

Testimony of Josh Ruffo – 2/10/2021
Tribal Straddle Well Adjustment to State/Tribal Oil Tax Agreement
Senate Finance and Taxation Committee
SB 2319

Madam chair

Thank you ~~Chairman Bell~~ and members of the Senate Finance and Taxation Committee for the opportunity to testify today in support of SB 2319.

My name is Josh Ruffo, and I am a resident of Turtle Lake, North Dakota. I have worked in the oil and gas industry for 15 years, and I am the current West Region Field Coordinator for Enerplus Resources.

Enerplus Resources (USA) Corporation is a subsidiary of Enerplus Corporation and we currently operate 280 wells on the Fort Berthold Indian Reservation (“FBIR”). Enerplus entered FBIR in 2008 and we are proud to employ a growing workforce of employees, several of which are enrolled members and live on the Reservation.

In the past five years alone, Enerplus has created an estimated 375 full-time jobs, paid \$177MM in extraction/production taxes and invested over \$1.6B of capital in FBIR and the State of North Dakota. We are currently producing approximately 40,000 barrels of oil per day.

The biggest drivers for economic recovery and long-term growth for Enerplus’ operations on FBIR is the crude oil price, costs, taxes, fair regulations and the ability to operate in a business-friendly environment.

The decision whether to shut in production, complete wells or drill new wells is largely dependent on these factors.

**ENERPLUS RESOURCES
(USA) CORPORATION**

US Bank Tower, Suite 2200
950 17th Street
Denver, CO 80202-2805

720-279-5500
www.enerplus.com

Since joining Enerplus Resources in 2010, one of my primary responsibilities has been to work directly with the MHA Nation leadership as the primary point of contact on behalf of our company. I am also responsible for all regulatory and environmental field compliance with our Bakken operations.

For the past 10 years Enerplus has engaged in and supported the many efforts of the State of North Dakota and the MHA Nation to work together on providing regulatory certainty on FBIR, especially on taxation policy.

Enerplus believes SB 2319 provides another such opportunity for the state and MHA to work together and find a solution on straddle well taxation policy that will further the regulatory stability on FBIR and the State of North Dakota.

At a time when Washington D.C. is attempting to create regulatory uncertainty with oil/gas development, Enerplus believes collaboration and leadership between the MHA Nation and the State of North Dakota is of particular importance, especially as it relates to the continued collective gas capture goals throughout North Dakota.

Enerplus is proud to operate its business within FBIR and in the State of North Dakota. We appreciate the efforts of the state to partner with the MHA Nation to work on viable solutions, and we thank you for your continued demonstration of support for our industry – with actions that help provide a regulatory environment that values long-term stability.

Enerplus believes SB 2319 provides a favorable occasion for all parties – the MHA Nation, the State of North Dakota and the oil and gas industry to continue to present North Dakota as an attractive state for investment.

Thank you for your consideration of this important legislation. Enerplus asks for your support in moving SB 2319 forward. I look forward to any questions you may have.

**ENERPLUS RESOURCES
(USA) CORPORATION**

US Bank Tower, Suite 2200
950 17th Street
Denver, CO 80202-2805

720-279-5500
www.enerplus.com

Enerplus Background

- FBIR – since 2008
- About ___percent of all Enerplus production is from Ft. Berthold;
- Nearly 2/3 of Enerplus capital investment in 2021 will be in Ft. Berthold;
- 2021 Drilling & Completions Plan – 1 rig program; 20-26 wells, starting April 1
- We plan to resume completion operations on FBIR at the end of this month (current DUC's 28)

- Bruin acquisition (if asked) – Enerplus looks forward to the opportunity to expand our operations in North Dakota and increase our leasehold acreage, both on and off-FBIR. We are currently in the due diligence period. More details and information on the acquisition is described in our publicly-released statement.

**ENERPLUS RESOURCES
(USA) CORPORATION**

US Bank Tower, Suite 2200
950 17th Street
Denver, CO 80202-2805

720-279-5500
www.enerplus.com