to conduct and manage, on behalf of the State, certain utilities, industries, enterprises, and business projects established by state law. The Industrial Commission has jurisdiction over oil and gas resources, the investigation and publication of geological information and the regulation of coal exploration, geophysical exploration, geothermal energy, paleontology resources, subsurface minerals, and oil, gas, and carbon dioxide underground storage in North Dakota through the Department of Mineral Resources Geological Survey and Oil and Gas Division.

The Industrial Commission appoints the Director of the Department of Mineral Resources, who serves as Director of the Oil and Gas Division. The Director appoints the State Geologist and Assistant Director of the Oil and Gas Division.

DMR ORGANIZATIONAL STRUCTURE

Nathan Anderson
Director (1)

Mark Bohrer
Oil & Gas Division
Assistant Director (1)

- Field Staff (32)
- Pipeline Program (9)
- Reclamation Program (2)
- Permitting (5)
- Geological Analyst | CCUS (5)
- Logs (3)
- Petroleum Engineering (2)
- Production | Measurement (5)
- UIC | Treating Plants (3)
- Bonding (1)
- Seismic (1)

Michael Ziesch
Support
Staff Officer (1)

- IT | Data Management (5)
- Administrative Assistants (2)
- Finance | Accounting (3)
- Legal | Hearing Dockets | Orders (2)
- Public Information Officer (1)
- Safety Officer (1)
- Human Resources (1)
- Warehouse Technician (1)

Ed Murphy
Geological Survey
State Geologist (1)

- Paleontology (4)
- Publications | Maps (4)
- Surface Geology | Core Library (7)
- Subsurface Geology (5)

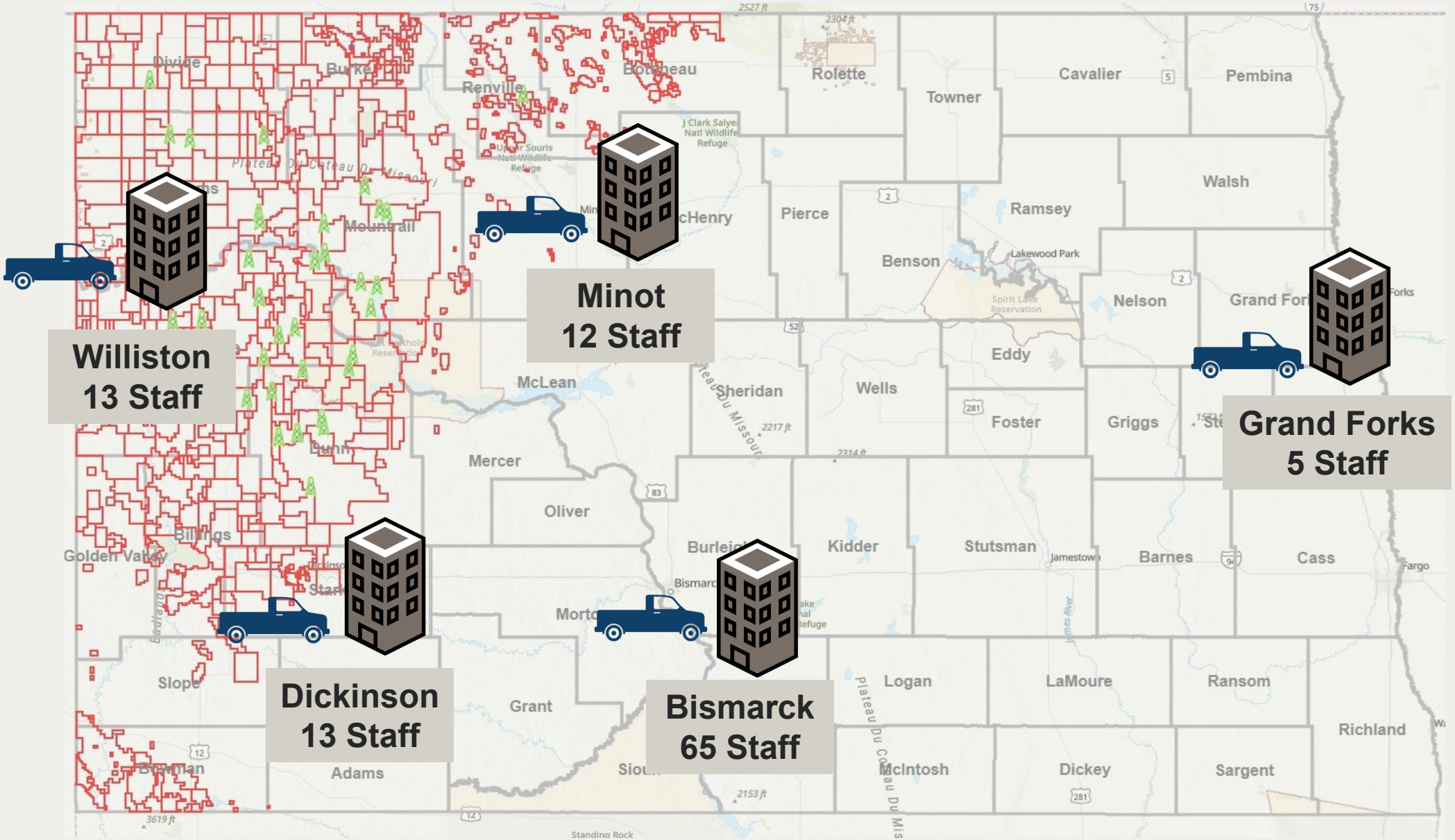
Total Oil and Gas = 70

Total DMR Support = 17

Total Geological Survey = 21

Total DMR FTEs = 108

OFFICE LOCATIONS AND TOTAL STAFF



DMR RETENTION & PROFESSIONAL DEVELOPMENT

Agency is in a Dynamic Position

- Leadership Transition
- Resiliency
- Succession planning
  - Deep dive – summer 2025
- Key retirements likely
  - 3 – manager level and up
  - 1 – key finance role
- Opportunity to build
- Mentoring takes time
- Training
- Travel & collaboration
- Attract, develop, retain top tier
- Overlap not a gap preferred!

Succession planning is critical to the industry and DMR
We ask for the budget and freedom to make this process work

INPUTS

Employees
-Benefits
-Compensation
-Culture
IT Systems
Brick & Mortar

The Machine

DMR Process

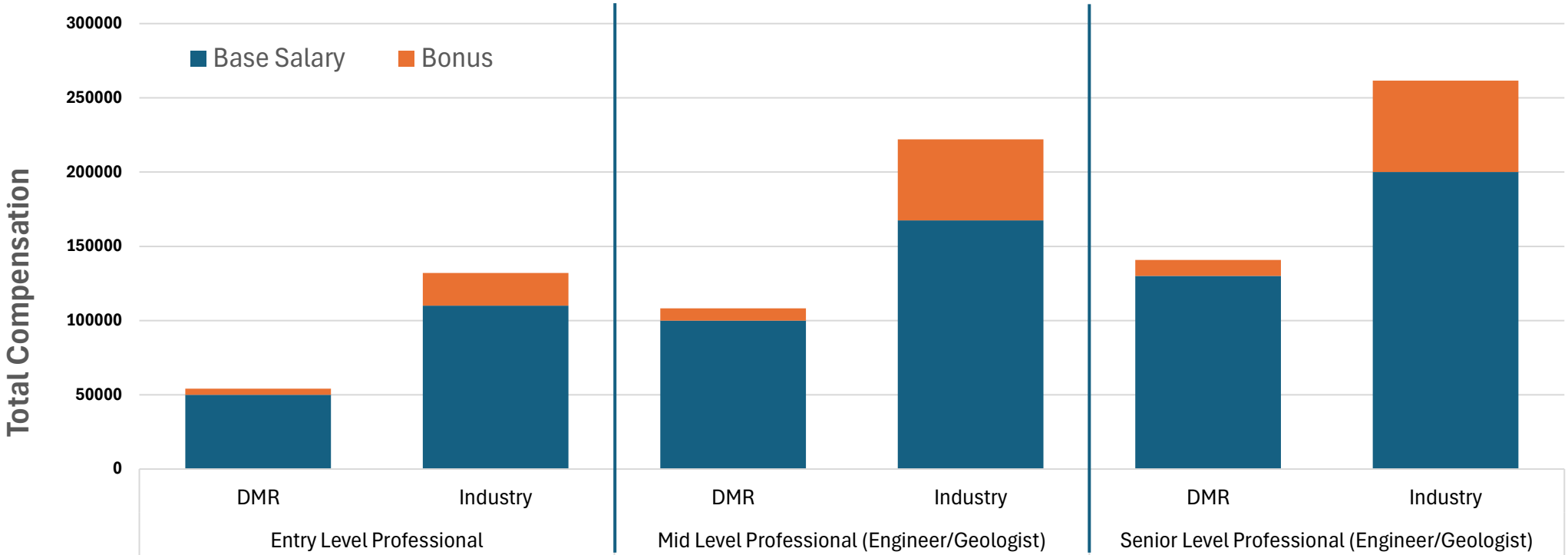
OUTPUTS
=
EXPECTATIONS

Permits
Data
Production Reporting
Field Inspections
UIC Program
Plugging
Reclamation
Orders
Public outreach
Geologic Investigations
Core Library

Current Personnel as of 12/31/2024

Years of Service	0-3	4-6	7-10	11-15	16-20	21-25	26-30	30+
FTE	39	13	19	17	8	5	3	4
%	34%	12%	18%	16%	8%	5%	3%	4%

Compensation Comparable - DMR & Industry Example



- Critical Field Inspector positions continue to be challenged with turnover. Positions are critical to DMR and are hard to fill due to competition with oil & gas industry
- Turnover of 1/5th of field staff in 18 months. Training intensive with staff training new hires. Must have 4-year degree. Specialized employees

Turnover	Total FTE	Total Turnover	Turnover Percent	Classified Turnover	Classified Reason	Unclassified Turnover	Unclassified Reason
2023-25 Biennium	108	14	13%	6	2R, 2PS, 2-O	8	4R, 3PS, 1-O

Key:
R=Retirement
PS=Private Sector
O=Other

To date there have been 13 turnovers this biennium. The total cost of leave payouts was $77,371, Turnover rates do not include inter-agency transfers

NORTH Dakota | Mineral Resources

Be Legendary.™

Oil & Gas Agency Overview

NORTH DAKOTA OIL AND GAS DIVISION

The Oil and Gas Division, headed by the Director of DMR, was formed in 1981 to provide the technical expertise needed for enforcement of Industrial Commission jurisdiction over statutes, rules, regulations, and orders pertaining to geophysical exploration, drilling, production of oil and gas, restoration of drilling and production sites, and proper disposal of oil field brine and other oil field wastes in North Dakota.

The Oil and Gas Division facilitates the electronic storage of and provides access to oil and gas production, reservoir, well, and geophysical log data for use by industry, royalty owners, and other governmental agencies and citizens.

In 1997, regulation of geophysical exploration (seismic) was placed under the Oil and Gas Division's jurisdiction. In 2009, regulation of carbon dioxide storage was added to the Oil and Gas Division's responsibilities. In 2013, regulation of underground gathering pipeline infrastructure was added to the Oil and Gas Division's responsibilities. In 2015, this authority was broadened to include bonding requirements on crude oil and produced water underground gathering pipelines. Also, the Oil and Gas Division has obtained primacy from the United States Environmental Protection Agency over Class II (disposal/injection) and Class VI (carbon dioxide storage) wells.

NORTH Dakota | Mineral Resources

Be Legendary.™

OIL AND GAS REGULATORY PROGRAMS

Oil and Gas Exploration and Production (NDCC 38-08)

It is hereby declared to be in the public interest to foster, to encourage, and to promote the development, production, and utilization of natural resources of oil and gas in the state in such a manner as will prevent waste; to authorize and to provide for the operation and development of oil and gas properties in such a manner that a greater ultimate recovery of oil and gas be had and that the correlative rights of all owners be fully protected; and to encourage and to authorize cycling, recycling, pressure maintenance, and secondary 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, the royalty owners, the producers, and the general public realize and enjoy the greatest possible good from these vital natural resources.

Geophysical Exploration (NDCC 38-08.1)

Notwithstanding any other provision of this chapter, the commission is the primary enforcement agency governing geophysical exploration in this state. Any person in this state engaged in geophysical exploration or engaged as a subcontractor of a person engaged in geophysical exploration shall comply with this chapter; provided, however, that compliance with this chapter by a crew or its employer constitutes compliance herewith by that person who has engaged the service of the crew, or its employer, as an independent contractor.

Pipeline (NDCC 38-08-27)

The application of this section is limited to an underground gathering pipeline that is designed or intended to transfer crude oil or produced water from a production facility for disposal, storage, or sale purposes and which was placed into service after August 1, 2015. Upon request, the operator shall provide the commission the underground gathering pipeline engineering construction design drawings and specifications, list of independent inspectors, and a plan for leak protection and monitoring for the underground gathering pipeline. Within sixty days of an underground gathering pipeline being placed into service, the operator of that pipeline shall file with the commission an independent inspector's certificate of hydrostatic or pneumatic testing of the underground gathering pipeline.

OIL AND GAS REGULATORY PROGRAMS

Carbon Dioxide Geological Storage (NDCC 38-22-01)

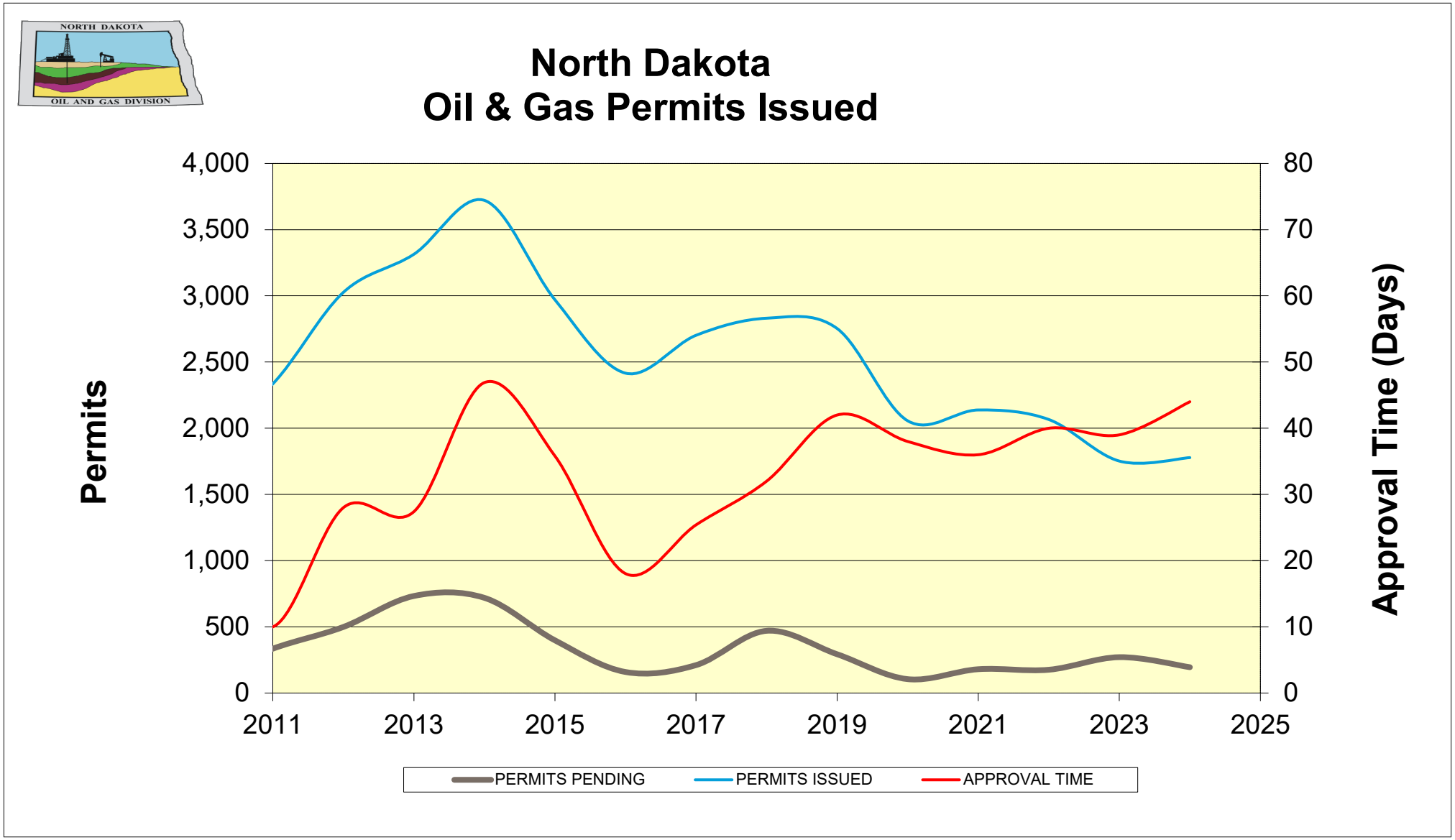
It is in the public interest to promote the geologic storage of carbon dioxide. Doing so will benefit the state and the global environment by reducing greenhouse gas emissions. Doing so will help ensure the viability of the state's coal and power industries, to the economic benefit of North Dakota and its citizens. Further, geologic storage of carbon dioxide, a potentially valuable commodity, may allow for its ready availability if needed for commercial, industrial, or other uses, including enhanced recovery of oil, gas, and other minerals. Geologic storage, however, to be practical and effective requires cooperative use of surface and subsurface property interests and the collaboration of property owners. Obtaining consent from all owners may not be feasible, requiring procedures that promote, in a manner fair to all interests, cooperative management, thereby ensuring the maximum use of natural resources.

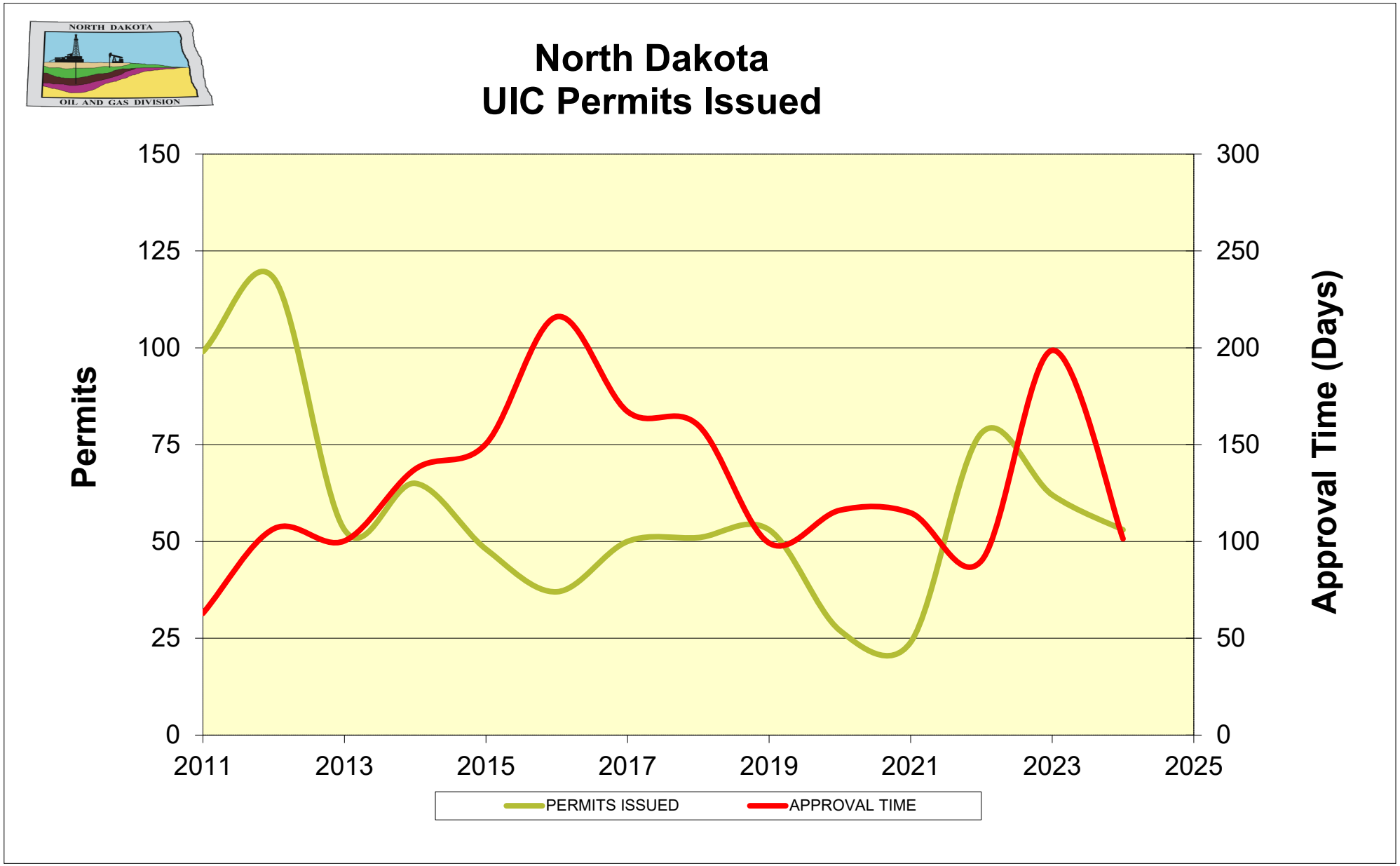
Underground Storage of Oil and Gas (NDCC 38-25-08) *Includes all natural gas, including hydrogen, and all other fluid hydrocarbons not defined as oil.

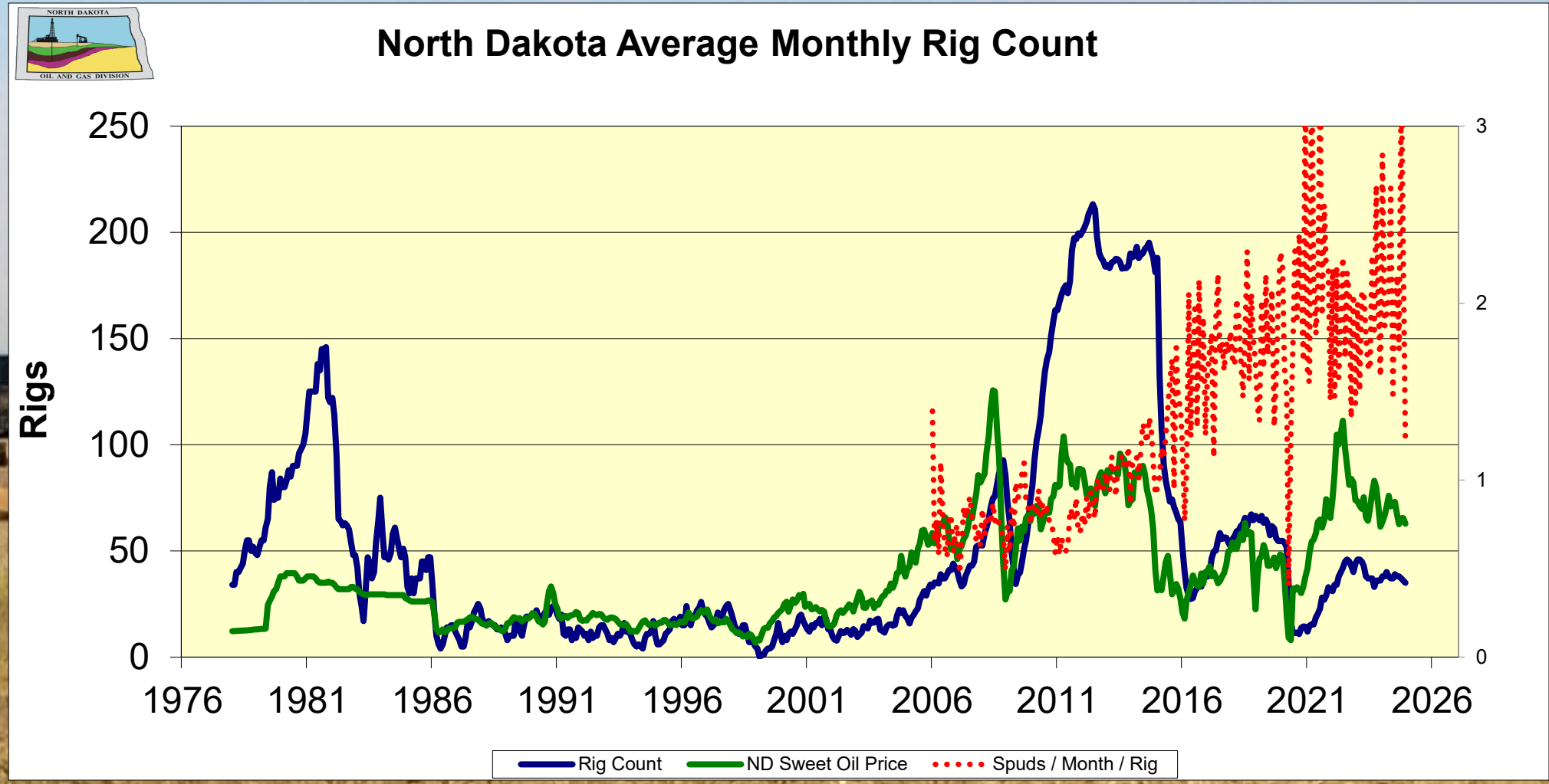
If a storage operator does not obtain the consent of all persons owning a pore space and of mineral interest owners when required by this chapter, the commission may require the interest owned by the nonconsenting owners be included in an approved storage facility and subject to geologic storage if the minimum percentage of consent is obtained as specified in this chapter. Any pore space owner who does not have responsibility over the construction, management, supervision, or control of the storage facility operations is not liable for money damages for personal or other property damages proximately caused by the operations.

Underground Storage of Oil and Gas (NDCC 38-25-11)

This chapter does not apply to applications filed with the commission which propose to use produced gas for an enhanced oil or gas recovery project. Those applications must be processed under chapter 38-08.


NORTH DAKOTA
OIL AND GAS DIVISION
North Dakota
Oil & Gas Permits Issued
Permits
Approval Time (Days)
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
80
70
60
50
40
30
20
10
0
2011
2013
2015
2017
2019
2021
2023
2025
PERMITS PENDING
PERMITS ISSUED
APPROVAL TIME


NORTH DAKOTA
OIL AND GAS DIVISION
North Dakota
UIC Permits Issued
Permits
Approval Time (Days)
150
125
100
75
50
25
0
300
250
200
150
100
50
0
2011
2013
2015
2017
2019
2021
2023
2025
PERMITS ISSUED
APPROVAL TIME



Statistics	2022	2023	2024 *Jan-Oct 2024
Wells Waiting on Completion	470	415	345*
Inactive Wells	1992	1770	1687*
Wells Completed	768	1089	757*
Producing Wells	17,230	18,753	19,334*

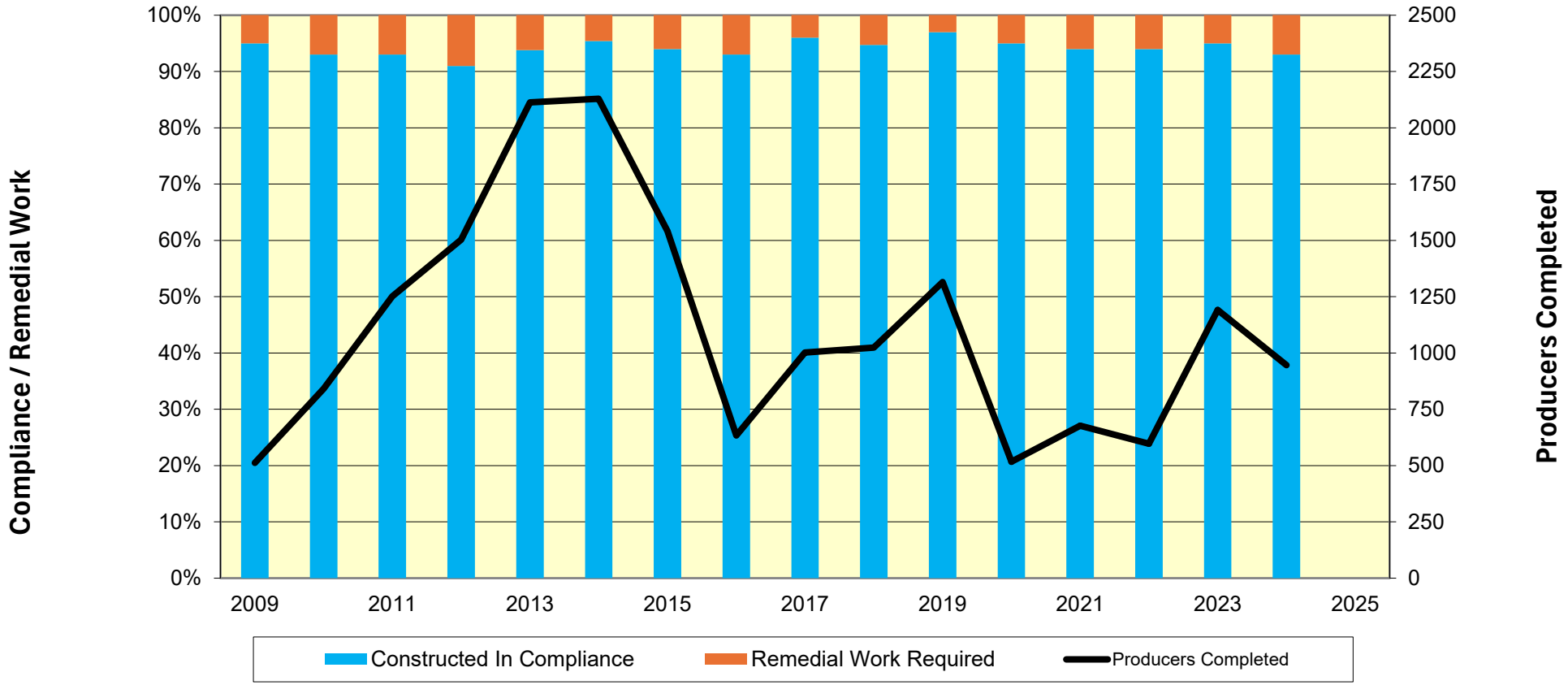
Reclamation

Current Wells/Permits in Reclamation Status	**3544**
Average wells plugged per year since 2020	**380**

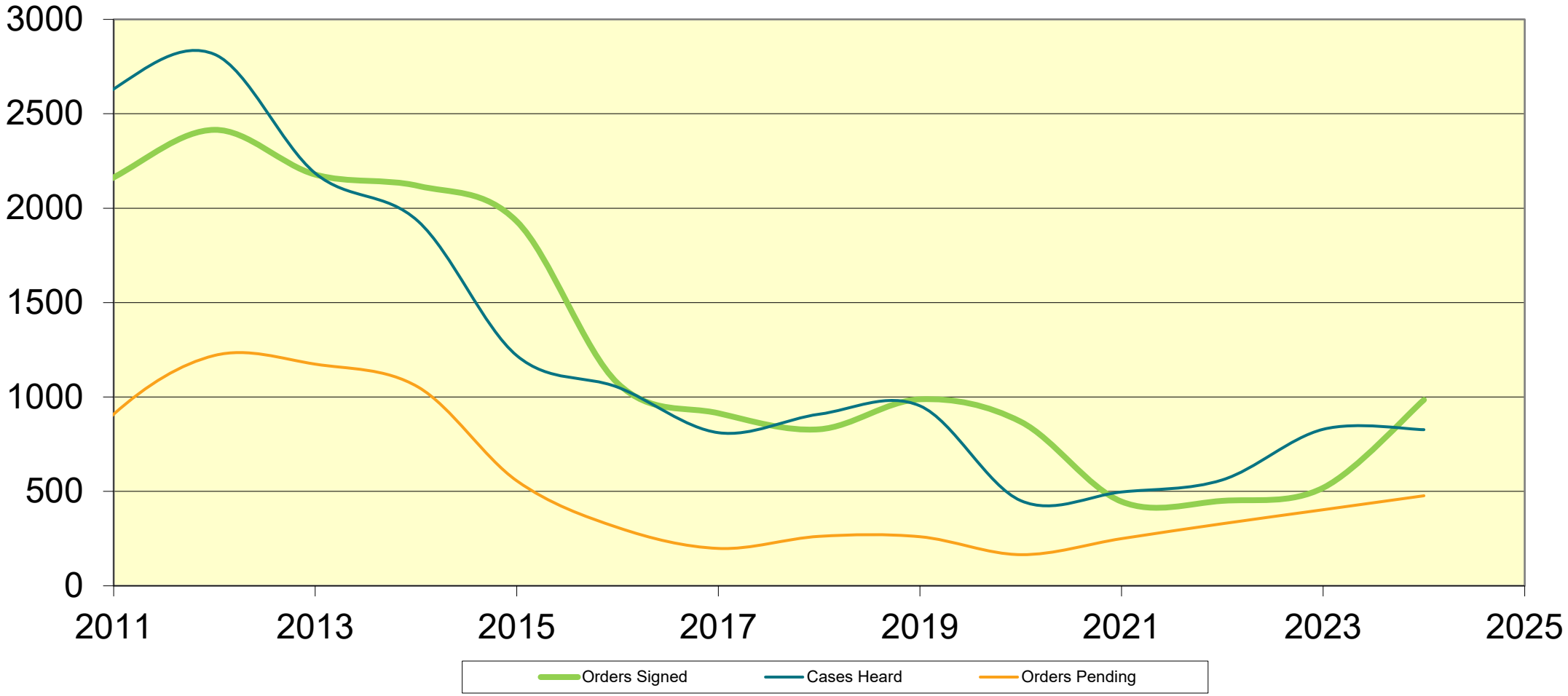
Bond Releases	**2022**	**2023**	**2024**
	545	219	165

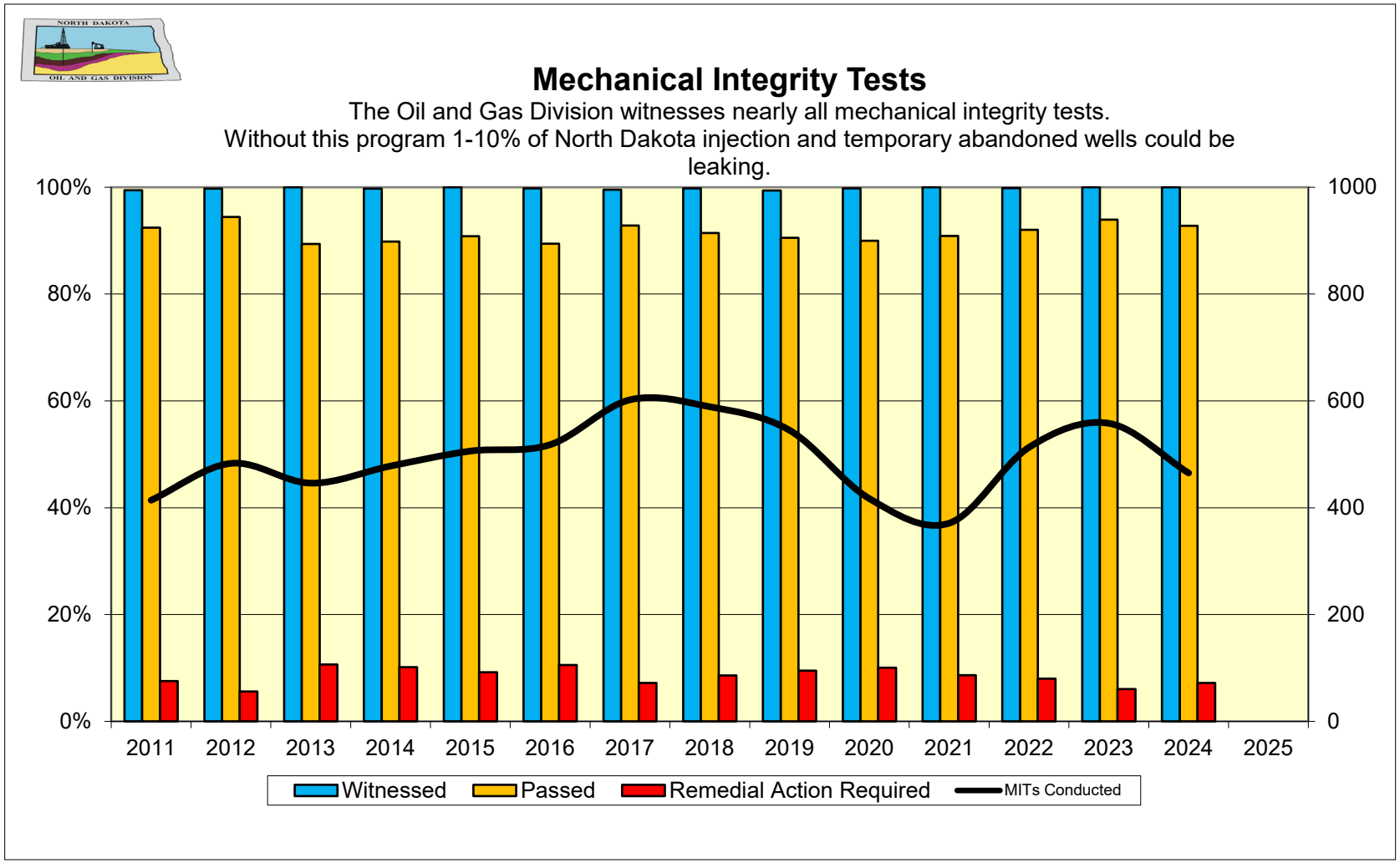
Well Construction

Well construction rules protect underground drinking water.
Without this program 5-10% of new wells could be leaking.



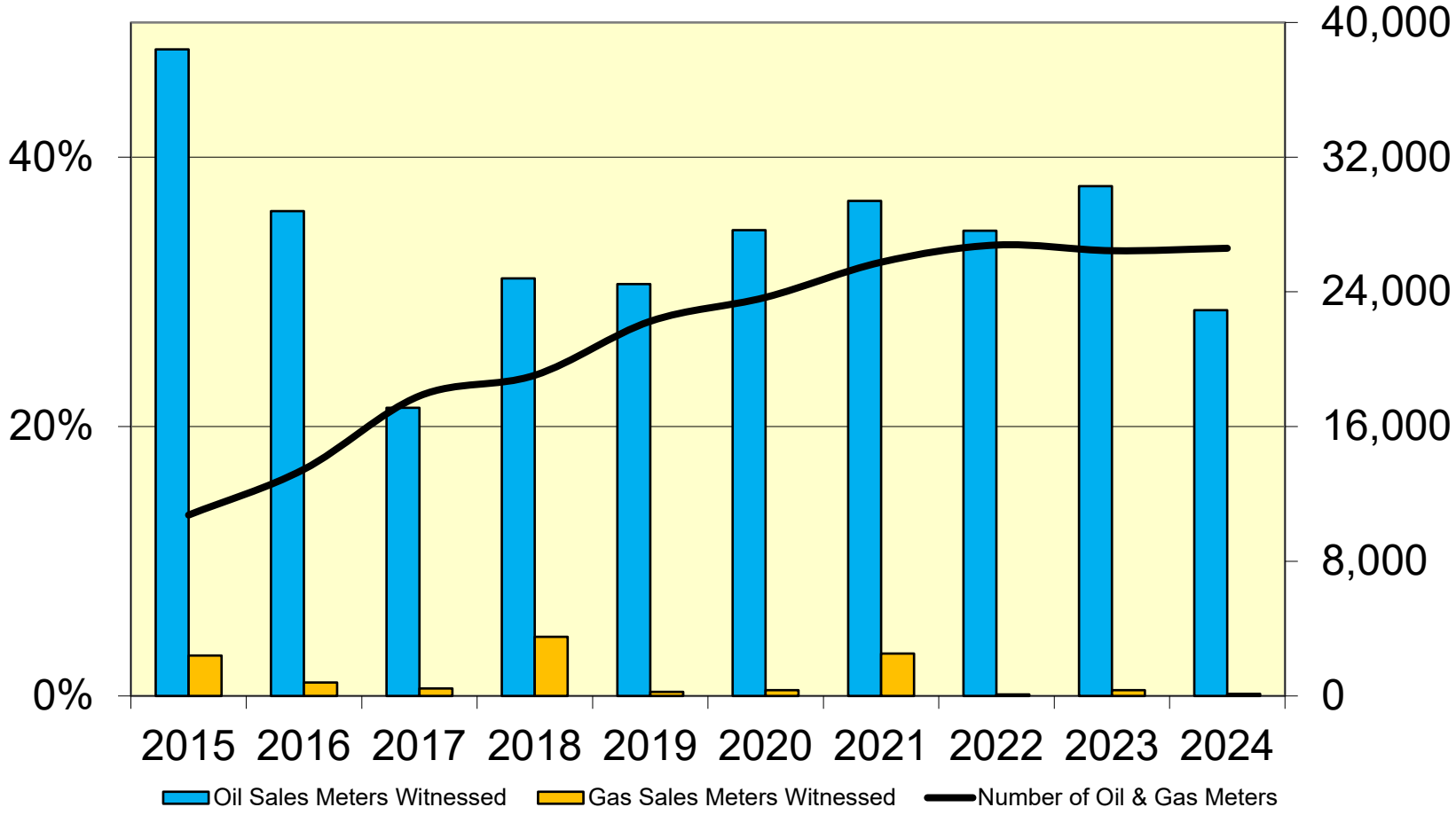
Orders Signed--Cases Heard




NORTH DAKOTA
OIL AND GAS DIVISION
Mechanical Integrity Tests
The Oil and Gas Division witnesses nearly all mechanical integrity tests.
Without this program 1-10% of North Dakota injection and temporary abandoned wells could be leaking.
100%
80%
60%
40%
20%
0%
1000
800
600
400
200
0
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Witnessed
Passed
Remedial Action Required
MITs Conducted

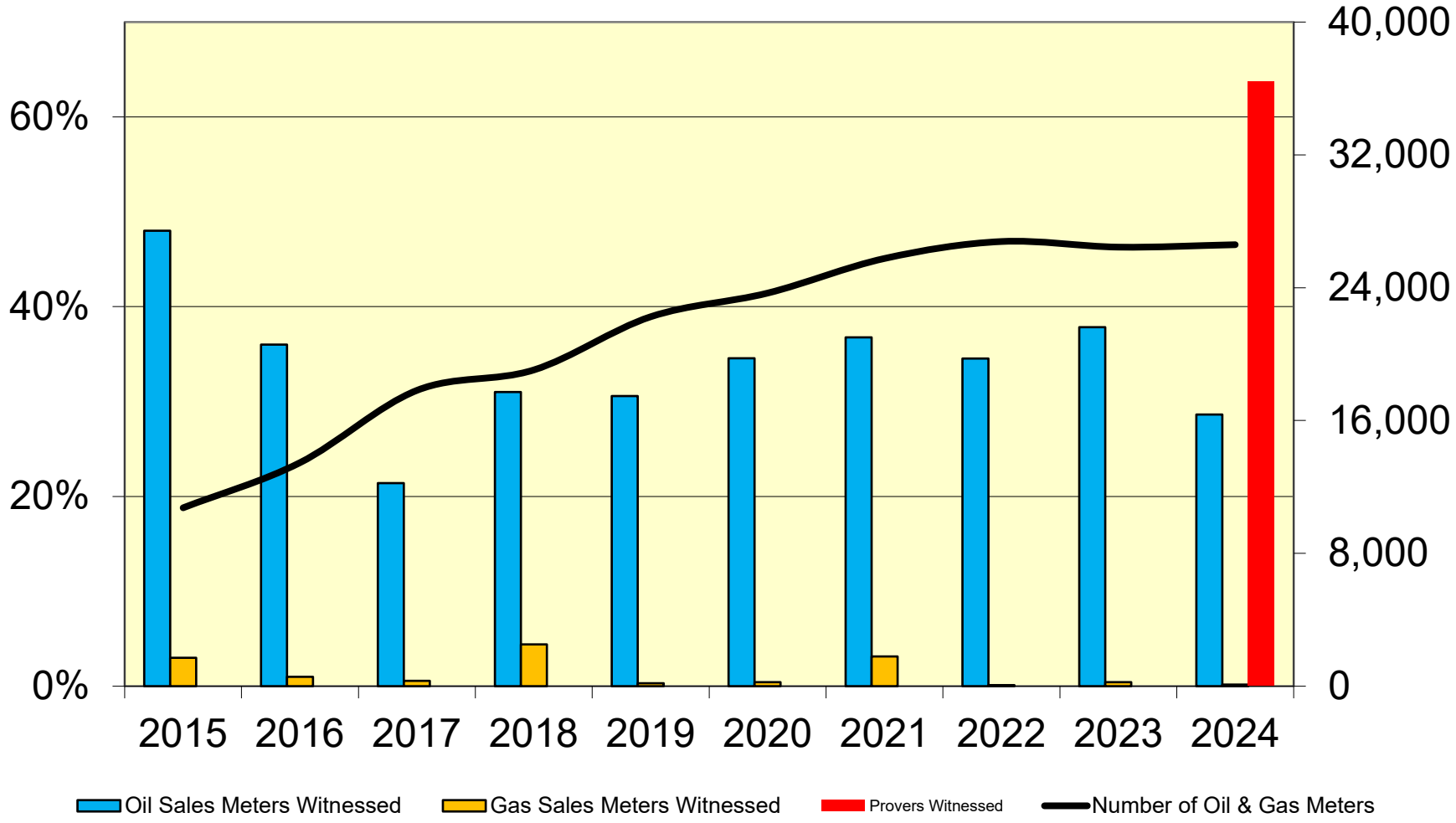
Sales Meter Tests

The Oil and Gas Division regulates oil and gas meter accuracy and royalty owner information. The Oil and Gas Divison has two meter inspectors on staff.

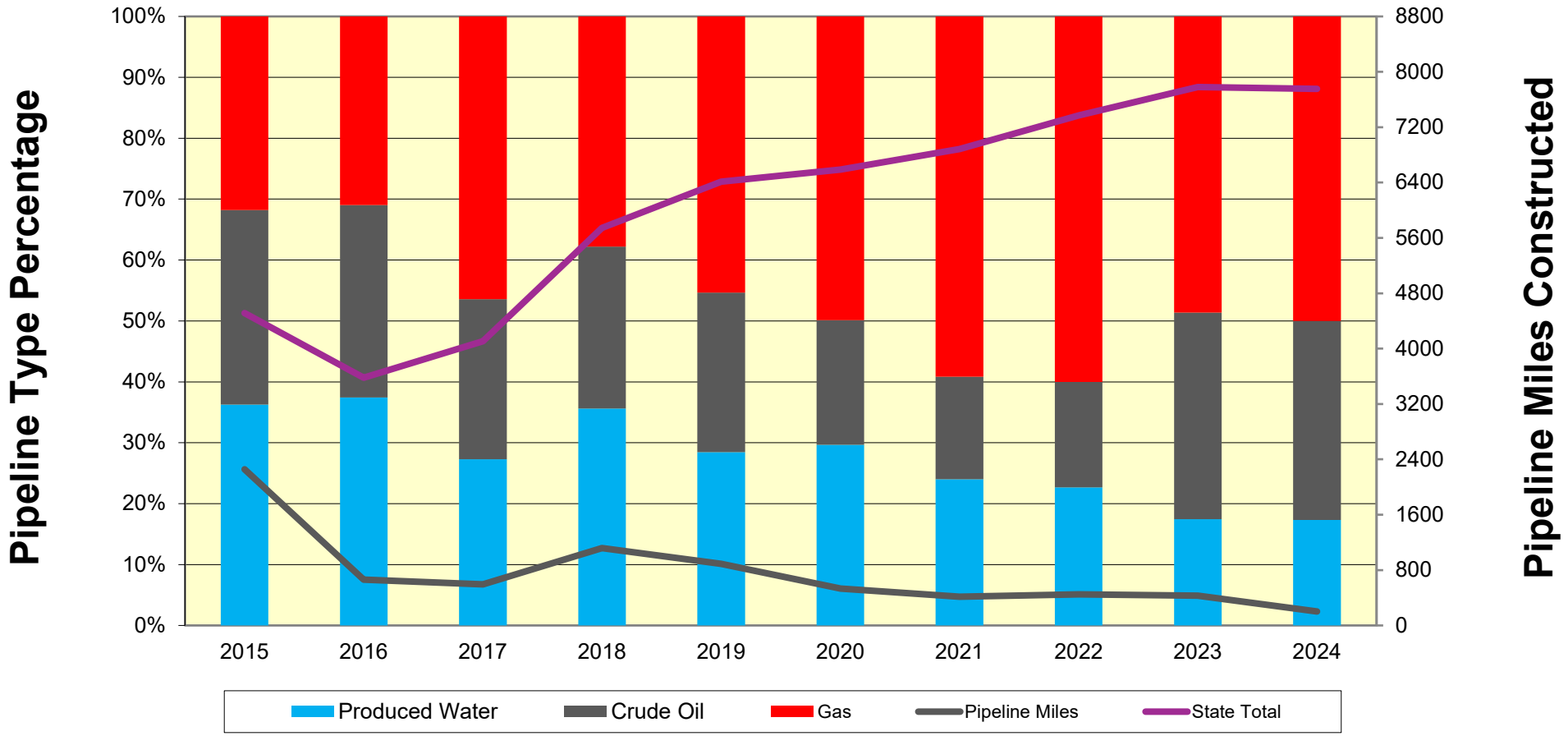


Sales Meter Tests

The Oil and Gas Divison has two meter inspectors on staff. In April 2024, a rule amendment changed the agency focus to witnessing how the meter provers perform provings.



Pipeline Construction



NORTH Dakota | Mineral Resources

Be Legendary.™

Geological Survey Overview

GEOLOGICAL SURVEY

The North Dakota Geological Survey was created by an act of the North Dakota Legislature in 1895. After 130 years, the Survey still serves as the primary source of geological information in the state. Its mission over the years has grown and is now three-fold: to investigate the geology of North Dakota, to administer regulatory programs and act in an advisory capacity to other state agencies, and to provide public service to the people of North Dakota.

The Geological Survey publishes maps and reports on the mineralogical, paleontological, and geochemical resources of North Dakota, including oil and gas, coal, uranium, critical minerals (including the rare earth elements), clay, sand and gravel, volcanic ash, potash, and other salts, etc. In addition to the mapping of subsurface resources such as the shallow salts for hydrocarbon storage, the Survey is actively mapping landslides throughout the state. 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 and the Oil and Gas Division are in the Department of Mineral Resources and under the North Dakota Industrial Commission. The main office of the Department of Mineral Resources is located at 1016 East Calgary Avenue in Bismarck. The paleontology program of the Geological Survey is housed in the Clarence Johnsrud Paleontology Laboratory in the North Dakota Heritage Center (state museum) on the State Capitol grounds in Bismarck. The North Dakota State Fossil Collection, as well as the State Rock and Mineral Collection, are also housed in the Heritage Center. The North Dakota Geological Survey's Wilson M. Laird Core and Sample Library is located on the University of North Dakota campus in Grand Forks. The facility currently houses 486,000 feet of core (170,000 core boxes) and 59,000 boxes of drill cuttings obtained from oil and gas wells.

GEOLOGICAL SURVEY REGULATORY PROGRAMS

Regulation, Development, and Production of Subsurface Minerals (NDCC 38-12)

The exploration, development and production of subsurface minerals requires a permit, basic data to be provided to the state geologist. These regulations cover minerals not included in the oil & gas and coal regulatory programs.

- **Subsurface Mineral Exploration and Development (NDAC 43-02-02)**
- **Underground Injection Control Program (NDAC 43-02-02.1)**
- **In Situ Leach Mineral Mining Rules (NDAC 43-02-02.2)**
- **Surface Mining–(Non-Coal) (NDAC 43-02-02.3)**
- **Solution Mining (NDAC 43-02-02.4)**

Coal Exploration (NDCC 38-12.1)

Drilling for coal exploration or evaluation requires a permit and a report of findings must be filed with the state geologist. Collectively, these reports comprise a database useful to private and government coal researchers and provide information necessary for geologic correlations and economic forecasting.

- **Coal Exploration (NDAC 43-02-01)**

Geothermal Resource Development Regulation (NDCC 38-19)

Geothermal (ground source) heating and cooling systems require a permit. The permit review process helps to ensure that geothermal systems are properly designed and constructed, in order to minimize the risk of groundwater contamination or other environmental problems.

- **Geothermal Energy Production (NDAC 43-02-07)**
- **Geothermal Deep Energy Production (NDAC 43-02-07.1)**

GEOLOGICAL SURVEY REGULATORY PROGRAMS

Paleontological Resource Protection (NDCC 54-17.3)

Paleontological resources, on land owned by the State of North Dakota and its political subdivisions, are protected. A permit is required from the state geologist to investigate, excavate, collect, or otherwise record paleontological resources on these lands.

Paleontological Resource Protection (NDAC 43-04-02)

High-Level Radioactive Waste Disposal (NDCC 38-23)

The exploration, testing, placement, storage, or disposal of high-level radioactive waste is prohibited in North Dakota. If this prohibition is struck from the law, a permit is required before any testing, exploring, excavating, drilling, boring or operating of a high-level radioactive waste facility can commence.

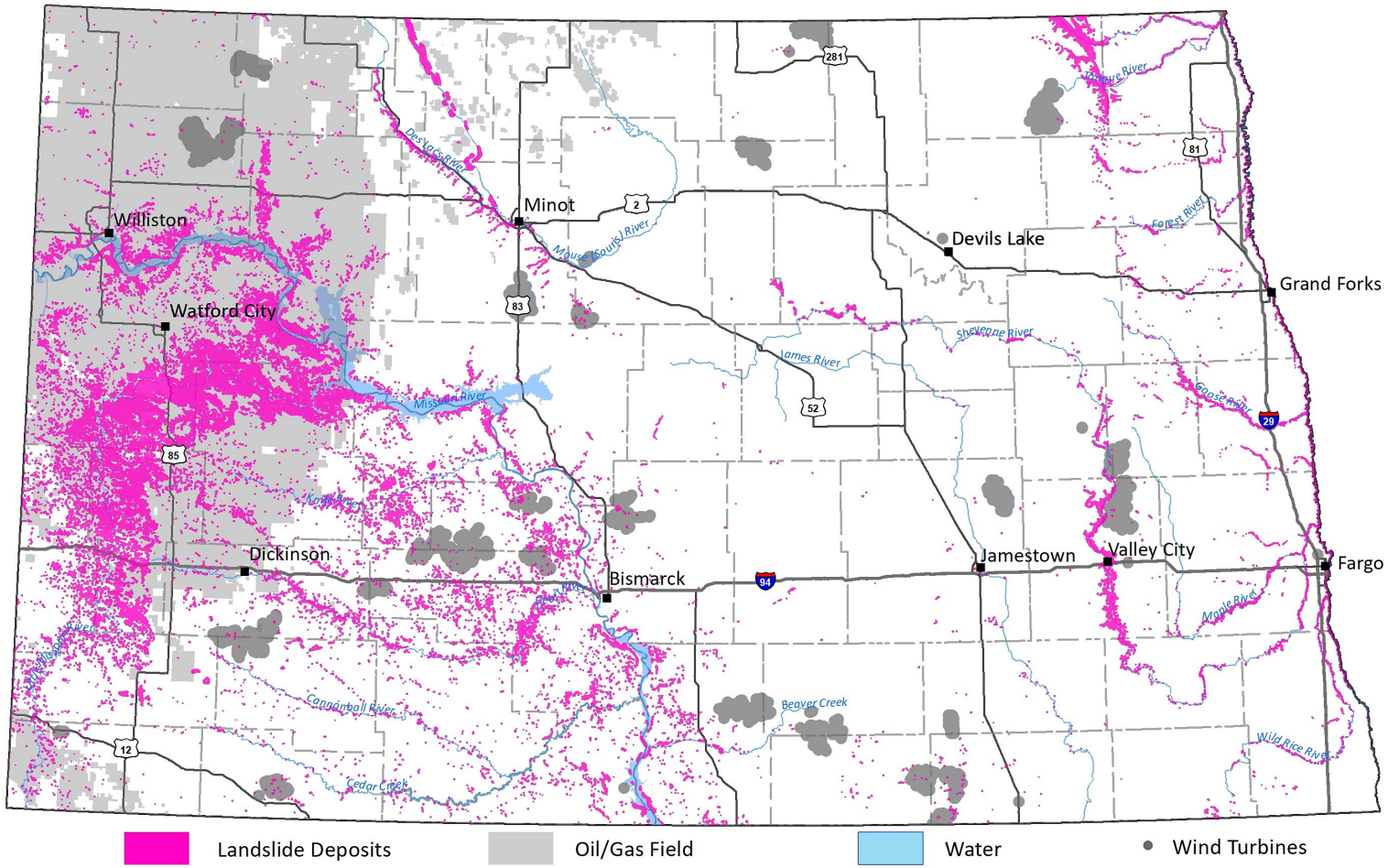
High-Level Radioactive Waste (NDAC 43-02-13)

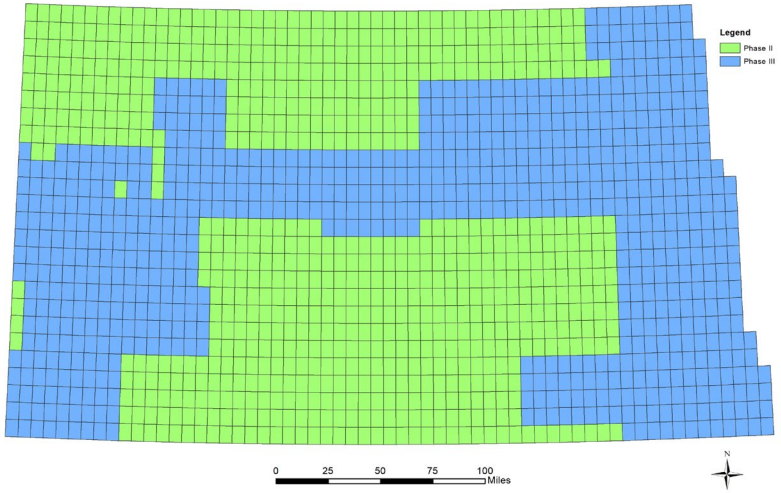
Underground Storage and Retrieval of Nonhydrocarbons (NDCC 38-24)

A permit is required for the testing, storage, or retrieval of nonhydrocarbons and other gases not regulated by title 38.

LANDSLIDE PROGRAM (Phase III)

Two years ago, the Geological Survey completed a Phase II landslide mapping program (1:24,000) in North Dakota, one of the first states in the nation to do so, we are halfway into a Phase III project where we are identifying active landslides by comparing two LiDAR coverages which were flown roughly 10 years apart. We identified 65,000 landslides during the Phase I and II projects and have identified 12,000 active landslides under Phase III. We anticipate completing Phase III mapping in the areas that contain oil and gas fields by October of 2025.



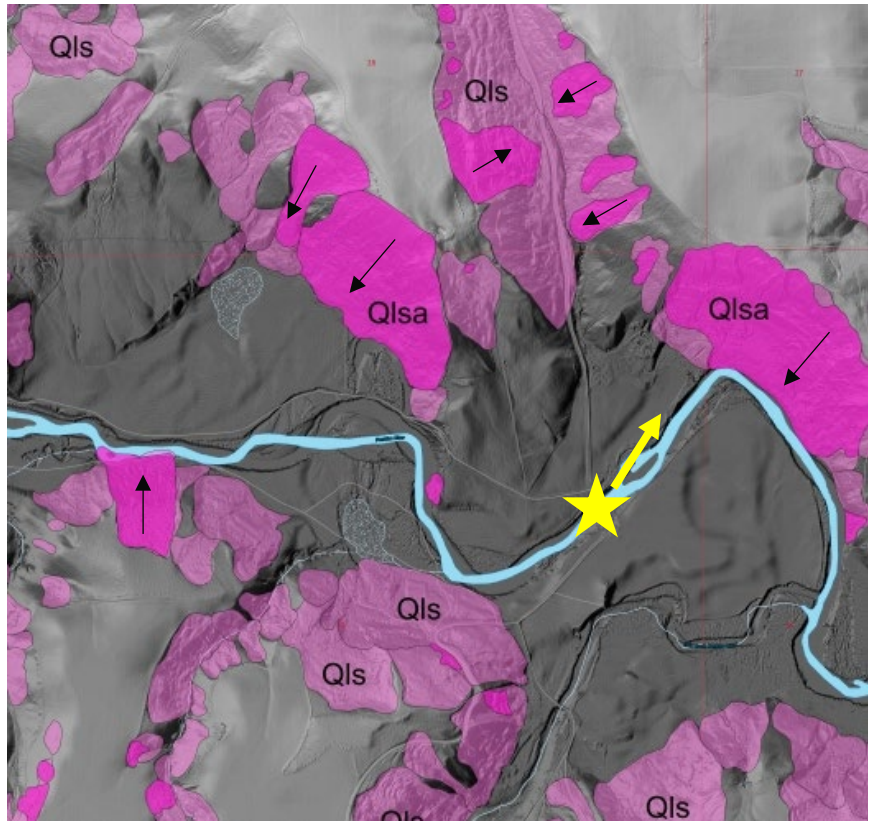


Phase II Landslide Maps: Interpreted from stereopair aerial photographs, LiDAR, and Google Earth imagery.

Phase III Landslide Maps: LiDAR coverages circa 2008 compared and contrasted to those circa 2018 (8 – 10 years apart).

PHASE III LANDSLIDE MAPS

Landslides in Northeastern North Dakota (2008 – 2019)



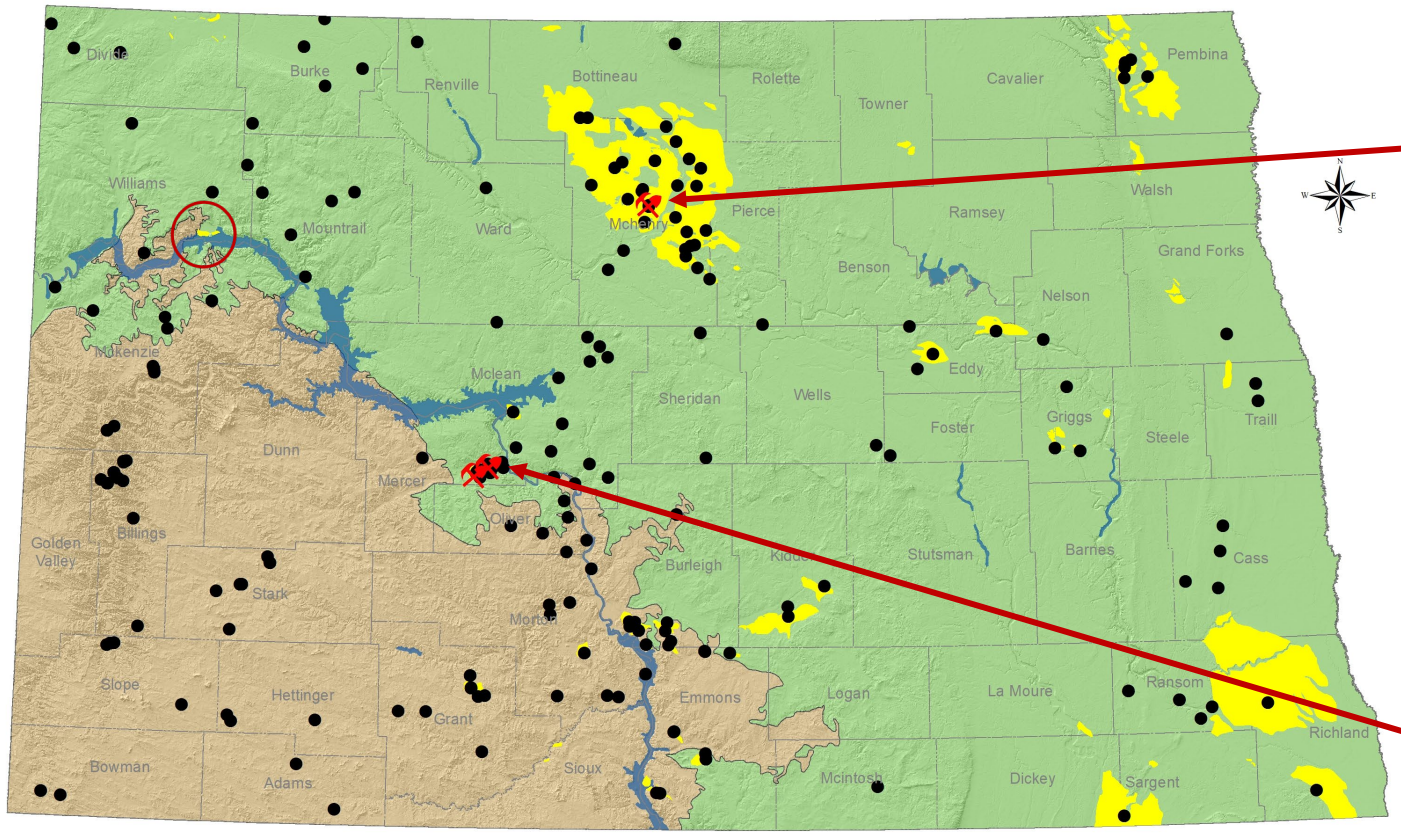
Left: The view from the Brick Mine Bridge over the Pembina River looking northeast to exposed shales of the Niobrara and Carlisle Formations along the excavations of the old Mayo Brick and Tile Company. Right: A Phase III landslide map of a portion of the Vang Quadrangle in eastern Cavalier County. Light pink areas are landslides, dark pink areas are active landslides with slope movement that occurred between 2008 and 2019. The yellow star is the location of the Brick Mine Bridge, yellow arrow is the direction of the photograph.

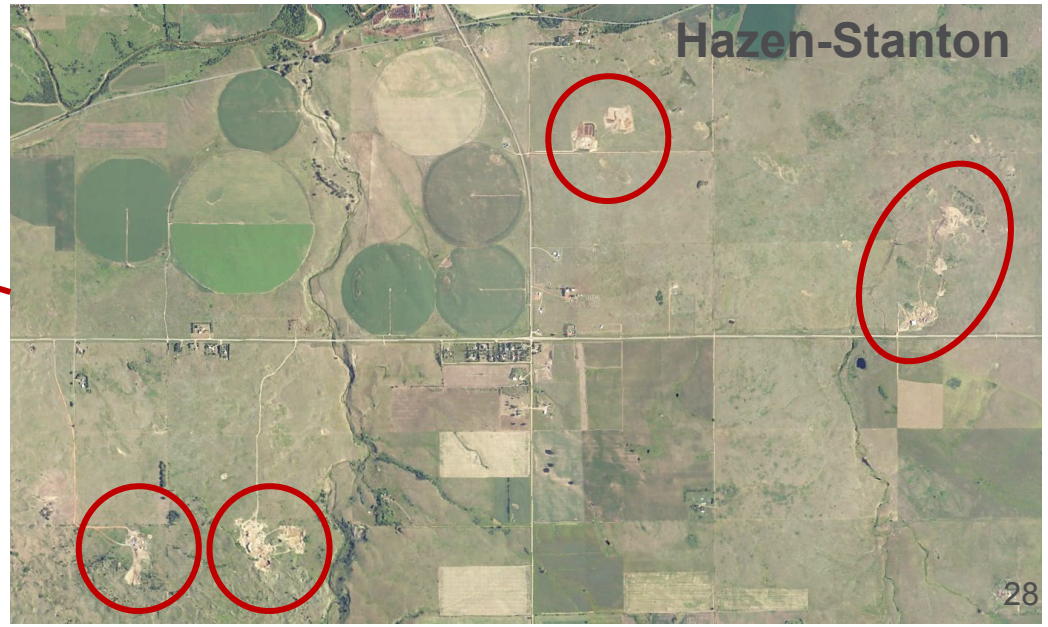
PHASE III LANDSLIDE MAPS

Landslides in South-Central North Dakota

Left: An oblique aerial view of landslides along the slope between Mary College (University of Mary) and Apple Creek in 1988. Right: Mudstones and sandstones of the Cannonball Formation are exposed in the scarp and body of the landslide at Mary College in 1988.

PROPPANT SAND PROJECTS (2009-2011, 2018-2024)





Sampled 2010 to 2020

Active Proppant Sand Mining Locations

0 10 20 40 60 80 Miles

Sedimentary Bedrock

Glacial Drift

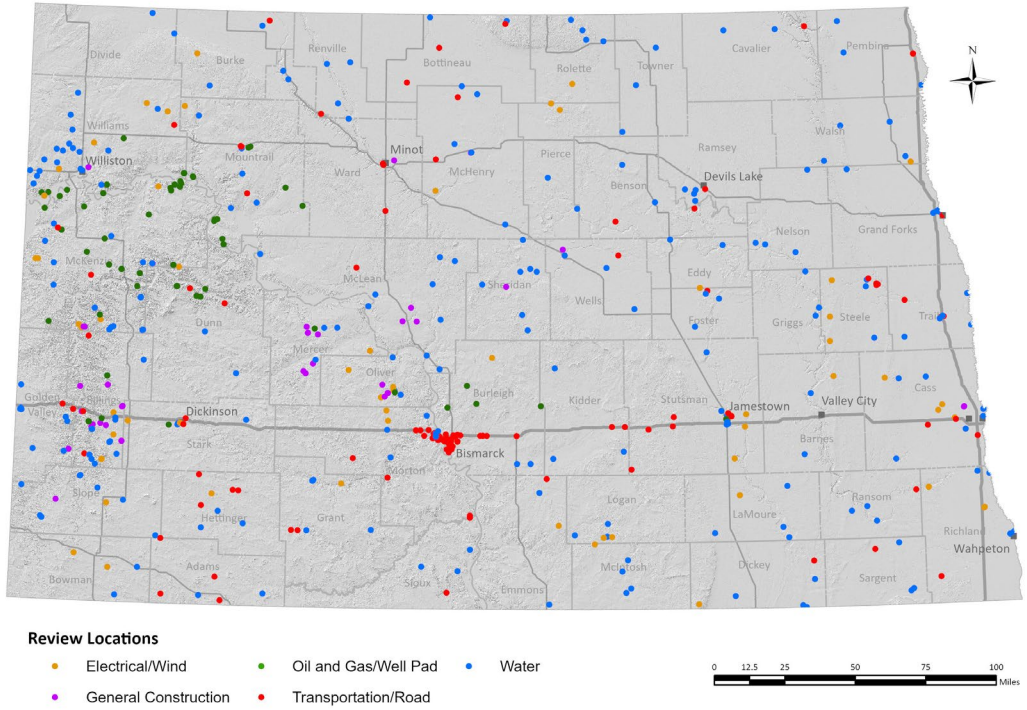
Windblown Sand

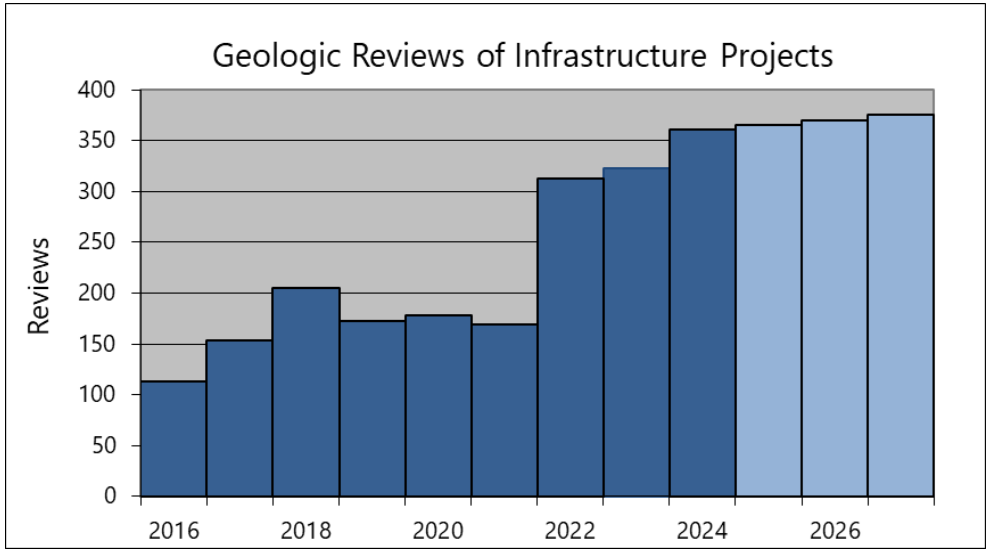
POSITION CONVERSION TO A GEOLOGIST

to Assist with Geologic Reviews of Infrastructure Projects

Since the April 1, 2024, retirement of the Geological Survey's Administrative Services II person, that position has been held open in the hope that we could obtain the additional funding to convert it to a Geologist in the upcoming legislative session. There has been a 3.5-fold increase in the number of requests for geologic reviews of proposed infrastructure projects since 2016, a 2-fold increase since 2021. The revised position would assist with this expanding program as well as the landslide and critical minerals programs. In the meantime, we have been using the salary from that open position to cover a shortfall in funds to support students photographing core in the core library.

Geologic Reviews 2023 – 2025 Biennium

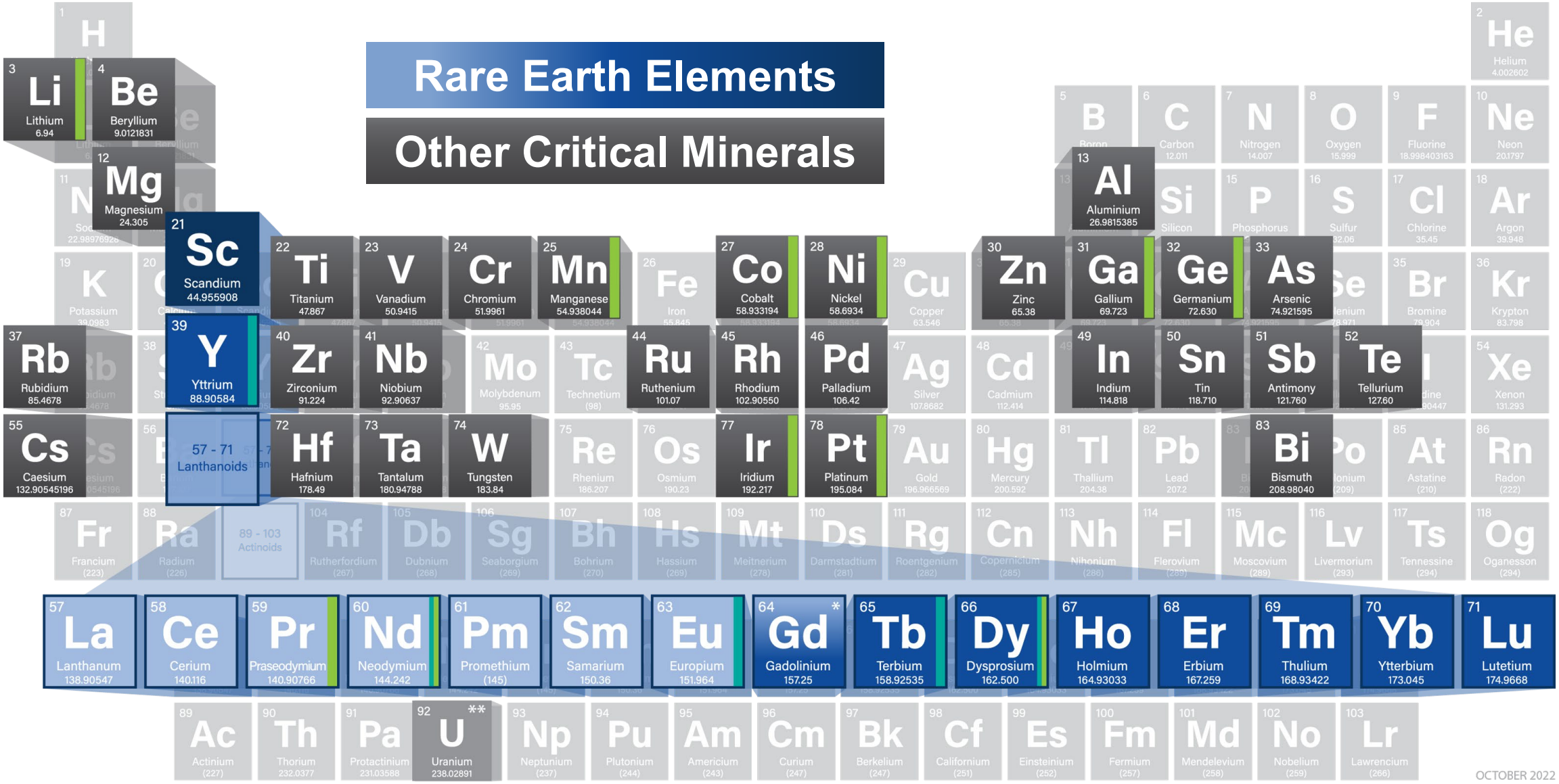




25-27 Biennium

Requested	$182,059 to convert Admin Services II position to a geologist
Burgum Budget	$182,059 in salaries and operating for the conversion
Armstrong Budget	$182,059 in salaries and operating for the conversion
Senate Version	$182,059 in salaries and operating for the conversion

Periodic Table of Elements

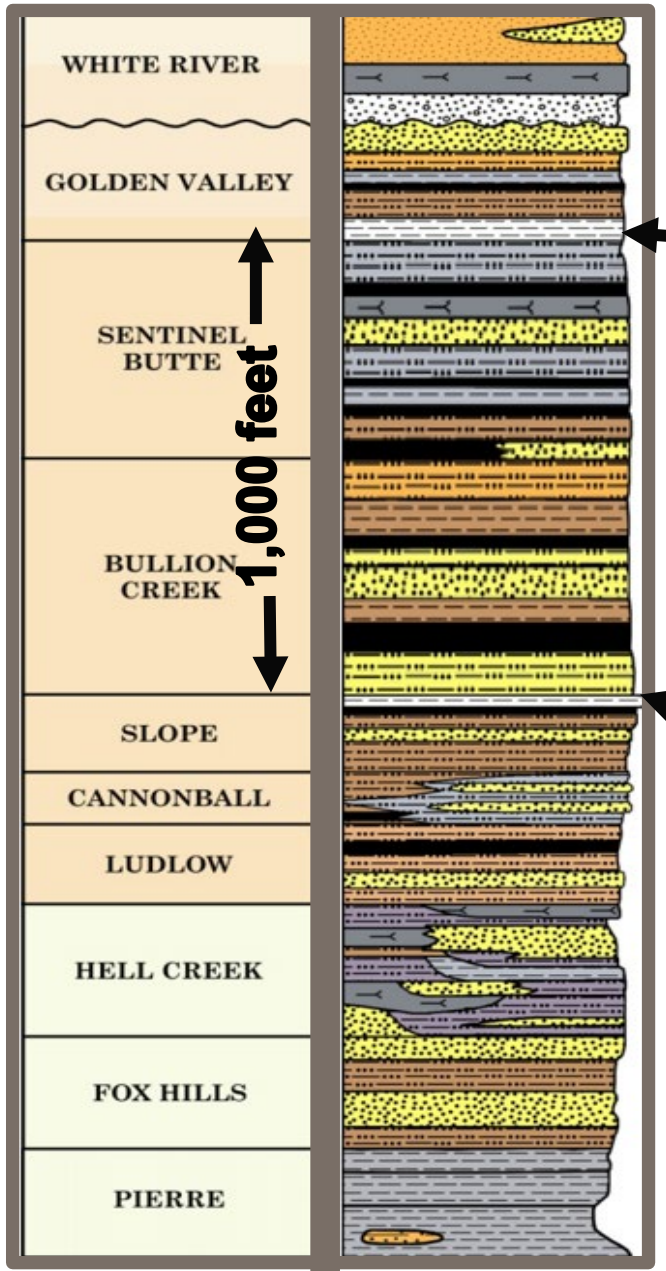


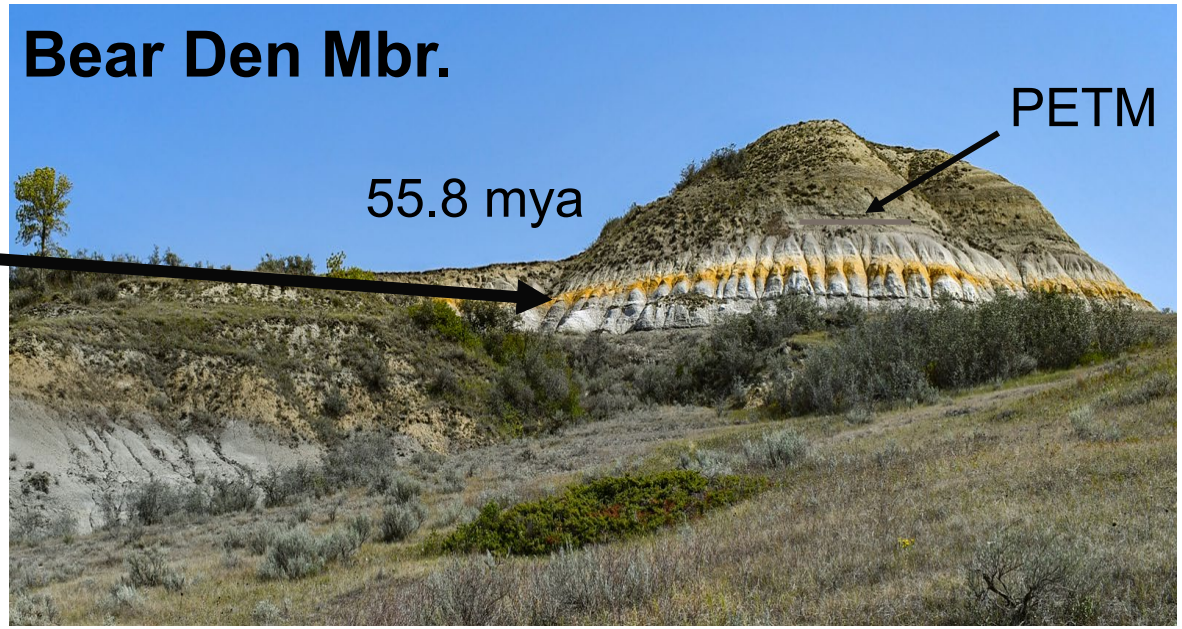
Source: Department of Energy - National Energy Technology Laboratory

CRITICAL MINERALS DRILILNG PROJECT

Phase I Drilling Project

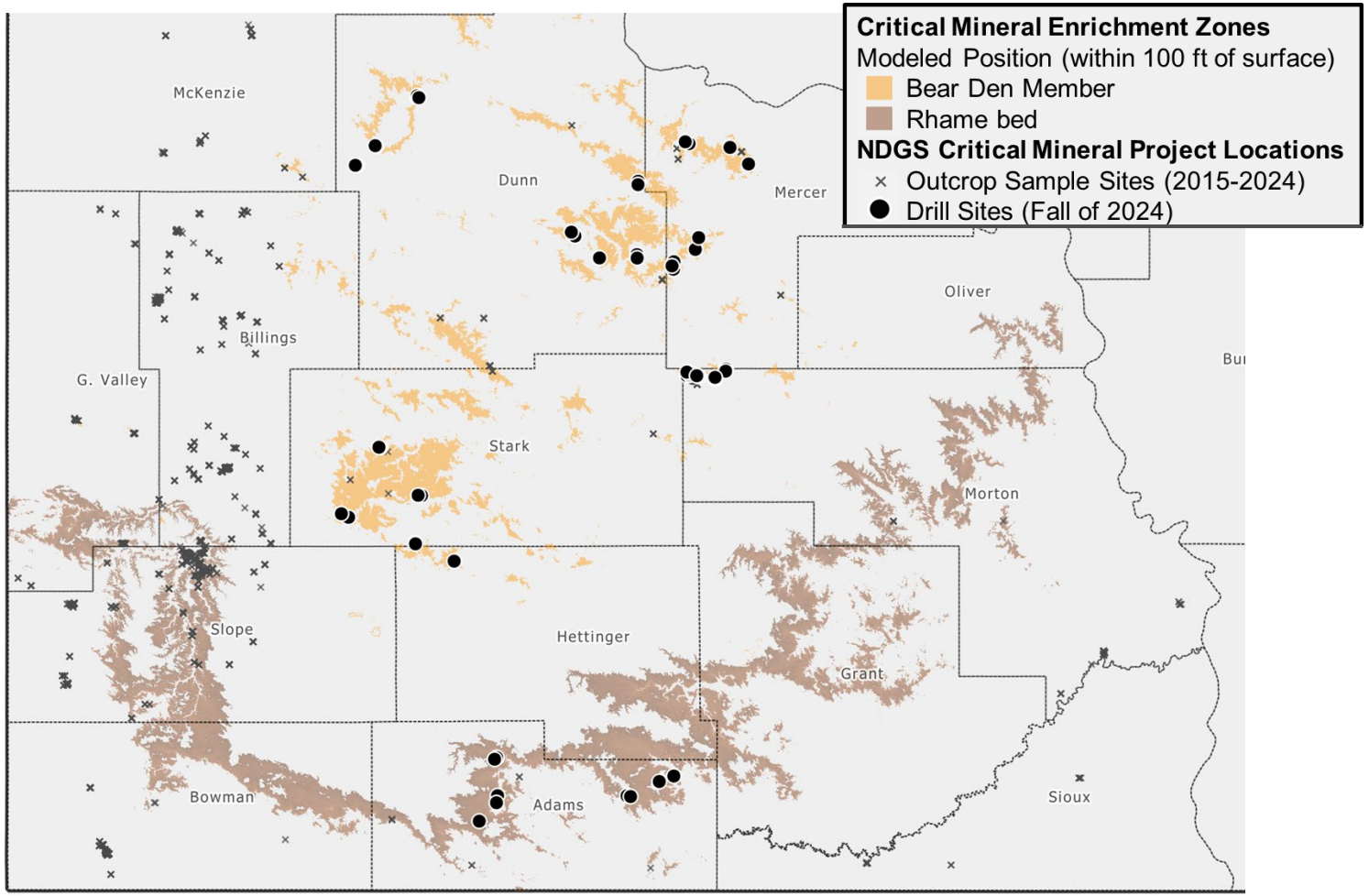
CRITICAL MINERALS PROJECT (2015 to present)

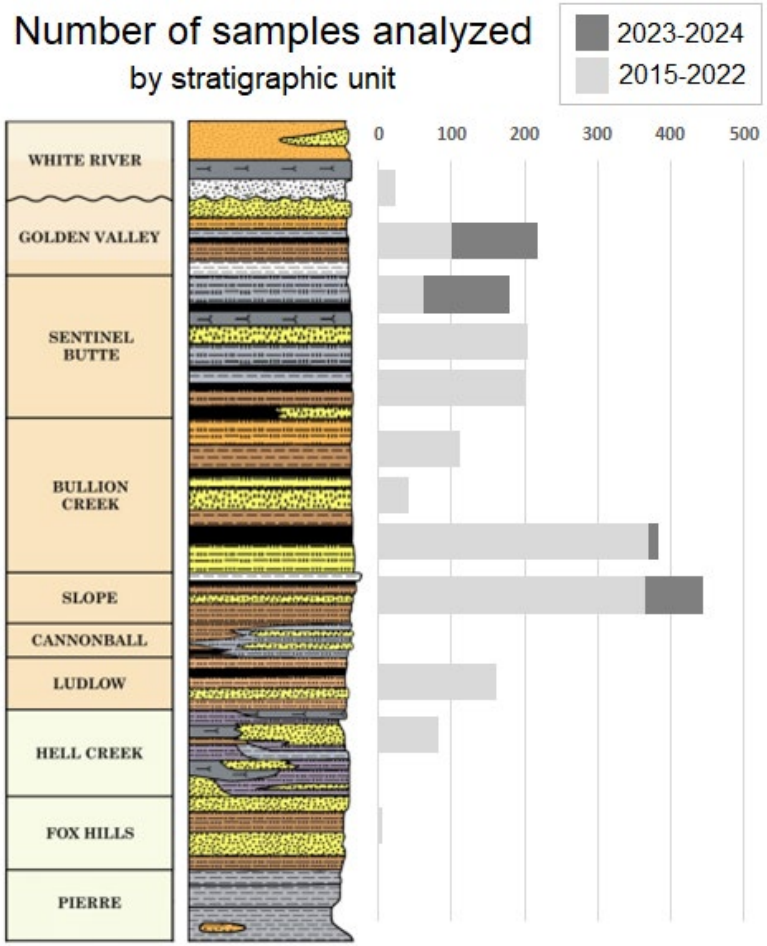




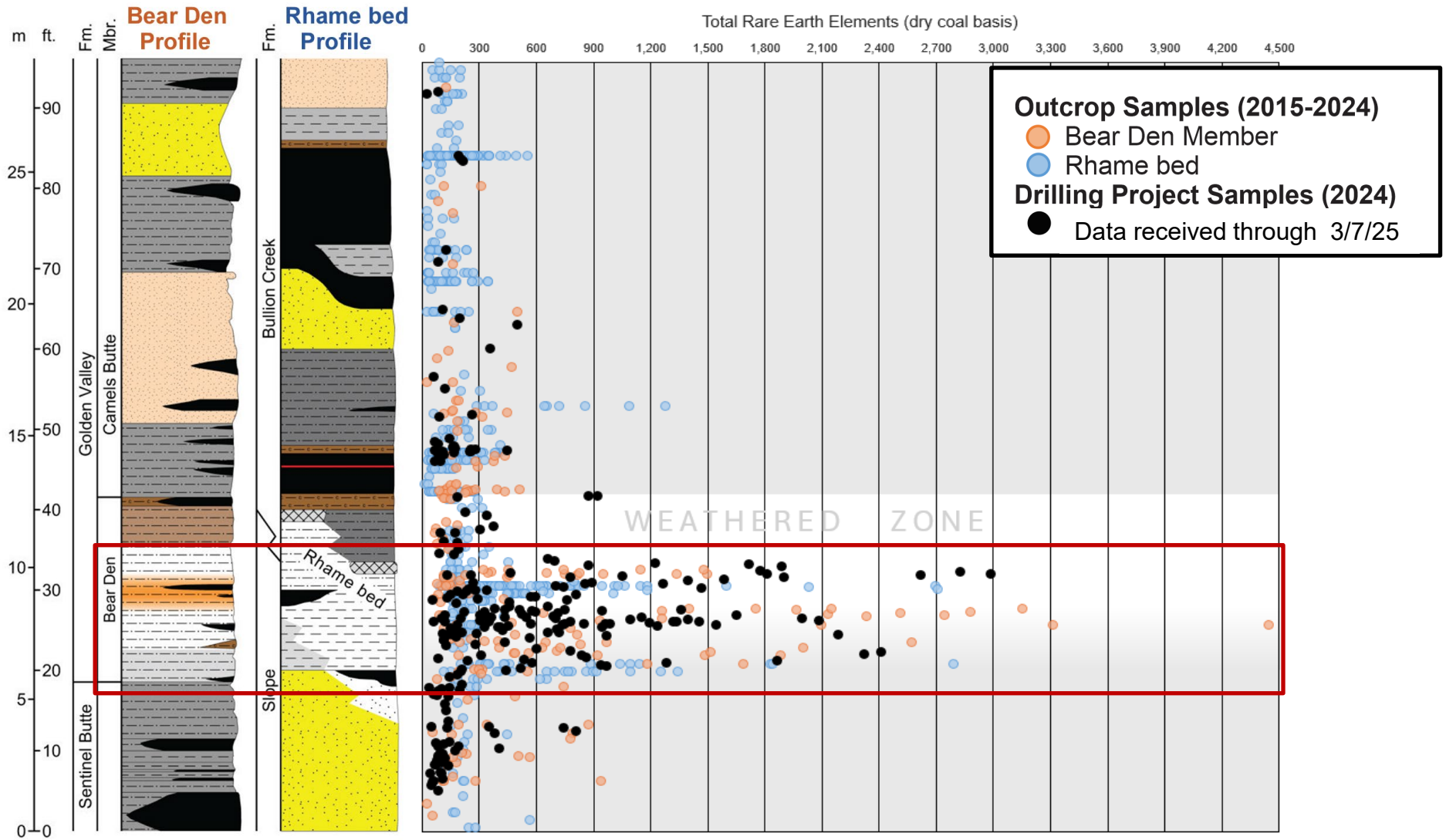
CRITICAL MINERALS PROJECT -- Phase I Drilling Project

53 holes 8,592 feet drilled 941 feet cored 175(+) core samples submitted for analysis





CRITICAL MINERALS PROJECT -- Phase I Drilling Project

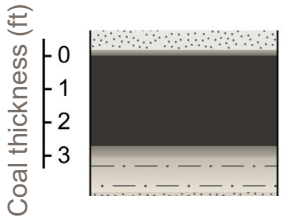


CRITICAL MINERALS PROJECT

Phase I Drilling Project

NDGS Core #2

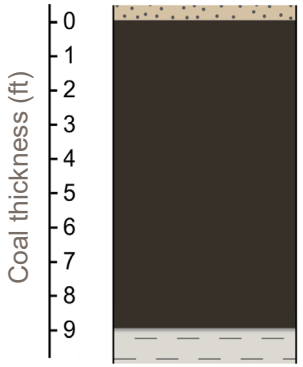
3.2 feet
of coal averaging
852 ppm REE



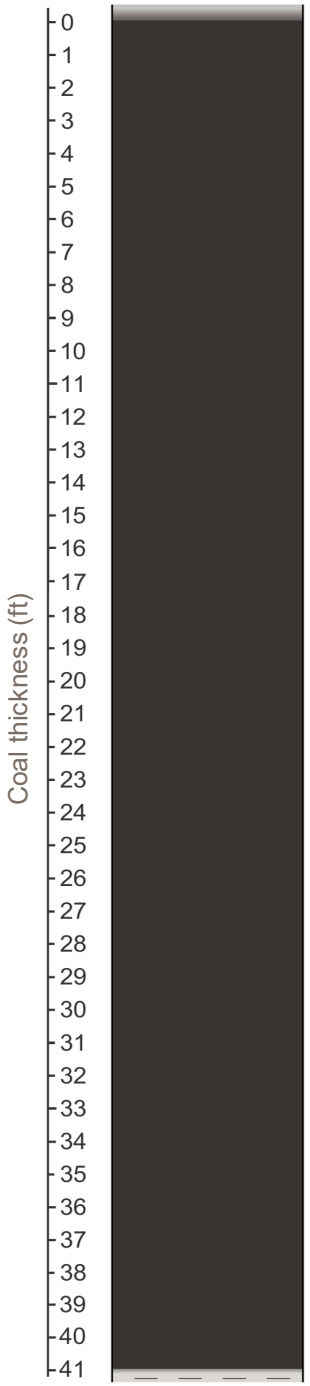
=

Equivalent
“economic grade” coal

9.0 feet
of coal averaging
300 ppm REE



=

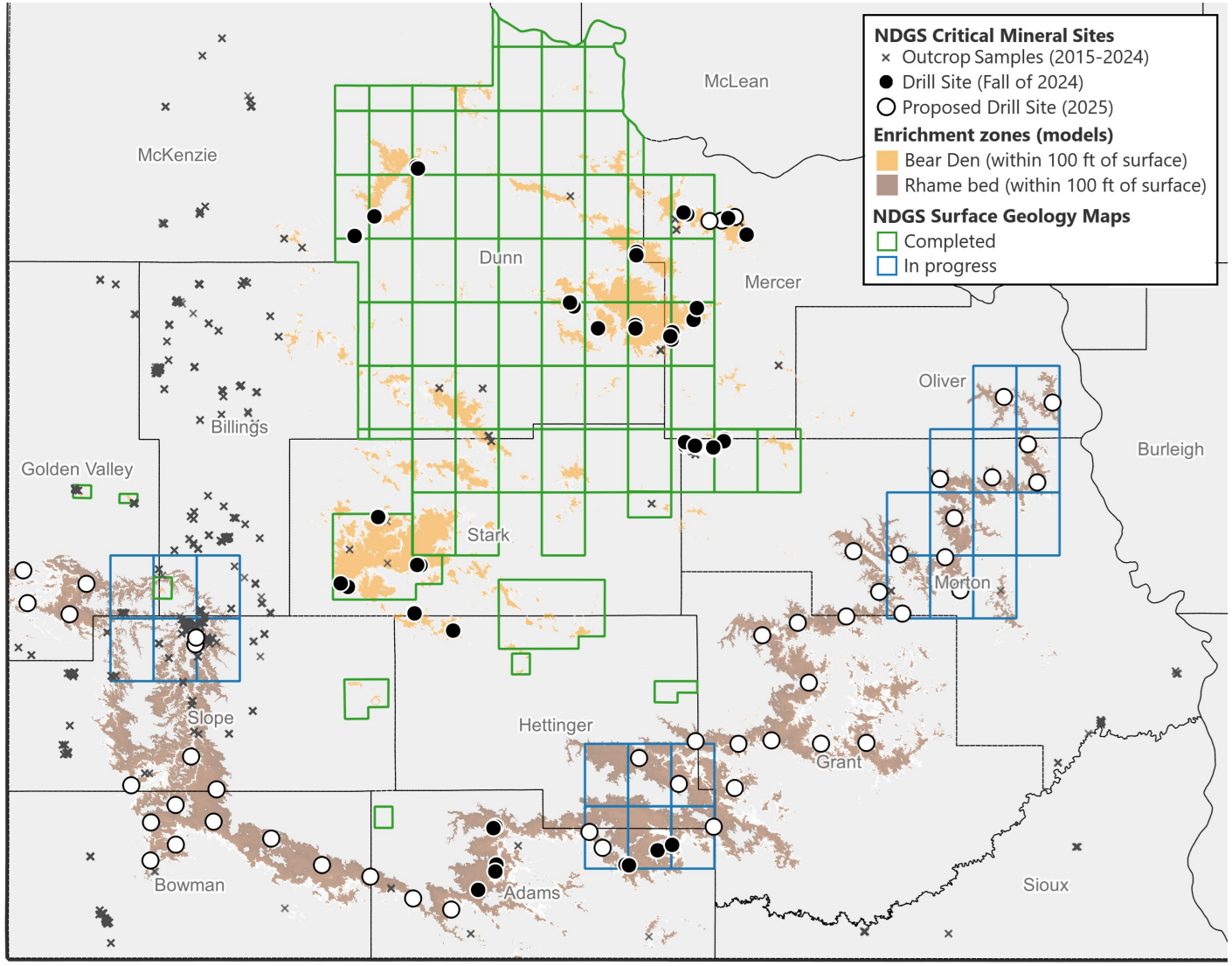


Equivalent
“normal” coal

40.9 feet
of coal averaging
66 ppm REE

CRITICAL MINERALS PROJECT

Phase II -- Proposed 50-hole Drilling Program



23-25 Biennium

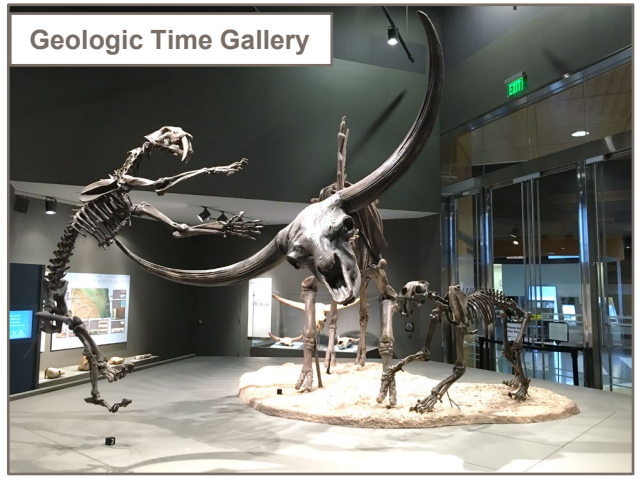
Received	$500,000
Spent	$475,000

25-27 Biennium

Requested	$500,000 (can do it for $400,000)
Burgum Budget	$100,000
Armstrong Budget	$100,000
Senate Version	$400,000

PALEONTOLOGY SECTION (Geological Survey)

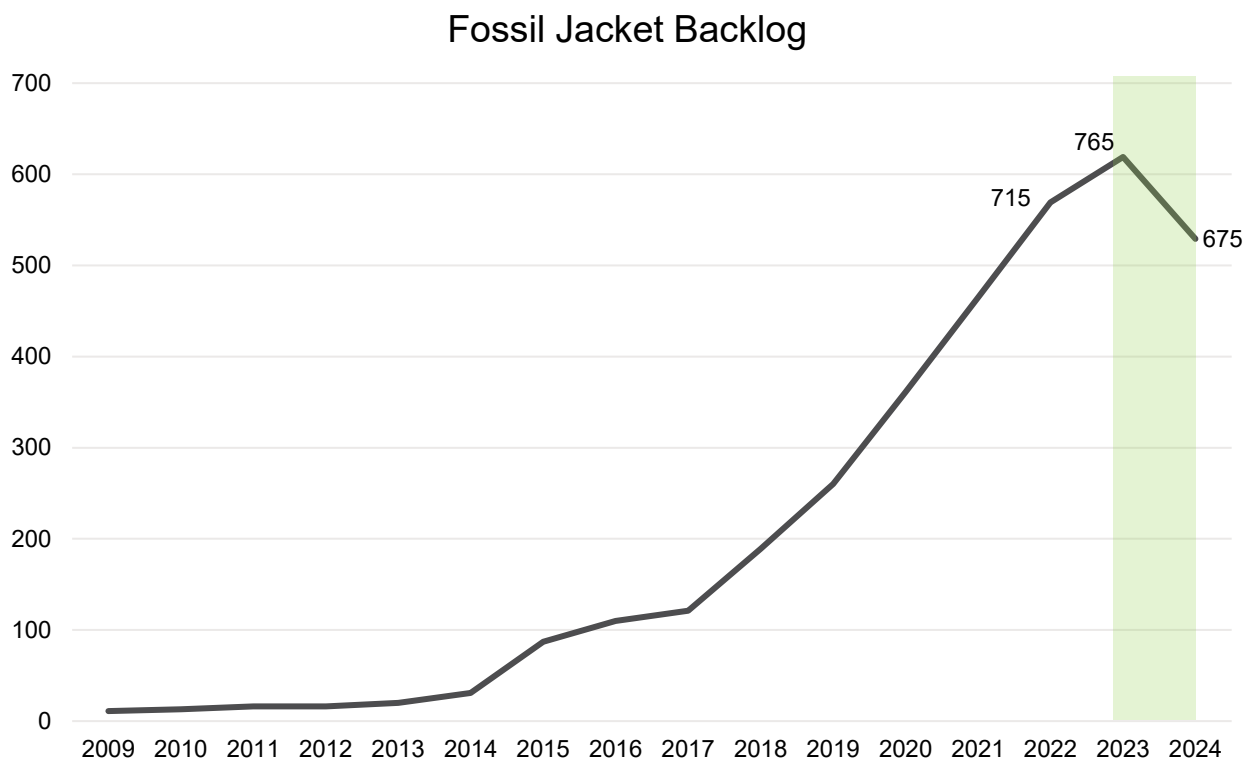
The Paleontology Section of the Geological Survey is housed in the ND Heritage Center – State Museum. The Paleontology Area consists of four offices, a library, a dirty lab, a clean lab, and the State Fossil Collection. The Paleontology Section designed the Geologic Time Gallery in the State Museum that opened in 2014 and routinely gives tours of the gallery, our labs, and the State Fossil Collection.



FOSSIL FIELD JACKET BACKLOG

New FTE Added in 2023

The popular Public Fossil Dig Program resulted in an increased number of plaster jackets with fossils being recovered each year, which was more than our staff could keep up with. An FTE for an additional fossil preparator was approved last legislative session, and we are seeing an immediate impact on the backlog of fossils. We are now on pace to eliminate the backlog of fossils awaiting cleaning within 8-10 years.



Paleontologist Cathy Lash cleaning a fossil fish from the Pembina Gorge

STATUS OF FOSSIL RESTORATION AND EXCAVATION FUND

$250,000 Appropriated in 2023-2025 Biennium

	Appropriated	Remaining
Funding for “Dinomummy” Work	$150,000	$114,830
Funding for Offsite Exhibits	$100,000	$94,201
Total:	$250,000	$209,031

Walsh County Historical Museum, Minto

Minot Public Library Exhibit

Progress on Cleaning Dakota the “Dinomummy”

3D Preserved Toes on Hind Foot Exposed

Rib Cage and Shoulder Blade Stabilized

WALHALLA PUBLIC LIBRARY FOSSIL EXHIBIT

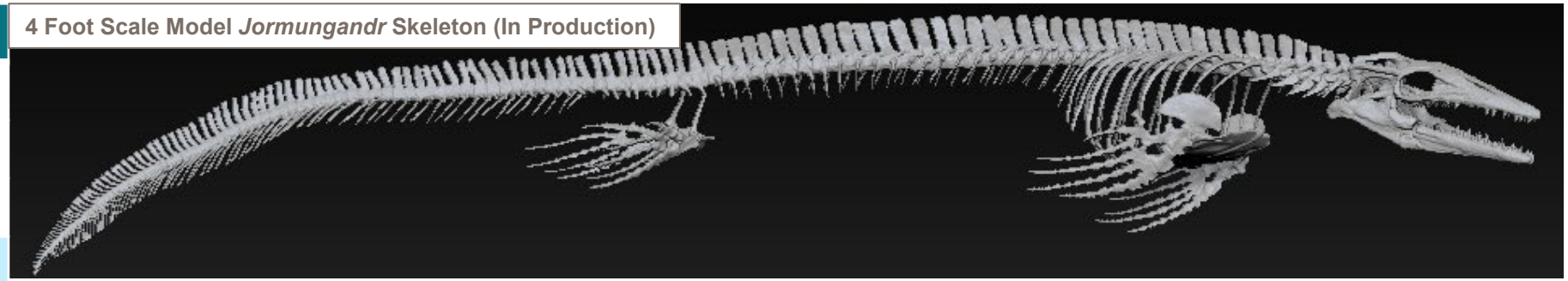
Funding Allocated in 2023-2025 Biennium

Current Installation in the Kids Reading Area

Initial delivery of fossil casts to library in June of 2023. Banner and other items installed in August of 2024, after renovation was complete. At the library's request, we commissioned a scale model of the full mosasaur skeleton that will be hung from the ceiling.

Item	Cost
Fossil Casts	$4,100
Mural	$5,056
Skeleton	$6,400
Total:	$15,556

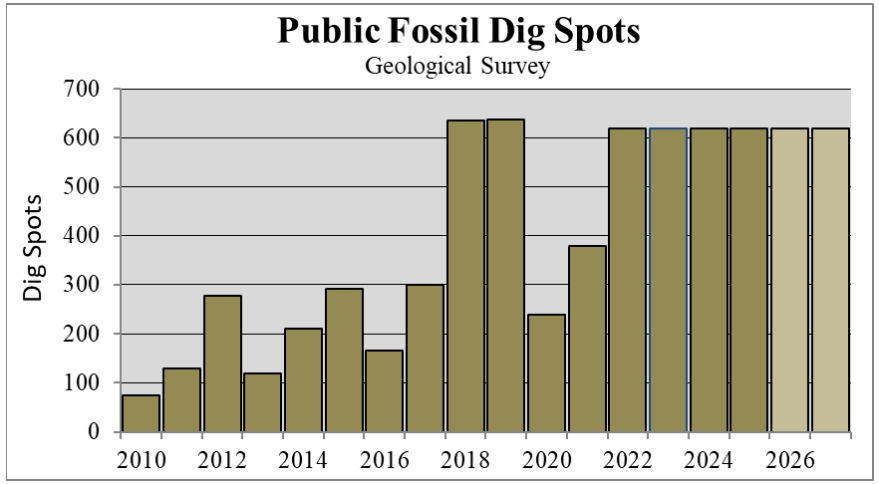
4 Foot Scale Model *Jormungandr* Skeleton (In Production)



EXPANSION OF PUBLIC FOSSIL DIGS PROGRAM

Requesting an Additional Paleontology Technology Position

The Geological Survey's Public Fossil Dig Program is extremely popular, all of the available registration slots sell out within minutes. Every year, this results in hundreds of disappointed North Dakotans as well as people throughout the U.S. Last Legislative Session, we were able to add a paleontology technician to help us with the backlog of 750 fossil field jackets that has resulted from the Public Fossil Dig Program. An additional paleontology technician would enable us to expand the fossil dig program by 40% (from 600 available slots to 840).



25-27 Biennium

Requested	$216,472
Burgum Budget	$ 0
Armstrong Budget	$ 0
Senate Version	$ 0

EXCAVATION OF A WOOLLY MAMMOTH IN NORTHWESTERN ND

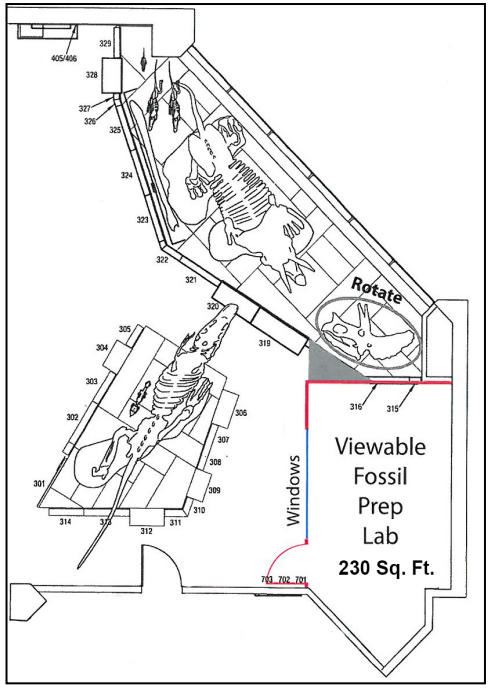
In 1988, the Geological Survey was asked to investigate woolly mammoth bones that were discovered while excavating for a house and garage addition in southwestern Burke County. By the time we got the message, the slab and apron had been poured and the addition had been completed. We went back in 2024 and excavated and area on the northside of the garage and found numerous mammoth bones and parts of teeth. We are requesting funds to excavate the bones under the garage. This will require removing the slab and part of the apron, possibly hoisting field jackets through the roof, backfilling, pouring a new slab and apron, and compensating the homeowner for the inconvenience.

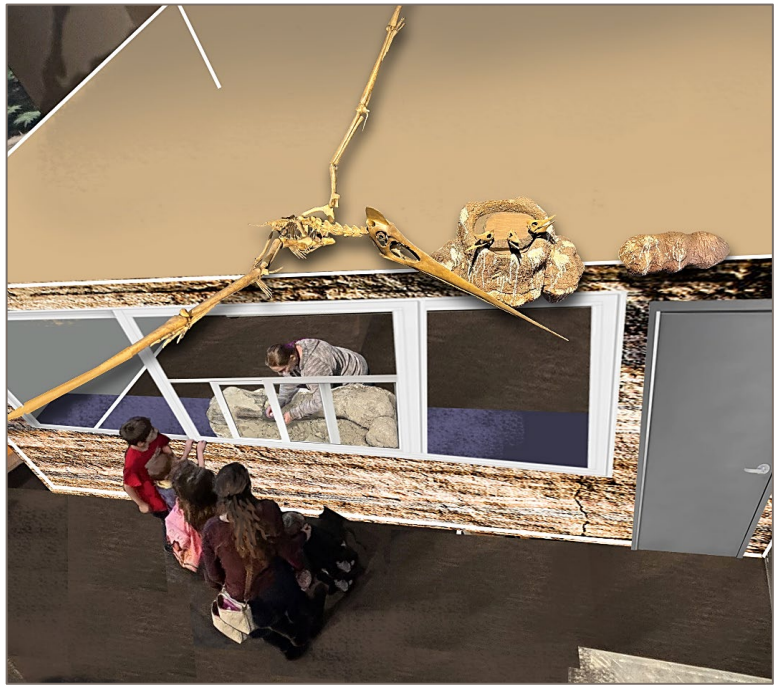
25-27 Biennium

Requested	$300,000
Burgum Budget	$300,000
Armstrong Budget	$300,000
Senate Version	$150,000

PALEONTOLOGY VIEWING LABORATORY (Heritage Center)

Viewing laboratories afford the public the opportunity to see paleontologists preparing fossil specimens to go on display and are very popular in museums around the country. The State Historical Society of North Dakota supports this project. The preliminary estimate total is $319,000 with costs likely closer to $250,000 if it could be rolled in with the military wing due to the economy of scale with the much larger project.





<u>25-27 Biennium</u>

Requested	$250,000	(capital asset)
Burgum Budget	$	0
Armstrong Budget	$	0
Senate Version	$	0

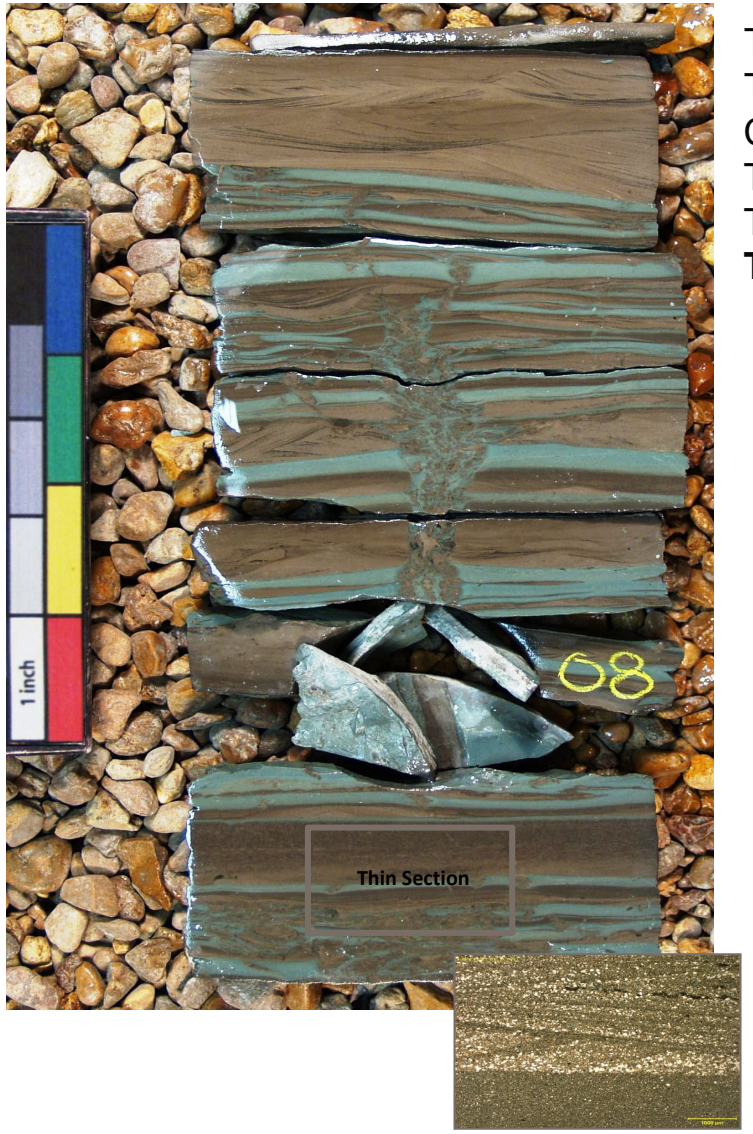
WILSON M. LAIRD CORE & SAMPLE LIBRARY

Situated on the University of North Dakota campus, the Wilson M. Laird Core and Sample Library consists of a warehouse (41,000 ft^2) and five laboratories (5,000 ft^2) for core and sample studies. The original core warehouse was constructed in 1980 and the rest of the building was constructed in 2016. The facility houses 487,000 feet of core (170,000 core boxes) and 59,000 boxes of oil and gas drill cuttings.

Lower left: This biennium, we have pulled 126,000 feet of core off the shelves, an amount equal to five of these shelving units.

CORE AND THIN SECTION PHOTOGRAPHY PROGRAM

Wilson M. Laird Core and Sample Library Temporary Salaries



Total core (one set) in the core library =	487,000 feet (92 mi.)
Total photographed =	263,000 feet (54%)
Core photographs =	**402,000**
Total thin sections in the core library =	20,000
Thin section photographs =	**151,000**
Total photographs on website =	**553,000**

21-23 Biennium

Reservoir Data	$120,000 temp salaries

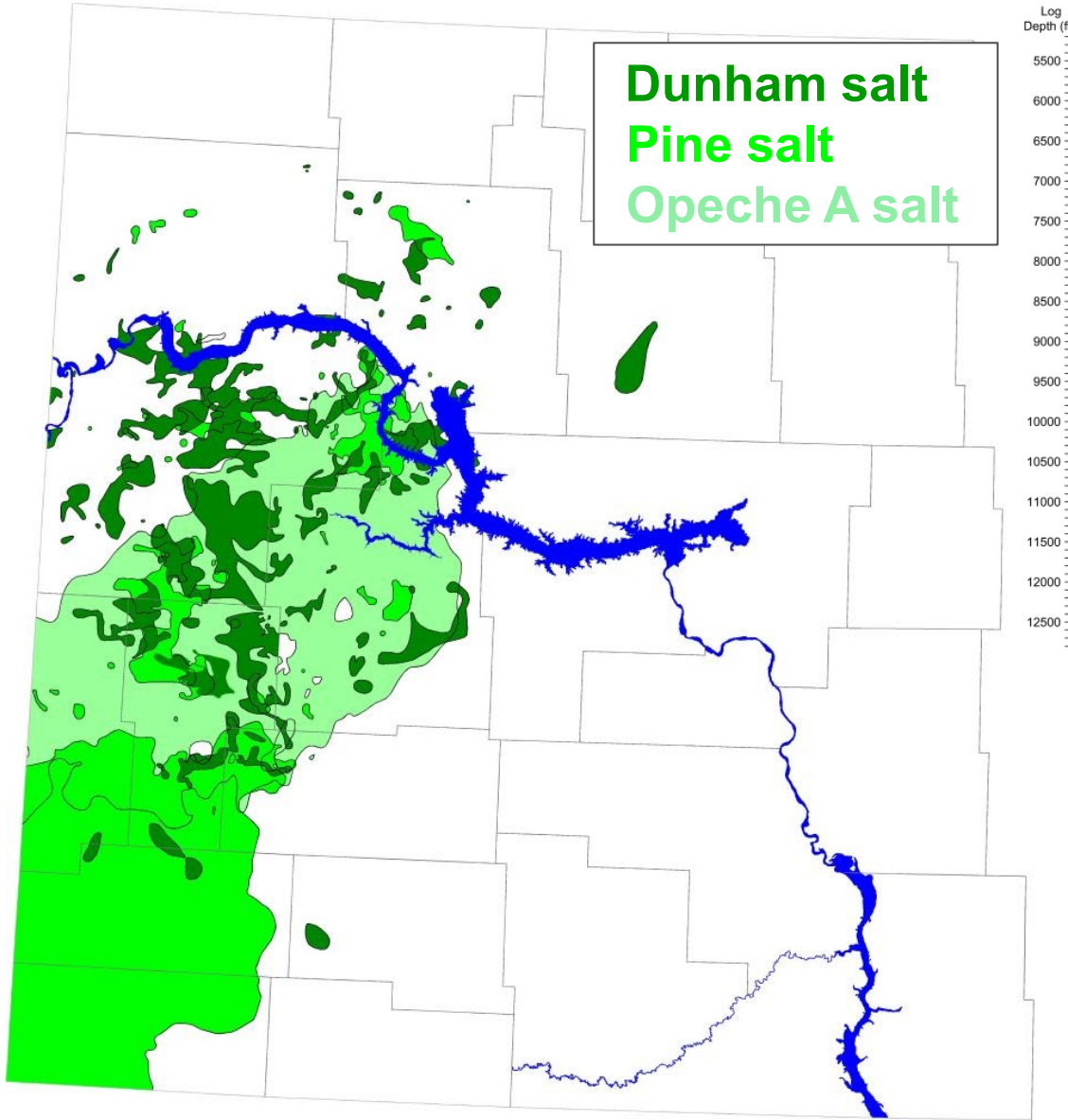
23-25 Biennium

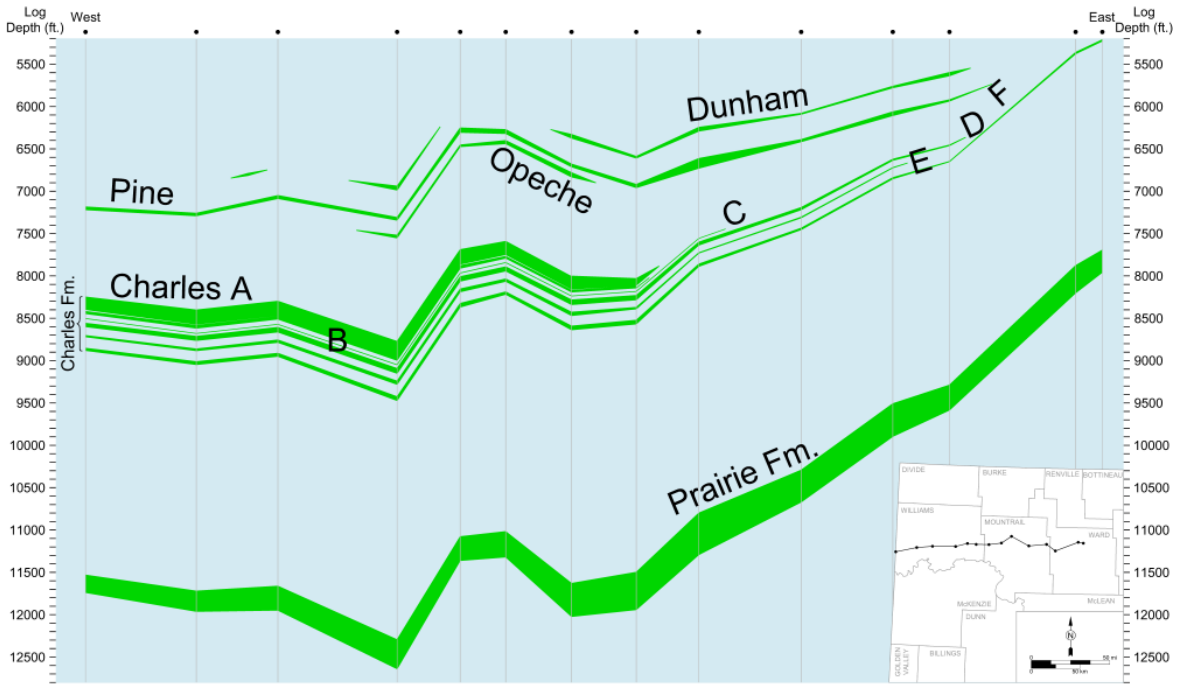
Reservoir Data	$0 temp salaries
HB 1014	$45,000 temp salaries
Admin Services II salary	$96,000 temp salaries

25-27 Biennium

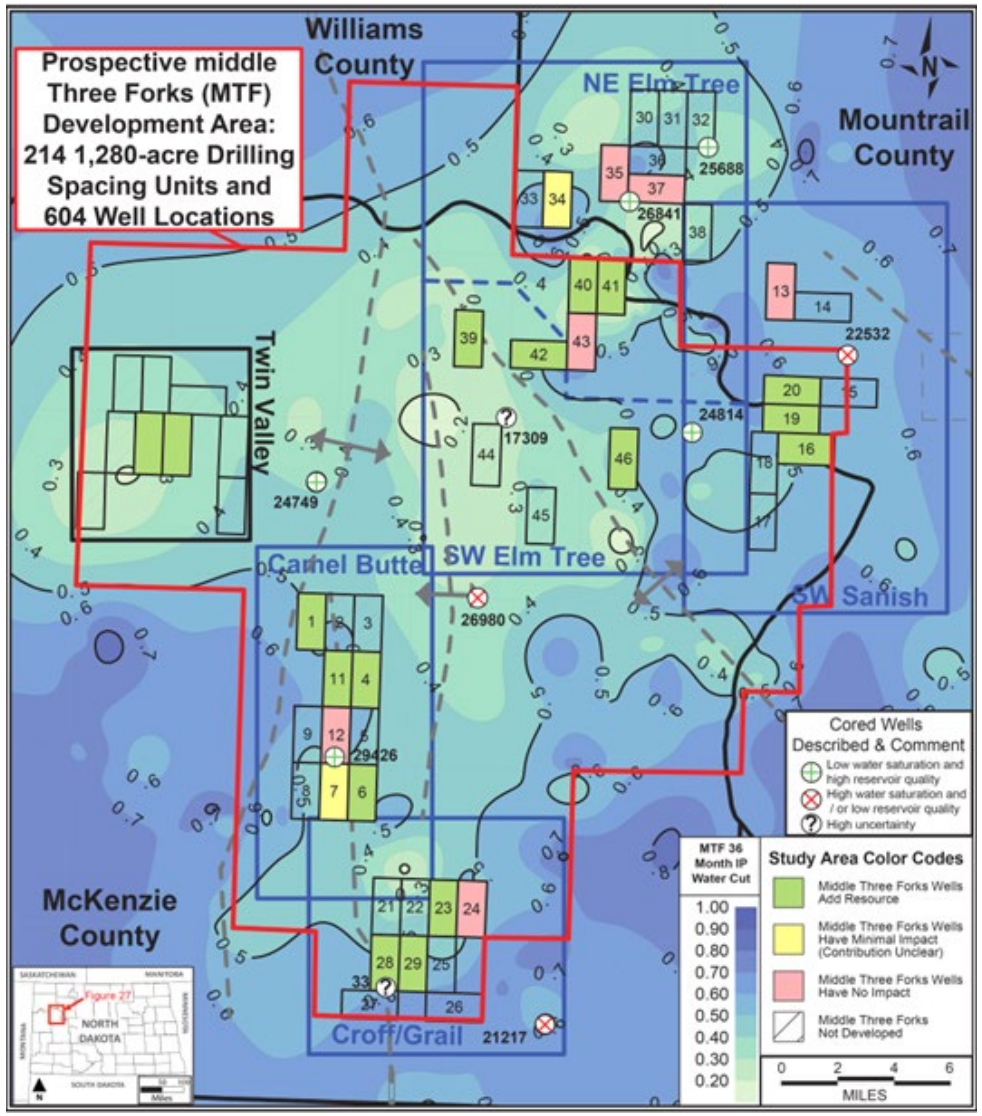
Reservoir Data	$0 temp salaries
Requested additional	$45,000 temp salaries
Burgum Budget	$0 temp salaries
Armstrong Budget	$0 temp salaries
Senate Version	$45,000 temp salaries

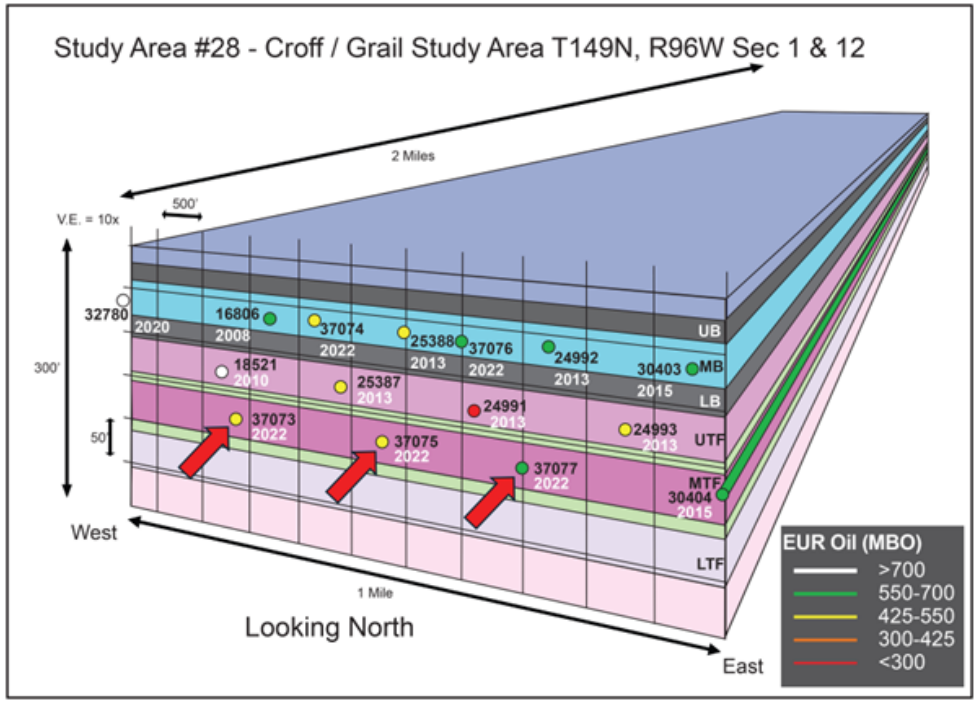
SHALLOW SALTS FOR HYDROCARBON STORAGE – Opeche Salt





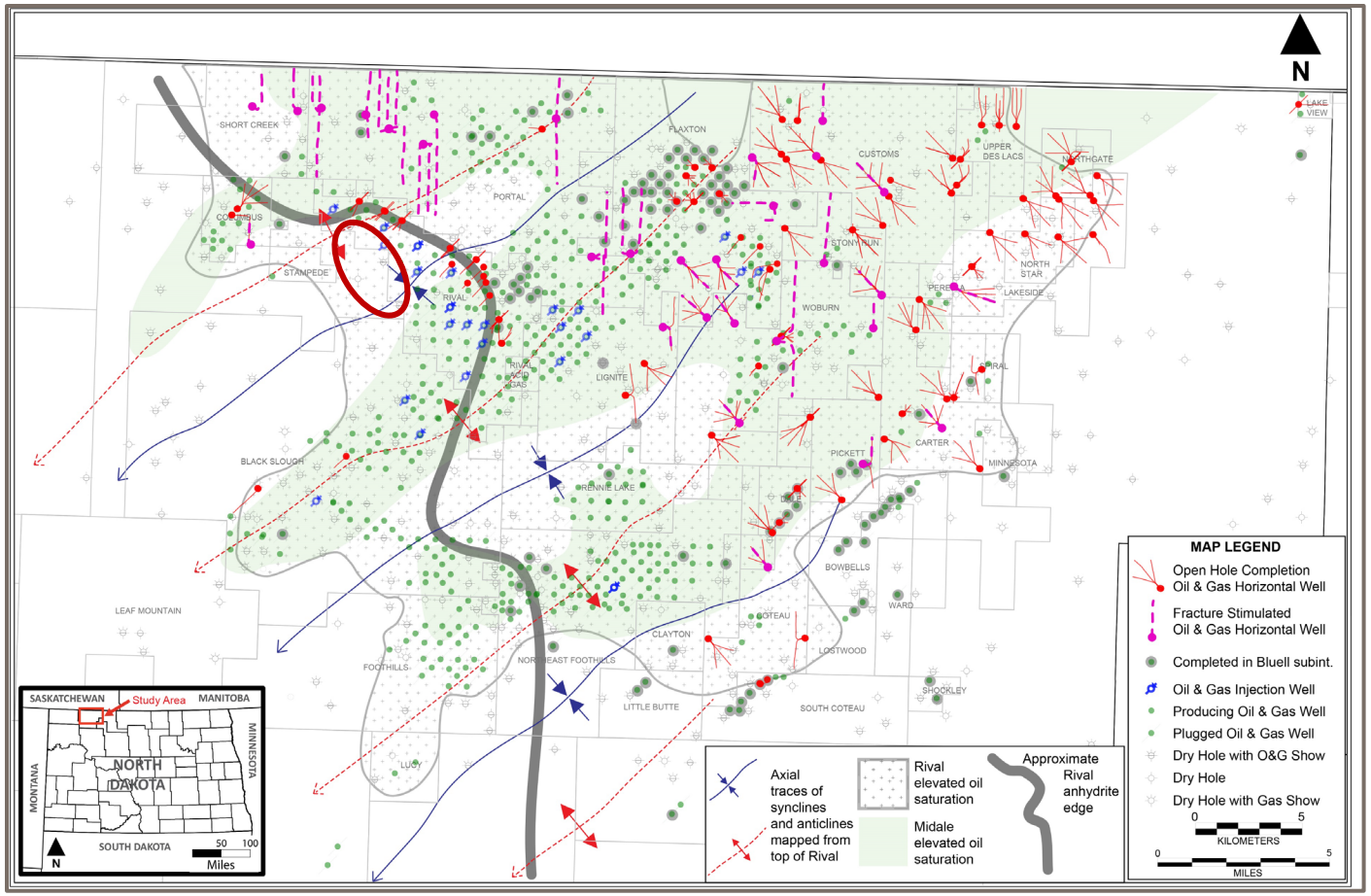
BAKKEN PETROLEUM SYSTEM – Middle Three Forks



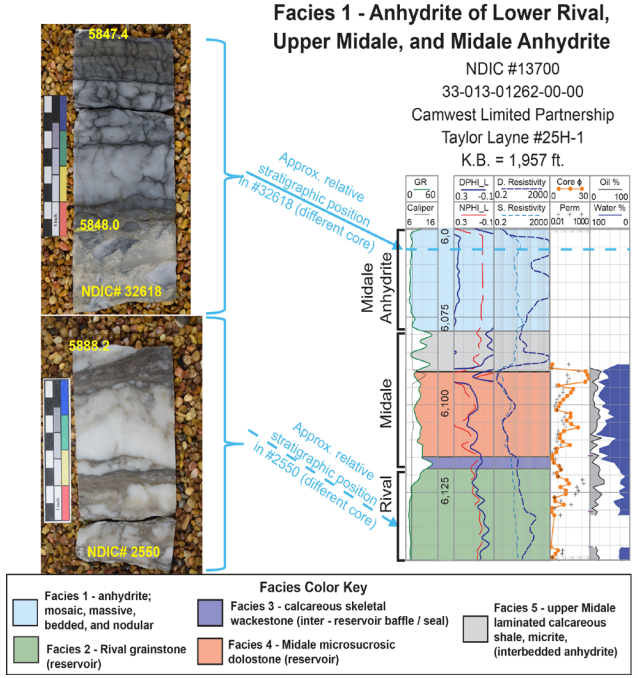


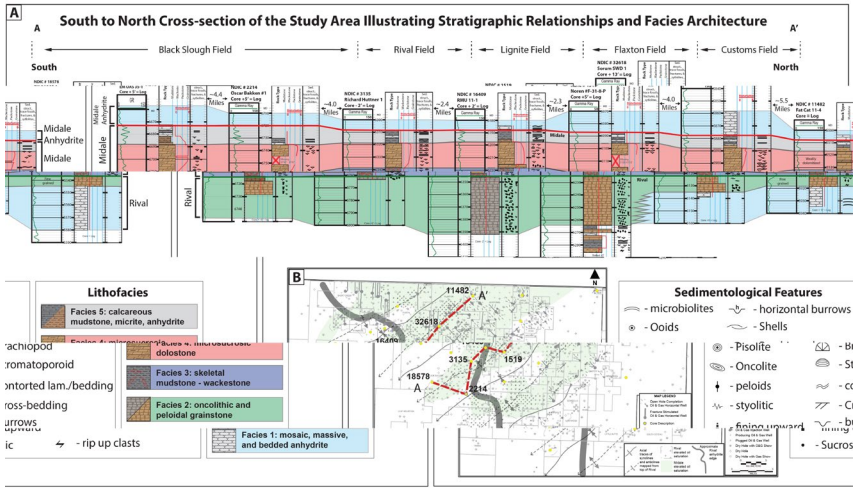
Wells in Data Set	Middle Three Forks Estimated Ultimate Recovery (EUR)		
	10th Percentile	50th Percentile	90th Percentile
70	274,111	430,262	682,608
Potential Remaining Drilling Locations	Prospective Area* middle Three Forks EUR		
	10th Percentile	50th Percentile	90th Percentile
600	164,466,600	258,157,200	409,564,800
~165 - 410 Million Barrels of Recoverable Oil			

NONBAKKEN– Madison Group (GI 272)



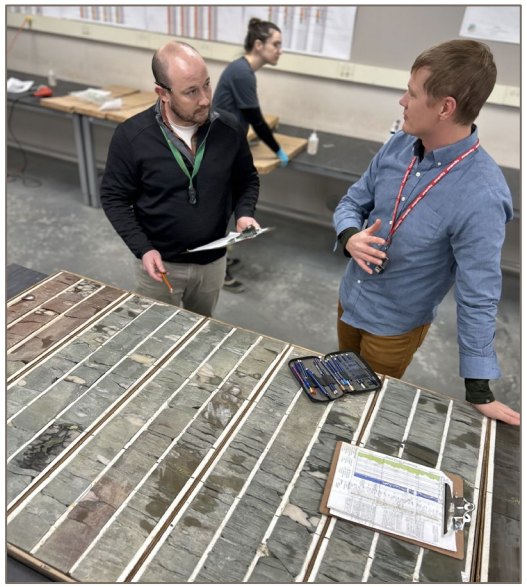
Burke County

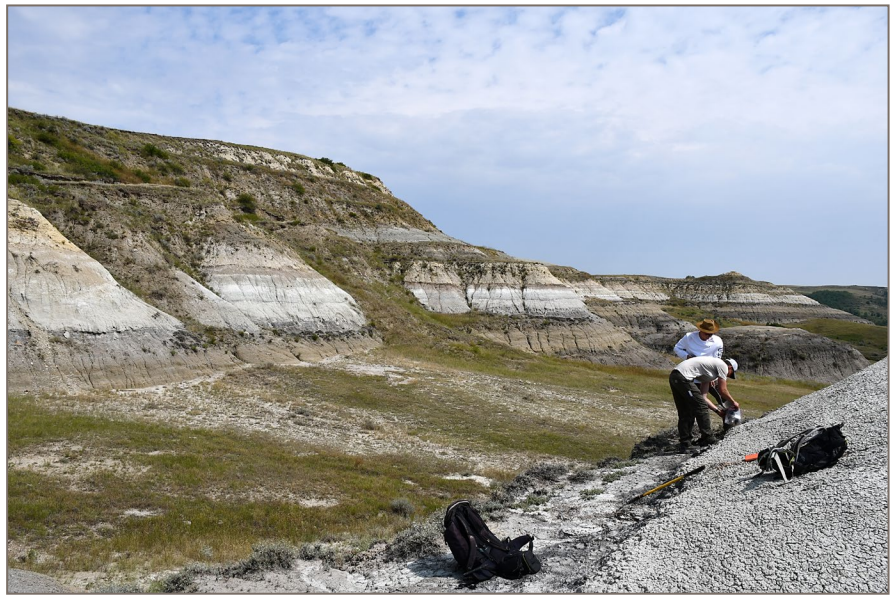


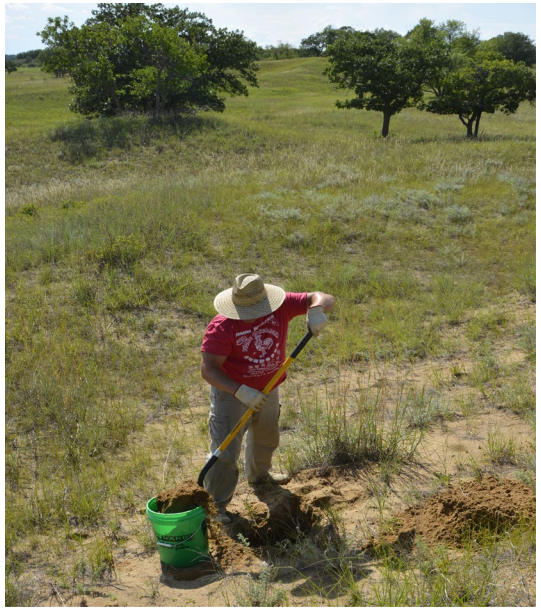


FUNDING FOR ROCK AND MINERAL ANALYSIS

Geological Survey geologists routinely send off samples to laboratories for a variety of analyses. For core samples, these typically include core total organic carbon, volatile organic compounds, RockEval, X-ray diffraction, vitrinite reflectance, etc. For coal samples, these typically include determinations of the rare earth element concentrations along with other critical minerals, and occasionally the major ions.







23-25 Biennium

Requested	$100,000 on-going for rock analyses
Received	$100,000 one-time rock analyses (spent $86,000)

25-27 Biennium

Requested	$100,000 on-going for rock analyses
Burgum Budget	$100,000 one-time rock analyses
Armstrong Budget	$100,000 one-time rock analyses
Senate Version	$100,000 one-time rock analyses

Portable X-Ray Fluorescence (XRF) Machine

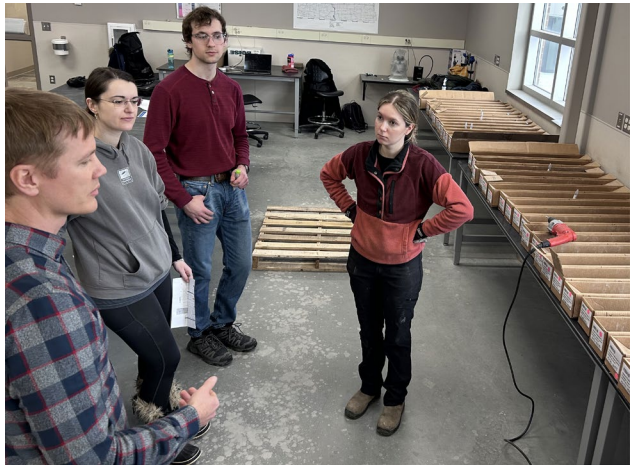
The Geological Survey has a portable x-ray fluorescence machine that was purchased with donated funds to be used in the core library. We have found it to be a very beneficial investigative analytical tool in the field with the critical minerals project as well as in the paleontology laboratory evaluating the mineralogy of mummified skin, etc. All of these other uses have put a strain on the machine and have taken it away from the core library. It would be very beneficial to have two portable machines.

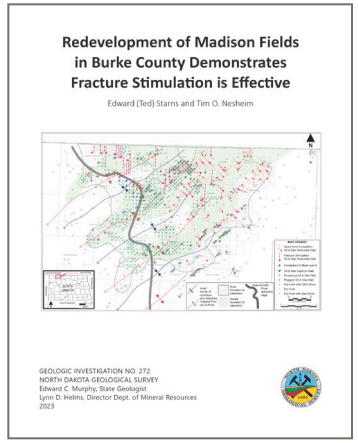
Left to right: a surface geologist using the portable xrf to analyze for yttrium in lignite, a subsurface geologist using the xrf to analyze core for magnesium, and a paleontologist using the xrf to analyze for iron concentrations in the skin of Dakota the dinomummy.

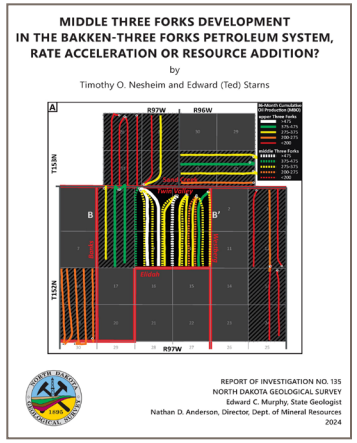
<u>25-27 Biennium</u>

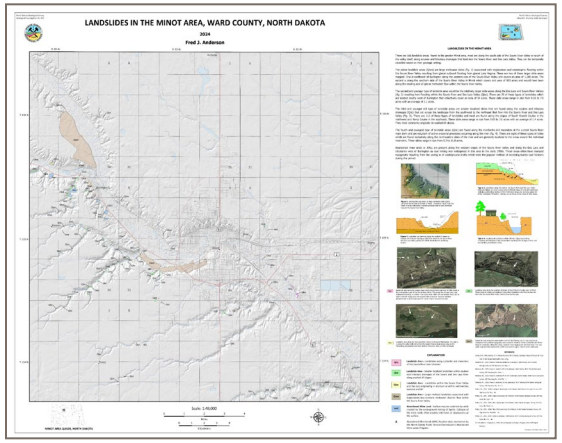
Requested	$45,000 (capital asset)
Burgum Budget	$0
Armstrong Budget	$0
Senate Version	$45,000

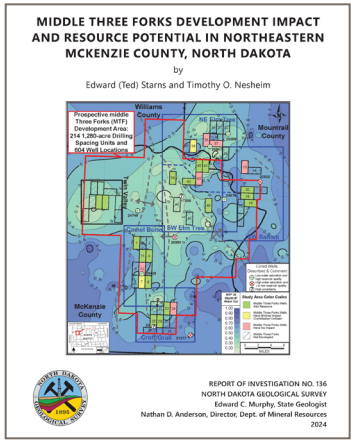
OUTREACH

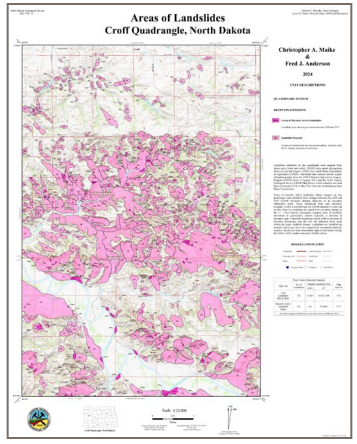


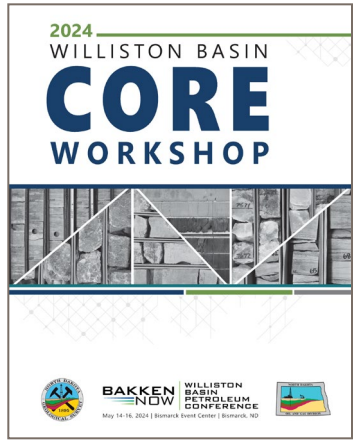


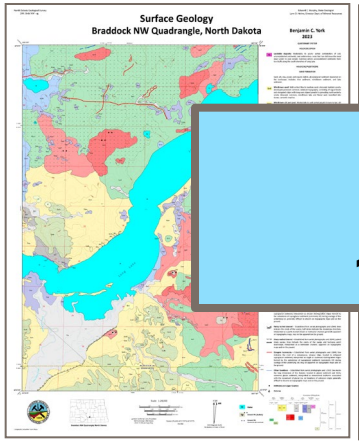


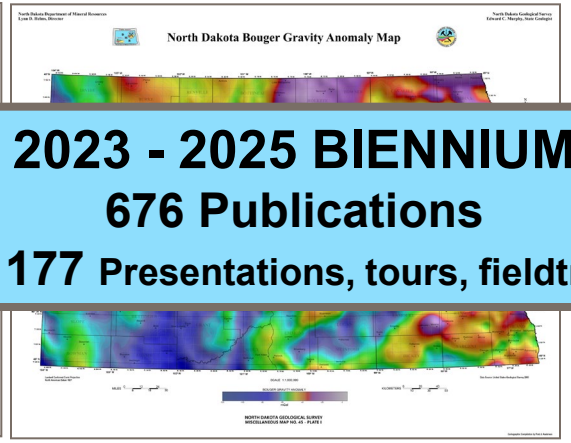


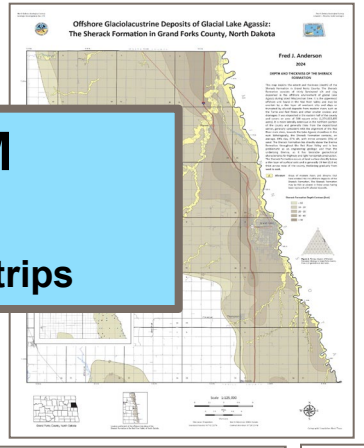








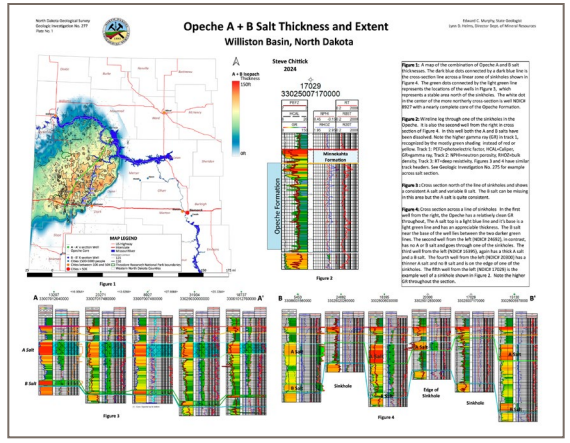


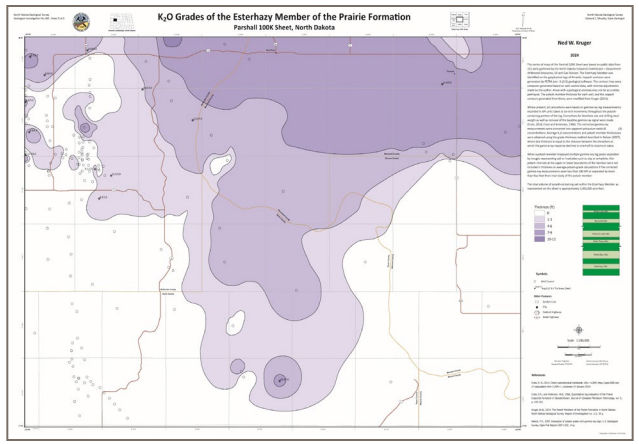


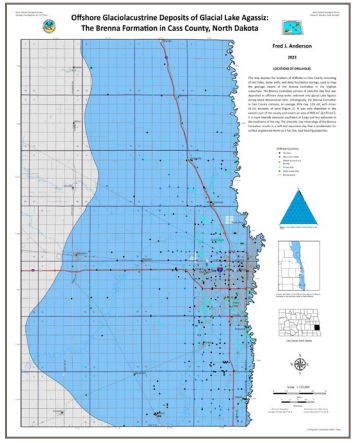
2023 - 2025 BIENNIUM

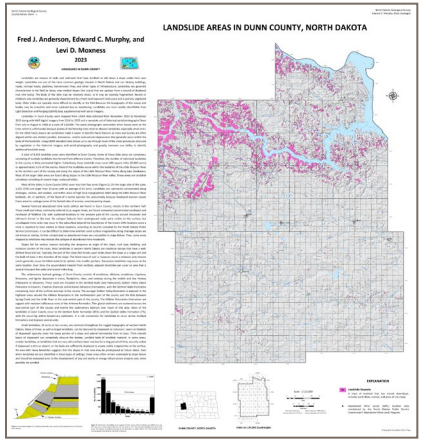
676 Publications

177 Presentations, tours, fieldtrips









NORTH Dakota | Mineral Resources

Be Legendary.™

Audit | Budget Overview

RECENT AUDIT FINDINGS

A biennial audit of the Industrial Commission was conducted by the State Auditor's Office in accordance with generally accepted government auditing standards for the three-year period ending June 30, 2023.

The audit included the following entities and programs under the direction and control of the Commission:

- Department of Mineral Resources (Geological Survey and Oil and Gas Division)
- Lignite Research, Development, and Marketing Program
- Oil and Gas Research Program
- Outdoor Heritage Fund
- Pipeline Authority
- Renewable Energy Program
- Transmission Authority

The audit did not have any findings.

AGENCY FEES

47400 - Department of Mineral Resources Agency Fees

Fee Description	Fee Amount	Authority Reference (Statute or Administrative Rule)	Date Established	Actual 2021-23 Biennial Revenue	*Estimated 2021-23 Biennial Cost Incurred*	Required by Statute to cover costs?	Is use of fee revenue restricted by statute?	Is fee appropriate and affordable?	Recommendations to change or remove.
Geophysical Permit Application Fee	up to $100	NDCC 38-08.1-04 NDAC 43-02-12-04 NDCC 38-21-01	1981	$1,500.00	$2,500.50	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.
Geothermal Commercial Permit Application Fee	$100	NDCC 38-19-04 NDAC 43-02-07-06 NDCC 38-21-01	1981	$1,900.00	$2,064.16	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.
Geothermal Residential Permit Application Fee	$20	NDCC 38-19-04 NDAC 43-02-07-06 NDCC 38-21-01	1981	$460.00	$1,249.36	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.
Coal Exploration Permit Application Fee	$100	NDCC 38-12.1-05 NDAC 43-02-01-18 NDCC 38-21-01	1975	$500.00	$543.20	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.
Subsurface Mineral Exploration Permit Application Fee	$100	NDCC 38-12-03 NDAC 43-02-02-12 NDCC 38-21-01	1967	$100.00	$108.64	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.
Case Continuance Fee	$25	NDCC 38-08-11 NDCC 38-08-04.5(1)(a) NDAC 43-02-03-90	1990	$5,075.00	$7,720.09	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.
Drilling Permit Application Fee (new)	$100	NDCC 38-08-05 NDAC 43-02-03-16 NDCC 38-08-04.5(1)(a)	1953	$161,600.00	$210,500.16	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.
Renewal Permit Application Fee	$100	NDCC 38-08-05 NDAC 43-02-03-16 NDCC 38-08-04.5(1)(a)	1953	$244,200.00	$318,094.92	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.
Temporary Abandoned Renewal Fee	$100	NDCC 38-08-04 NDAC 43-02-03-55(2) NDCC 38-08-04.5(1)(a)	2007	$37,300.00	$27,242.06	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.

AGENCY FEES (CONT'D)

Fee Description	Fee Amount	Authority Reference (Statute or Administrative Rule)	Date Established	Actual 2021-23 Biennial Revenue	*Estimated 2021-23 Biennial Cost Incurred*	Required by Statute to cover costs?	Is use of fee revenue restricted by statute?	Is fee appropriate and affordable?	Recommendations to change or remove.
Operator Change Fee	$25	NDCC 38-08-04 NDCC 38-08-04.5(1)(a) NDAC 43-02-03-13	1983	$114,175.00	$159,799.33	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.
Well Name Change Fee	$25	NDCC 38-08-04 NDCC 38-08-04.5(1)(a) NDAC 43-02-03-13	1983	$7,800.00	$10,916.88	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.
Recompletion Fee	$50	NDCC 38-08-04 NDCC 38-08-04.5(1)(a) NDAC 43-02-03-16	2000	$500.00	$651.30	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.
Re-entry Fee	$50	NDCC 38-08-04 NDCC 38-08-04.5(1)(a) NDAC 43-02-03-16	2000	$100.00	$173.68	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.
Horizontal Re-entry Fee	$50	NDCC 38-08-04 NDCC 38-08-04.5(1)(a) NDAC 43-02-03-16	2000	$400.00	$694.72	No	Yes	Fee appropriately generates significant revenue for established purpose and seems affordable as negative feedback from stakeholders has not been received.	DMR proposes no changes at this time but will contine to evaluate.
CO2 Storage Admin Application Fee	actual costs	NDCC 38-22-14 NDAC 43-05-01-17(1)	2010	$55,266.77	$55,266.77	Yes	Yes	Fee is actual cost to process application.	DMR proposes no changes at this time but will contine to evaluate.
CO2 Storage Admin Fee	1 cent/ton	NDCC 38-22-14 NDAC 43-05-01-17(1)	2010	$820.16	$117.54	Yes	Yes	It is too soon to tell as only 3 projects are running, and only 1 has been running long enough to pay a fee.	DMR proposes no changes at this time but will contine to evaluate.
CO2 Storage Trust Fee	7 cents/ton	NDCC 38-22-15 NDAC 43-05-01-17(2)	2010	$5,741.09	$117.54	Yes	Yes	It is too soon to tell as only 3 projects are running, and only 1 has been running long enough to pay a fee.	DMR proposes no changes at this time but will contine to evaluate.

This report reflects actual numbers from the 2021-2023 biennium. It provides a brief summary of each fee and comments on the appropriateness of the fee and any recommendations to change or remove the fees. None of these fees are used to support any of the costs for DMR as we are a 100% general fund agency, but the fees do support specific purposes as listed in the authority referenced. We have not received any concerns from stakeholders regarding the dollar value or process surrounding these fees. DMR does not anticipate any changes.

STATE FISCAL RECOVERY FUNDING

Abandoned Oil Well Conversion to Water Supply

Appropriated: $3,199,837.84
Turned Back: $2,453,615.78
Expended: $310,422.06
Obligated: $435,800.00

A large amount was transferred as per SB 2393 due to the original amount of funds requested being based on the costs to plug, reclaim, and convert the abandoned wells to freshwater wells. Since then, agreements were made with operators to do the plugging and reclamation work. With the most expensive portion of the well conversion being paid by the operators, the conversion costs to the state have been drastically reduced.
Funds can be expended through 12/31/2026.

CHANGES TO FEDERAL FUNDING

Federal Funding Program	2023-2025 Anticipated Award	2023-2025 Anticipated Change	2025-2027 Anticipated Award
UIC Oil & Gas (EPA)	$240,000	$16,000	$256,000
PSC Coal (OSM-DOI)	$15,000	$0	$15,000
Statemap (USGS-DOI)	$13,000	$0	$13,000
IIJA Initial Grant (ECRP-DOI)	$2,300,000	$0	$0
IIJA Formula Grant (ECRP-DOI)			$1,444,377

ONE TIME FUNDING 23-25 BIENNIUM

	Amount	Status
Equipment for new FTE positions	$ 68,335	Purchased $58,297 as of 02/28/25
Inflationary Expenses	$ 886,868	Used about $800,000 as of 02/28/25
Drones & Computers	$ 83,648	Purchased/seeking bids
Core & Mineral Analysis	$ 100,000	Used $90,930/obligated
Office Equipment Over $5000	$ 18,000	Used $15,836 as of 02/28/25
Computer Server Transition	$ 80,000	Used $60,047 as of 02/28/25
IIJA abandoned well reclamation	$ 2,300,000	Used $2,050,000 as of 02/28/25
Oil & Gas Litigation	$ 3,000,000	Used $1,869,589 as of 02/28/25
Transfer to Paleo fund	$ 250,000	Transferred

ONE TIME FUNDING 25-27 BIENNIUM

	Requested	Senate Budget
Equipment for new FTE positions	$ 99,460	Allowed $41,600
Drilling Project (phase 2)	$ 400,000	Allowed $400,000
Core & Mineral Analysis	$ 100,000	Allowed $100,000
Woolly Mammoth Excavation	$ 300,000	Allowed $150,000
Paleontology Viewing Lab	$ 250,000	Allowed $0
Portable XRF (capital asset)	$ 45,000	Allowed $45,000
IIJA Formula Grant	$ 1,444,377	Allowed $1,444,377
Oil & Gas Litigation	$ 3,000,000	Allowed $3,000,000
EOR Database Project	$ 15,000	Allowed $15,000

2023-25 NEW POSITIONS APPROPRIATED

FTE	Position Number	Position Title	Date Filled	Amount Transferred from Pool	Funding Appropriated before Pool	Amount Estimated to be Spent for Biennium
1	31511	Carbon Capture	5/9/2023	$253,726.00	$253,726.00	$296,335.00
1	31512	Carbon Capture	5/9/2023	$253,726.00	$253,726.00	$296,335.00
1	31513	Carbon Capture	n/a	$0.00	$207,682.00	$0.00
1	31514	Paleontology Lab Tech	8/30/2023	$160,116.00	$167,102.00	$160,141.00
1	31515	Subsurface Geologist	9/9/2024	$119,695.00	$119,695.00	$119,695.00
1	31516	Critical Minerals	10/16/2023	$192,600.00	$216,028.00	$192,600.00
0.5	28402	Records Management	11/1/2023	$60,005.00	$66,334.00	$61,273.00

DMR VACANCY SAVINGS & POOL ACTIVITY

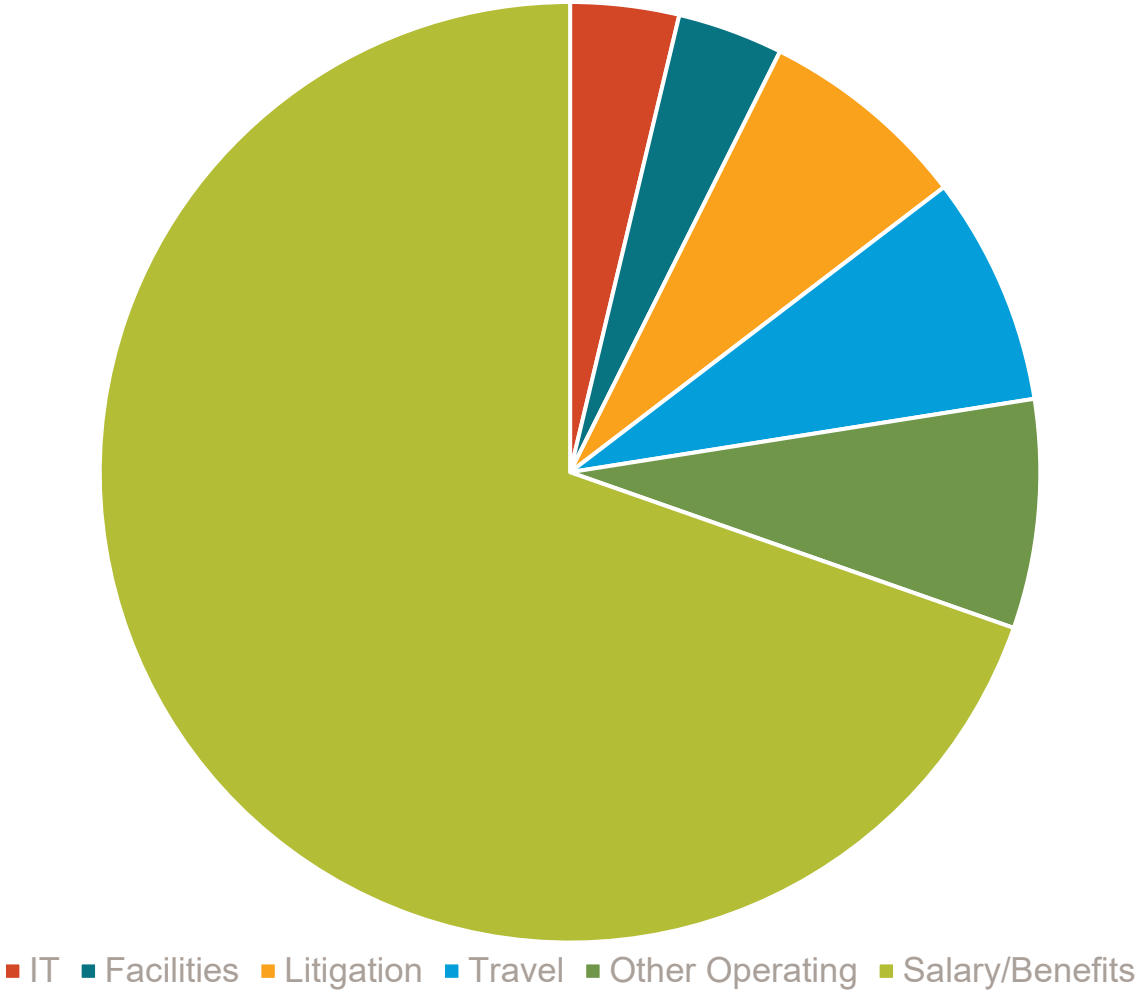
Estimated Vacancy Savings:	
Appropriation deducted for new FTE pool	$1,284,293.00
Appropriation deducted for vacant FTE pool	$1,389,856.00
Total deducted from appropriation	$2,674,149.00
Amount transferred to date for new FTE	($1,039,868.00)
Amount transferred to date for vacant FTE	($1,015,060.00)
Expected tranfers from pool	($29,180.00)
Total unfunded salary appropriation	$590,041.00
Estimated Vacancy Savings as of 2/28/2025	($1,166,372.00)
Use of savings:	
Accrued leave payments	$77,930.00
Extra salary increases	$150,255.00
Bonuses	$39,378.00
Extra temporary salary funding	$8,199.00
Other - temporary employee costs	$49,712.00
Anticipated Vacancy Savings	**($250,857.00)**

OMB Funding Pools Activity:	
Funding available in OMB pool	$2,128,763.00
Amount transferred to date for new FTE	($1,039,868.00)
Amount transferred to date for vacant FTE	($1,015,060.00)
Funding remaining in pool	$73,835.00
Estimated future tranfers from pool	($29,180.00)
Estimated Ending Balance in OMB pool	**$44,655.00**

Agency concerns with the FTE funding pools:

- extra work required when positions are vacant and no funding available to compensate the coworkers who pick up the workload;
- no allowance in the budget for annual leave and sick leave payouts; and
- tracking changes to all positions and requesting draw downs and reporting amounts to OMB is very time-consuming and burdensome.

2025-2027 DMR BUDGET



The Department of Mineral Resources (DMR) budget is **95% general funds, 4.2% federal funds, and 0.8% special funds**.

Federal funds include $1.4 million in IIJA grants.

Budget costs are primarily salary and benefits (69%).

The **Operating Budget** consists of travel (26%), primarily state fleet vehicle mileage for fieldwork. Other operating items of significant costs include Litigation costs (24%); Lease, Rent, Facilities costs (12%) for the Bismarck office, warehouse, and three field offices; and IT costs (12%), two-thirds of which are ITD data processing, Telephone, and Contractual Services.

DMR 2025-27 Budget Comparison

	Burgum Recommended	Armstrong Recommended	Senate Budget	Essential DMR Budget
47410 Salaries & Benefits	$26,839,639	$27,002,755	$26,250,948	$28,049,176
47410 Compensation Increases	$1,851,173	$1,645,369	$1,645,369	$1,645,369
47430 Operating Expense	$11,175,591	$11,182,751	$11,005,751	$12,021,818
47450 Capital Assets	$0	$0	$45,000	$295,000
Total Expenditures	$39,866,403	$39,830,875	$38,947,068	$42,011,363
Less Federal Income	$1,728,377	$1,728,377	$1,728,377	$1,728,377
Less Special Income	$342,000	$3,642,000	$3,550,000	$3,550,000
Total General Fund	$37,796,026	$34,460,498	$33,668,691	$36,732,986
FTE	110	111	111	116

Notes:
Federal Funds include $1,444,377 in IIJA Formula Grant.
Special Funds include $3,000,000 in O&G litigation.

SB 2014 DMR BUDGET COMPARISON

	Burgum's Recommended	Armstrong's Recommended	Senate	DMR Request
23-25 Base Level FTE	**108.00**	**108.00**	**108.00**	**108.00**
Salaries and Benefits				
23-25 Base Level Salaries & Benefits	**$23,261,532**	**$23,261,532**	**$23,261,532**	**$23,261,532**
Base payroll changes:				
Gov. Rec. Salary Increase	$1,190,593	$978,784	$978,784	$978,784
Health Insurance Increase	$660,580	$666,585	$666,585	$666,585
FTE Funding Pool - New	$1,284,293	$1,284,293	$1,234,387	$1,234,387
FTE Funding Pool - Vacant	$1,389,856	$1,389,856	$892,955	$892,955
3% Required Cuts	($284,587)	($284,587)	($284,587)	($284,587)
Optional Requests:				
Position Conversion to Geologist	$101,785	$101,785	$101,785	$101,785
Permitting Technician Position (1 FTE)	$151,146	$151,146	$151,146	$151,146
Executive Administrative Position (1 FTE)		$163,116	$163,116	$163,116
IIJA Formula Grant - Administration	$500,727	$500,727	$500,727	$500,727
Increase Temp Salaries			$45,000	$45,000
Equity Adjustment	$250,000	$250,000	$0	$805,800
Reclamation Techs (3 FTE)	$184,887	$184,887	$184,887	$554,660
Paleo Tech (1 FTE)				$178,090
Class VI Programmer (1 FTE)				$214,236
Professional Land/Legal Position (1 FTE)				$230,329
Total Salary and Benefits	**$28,690,812**	**$28,648,124**	**$27,896,317**	**$29,694,545**

SB 2014 DMR BUDGET COMPARISON

	Burgum's Recommended	Armstrong's Recommended	Senate	DMR Request
Operating				
23-25 Base Level Operating	**$5,120,253**	**$5,120,253**	**$5,120,253**	**$5,120,253**
Base operating changes:				
ITD Data Processing	$108,065	$108,065	$108,065	$108,065
3% Required Cuts	($626,293)	($626,293)	($626,293)	($626,293)
Optional Requests:				
Position Conversion to Geologist	$80,274	$80,274	$80,274	$80,274
Permitting Position (1 FTE)	$10,887	$10,887	$10,887	$10,887
Executive Administrative Position (1 FTE)		$7,160	$7,160	$7,160
Mineral Analysis	$100,000	$100,000	$100,000	$100,000
Woolly Mammoth Excavation	$300,000	$300,000	$150,000	$150,000
NDIC Assessment	$115,000	$115,000	$115,000	$115,000
OHWM - for Witness Fees	$342,000	$342,000	$0	$0
IIJA Formula Grant - Administration	$943,650	$943,650	$943,650	$943,650
Litigation	$3,000,000	$3,000,000	$3,000,000	$3,000,000
Drilling Project Phase II	$100,000	$100,000	$400,000	$400,000
Enhanced Oil Recovery Project			$15,000	$15,000
Inflation & Restoration	$1,500,000	$1,500,000	$1,500,000	$2,235,401
Reclamation Techs (3 FTE)	$81,755	$81,755	$81,755	$245,265
Paleo Tech (1 FTE)				$38,382
Class VI Programmer (1 FTE)				$10,887
Professional Land/Legal Position (1 FTE)				$10,887
Professional Development				$57,000
Total Operating	**$11,175,591**	**$11,182,751**	**$11,005,751**	**$12,021,818**

SB 2014 DMR BUDGET COMPARISON

	Burgum's Recommended	Armstrong's Recommended	Senate	DMR Request
Capital Assets				
23-25 Base Level Capital Assets	**$0**	**$0**	**$0**	**$0**
Portable XRF			$45,000	$45,000
Paleontology Viewing Lab				$250,000
Total Capital Assets	**$0**	**$0**	**$45,000**	**$295,000**
Total Expenditures	**$39,866,403**	**$39,830,875**	**$38,947,068**	**$42,011,363**
Less Estimated Income	$2,070,377	$5,370,377	$5,278,377	$5,278,377
Total General Fund	$37,796,026	$34,460,498	$33,668,691	$36,732,986
Total FTE	**110.00**	**111.00**	**111.00**	**116.00**

PRIORITY OPTIONAL REQUEST #1

Fully restore inflation and 3% cuts – additional amount of $735,000

- DMR was required to make 3% budget cuts on top of budget inflation from both the 2023-25 biennium and the 2025-27 biennium.
- Inflationary increases and 3% reduction resulted in a cut of $2,235,000 to DMR.
- Inflation has not gone away; vehicle costs and mileage rates as well as ITD and lease costs continue to increase.
- Senate restored $1,500,000 to the operating budget.
- Remaining deficit of $735,000 would require a reduction in travel.
- Oil & Gas will have to reduced field inspections by about 35%.
- Well count continues to increase.
- Drilling rig inspections ensure proper construction of wells to protect freshwater zones and proper locations of well bores to protect correlative rights.
- Well inspections ensure compliance with environmental regulations, proper installation of pipelines, timely clean up of spills, proper allocation of oil and gas volumes.
- Geological Survey will have to reduce levels of regulatory inspections and curtail study results.
- There is high demand for rare earth element study results and study into the feasibility of using ND sands as proppant in Bakken and Three Forks completions.
- Identification of landslides protects current and future impacts on infrastructure and pipeline development.
- The public fossil dig program has strong demand from both in state and out of state participants.

Item	Amount	Senate Allowed	Underfunded	Impact
Inflation & Budget Cuts	-$2,235,000	$1,500,000	-$735,000	Reduces inspections and field work by 35%
What does this mean?				
Mileage	2,430,000	1,579,500	-850,500	Reduced DMR miles driven
Drilling Rig Inspections	14,400	9,360	-5,040	Reduced drilling rig inspections
O&G Well Inspections	320,000	208,000	-112,000	Reduced well inspections
Survey Field Workdays	681	443	-238	Reduced Survey field workdays

Fully restoring the 3% cuts and inflation amounts will allow DMR to operate at maximum efficiency and continue to provide necessary service levels to public and industry.

PRIORITY OPTIONAL REQUEST #2

Professional Legal/Land Position (1 FTE) - $241,216

- Position will provide needed expertise in hearings and order writing.
- Normal case load is 500-1,000 per year.
- Position will allow for succession planning.
- Number of cases and orders are more complex.
- Avoids impact of not planning for critical roles.
- Allows for smooth leadership transition.
- Currently 4 positions with over 30 years of service
- Expected retirements coming over the next 1-5 years.
- New Director has learning curve, so expertise retention is vital.
- Allows training so there is overlap and not a gap.

Item	2022	2023	2024
Cases heard	561	829	827
Orders signed	450	519	985
Orders pending	329	403	477

OTHER DMR OPTIONAL REQUESTS

3. Paleontology viewing laboratory - $250,000 (capital asset):
DMR has received numerous requests to place a laboratory in the gallery where visitors could watch paleontologists prepare fossil specimens. These viewing laboratories are present in paleontological museum galleries around the World and are always very popular attractions. The funds would hire an architect to draw up the plans, bids will be let, and a contractor and construction firms will have to be contracted to complete the work. New lab equipment will also be purchased to outfit the lab.

4. Reclamation technicians (2 FTE) - $519,211:
This would bring the total to $799,925 allowing for one reclamation technician in each district. The reclamation program is critical to provide oversight to ensure the successful completion of restoring sites after properly plugging wells and decommissioning facilities. NDCC Ch 38-08; Ch 38-08.1; Ch 38-22. Regulations require land to be reclaimed as close as practicable to its original condition as it existed before the construction of the well site or other disturbance. One reclamation inspector currently inspects all reclaim projects throughout the entire state and there are currently approximately 2,800 sites in various stages of reclamation. Hiring three reclamation inspectors, one in each district, is necessary ensure reclamation projects are conducted successfully and timely.

5. Paleontology technician position (1 FTE) - $216,472:
Since 2016, the popularity of the Public Fossil Dig Program has dramatically increased and continues to sell out within minutes each year. A new FTE (paleontology technician) assigned to the Public Fossil Dig Program would enable us to increase the number of available registration spots from 600 to 840 (a 40% increase) increasing the number of tourists traveling within North Dakota as well as bringing in additional out-of-state tourists.

OTHER DMR OPTIONAL REQUESTS

6. Professional development - $57,000:
This optional request would allow Oil & Gas employees to attend job-related conferences during the 2025-2027 biennium, and would allow tuition reimbursement as allowed by the agency tuition reimbursement policy. The request would enable Survey geologists to attend national or regional scientific meetings presenting on their work. These presentations can encourage other scientists to do an expanded study on a North Dakota topic which will often bring them to North Dakota to do fieldwork or visit our core and sample library.

7. Class VI programming position (1 FTE) - $225,123:
With North Dakota being the first state to receive Class VI primacy and the only state to have active Class VI injection projects, it is imperative to develop a database to monitor and manage Class VI wells and facilities. The United States Environmental Protection Agency has made available to North Dakota a $1,930,000 grant to be used for operation of a Class VI primacy program. The Oil and Gas Division intends to apply for this grant and pool a portion of it with other states through the Ground Water Protection Council to develop a Class VI database.

8. Equity adjustment for field inspectors - $805,800:
This optional request is due to a great need to pay competitive salaries for experienced personnel. There exists a tremendous inequity between the salaries paid by our agency and the salaries paid by the oil and gas industry. The Oil and Gas Division continues to see field inspection turnover and a lack of applicants due to the lower salary amount. This would allow for an estimated $700/month increase for the 40 field inspector positions in an attempt to bring salaries closer to industry rates to reduce turnover and attract candidates to fill vacant positions. It should be noted that these positions are non-classified and therefore were not included in the HRMS prior session equity calculations.

OTHER DMR BUDGET SECTIONS

SB 2014 – Carryover Items:

- The Abandoned Oil Well Conversion to Water Supply program funds can continue to be expended through 12/31/2026. For this reason, a carryover of unexpended funds to the 2025-27 biennium has been authorized in Section 17 of SB 2014. The remaining obligated amount is $479,800.
- The 65th Legislative Session SB 2134 Ordinary High Water Mark litigation is nearing the end, but it is still possible for expert witness testimony yet to be required. For this reason, a carryover of unexpended funds to the 2025-27 biennium has been authorized in Section 17 of SB 2014. The remaining available amount is $342,000.
- **The IIJA Initial Grant funds received an extension and can continue to be expended through 09/30/2025. For this reason, a carryover of unexpended funds to the 2025-27 biennium is being requested. The remaining available grant amount is $225,500.**

• Note: the $2.5 million Formula Grant funds have a project period through 07/31/2029. Because the funds were appropriated via the Budget Section, the funds need to have a full legislative appropriation. For this reason, unexpended funds were included in Section 1, Subdivision 2, and not treated as a carryover in this section.

OTHER LEGISLATIVE BILLS IMPACTING

Not aware of any at this time.

NORTH Dakota | Mineral Resources

Be Legendary.™

Nathan D. Anderson, Director
Mark F. Bohrer, Assistant Director of Oil & Gas
Edward C. Murphy, Director of Geological Survey, State Geologist
Michael Ziesch, Staff Officer
Robyn Loumer, Finance Manager

ND Department of Mineral Resources
600 E Boulevard, Dept 474
Bismarck, ND 58505
https://www.dmr.nd.gov/
(701) 328.8020