Received: 05/21/2024



# REQUEST TO EMERGENCY COMMISSION

SECRETARY OF STATE (See SFN 02580) **Request #: 2121** 

Requestor Information

Department name: Department of Mineral Resources

Department number: 474

Name of contact person: Robyn Loumer Telephone number: (701) 328-8011

Purpose of Request

Is this request related to a state emergency? No

Purpose of request: Increase in line item spending authority

Line Item	Amount
47410 Salaries	\$834,241
47430 Operating	\$1,572,748

#### **Funding Information**

What is the source of funds for the requested increase? Federal

Is the funding source a pass-through from another agency? No

Will continued funding be required if Federal funds are no longer available? No

Does the request require a general fund match in this bienium? No

Will the request require general fund support in the next biennium? No

## **Background Information**

Was any portion of the request presented during the previous legislative session? No

Is the request for a new program? No

Does the request require an FTE increase? No

Does the request conform with legislative intent? Yes

## Provide explanation:

Section 40601 of the Bipartisan Infrastructure Law (BIL; Public Law 117-58) creates a plugging, remediation, and reclamation program within the Department of the Interior to address orphaned wells. Subsection (c)(4) provides formula grants for states, the funding of which will be used to plug, remediate, and reclaim orphaned wells located on State-owned or privately-owned land, provide information on the use of funds to the public, and administer the program of work identified in the grant agreement. The formula grant funds in the amount of \$25,000,000 will cover administrative costs in the amount of \$2,406,989 and \$22,593,011 of plugging and reclamation contract costs.

## Other Information

Statutory provisions that relate to this request:

N.D.C.C. §38-08-04 and N.D.A.C. §43-02-02

North Dakota Industrial Commission, Oil and Gas Division manages orphaned well plugging and reclamation. One of the Oil and Gas Division's goals is to prevent environmental impacts of aging infrastructure by decreasing the number of inactive and abandoned wells in North Dakota while strategically managing North Dakota's AWPSRF fund.

Provide an explanation as to how the request supports state priorities, improves state efficiencies, and promotes effective state government:

An Oil and Gas Division goal is to monitor and prevent possible liabilities where the State of North Dakota would need to cover the costs of plugging, decommissioning, remediation, or reclamation of abandoned wells and sites. Tactically applying these grant funds will meet the goals of reducing the environmental and financial impact of abandoned oil and gas assets on North Dakota taxpayers. Seventy percent of these Formula Grant funds will be used to remediate pre 1983 brine spill and brine pond sites in North Central North Dakota.



Provide any other relevant information:

There is no additional general fund cost as no match, cost-share, or maintenance of effort is requesting approval for a federal fund appropriation of \$2,406,989. The \$22,593,011 will be a allowed in NDCC 38-08-04.5(c).	
Signature	
I, the undersigned, have read this Request, know the contents, and believe the statemen	its contained within to be true.
Robyn Loumer	05/20/2024
Sign Here	Date

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