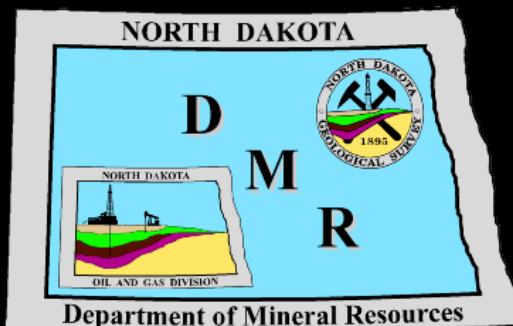


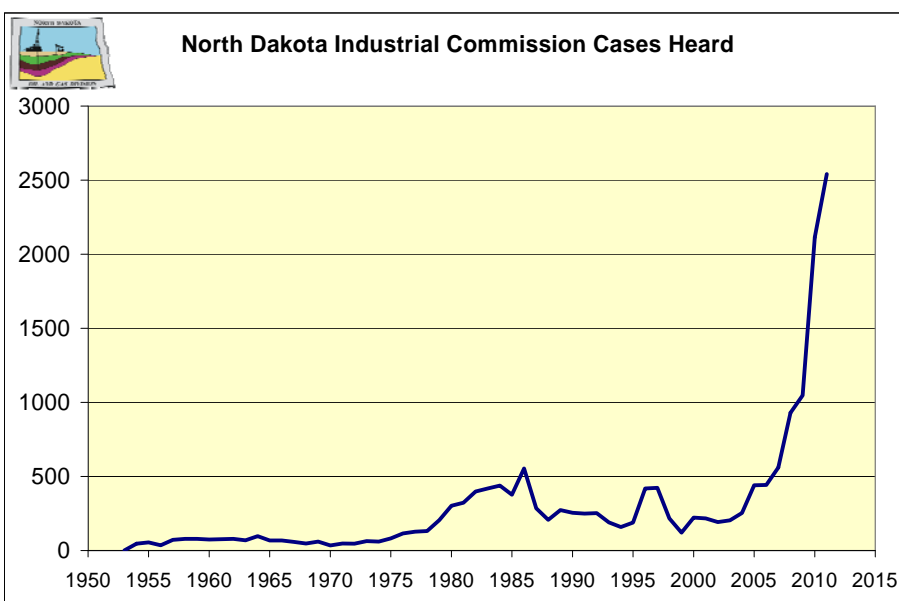
North Dakota Department of Mineral Resources

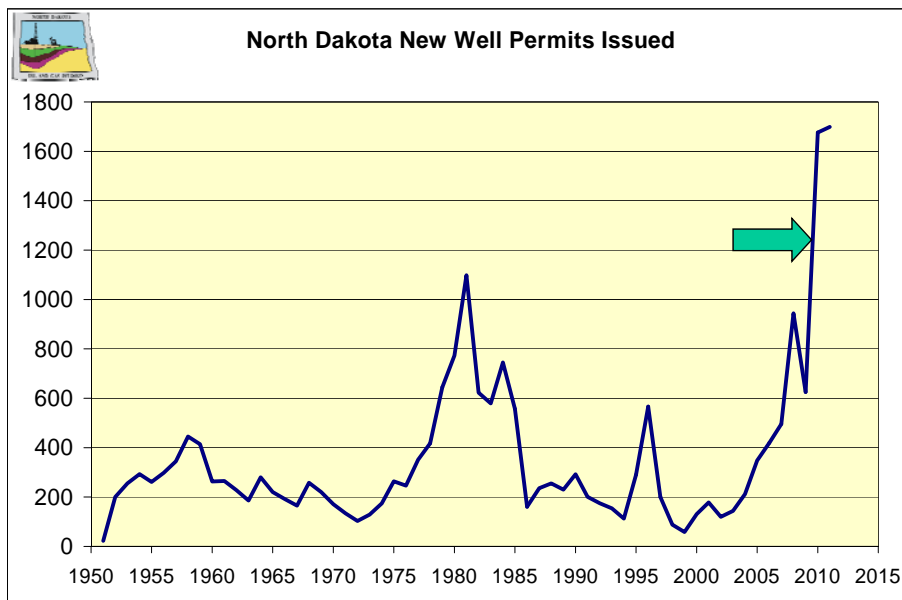


<http://www.oilgas.nd.gov>

<http://www.state.nd.us/ndgs>

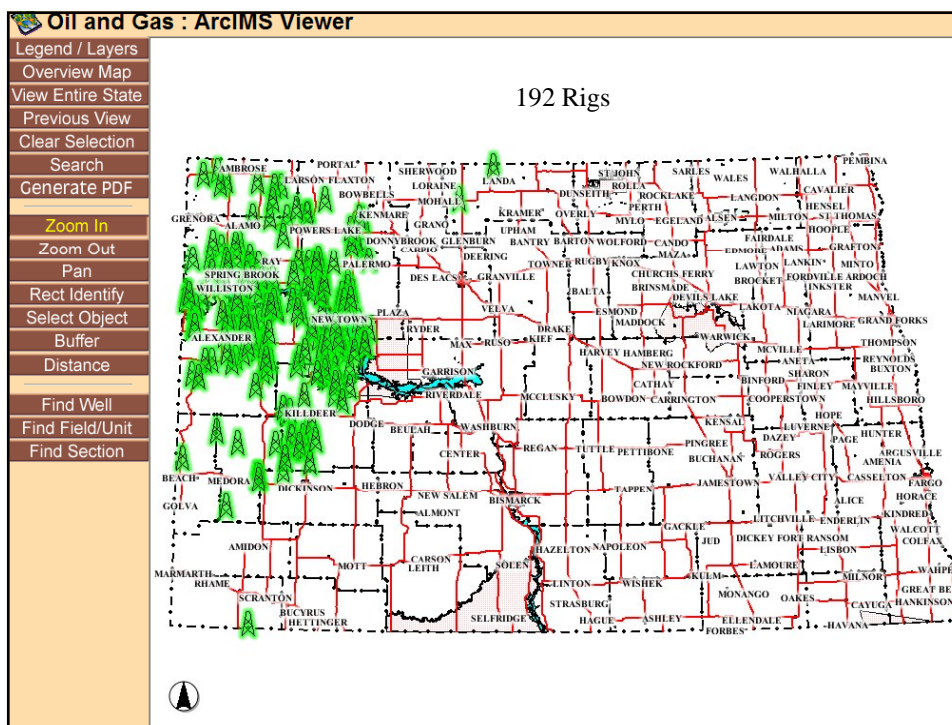
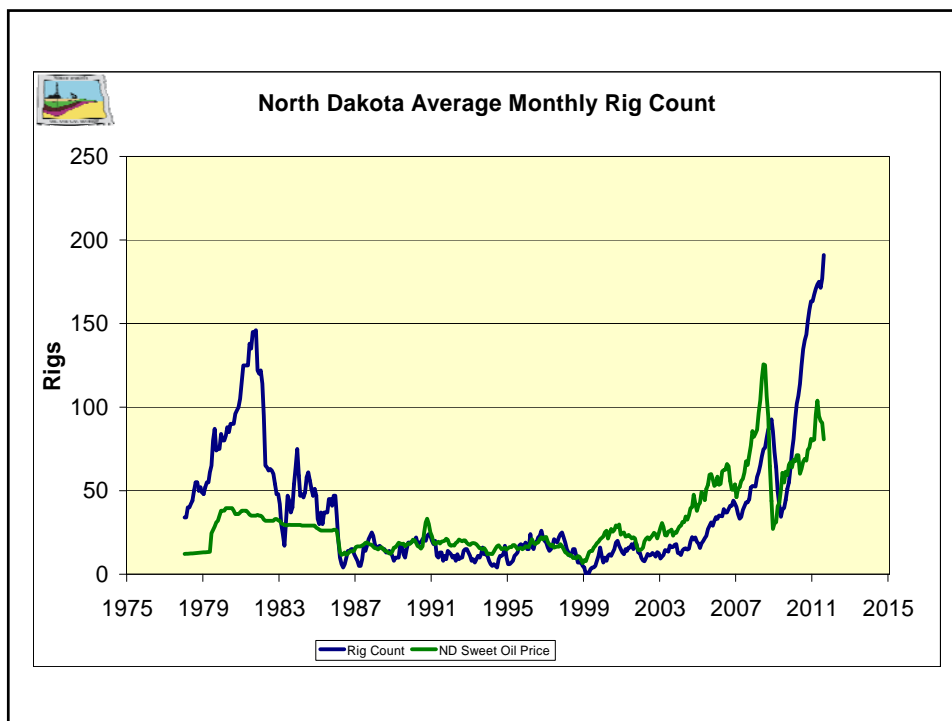
600 East Boulevard Ave. - Dept 405
Bismarck, ND 58505-0840
(701) 328-8020 (701) 328-8000

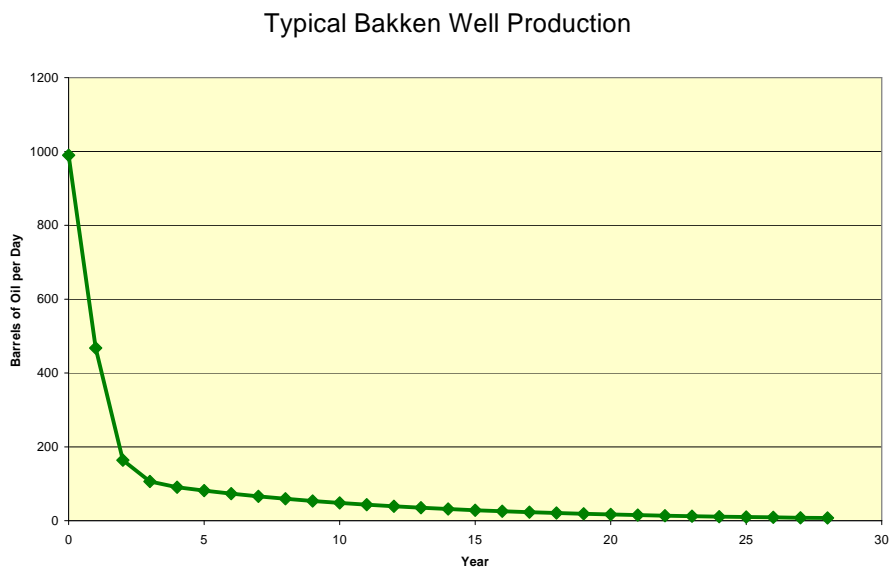
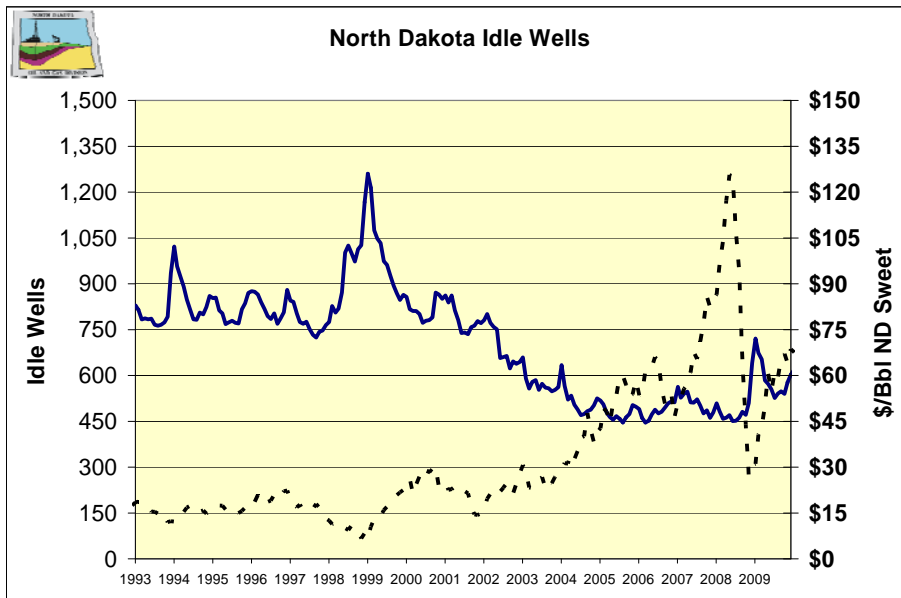




Western North Dakota

- 1,100 to 2,700 wells/year = 2,000 expected
 - 100-225 rigs = 12,000 – 27,000 jobs = 20,000 expected
 - 225 rigs can drill the 5,000 wells needed to secure leases in 2.5 years
 - 225 rigs can drill the 28,000 wells needed to develop spacing units in 14 years
 - 33,000 new wells = thousands of long term jobs
- 15 - 30 million gallons frac water/day





What Does Every New Bakken Well Mean to North Dakota

A typical 2010 North Dakota Bakken well will produce for 28 years

If economic, enhanced oil recovery efforts can extend the life of the well

In those 28 years the average Bakken well:

Produces more than 575,000 barrels of oil

Generates over \$20 million net profit

Pays approximately \$4,250,000 in taxes
 \$1,930,000 gross production taxes
 \$2,000,000 extraction tax
 \$320,000 sales tax

Pays royalties of \$6,900,000 to mineral owners

Pays salaries and wages of \$1,550,000

Pays operating expenses of \$1,900,000

Costs \$6,600,000 to drill and complete

