

CHAPTER 54-17.6 OIL AND GAS RESEARCH COUNCIL

54-17.6-01. Definitions.

1. "Commission" means the North Dakota industrial commission.
2. "Council" means the oil and gas research council.

54-17.6-02. Oil and gas research council purposes.

There is created the oil and gas research council. The purpose of the council is to coordinate a program designed to demonstrate to the general public the importance of the state oil and gas exploration and production industry, to encourage and promote the wise and efficient use of energy, to promote environmentally sound exploration and production methods and technologies, to develop the state's oil and gas resources, to support research and educational activities concerning the oil and natural gas exploration and production industry, and to promote innovation in safety, enhancement of environment, and increase in education concerning the distribution of petroleum products.

54-17.6-03. Commission to operate council.

The commission shall operate, manage, and control the council.

54-17.6-04. Powers and duties of commission in managing and operating council.

The commission is granted all the powers necessary or appropriate to carry out and effectuate the purposes of this chapter, including the power to:

1. Make grants or loans, and to provide other forms of financial assistance as necessary or appropriate, to qualified persons for research, development, marketing, and educational projects, and processes or activities directly related to the oil and gas exploration, production, or refining industry, or the petroleum marketing industry;
2. Enter into contracts or agreements to carry out the purposes of this chapter, including authority to contract for the administration of the oil and gas research, development, marketing, and educational program;
3. Keep accurate records of all financial transactions performed under this chapter;
4. Cooperate with any private, local, state, or national commission, organization, or agent, or group and to make contracts and agreements for programs benefiting the oil and gas industry;
5. Accept donations, grants, contributions, and gifts from any public or private source and deposit such in the oil and gas research fund; and
6. Make and explore orders, rules, and regulations necessary to effectuate the purposes of this chapter.

54-17.6-05. Oil and gas research council - Members.

1. The oil and gas research council is composed of seven members, four of whom must currently be engaged in and have at least five years of active experience in the oil and natural gas exploration and production industry. The council consists of:
 - a. Four members appointed by the governor from a list provided by the North Dakota petroleum council. The governor may reject the list and request the council to submit a new list until the appointments are made.
 - b. One member appointed by the governor from a list provided by the North Dakota association of oil and gas producing counties. The governor may reject the list and request the association to submit a new list until the appointment is made.
 - c. The executive director of the North Dakota petroleum council or the executive director's designee.
 - d. A county commissioner from an oil producing county appointed by the governor.
 - e. The director of the oil and gas division and the state geologist shall serve on the council as advisory nonvoting members.

2. Subject to subsection 6, the terms of office for members of the council are three years but of those first appointed, two serve for one year, two serve for two years, and three serve for three years.
3. The council shall select its chairman from among its members.
4. The council shall have at least one regular meeting each year and such additional meetings as the chairman determines necessary at a time and place to be fixed by the chairman. Special meetings must be called by the chairman on written request of any three members. Five members constitute a quorum.
5. The council shall recommend to the commission the approval of grants, loans, or other financial assistance necessary or appropriate for funding, research, development, marketing, and educational projects or activities and any other matters related to this chapter.
6. Members of the council appointed by the governor serve at the pleasure of the governor.

54-17.6-06. Access to council records.

1. Materials and data submitted to, or made or received by, the council or commission, to the extent that the council determines the materials or data consist of trade secrets or commercial, financial, or proprietary information of individuals or entities applying to or contracting with the council or receiving council services under this chapter, are not public records subject to section 44-04-18 and section 6 of article XI of the Constitution of North Dakota, and are subject to section 44-04-18.4.
2. A person or entity must file a request with the council or commission to have material designated as confidential under subsection 1. The request must contain any information required by the council and must include at least the following:
 - a. A general description of the nature of the information sought to be protected.
 - b. An explanation of why the information derives independent economic value, actual or potential, from not being generally known to other persons.
 - c. An explanation of why the information is not readily ascertainable by proper means by other persons.
 - d. A general description of any person or entity that may obtain economic value from disclosure or use of the information, and how the person or entity may obtain this value.
 - e. A description of the efforts used to maintain the secrecy of the information.
3. Any request under subsection 2 is confidential. The council shall examine the request and determine whether the information is relevant to the matter at hand and is a trade secret under the definition in section 47-25.1-01 or 44-04-18.4. If the council determines the information is either not relevant or not a trade secret, the council shall notify the requester and the requester may ask for the return of the information and request within ten days of the notice. If no return is sought, the information and request are a public record.
4. The names or identities of independent technical reviewers on any project or program and the names of council members making recommendations are confidential, may not be disclosed by the council, and are not public records subject to section 44-04-18 or section 6 of article XI of the Constitution of North Dakota.

54-17.6-06.1. Clean natural gas capture and emissions reduction program.

1. The clean natural gas capture and emissions reduction program shall provide an incentive for natural gas capture and utilization systems on an oil or gas well site or gathering pipeline facility which collect or utilizes over fifty percent of propane and heavier hydrocarbons from an oil and gas well site for beneficial use by:
 - a. Compressing or liquefying gas for artificial lift, uses as fuel, or for nonpipeline transport to a processing facility;
 - b. Conversion to liquid fuels;
 - c. Conversion to electricity for onsite use or supply to the electrical grid;
 - d. Conversion to computational power;

- e. Collection of tank vapors for beneficial use or transport to a processing facility;
 - f. Temporary gas injection into producing wells in lieu of flaring or shutting in wells;
or
 - g. Other value-added processes as approved by the industrial commission.
2. The commission is granted all the powers necessary and appropriate to effectuate the provisions of this section.
3. The commission:
- a. May make grants or loans or provide other forms of financial assistance as necessary or appropriate to qualified entities for activities under subsection 1;
 - b. Shall keep accurate records of all financial transactions performed under this section;
 - c. May accept donations, grants, federal funds, contributions, and gifts from any public or private source and deposit such in the oil and gas research fund;
 - d. May make and explore orders, rules, and policies necessary to effectuate the purpose of this section; and
 - e. Shall consult with the council in matters of policy affecting the administration of the clean natural gas capture and emissions reduction program.