

Senate Bill 2313

Testimony of Ron Ness Senate Energy and Natural Resources Committee

January 30, 2025

Chairman Patten and members of the Committee, my name is Ron Ness, president of the North Dakota Petroleum Council ("NDPC"). The North Dakota Petroleum Council represents more than 550 companies involved in all aspects of the oil and gas industry, including oil and gas production, refining, pipeline development, transportation, mineral leasing, consulting, legal work, and oilfield service activities in North Dakota, South Dakota, and the Rocky Mountain region. I appear before you today in opposition to Senate Bill 2313.

North Dakota's existing reclamation requirements already ensure responsible stewardship of the land while balancing the need for efficient and economic energy development. Operators in the state adhere to stringent regulations and best practices that prioritize soil preservation and land restoration. The current system effectively returns land to productive use, whether for agriculture, ranching, or other purposes, and ensures that reclamation efforts meet environmental standards. There is no demonstrated need for the additional requirements outlined in Senate Bill 2313.

SB 2313 introduces an excessive and overly prescriptive approach to reclamation by mandating specific documentation, pre-disturbance meetings, and regulatory approvals that go beyond what is necessary to achieve responsible land restoration. The requirement for a pre-disturbance meeting with the North Dakota Industrial Commission and prior approval of a preservation plan introduces unnecessary delays into the process. These added steps create bureaucratic inefficiencies that hinder timely project execution.

The bill also adds significant compliance costs for operators, not only through additional documentation and administrative requirements but also by prolonging reclamation timelines. These costs will ultimately impact investment decisions and economic growth in North Dakota's energy sector. Finally, the

proposed changes would require additional regulatory oversight, growing government bureaucracy at a time when efficiency and streamlined permitting processes should be prioritized. More regulators and administrative staff would be needed to enforce these provisions, placing an unnecessary burden on both industry and taxpayers.

The oil and gas industry has a long history of successfully reclaiming land in North Dakota. Operators already implement site-specific reclamation strategies that consider soil conditions, landowner preferences, and best environmental practices. The industry is committed to ensuring that land disturbed by energy development is returned to a usable and productive state. Furthermore, soil preservation is already a fundamental part of the reclamation process, and operators routinely document and manage soil resources in a way that aligns with both regulatory expectations and practical land management needs. Mandating additional, redundant requirements does not improve outcomes. Instead, it simply adds red tape that slows down progress.

Senate Bill 2313 is an unnecessary regulatory overreach that imposes costly and time-consuming requirements on an industry that is already committed to responsible land stewardship. North Dakota's current reclamation framework is more than sufficient in ensuring environmental protection while allowing for continued oil and gas development. Adding new layers of regulation will only serve to discourage investment, increase costs, and expand government bureaucracy. For these reasons, NDPC strongly opposes Senate Bill 2313 and urges the Committee to issue a **Do Not Pass recommendation**.

Thank you, and I would be happy to answer any questions.