



DIRECTOR'S CUT

October 20, 2026



PRESENTATION OVERVIEW

This briefing provides key updates on the state's energy sector, covering production trends, market outlooks, state initiatives, and key litigation. Topics include industry activity, infrastructure developments, and ongoing efforts related to resource management and environmental stewardship.

In addition, insights on transportation and distribution will be shared, highlighting key factors influencing the movement of oil and natural gas.

Presented to a global audience, this update offers a broad perspective on the region's energy landscape.

PRESENTATIONS BY:



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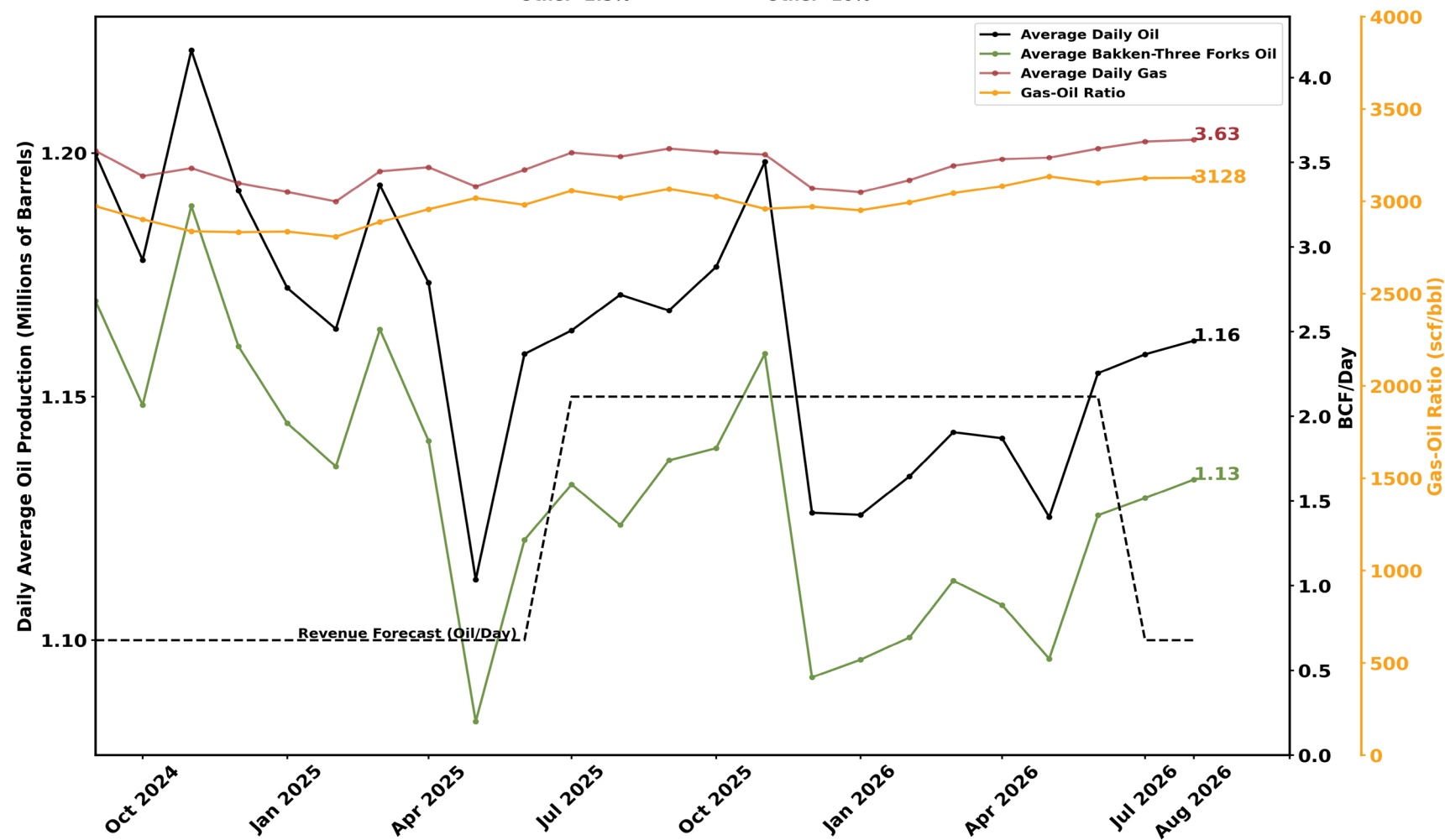


NORTH DAKOTA PRODUCTION



Statewide Production
 Bakken 97.5%
 Other 2.5%

Producing Wells
 Bakken 90%
 Other 10%



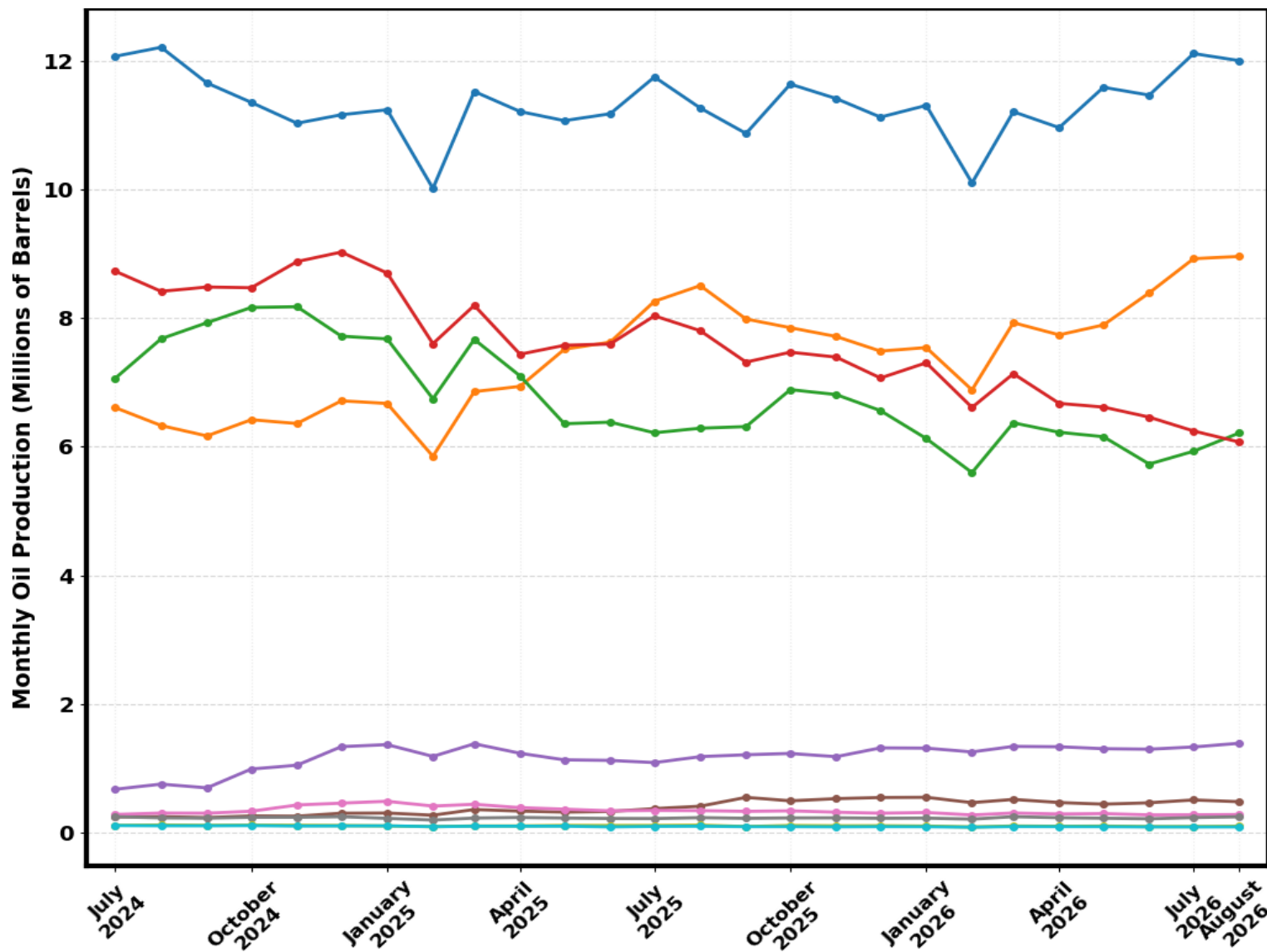
OIL PRODUCTION:

- August: 36,004,228 bbls = 1,161,427 bbls/day
- July: 35,918,472 bbls = 1,158,660 bbls/day
 - 5.58% above Revenue Forecast (RF = 1,100,000 bbls/day)
 - 0.24% from July to August
 - 2,767 bbls/day July to August
- Bakken/Three Forks Production
 - 1,132,946 bbls/day or 97.5%
- Non-Bakken/Three Forks Production
 - 28,481 bbls/day or 2.5%

GAS PRODUCTION:

- August: 112.6 BCF/Month = 3.633 BCF/Day
- July: 112.3 BCF/Month = 3.622 BCF/Day
 - 0.3% from July to August

NORTH DAKOTA COUNTY PRODUCTION



Share of State Production

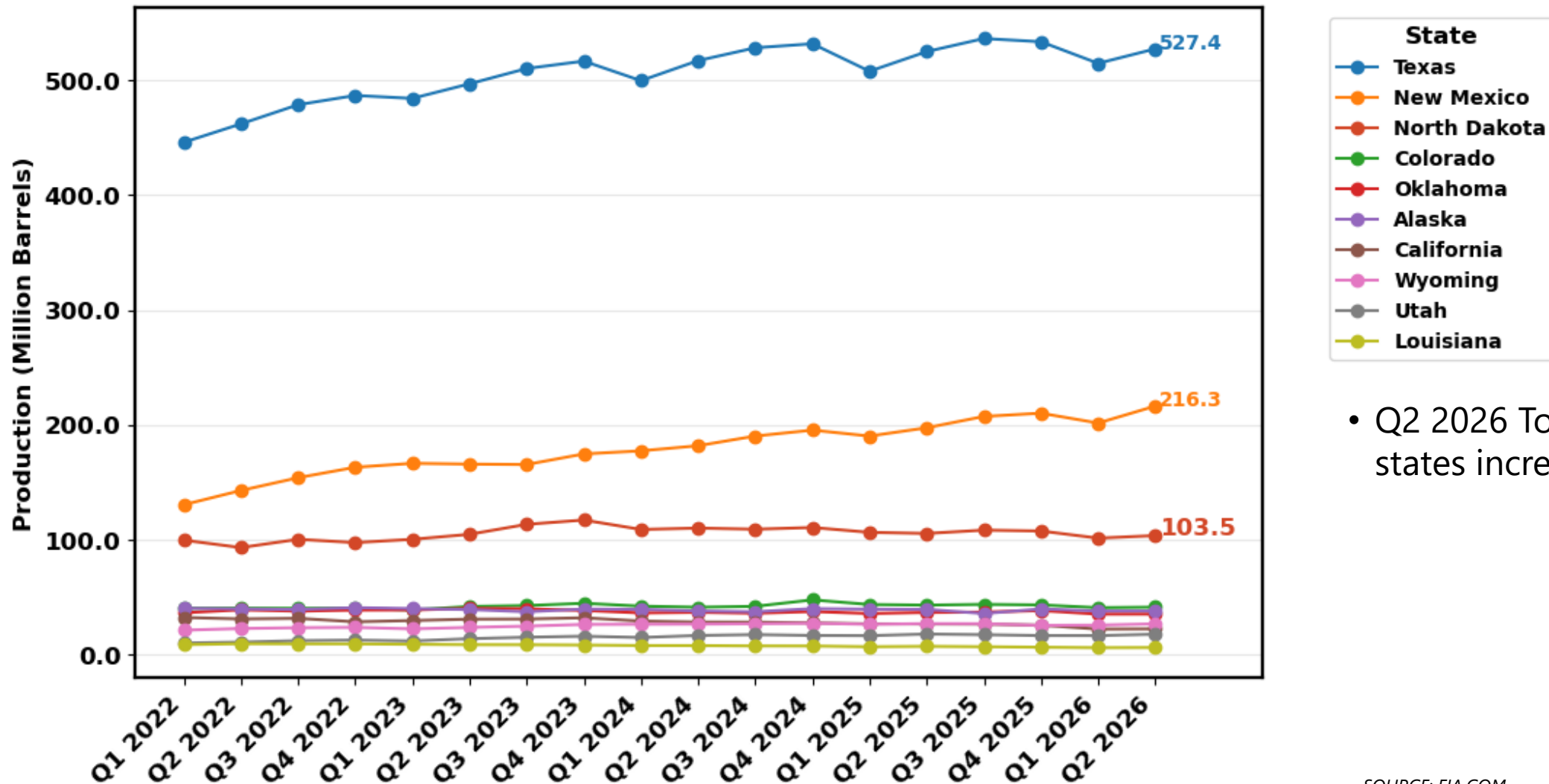
August 2026

- MCKENZIE (33.3%)
- WILLIAMS (24.9%)
- MOUNTRAIL (17.3%)
- DUNN (16.9%)
- DIVIDE (3.9%)
- BURKE (1.3%)
- BILLINGS (0.8%)
- BOWMAN (0.7%)
- BOTTINEAU (0.3%)
- STARK (0.3%)

- ~33% of ND production comes from McKenzie County

- Top 10 counties make up ~99.6% of ND oil production

TOP 10 CRUDE PRODUCING STATES – BY QUARTER

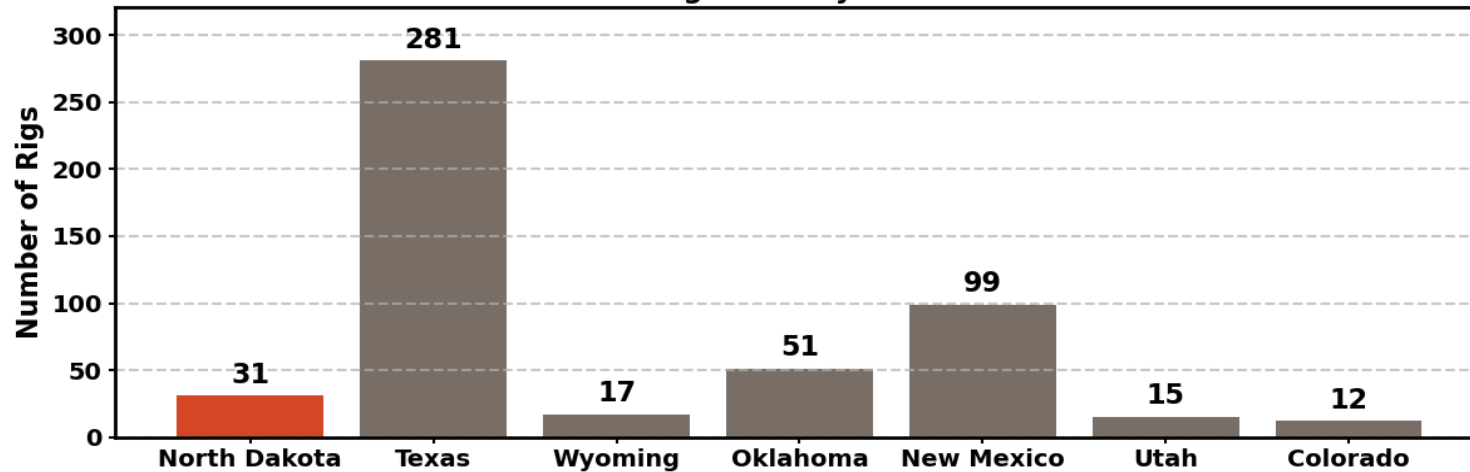


- Q2 2026 Top 3 oil producing states increased

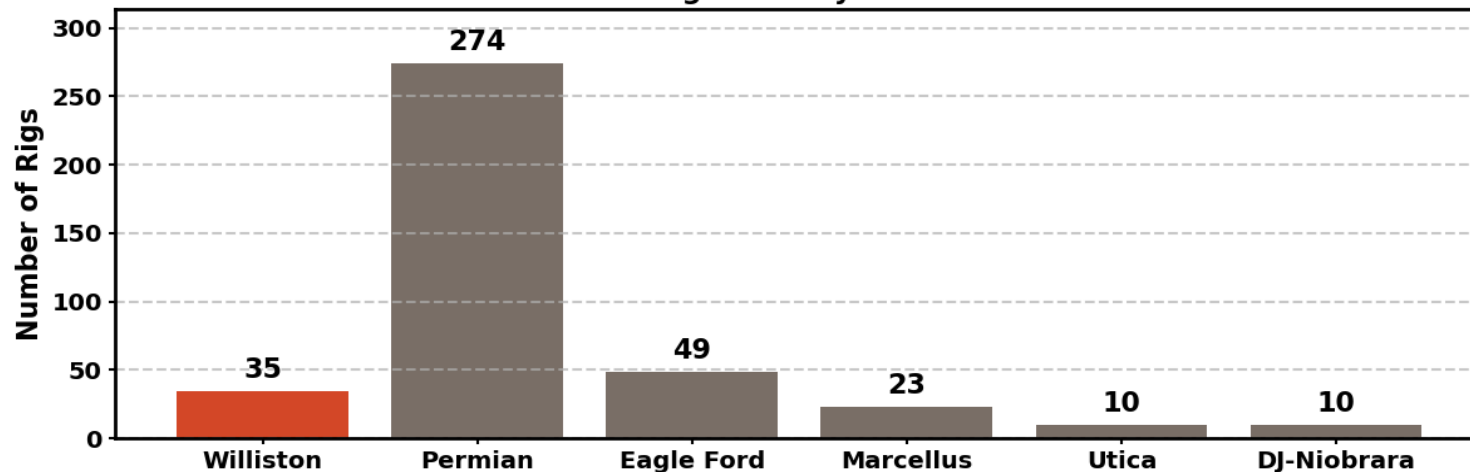
RIG COUNTS BY STATE AND BASIN



Rig Data Overview for October 14, 2026
Rig Count by State



Rig Count by Basin

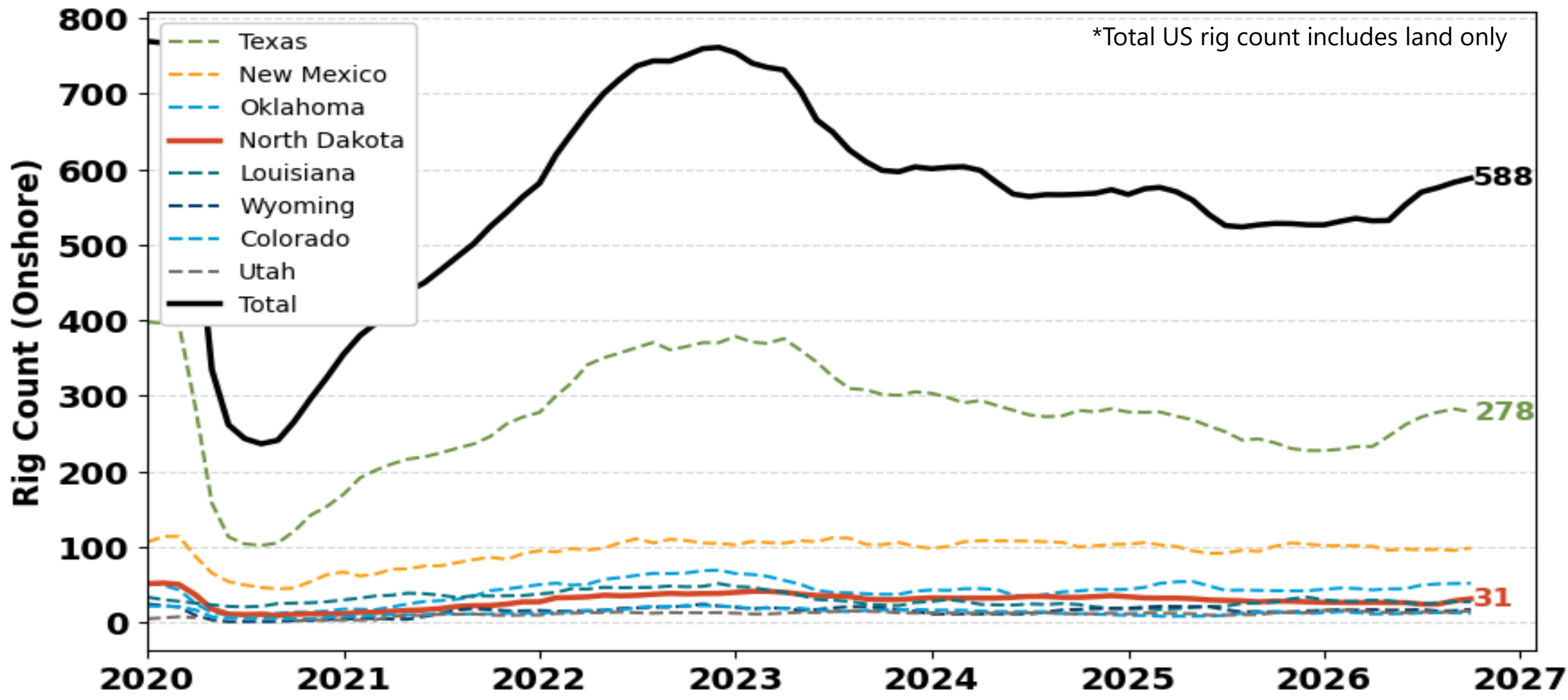


- Total US Rig Count = 603
 - September was approx. 591
- ~47% of Rigs are in Texas
- ND Rig Count Trend
 - October = 31
 - September = 28
 - August = 24
 - July = 24

***All time high of 218 on 5/29/2018*

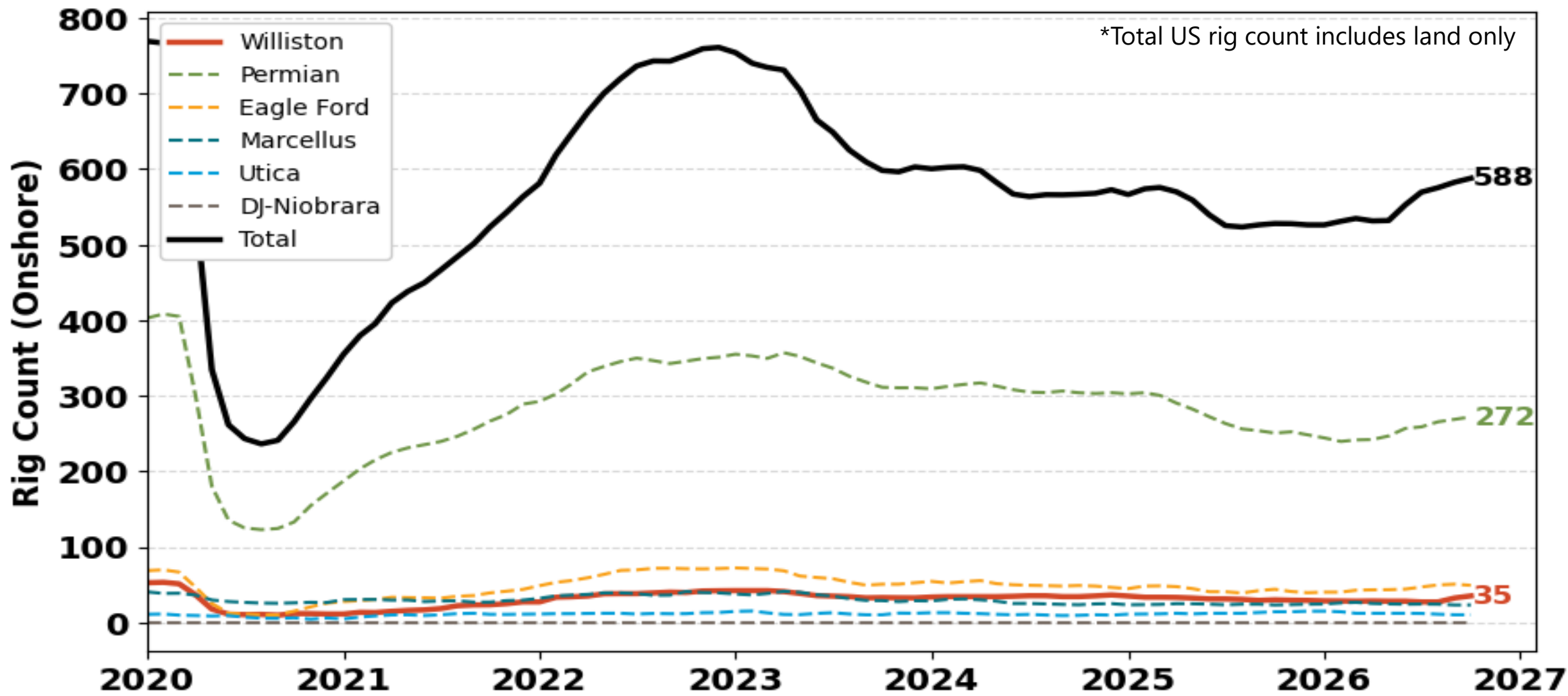
- 35 total rigs in Williston Basin
- 274 rigs in Permian (TX & NM)
 - ~45.4% of total US rig Count
- 33 rigs in the NE US, dry gas play

RIG COUNTS OVER TIME - STATE



Rig Count Source: <https://rigcount.bakerhughes.com/na-rig-count>

RIGS OVER TIME - BASINS

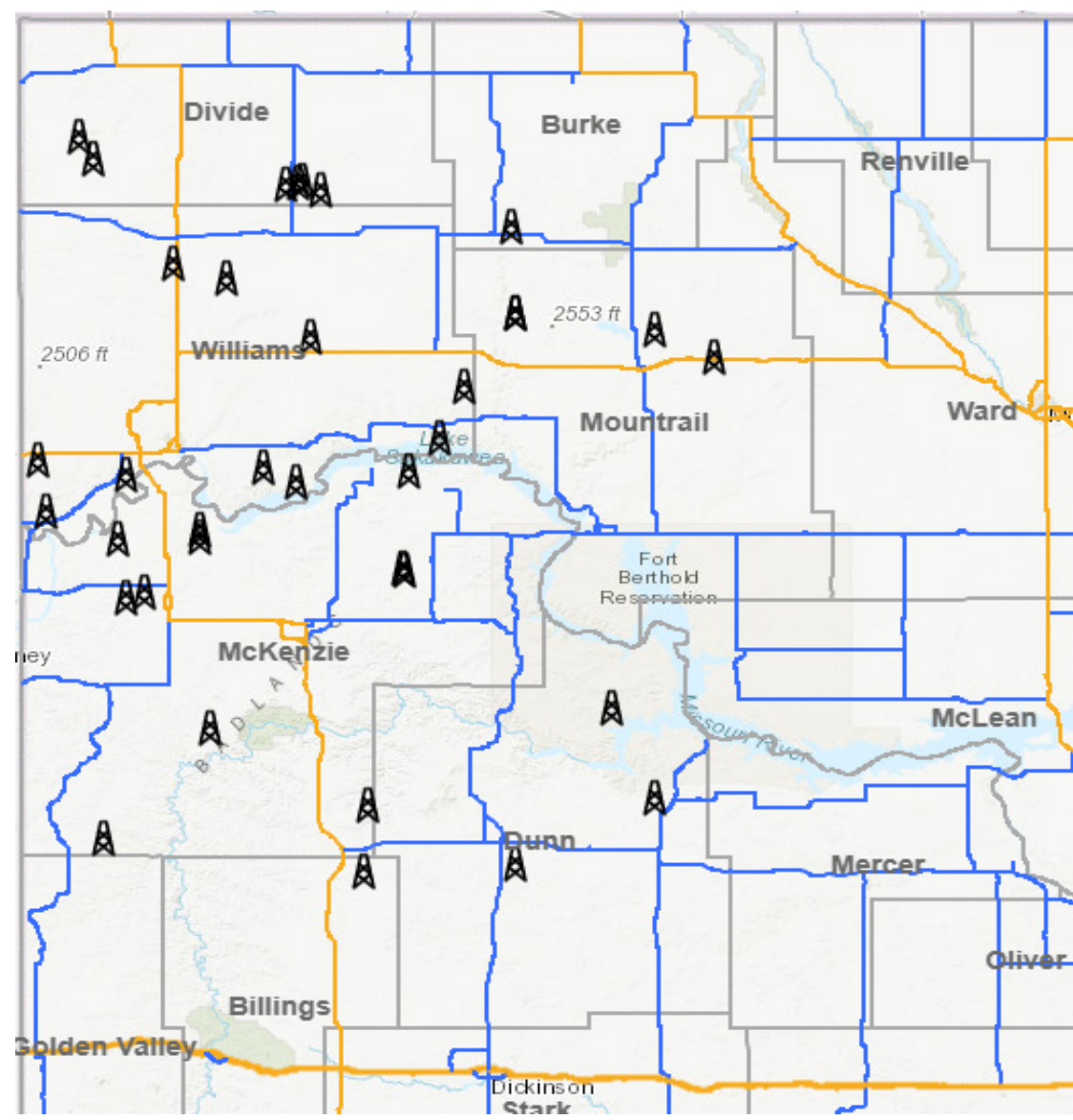


Rig Count Source: <https://rigcount.bakerhughes.com/na-rig-count>

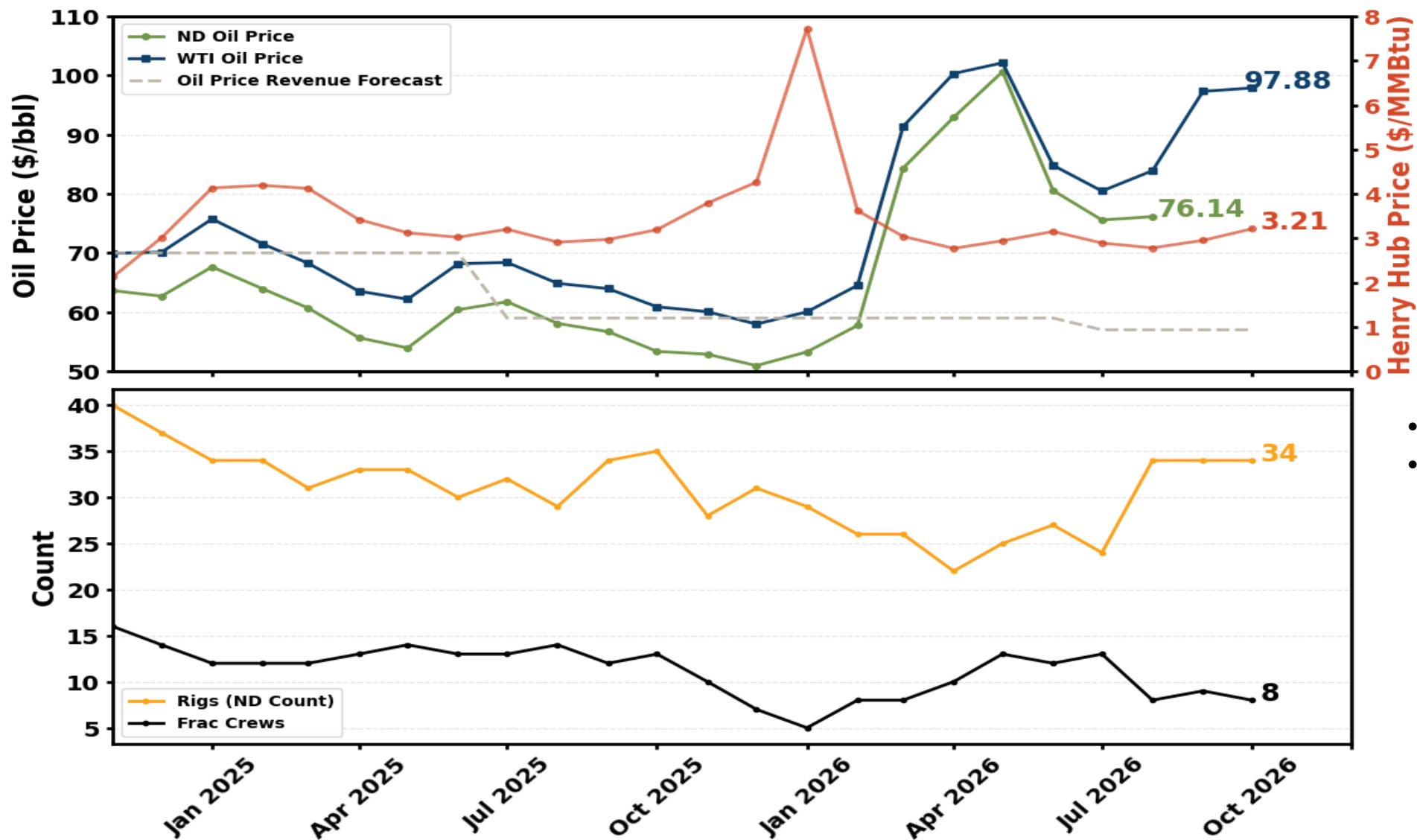
RIG COUNT SUMMARY



Operator	9-14-2026	10-14-2026	Change
Chevron (Hess)	3	3	0
Chord (Enerplus, Whiting & Oasis)	3	4	+1
Conoco (Burlington Resources)	3	3	0
Continental Resources	2	2	0
Devon Energy	3	4	+1
EOG Resources	1	1	0
Formentera Operations	1	0	-1
Henry Hill Oil Services, Llc	0	1	+1
Hunt Oil	1	1	0
Iron Oil Operating	1	0	-1
Koda Resources Operating	2	2	0
Kraken Operating, Llc	0	1	+1
Murfin Drilling Company, Inc.	1	1	0
Petro-Hunt	1	1	0
Phoenix Operating	5	3	-2
Rockport Energy Solutions Llc	1	1	0
Silver Hill Energy Operating	1	1	0
Slawson Exploration Company	1	1	0
True Oil	1	1	0
XTO Energy	2	2	0
Zavanna Energy Operating	1	1	0
Total	34	34	0



PRICING AND ACTIVITY LEVELS



- Current WTI Oil = \$97.88
- Current HH Gas = \$3.21

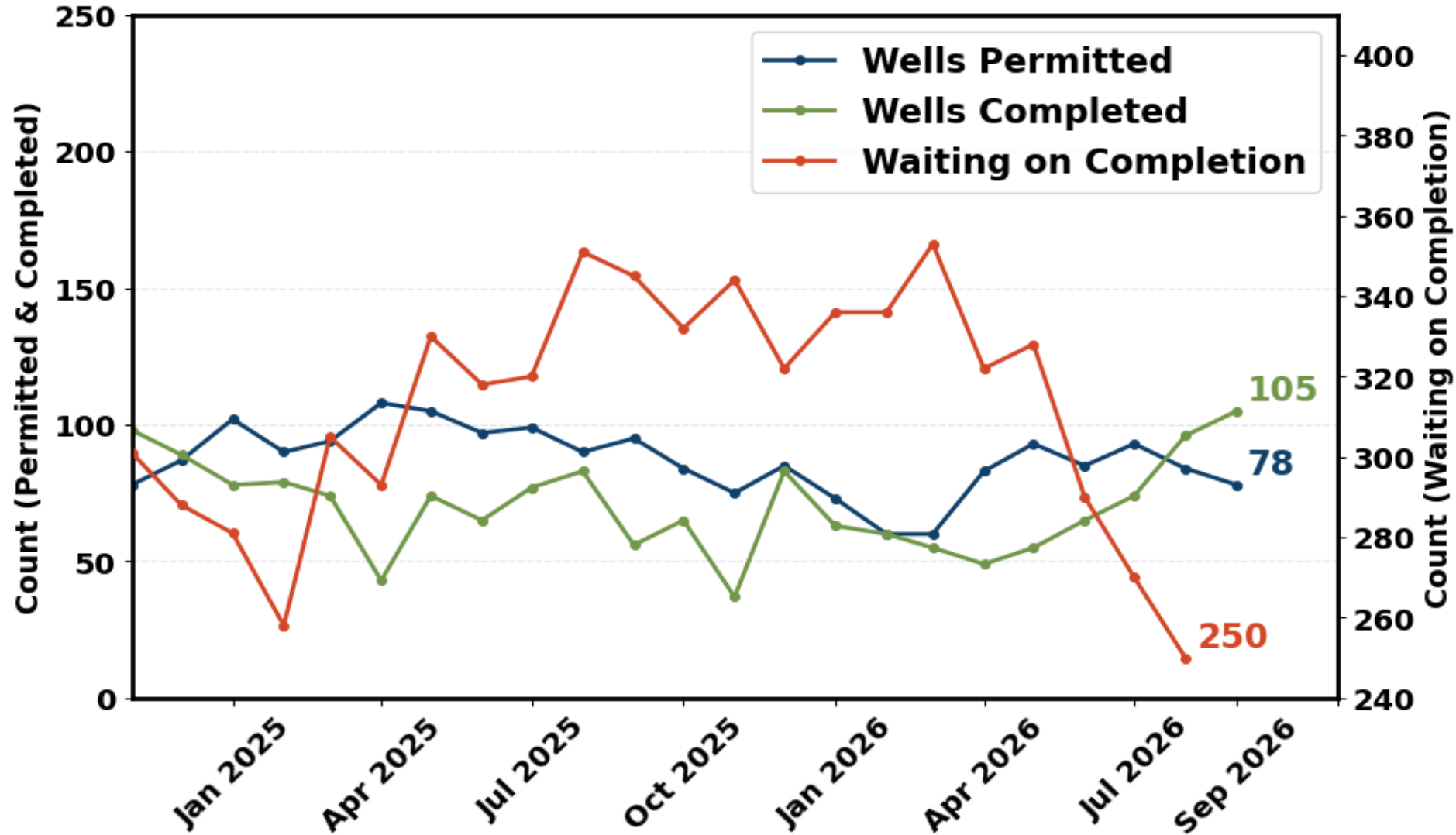
ND Market Oil Price

Revenue Forecast = \$57.00

- August = \$76.14
33.6% to RF
- July = \$75.56

- Current frac crew count = 8
 - Current DMR rig count = 34
- <https://www.dmr.nd.gov/oilgas/riglist.asp>
Data pulled mid-month

PERMITS AND COMPLETIONS



Permit Trend

- September = 78
- August = 84
- July = 93

Completion Trend

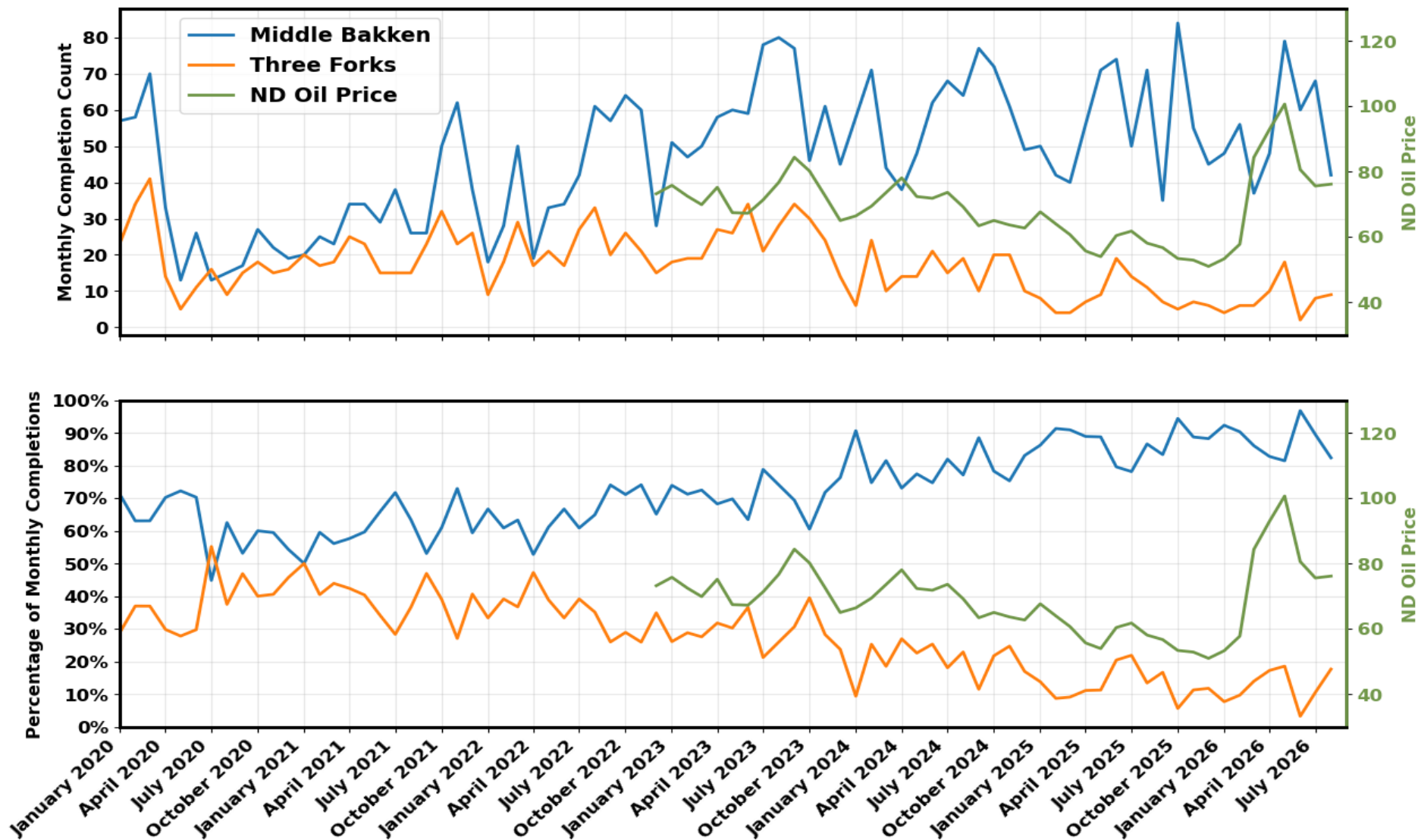
- September = 105
- August = 96
- July = 74

Extended Reach Permits

(Issued to date)

- 1576 - 3-mile lateral permits
- 435 - 4-mile lateral permits
 - 108 completed
- 54 U-Shaped lateral permits
 - 19 completed

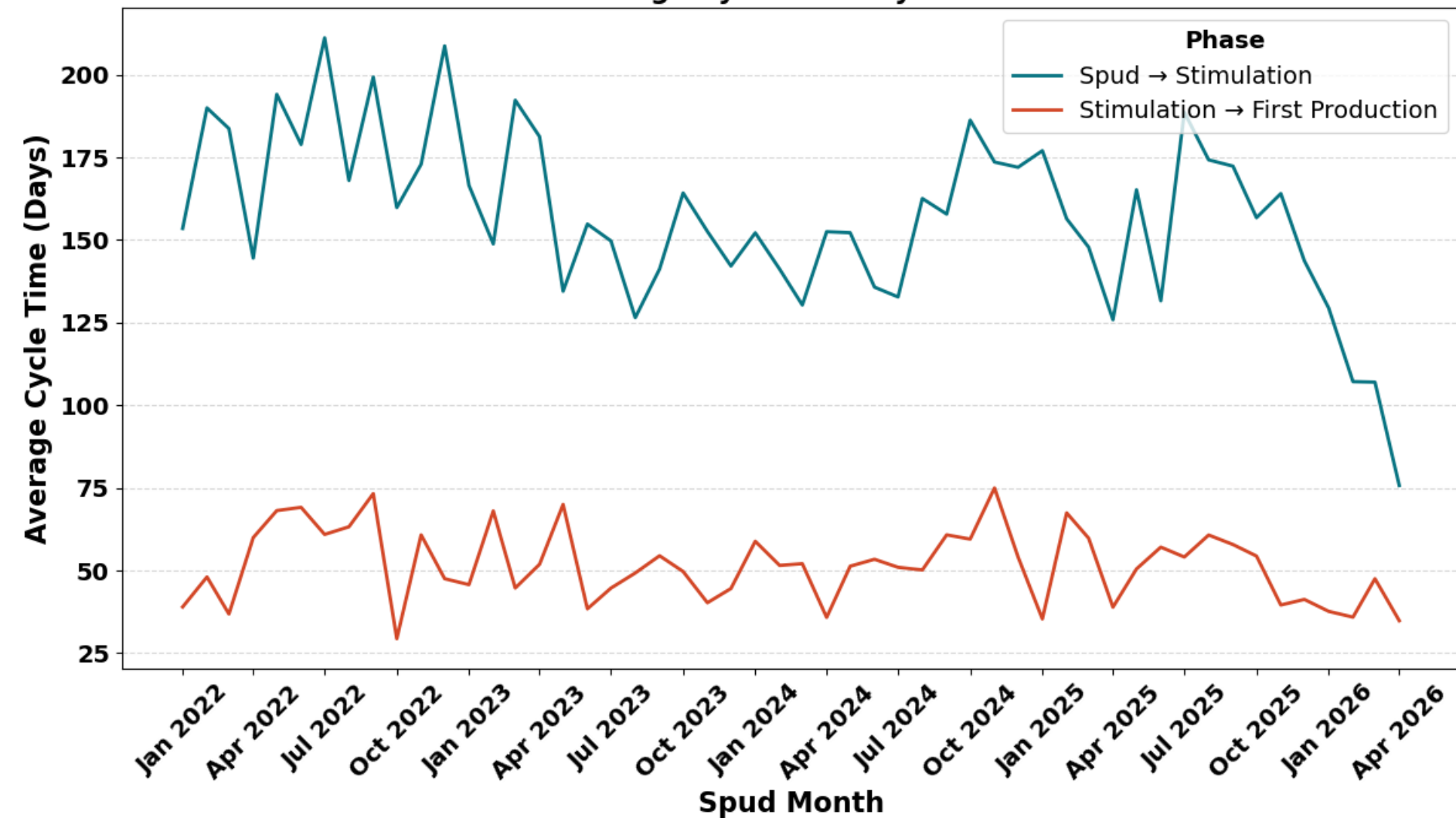
BAKKEN AND THREE FORKS COMPLETIONS



AVERAGE WELL CYCLE TIMES



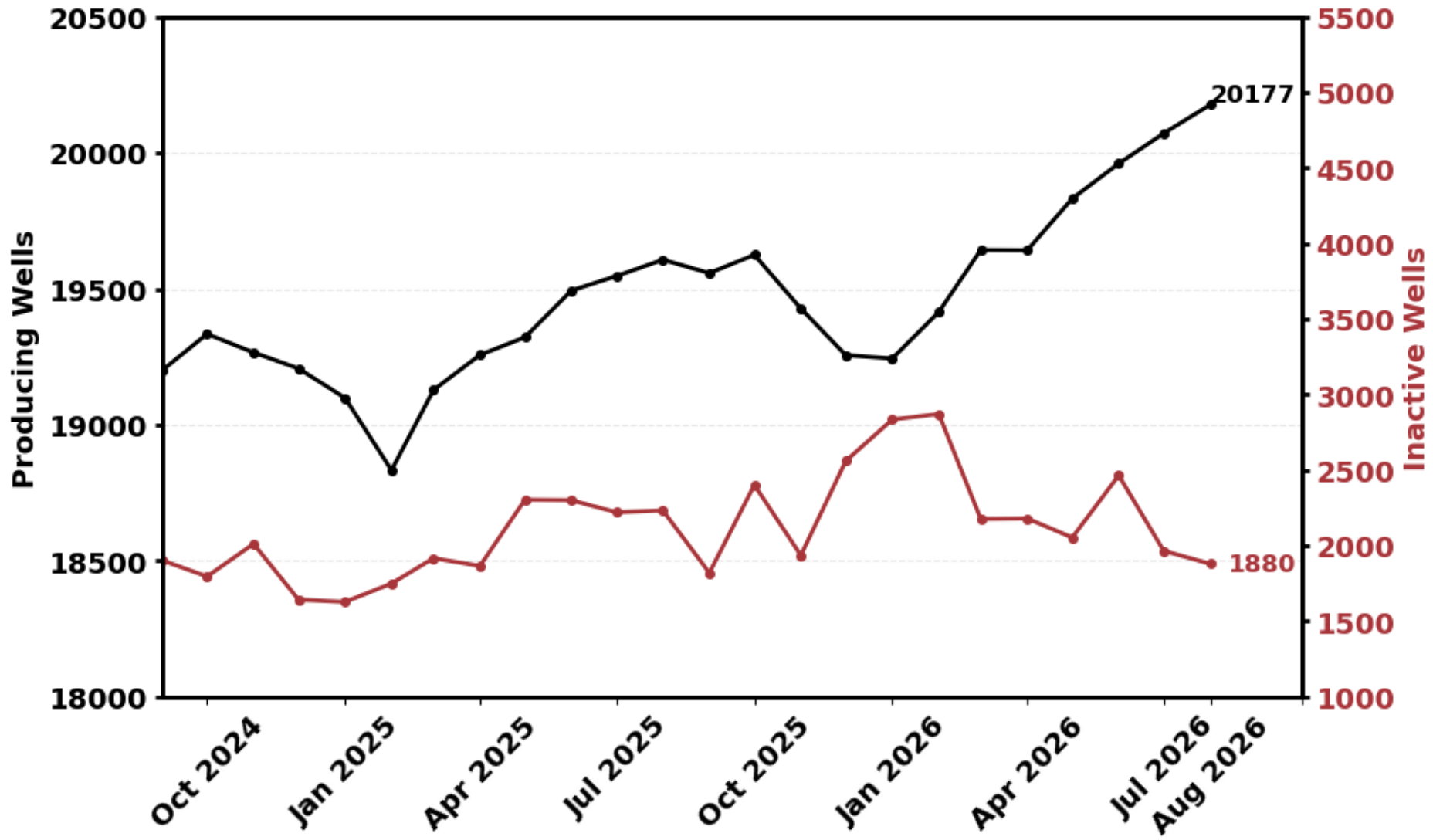
Average Cycle Time by Month



Cycle Times Improving

- Spud → Stimulation = First Spud to Last Stimulation
- Stimulation → First Production = Last Stimulation to First Production
- Spud to Stimulation trend continues to improve
- Stimulation to First Production time decreasing

WELL COUNT

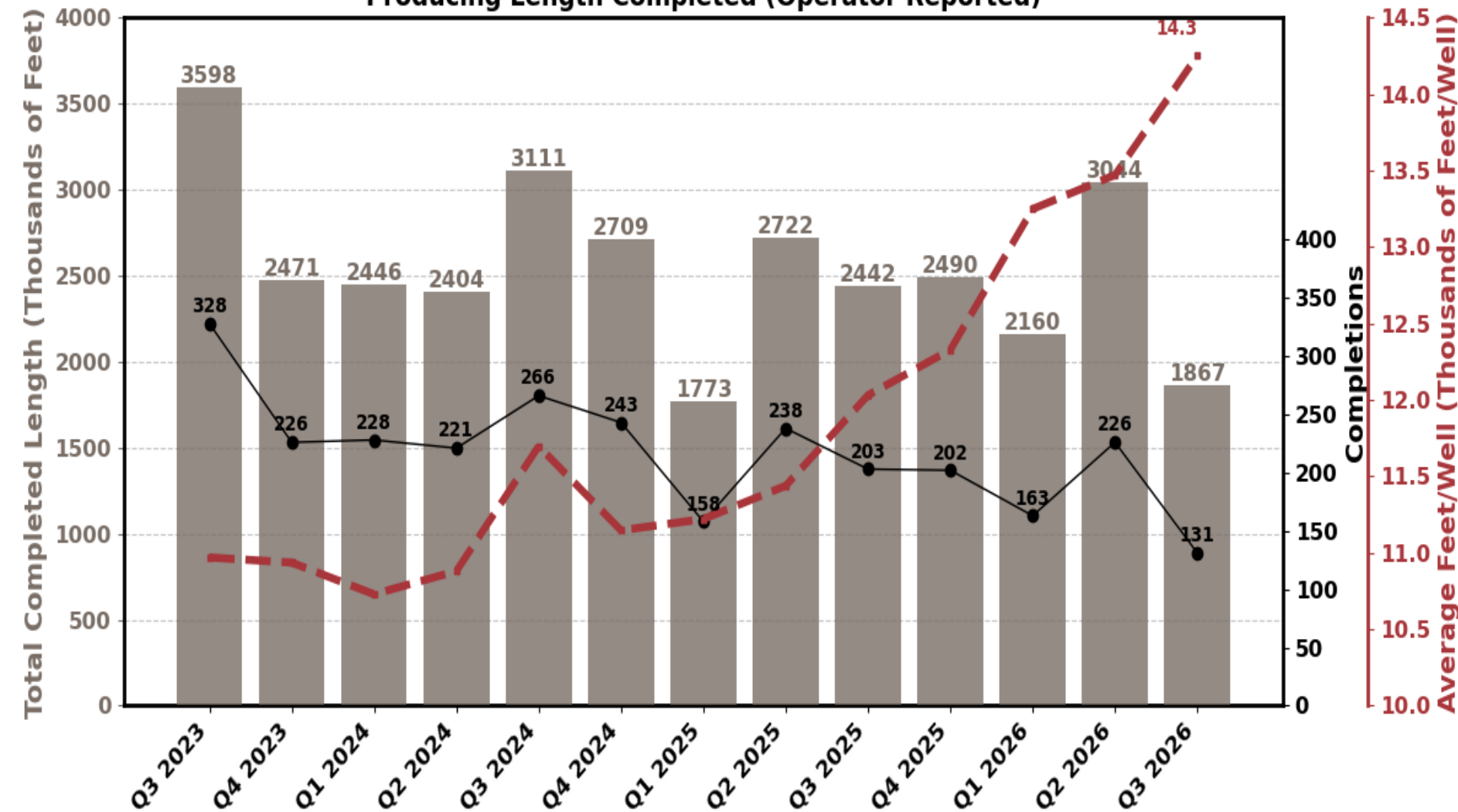


- Total number of producing wells is up 105, month over month
- Number of inactive wells decreased by 86, month over month
- Producing wells were at an all time high of 20,177 in August.

COMPLETED FOOTAGE OVER TIME



Producing Length Completed (Operator Reported)



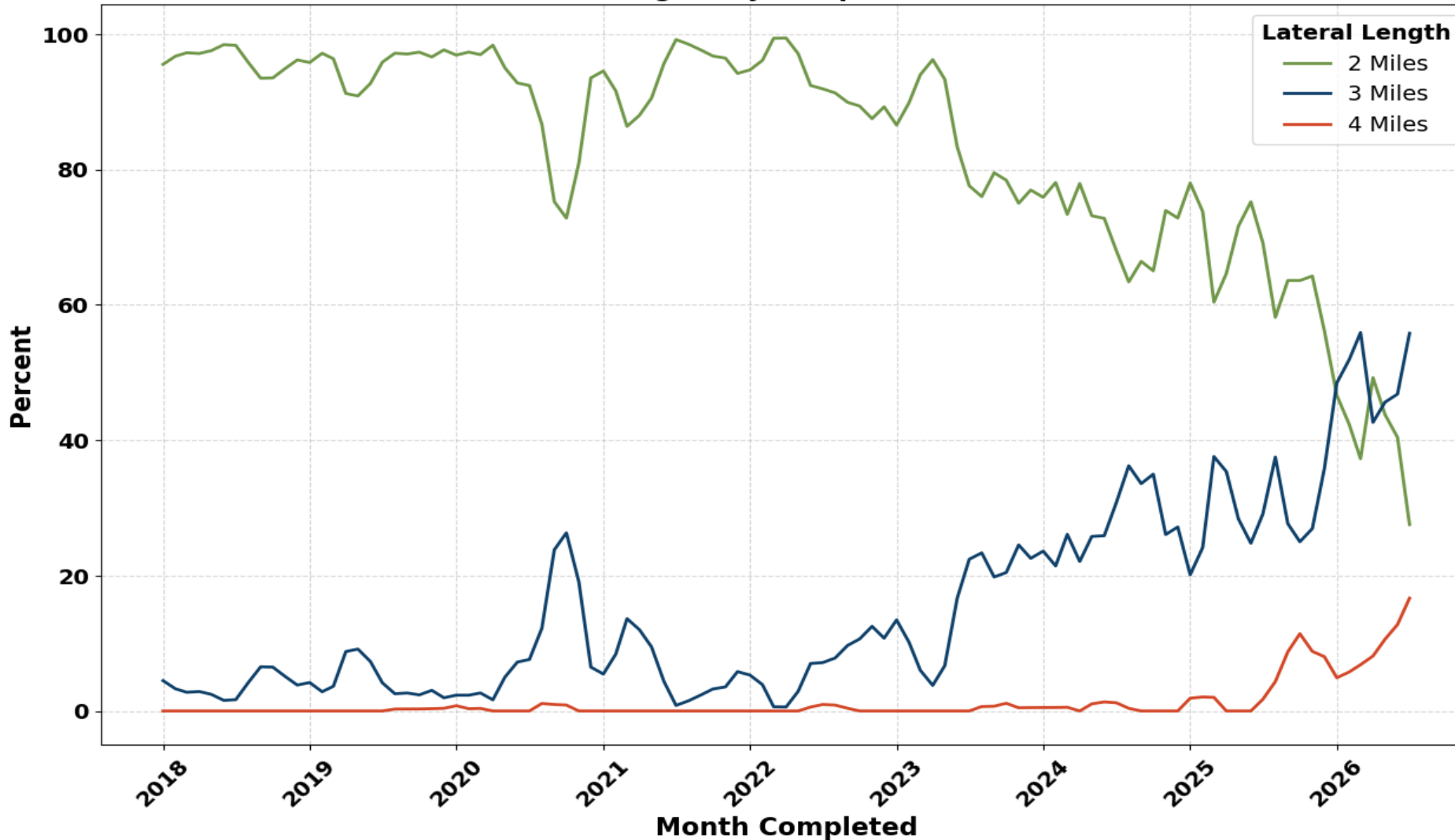
Trend of Lateral Lengths

- 2024 = 10,670,000 total feet completed
- 2025 = 9,427,000 total feet completed
- 2026 YTD = 7,071,000 total feet completed
- Estimated average lateral length completed by year:
 - 2023 = 10,554
 - 2024 = 11,138
 - 2025 = 11,769
- Q3 2026 current average completed lateral footage per well at an all time high of 14,252' (pending additional data)

LATERAL LENGTHS OVER TIME



Well Lengths by Completion Month



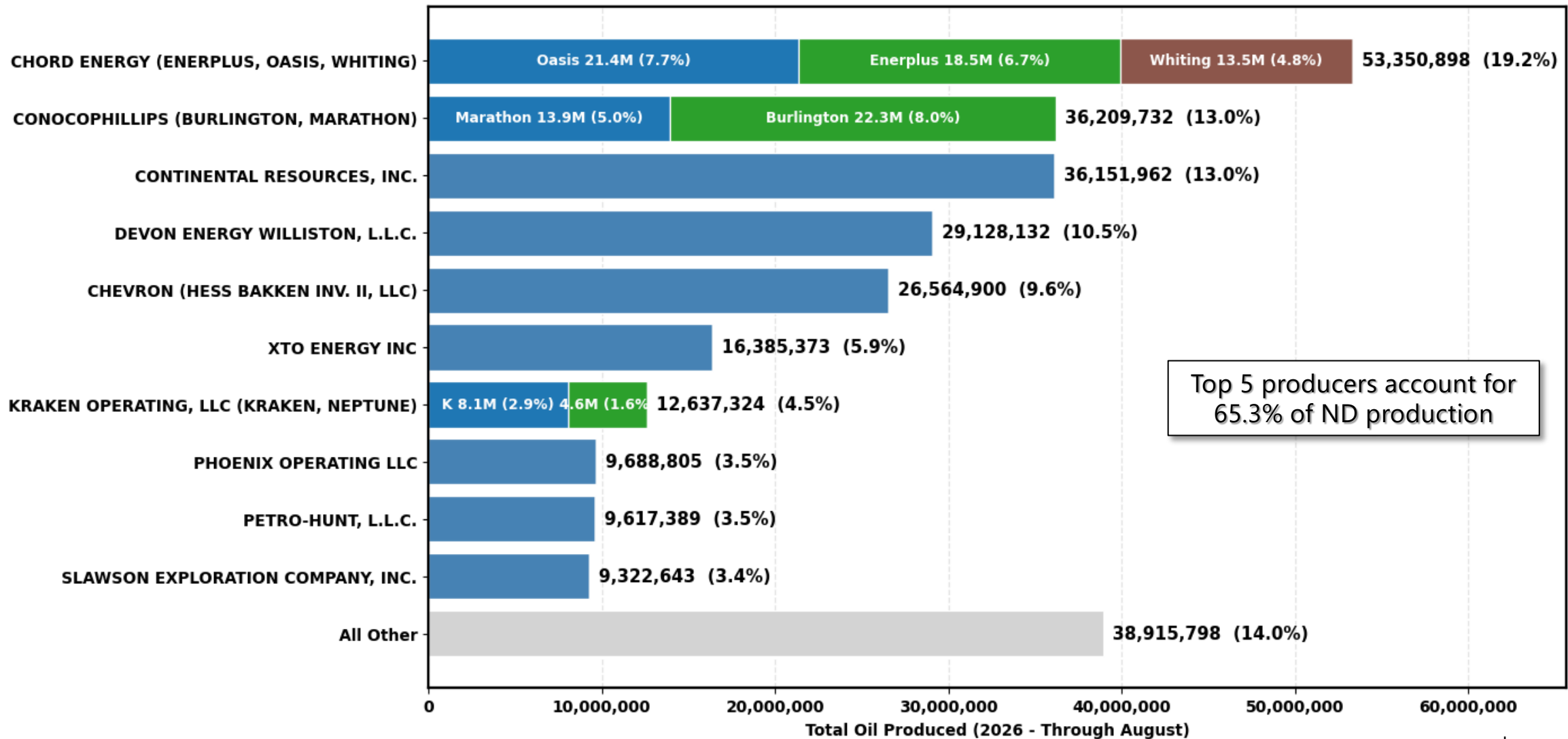
Total Percentage of Permits by Lateral Length

- ~27% = 2-mile
- ~56% = 3-mile
- ~17% = 4-mile

Lateral Length Categorization: (First to last perforation)

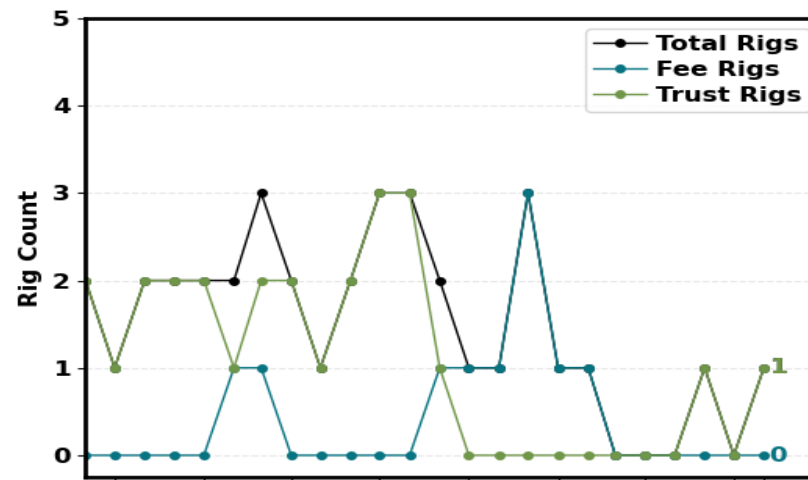
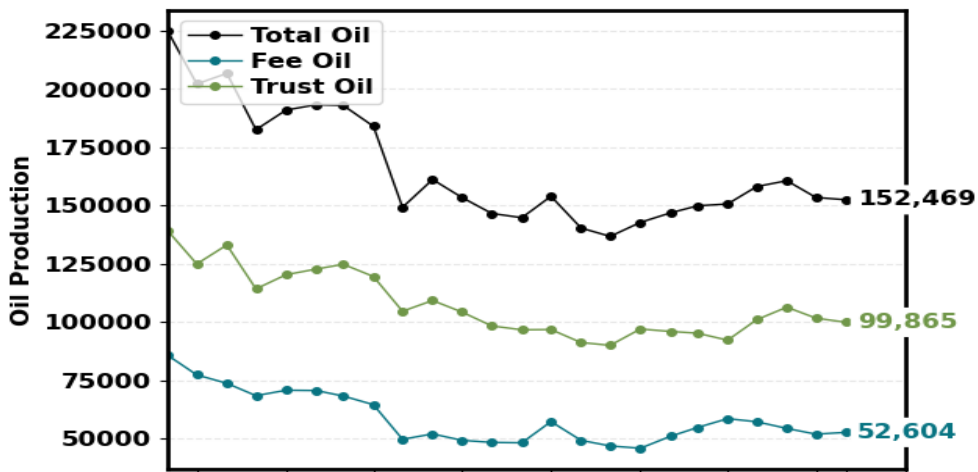
- 1.5-2.24 miles = 2-mile
- 2.25-3.24 miles = 3-mile
- 3.25-4.24 miles = 4-mile

TOP 10 OIL PRODUCERS IN ND - 2026



Top 5 producers account for 65.3% of ND production

FORT BERTHOLD ACTIVITY

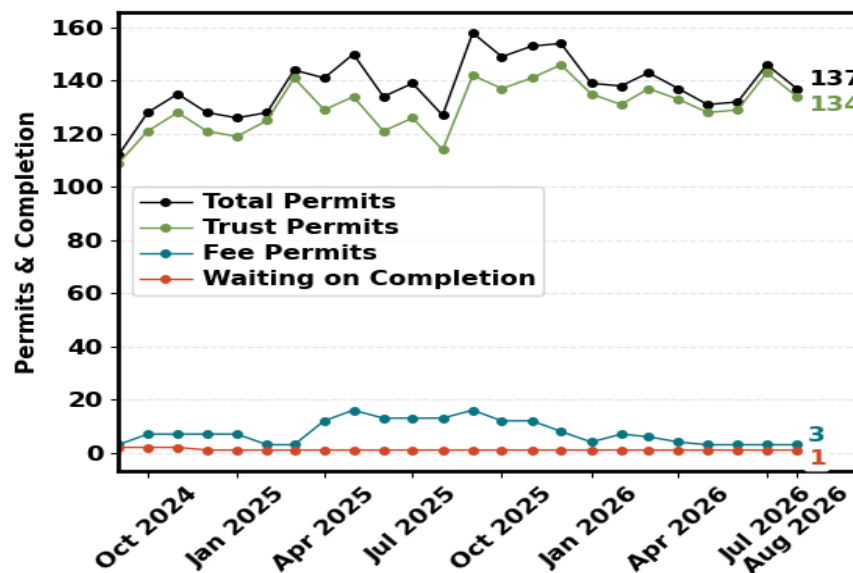
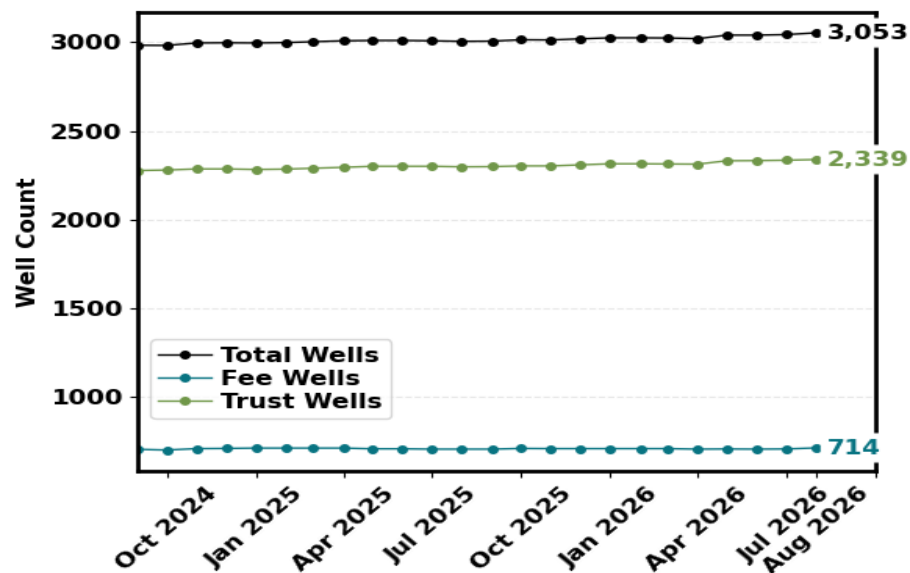


Aug Oil Production = 152,469

- 0.6% decrease
- Decrease of 992 bopd

July Oil Production = 153,461

Rig count at 1



Total Active Permits = 137

- Decrease from last month

Number of Active Wells = 3,053

- Fee = 714
- Trust = 2,339

GAS CAPTURE

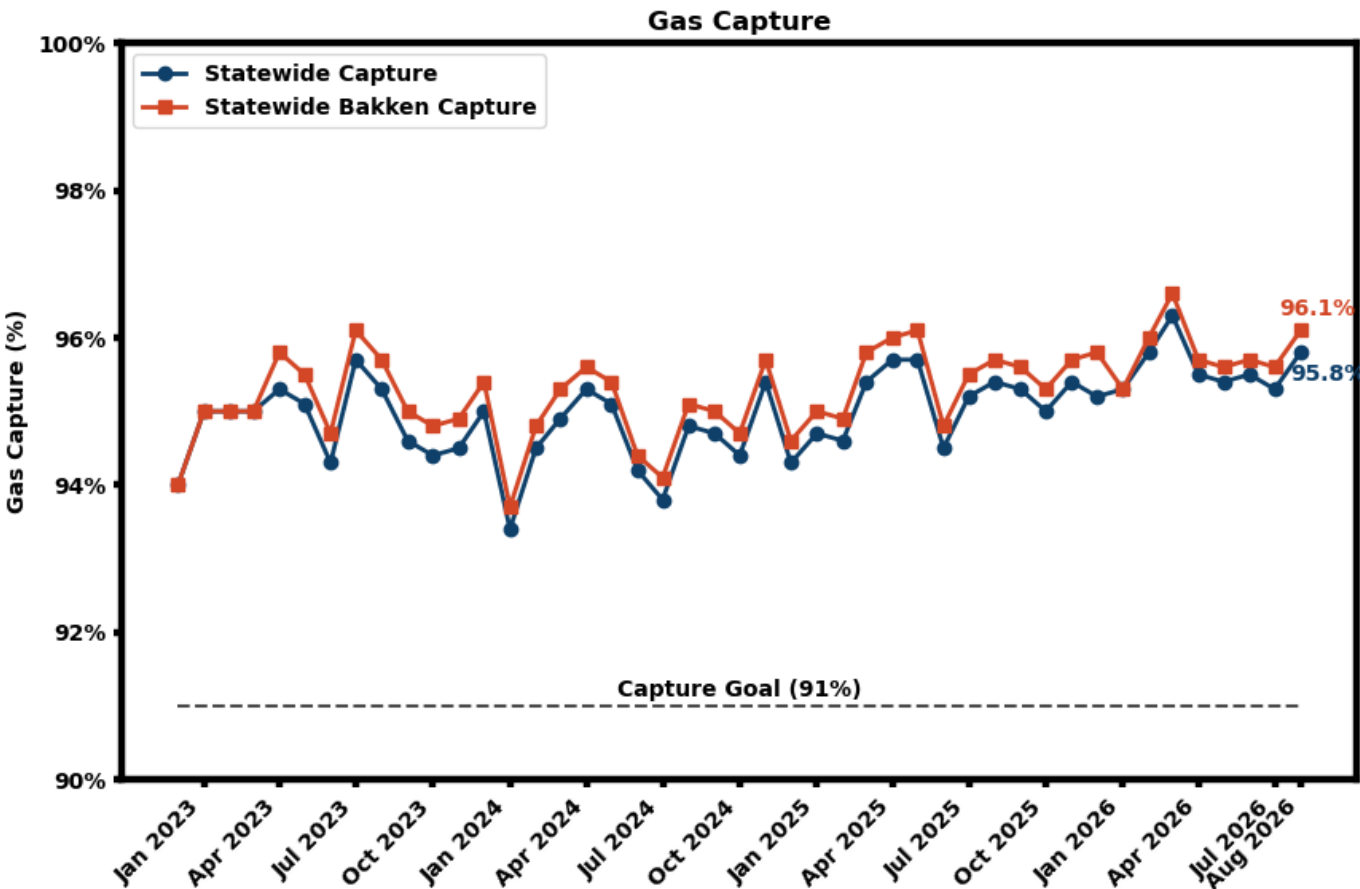
The state-wide gas flared volume from July to August decreased by 17.9 MMCF/D to 155.4 MMCF/D, the statewide gas capture increased slightly to 95.8% while Bakken gas capture increased to 96.1%.

Gas capture details are as follows:

Statewide	95.8%
Statewide Bakken	96.1%
Non-FBIR Bakken	96.1%
FBIR Bakken	95.8%
Trust FBIR Bakken	95.6%
Fee FBIR	96.6%

The Commission has established the following gas capture goals:

- 74% October 1, 2014 through December 31, 2014
- 77% January 1, 2015 through March 31, 2016
- 80% April 1, 2016 through October 31, 2016
- 85% November 1, 2016 through October 31, 2018
- 88% November 1, 2018 through October 31, 2020
- 91% beginning November 1, 2020



IJA GRANTS

FORMULA GRANT PHASE 1

- DMR was awarded \$25 million. DMR plans to utilize ~\$15 million in current biennium.
- This grant began on August 1, 2024. Funding must be utilized over a five-year period.
- DMR plans to utilize funds for well plugging, reclamation and brine contamination cleanup.
- The Commission has completed all Formula Grant Phase I plugging activities for the year, having plugged 14 wells.
- The Commission anticipates completing restoration work at 20 brine pond locations and has restored 6 locations, to date.
- At present, the Commission has identified 22 sites requiring reclamation. Contractors have begun equipment demobilization at several sites.

For Updates & More Information: <https://www.dmr.nd.gov/dmr/iija>



SUMMARY



Month and Year	August 2026
Days	31
Oil Production (bbls)	36,004,228
Average Daily Oil (bbls/day)	1,161,426.71
Gas Production (MCF)	112,614,003
Average Daily Gas (MCF/day)	3,632,709
Daily Average Oil Revenue Forecast (bbls/day)	1,100,000
Oil Revenue Forecast Price (\$/bbl)	57
Avg Daily Bakken-Three Forks Prod (bbls/day)	1,132,946
Bakken Production (%)	97.50
Other Production (%)	2.50
Bakken-Three Forks Wells (%)	89.90
Percentage Other Wells (%)	10.10
WTI Oil Price (\$/bbl) (current)	97.88
ND Oil Price (\$/bbl)	76.14
Henry Hub Price (USD/MMBtu)	3.21
Wells Permitted (September)	78
Wells Completed (September)	105
Waiting On Completion	250
Inactive Wells	1,880
Total Producing Wells	20,177
Fort Berthold Total Oil	152,469
Fort Berthold Fee Oil	52,604
Fort Berthold Trust Oil	99,865
Fort Berthold Total Rigs	1
Fort Berthold Fee Rigs	0
Fort Berthold Trust Rigs	1
Fort Berthold Total Wells	3,053
Fort Berthold Fee Wells	714
Fort Berthold Trust Wells	2,339
Fort Berthold Waiting On Completion	1
Fort Berthold Total Permits	137
Fort Berthold Fee Permits	3
Fort Berthold Trust Permits	134
North Dakota Rigs (current)	31
North Dakota Frac Crews (current)	8
Statewide Capture	95.80
Statewide Bakken Capture	96.10
Capture Goal	91
NDStateRigs	34

SEISMIC:

- Active projects: 1
- Permitted projects: 4
- Pending projects: 1
- Long Term Recording: 1

Pipeline Authority Monthly Update

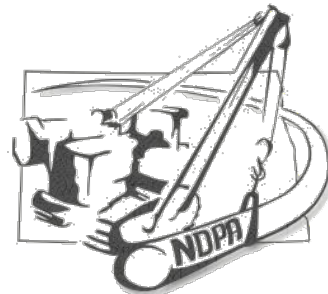
Justin J. Kringstad

Geological Engineer

Director

North Dakota Pipeline Authority

October 20, 2026

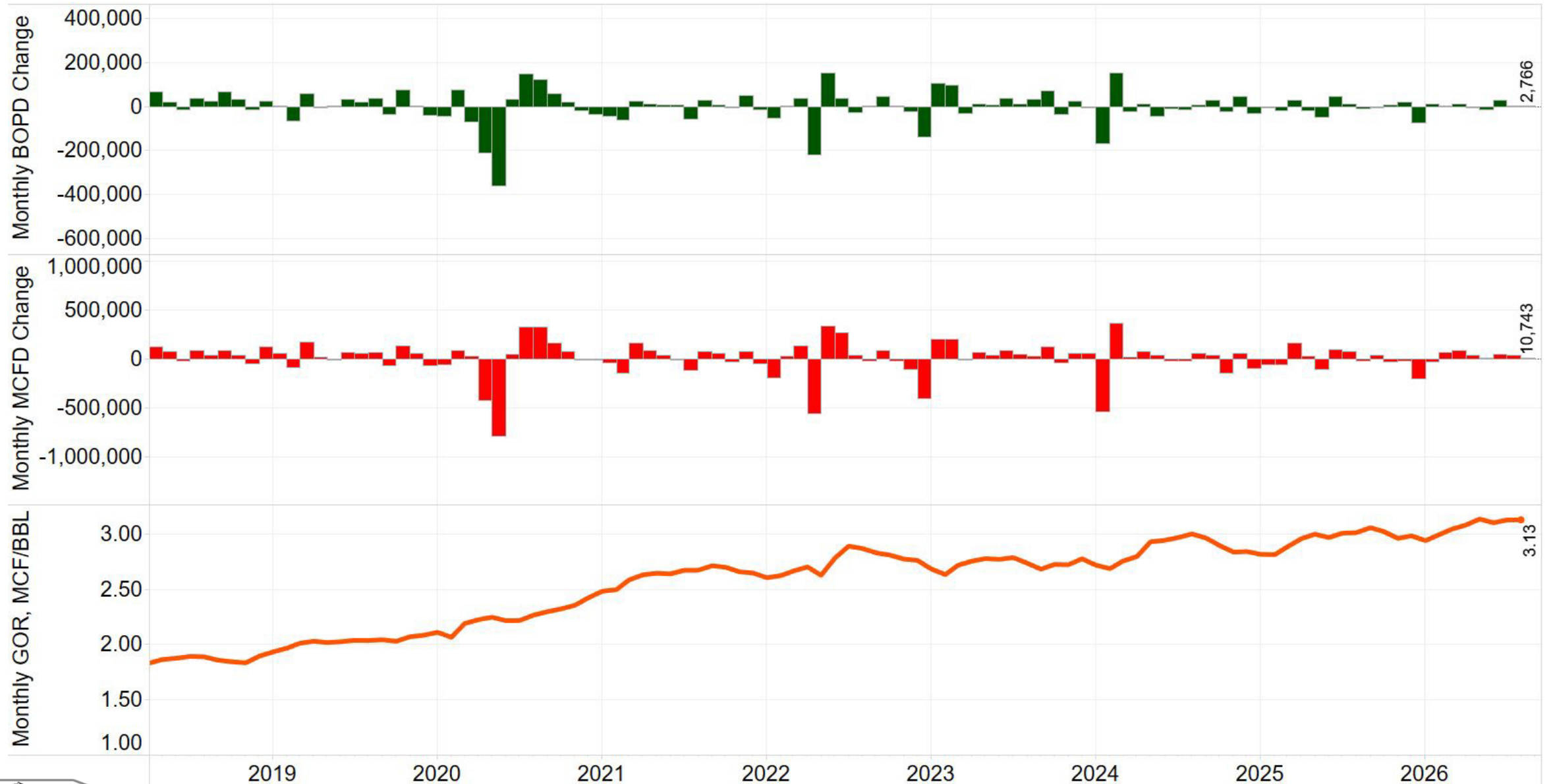


US Williston Basin Oil Production - 2026

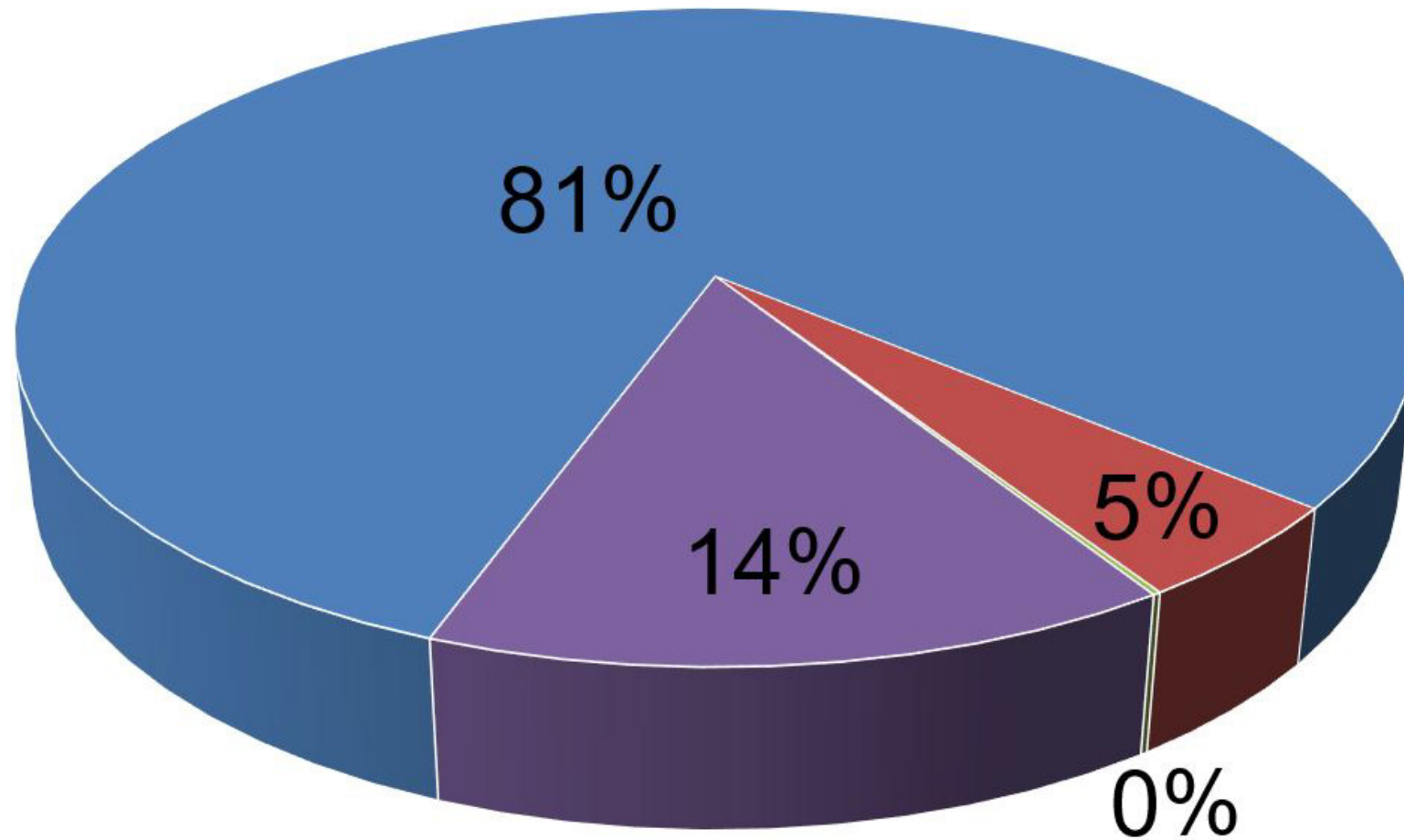
MONTH	ND	Eastern MT*	SD	TOTAL
January	1,130,651	72,677	2,181	1,205,509
February	1,133,601	74,836	2,176	1,210,613
March	1,142,966	75,192	2,193	1,220,351
April	1,141,984	71,101	2,519	1,215,604
May	1,125,278	67,378	2,233	1,194,889
June	1,154,795		2,148	
July	1,158,660		2,057	
August	1,161,427		2,152	
September				
October				
November				
December				



North Dakota Monthly Production Change



Estimated Williston Basin Oil Transportation



■ Pipeline Export

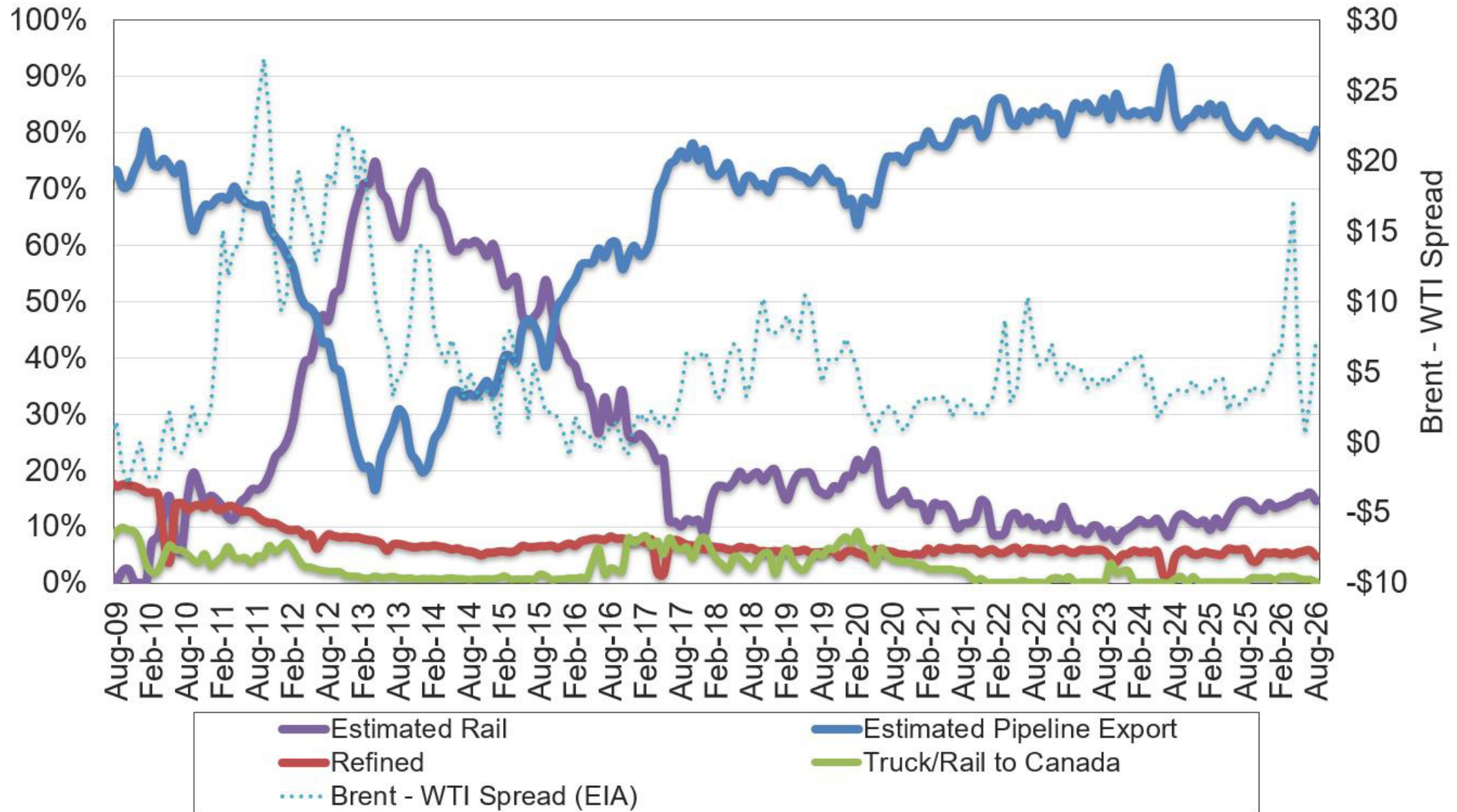
■ Truck/Rail to Canada

■ Refined

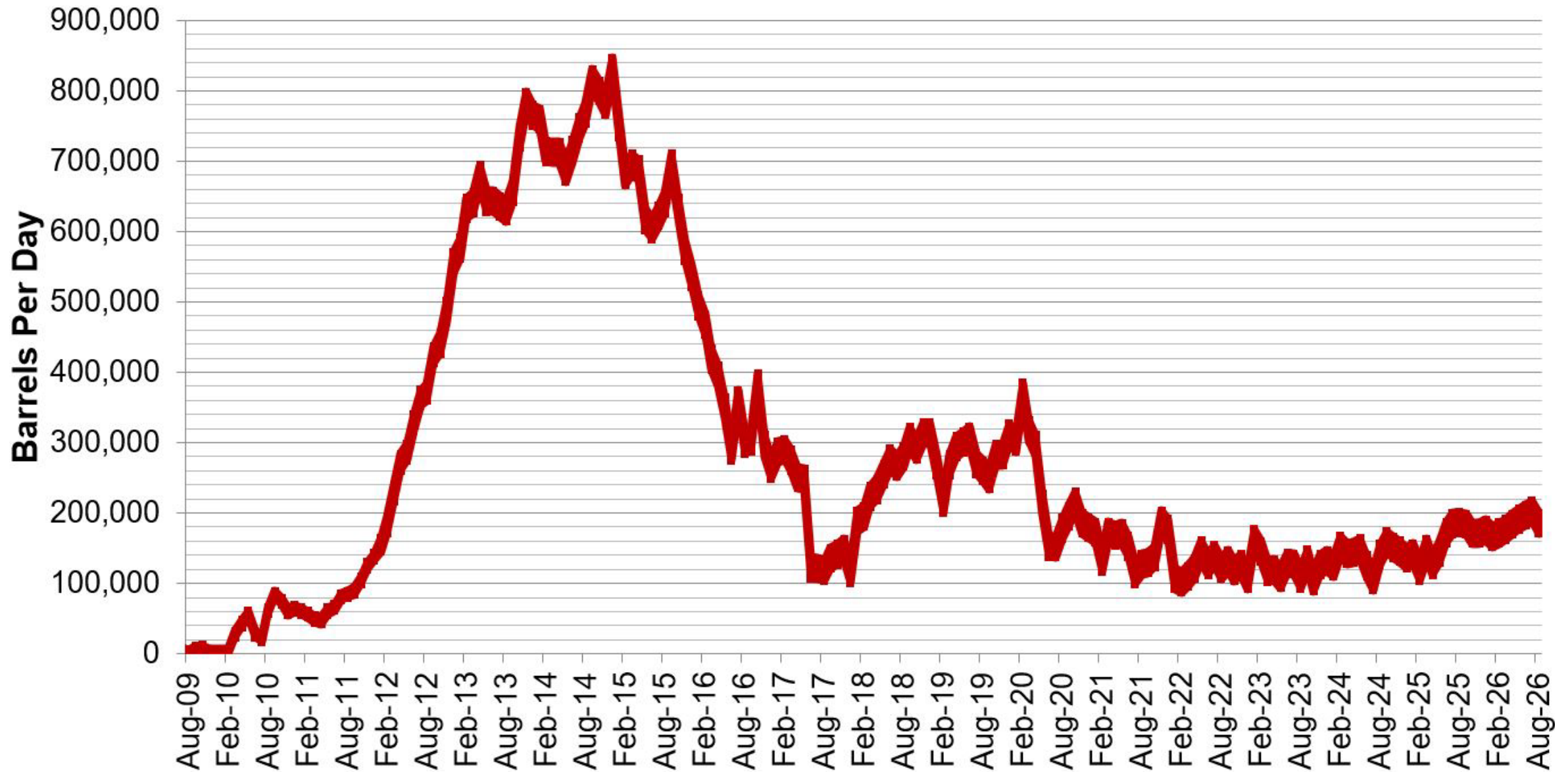
■ Estimated Rail



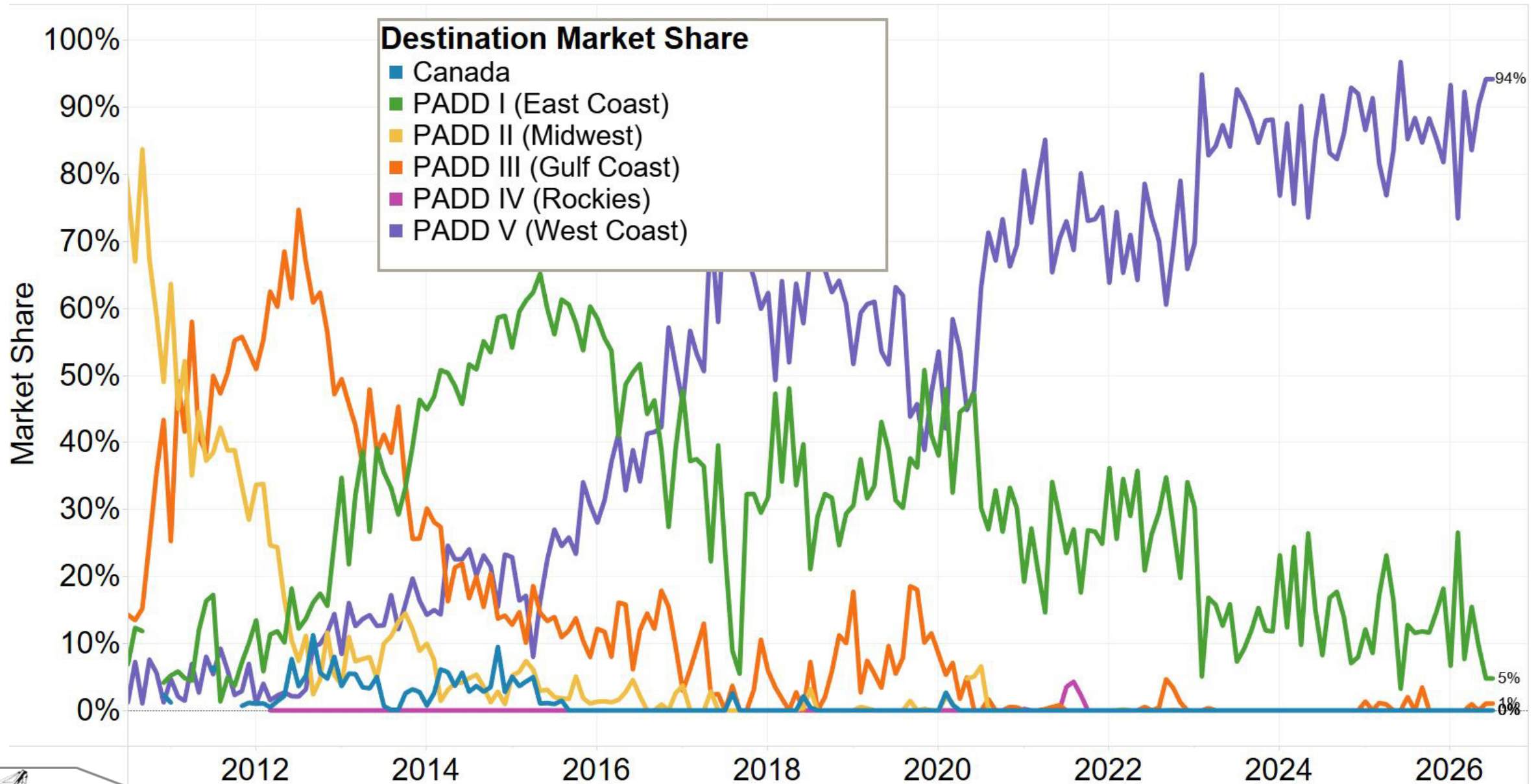
Estimated Williston Basin Oil Transportation



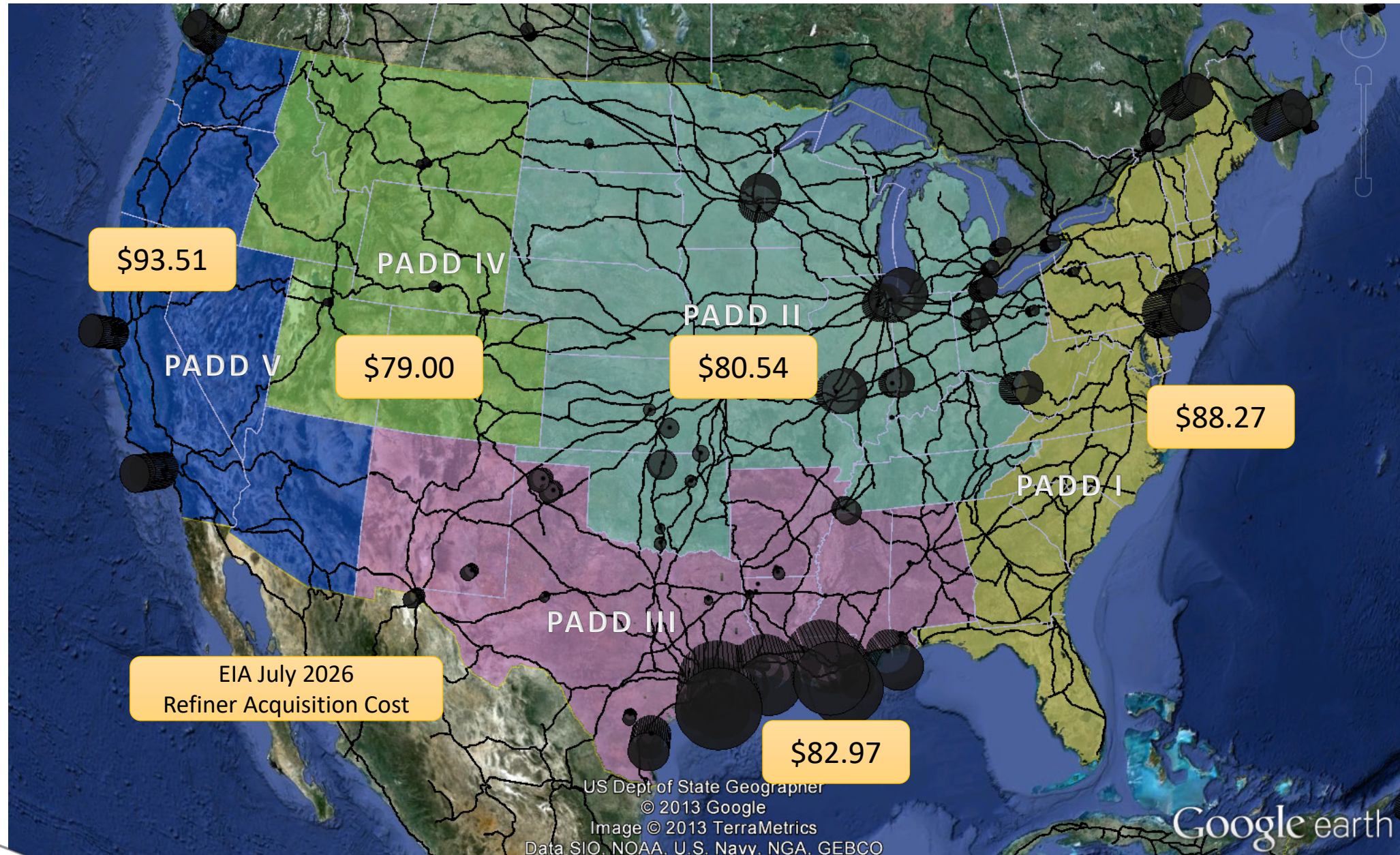
Estimated ND Rail Export Volumes



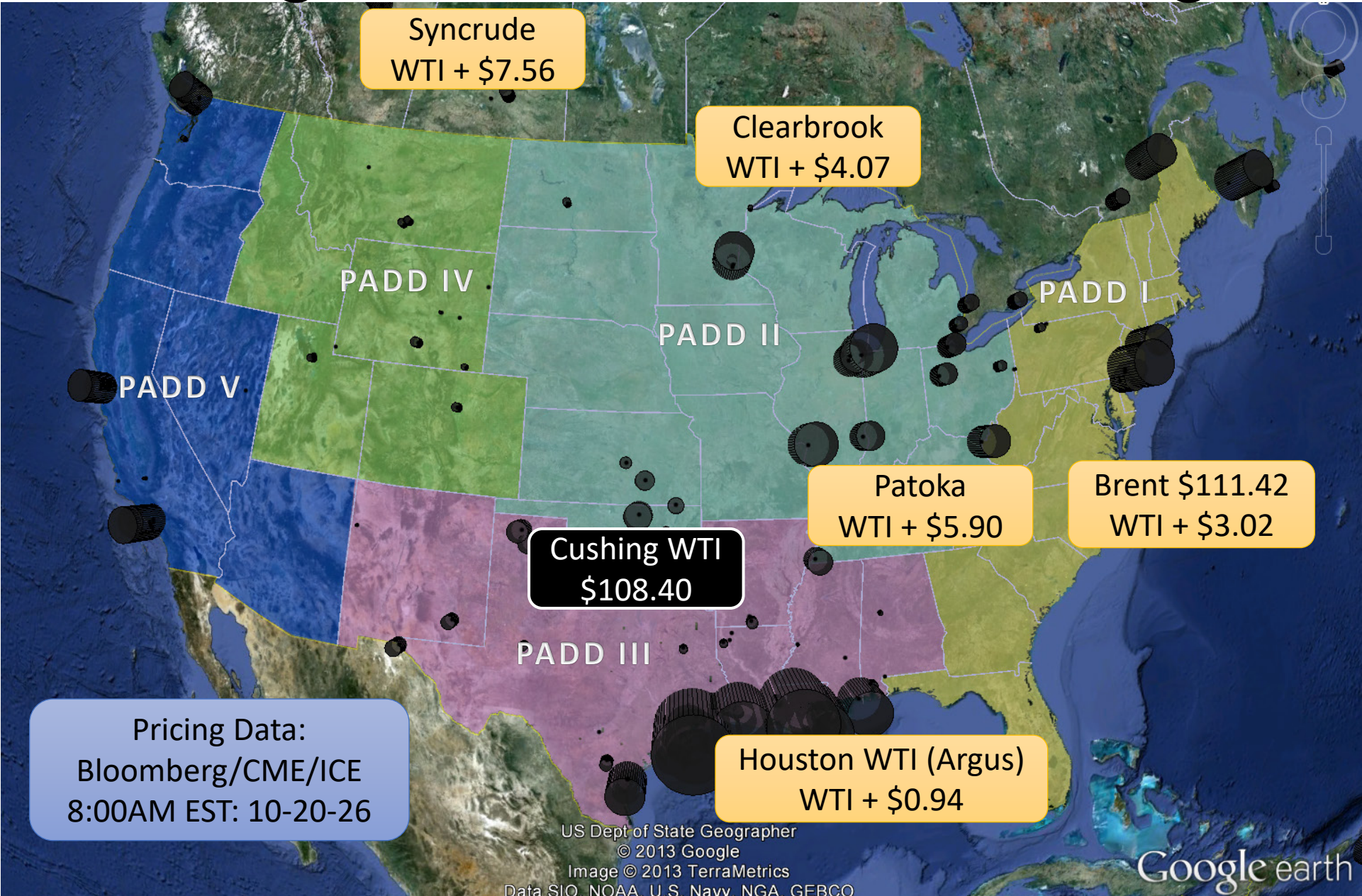
Rail Destinations Market Share (July 2026)



Major Rail Lines and Refineries



Major Pricing Benchmarks & Refining Centers



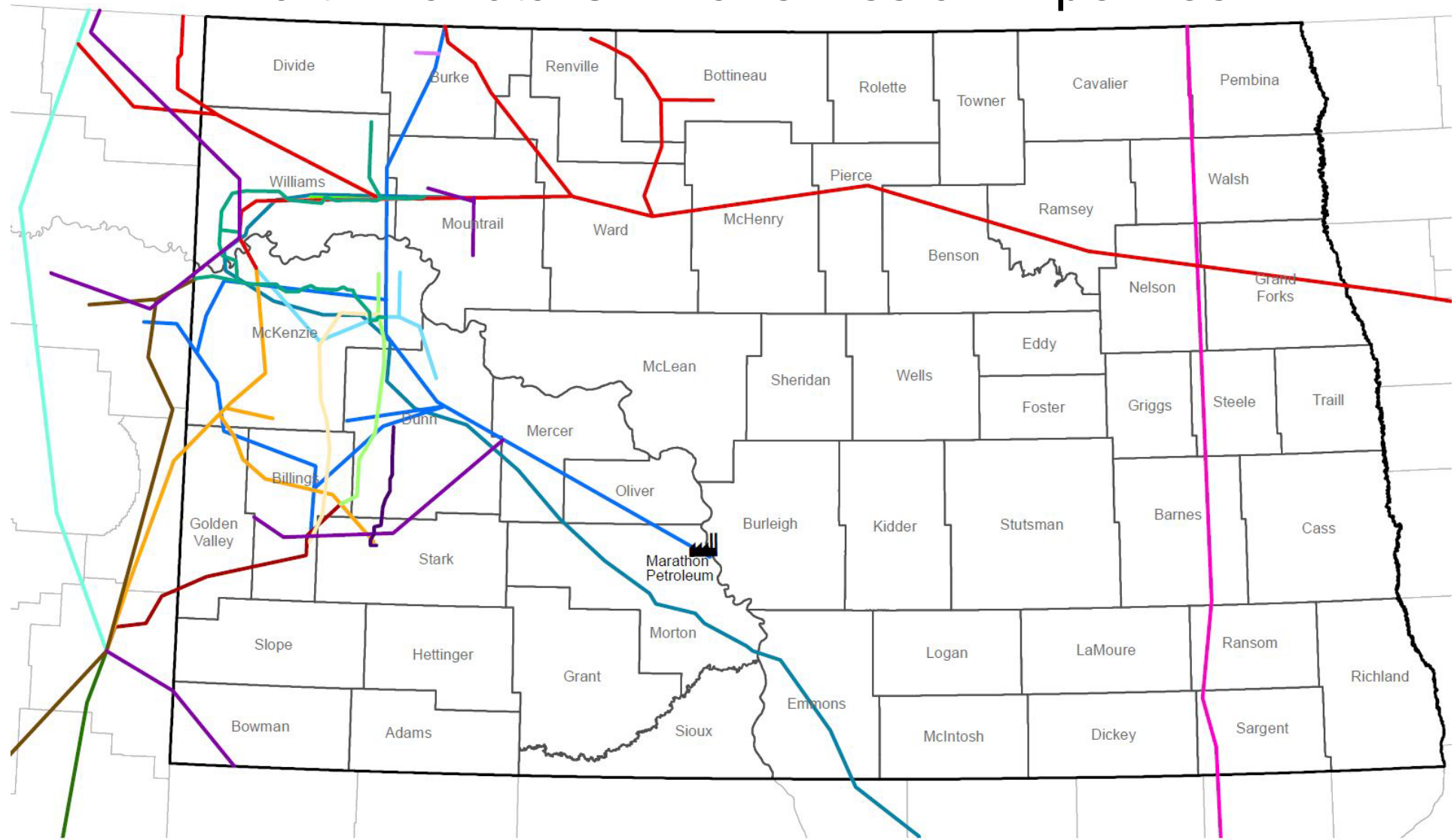
Average North Dakota Oil “Discount” to WTI



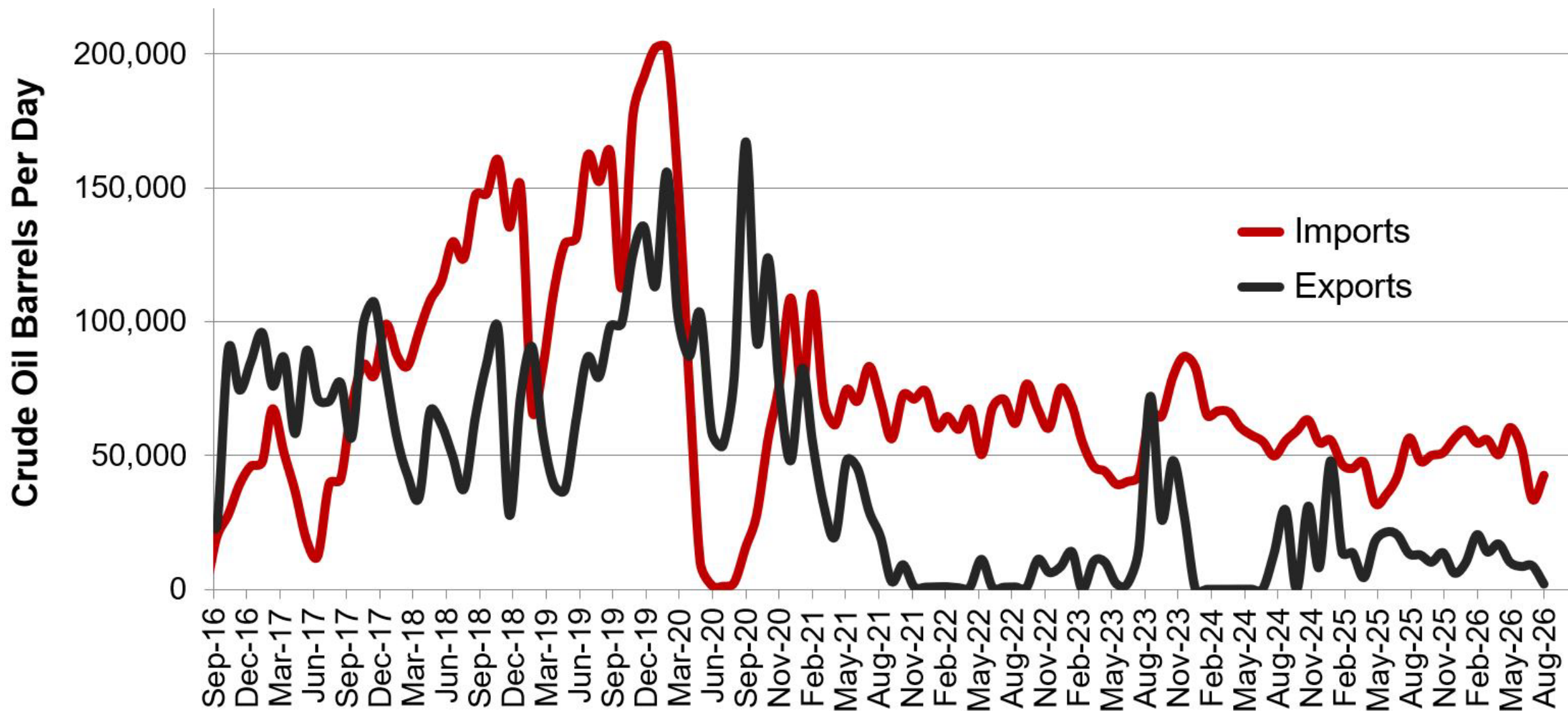
Last Five Years Annual Average



North Dakota Oil Transmission Pipelines



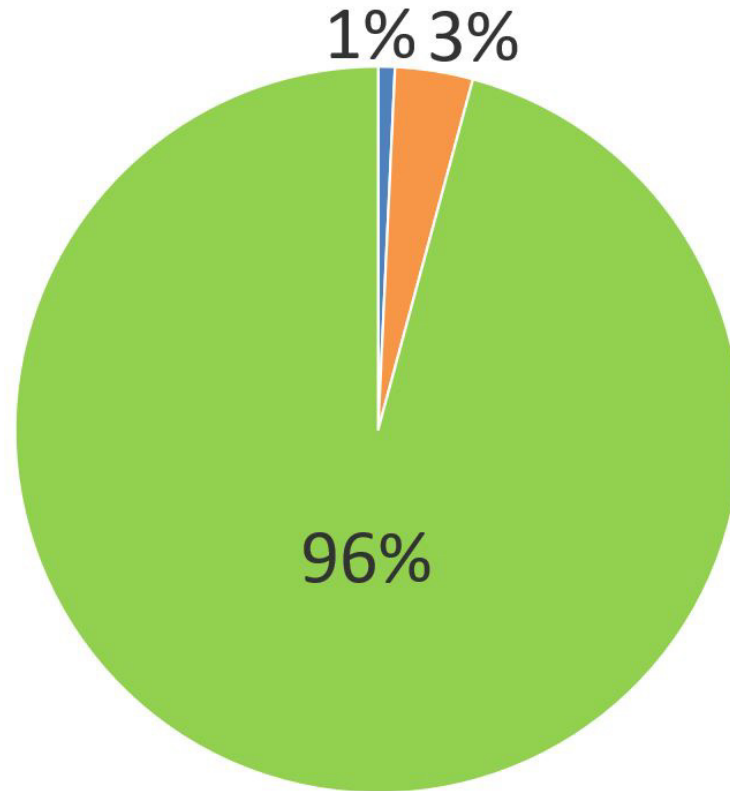
Williston Basin Imports and Exports with Canada



Data for imports/exports chart is provided by the US International Trade Commission and represents traffic across US/Canada border in the Williston Basin area.



Solving the Flaring Challenge



Statewide

GREEN – % of gas captured and sold
Blue – % flared from zero sales wells
Orange – % flared from wells with at least one mcf sold.

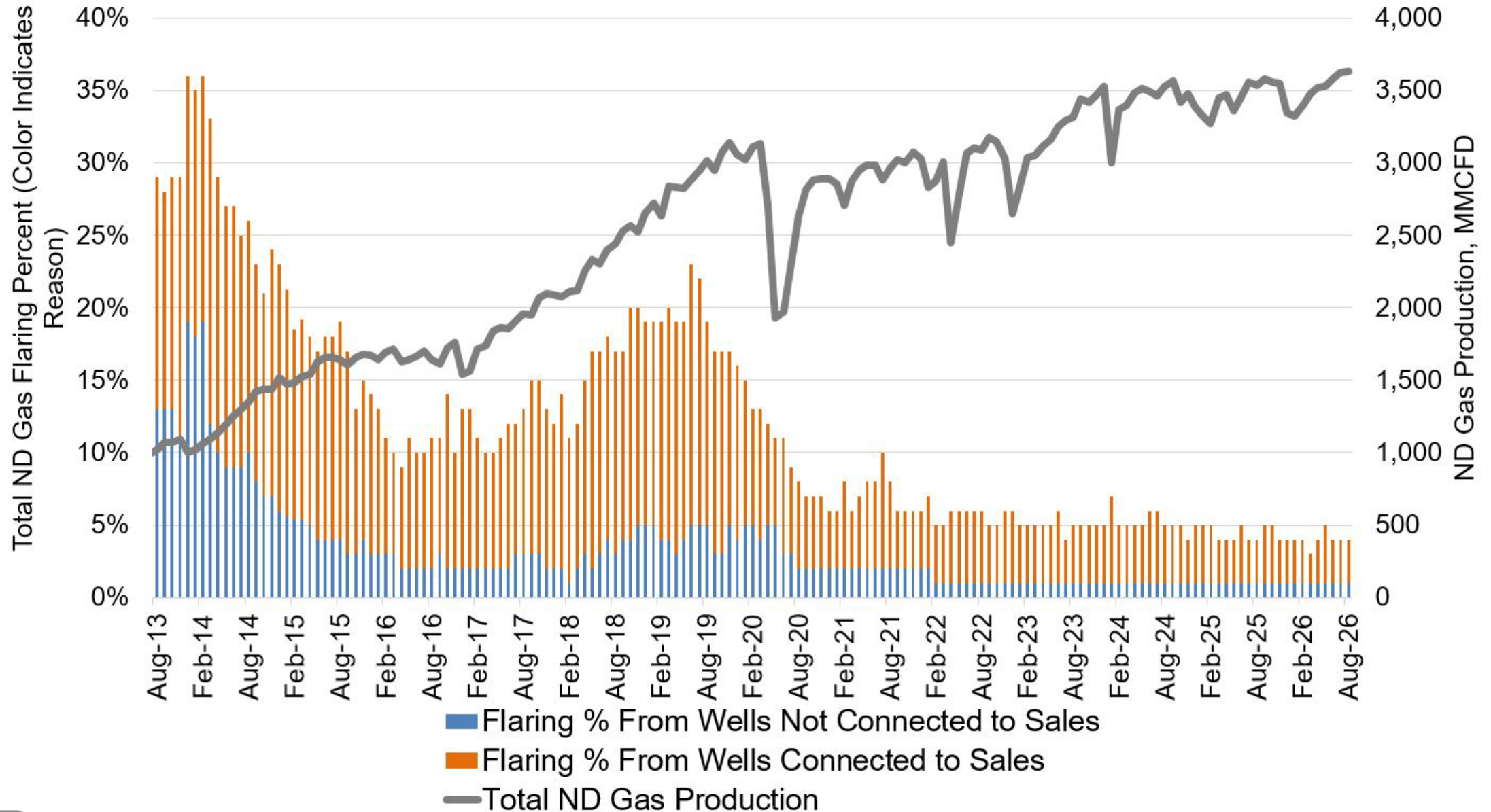
Simple Terms

Blue – Lack of pipelines
Orange – Challenges on existing infrastructure

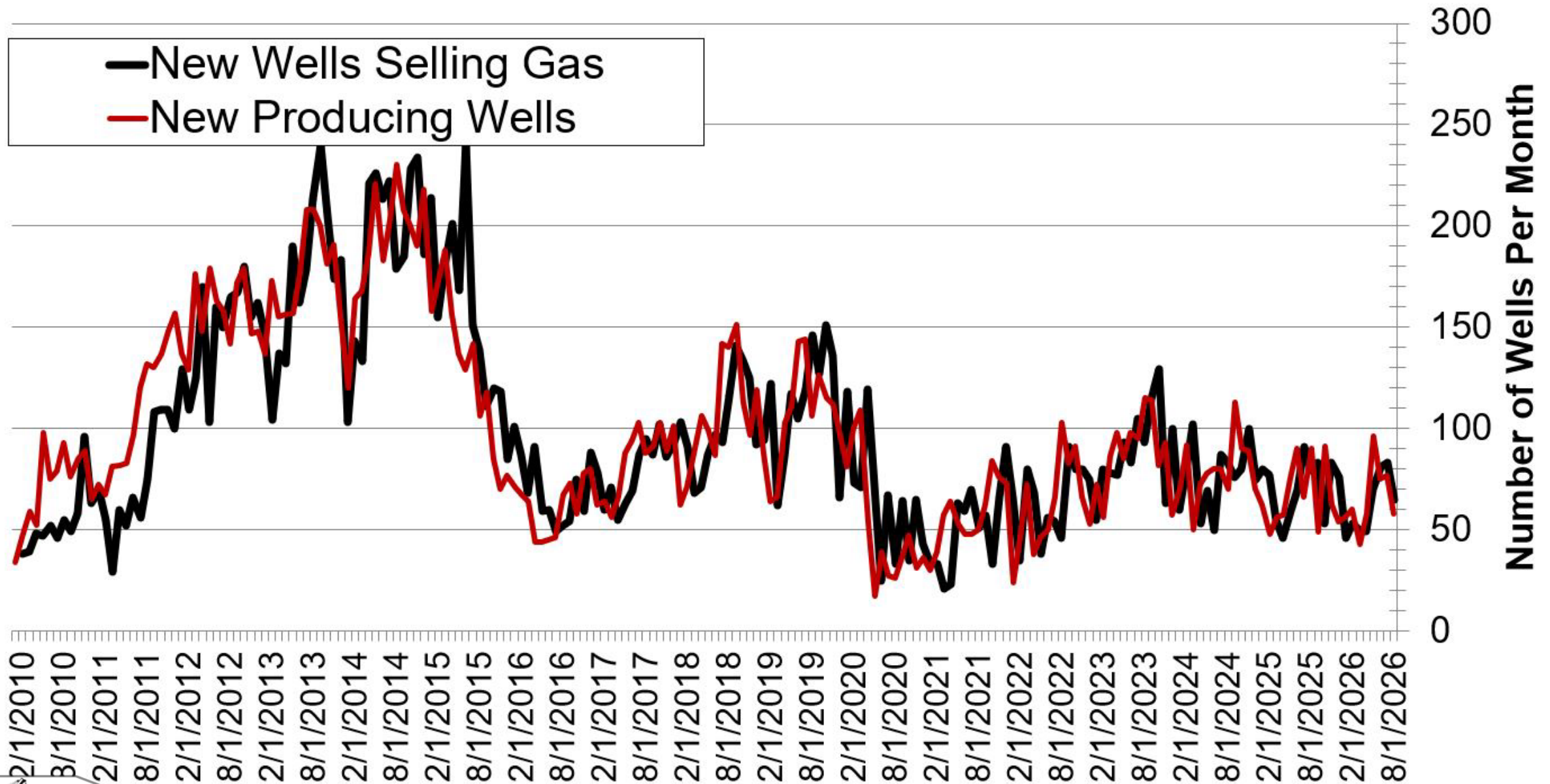
August 2026 Data – Non-Confidential Wells



Solving the Flaring Challenge

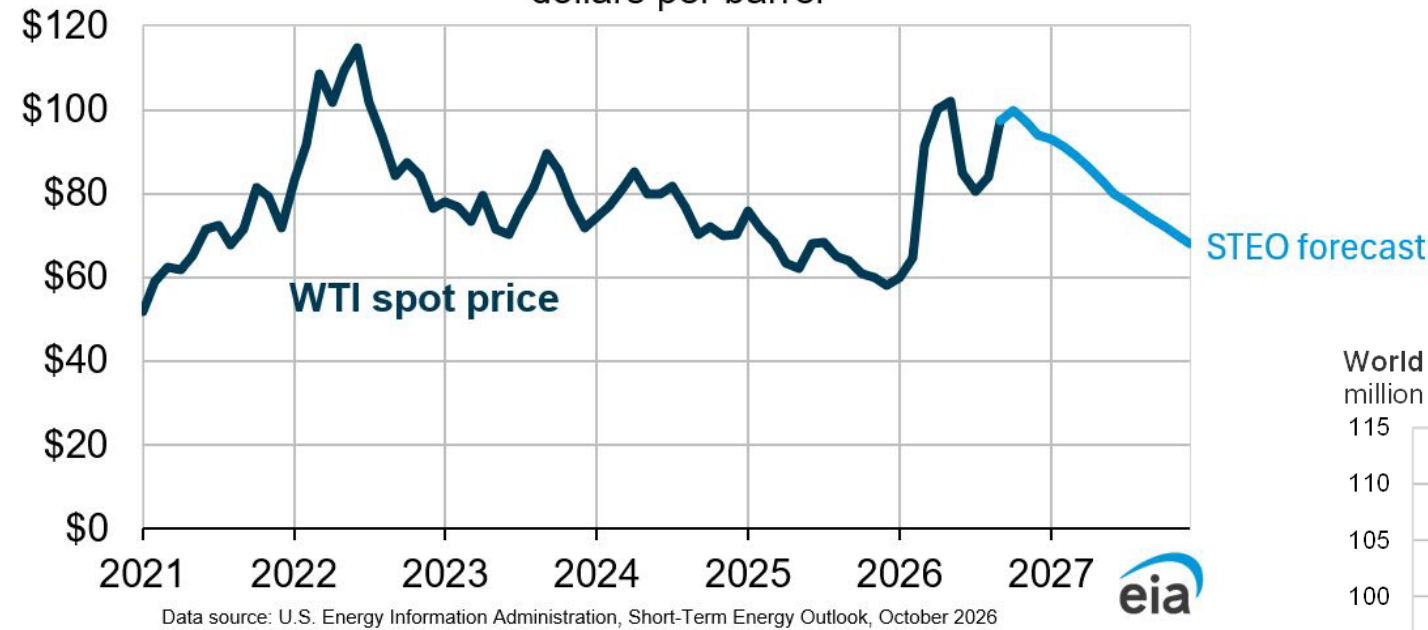


Solving the Flaring Challenge

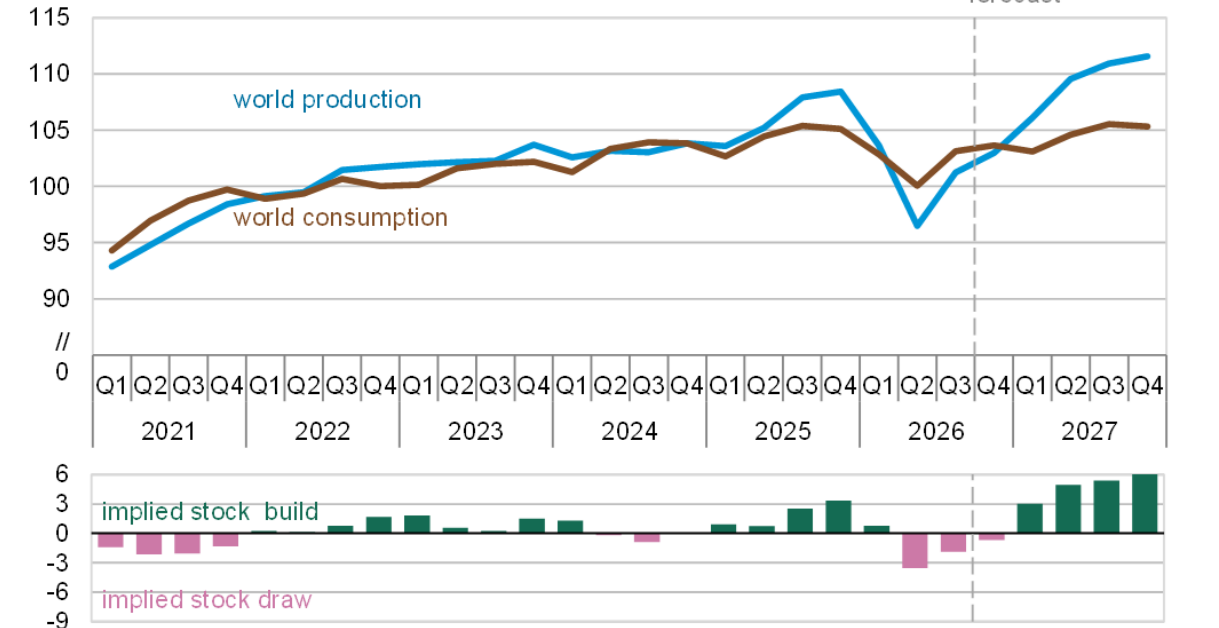


EIA Oil Price Outlook (October 1, 2026)

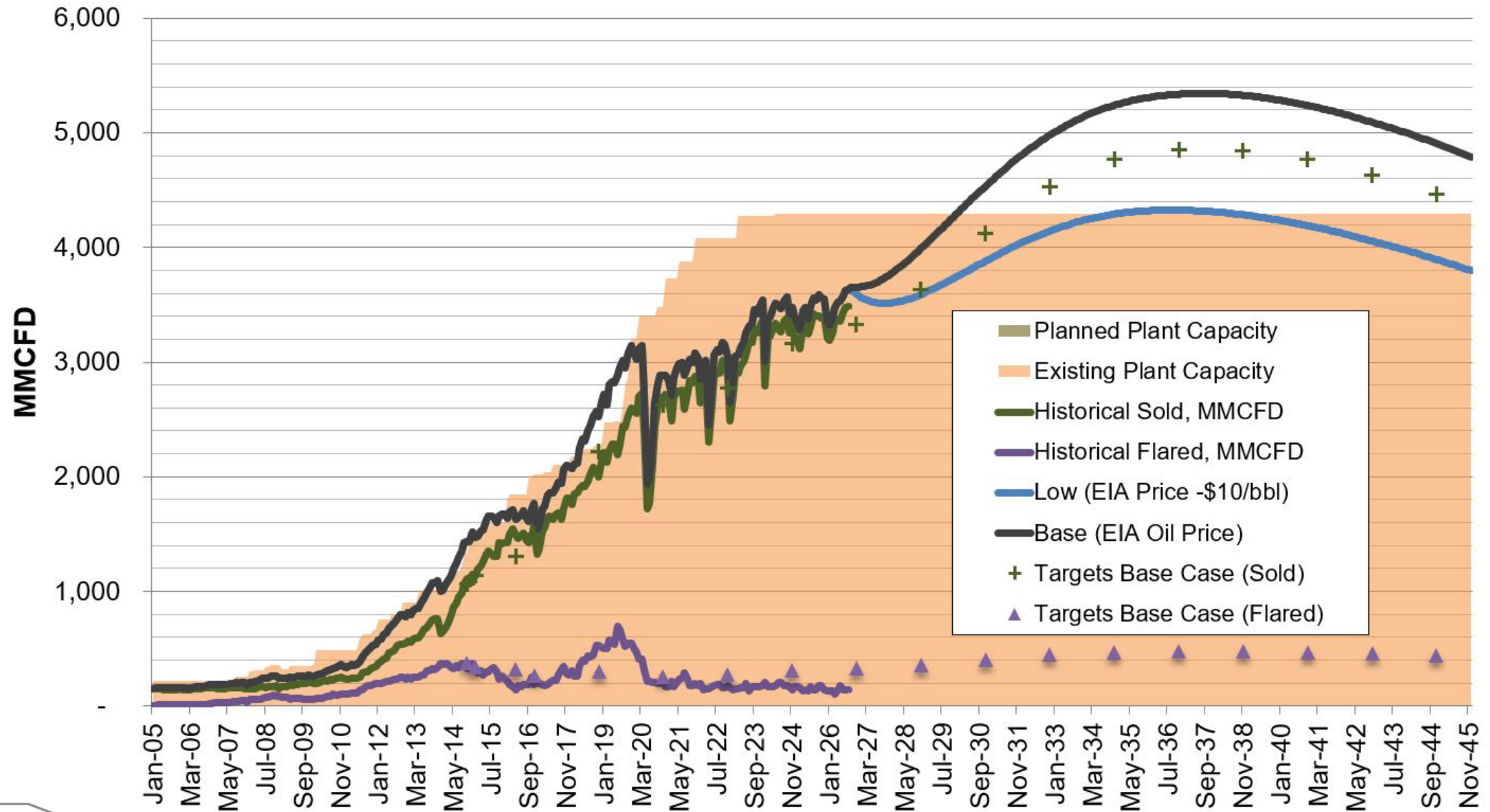
West Texas Intermediate (WTI) crude oil price
dollars per barrel



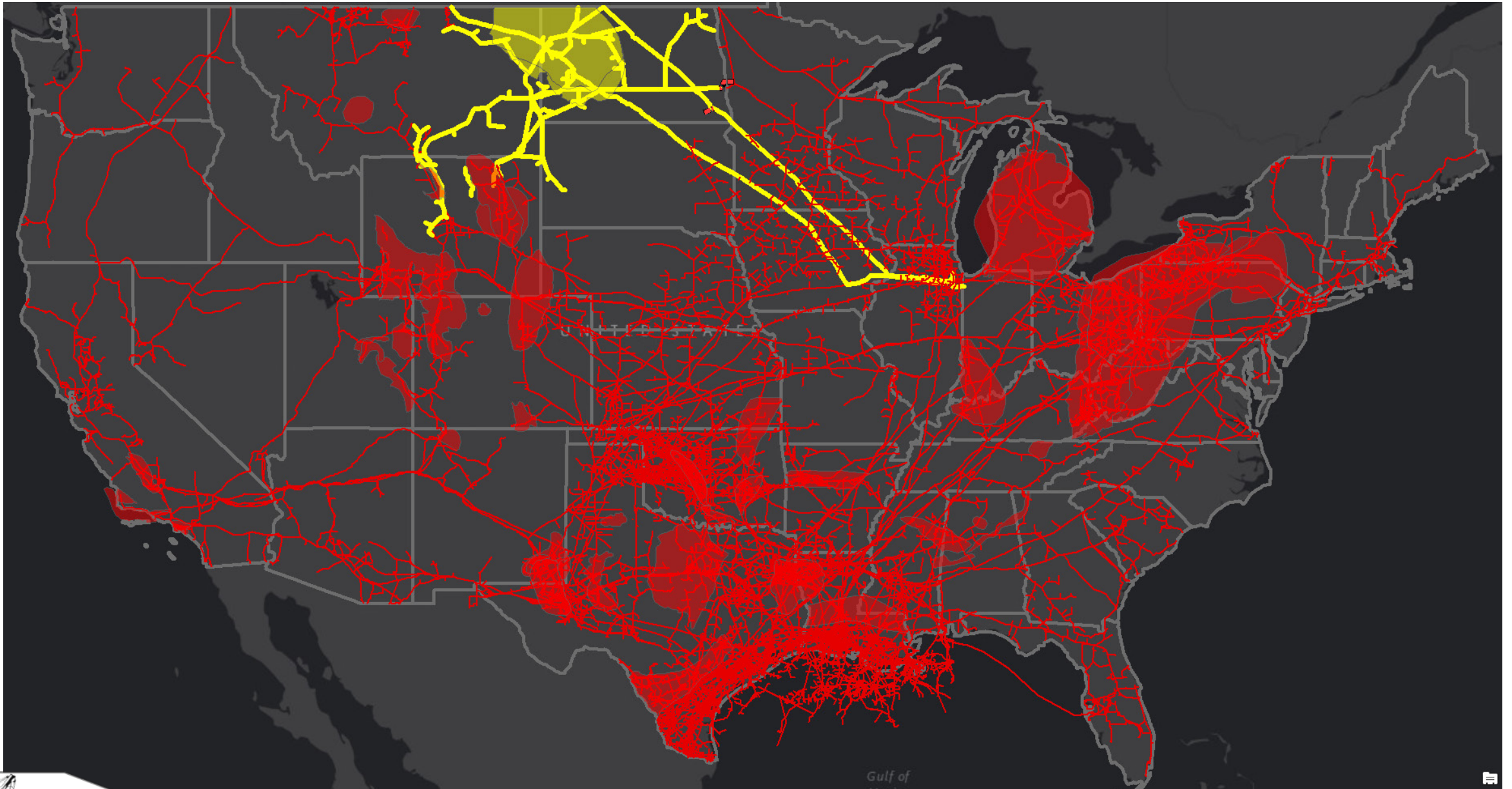
World liquid fuels production and consumption balance
million barrels per day



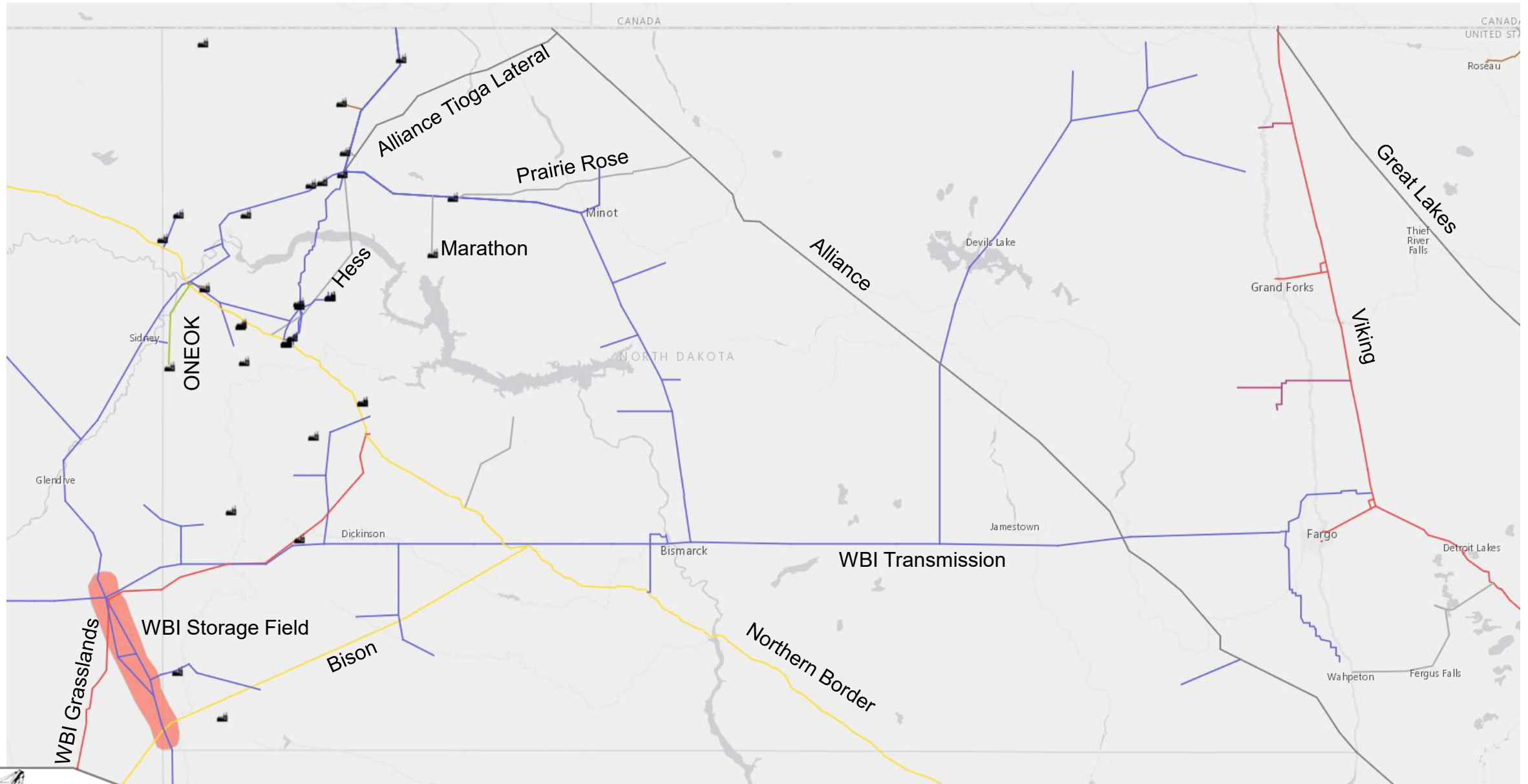
North Dakota Gas Processing Outlook



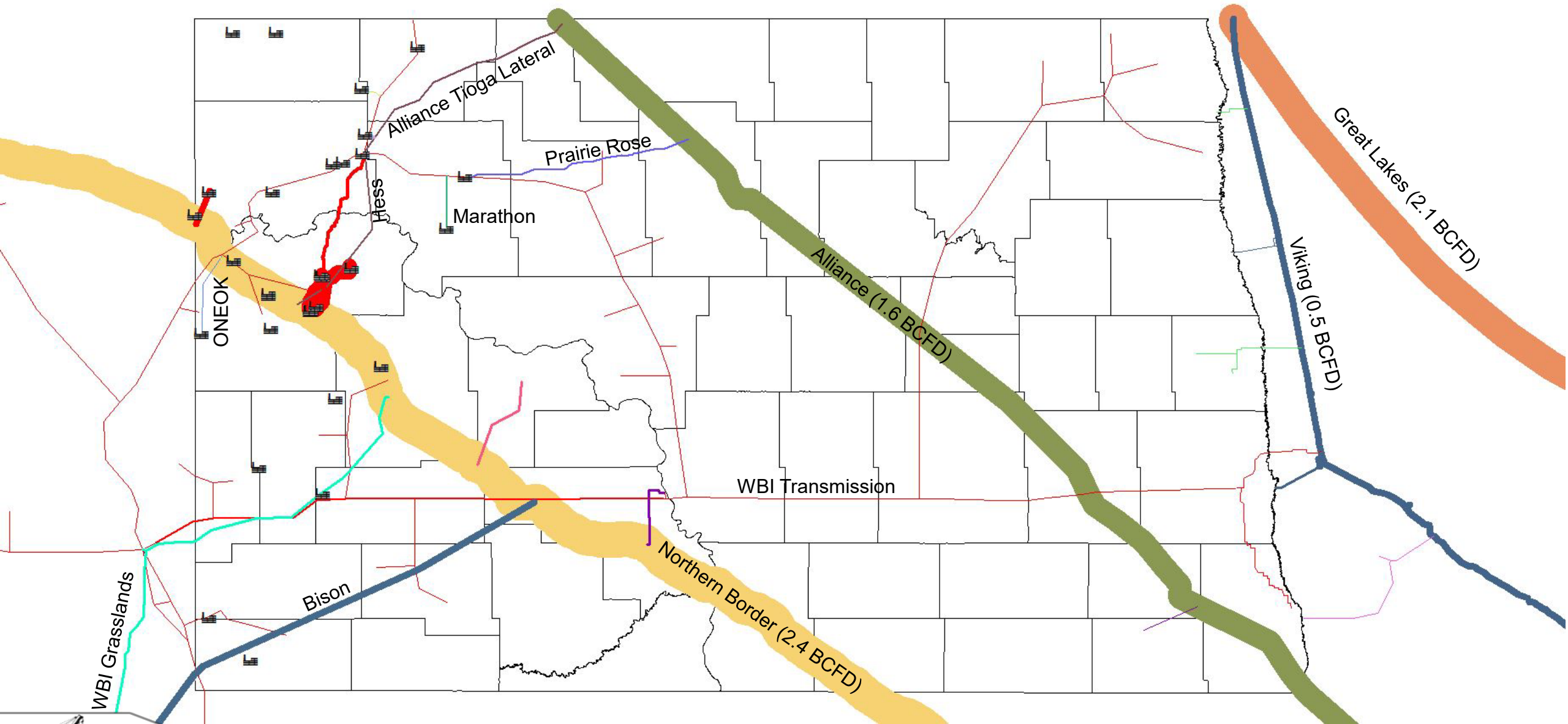
Bakken Natural Gas Infrastructure



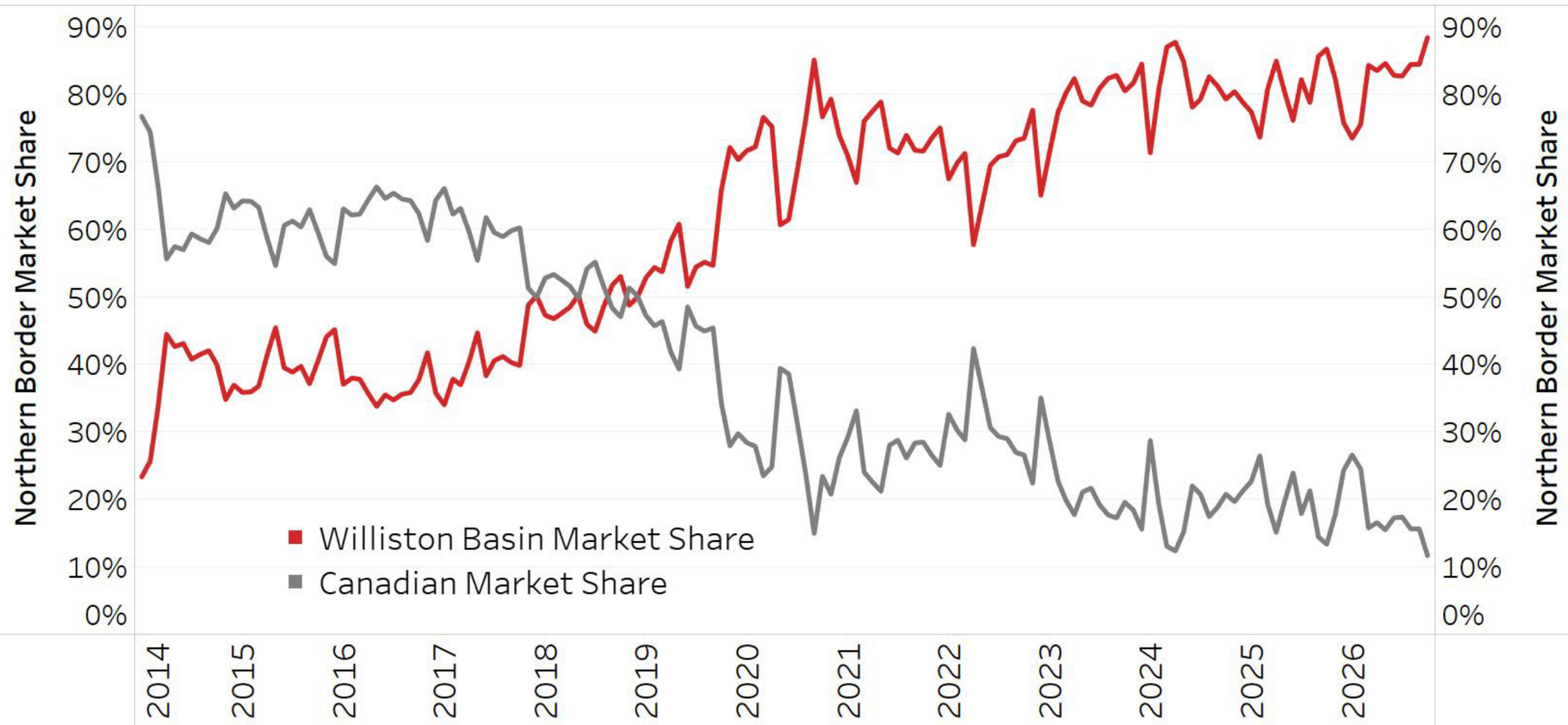
Major Residue Gas Pipeline Infrastructure



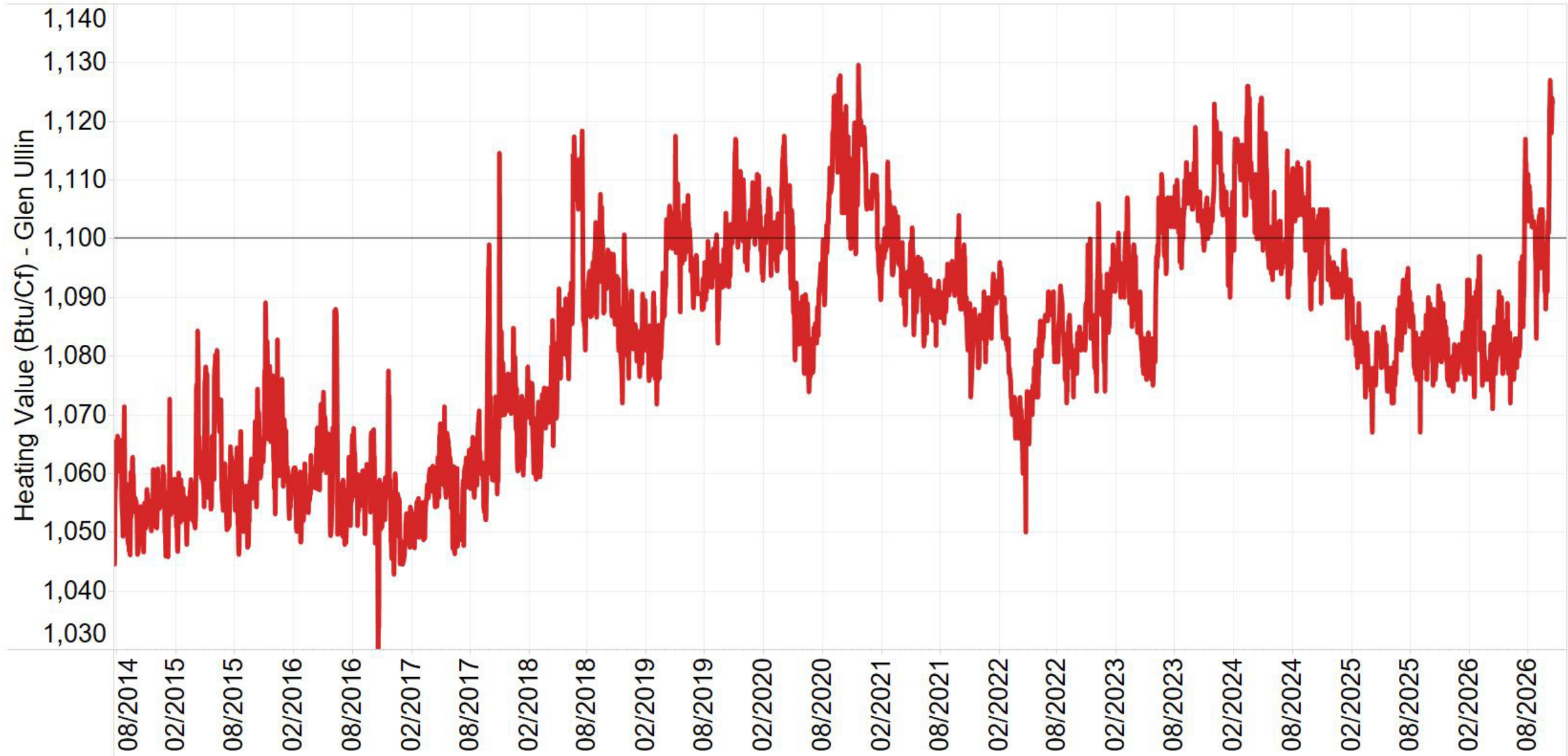
Residue Gas Pipeline Capacity Visualization



Northern Border Pipeline Market Share



Northern Border BTU at Glen Ullin, ND



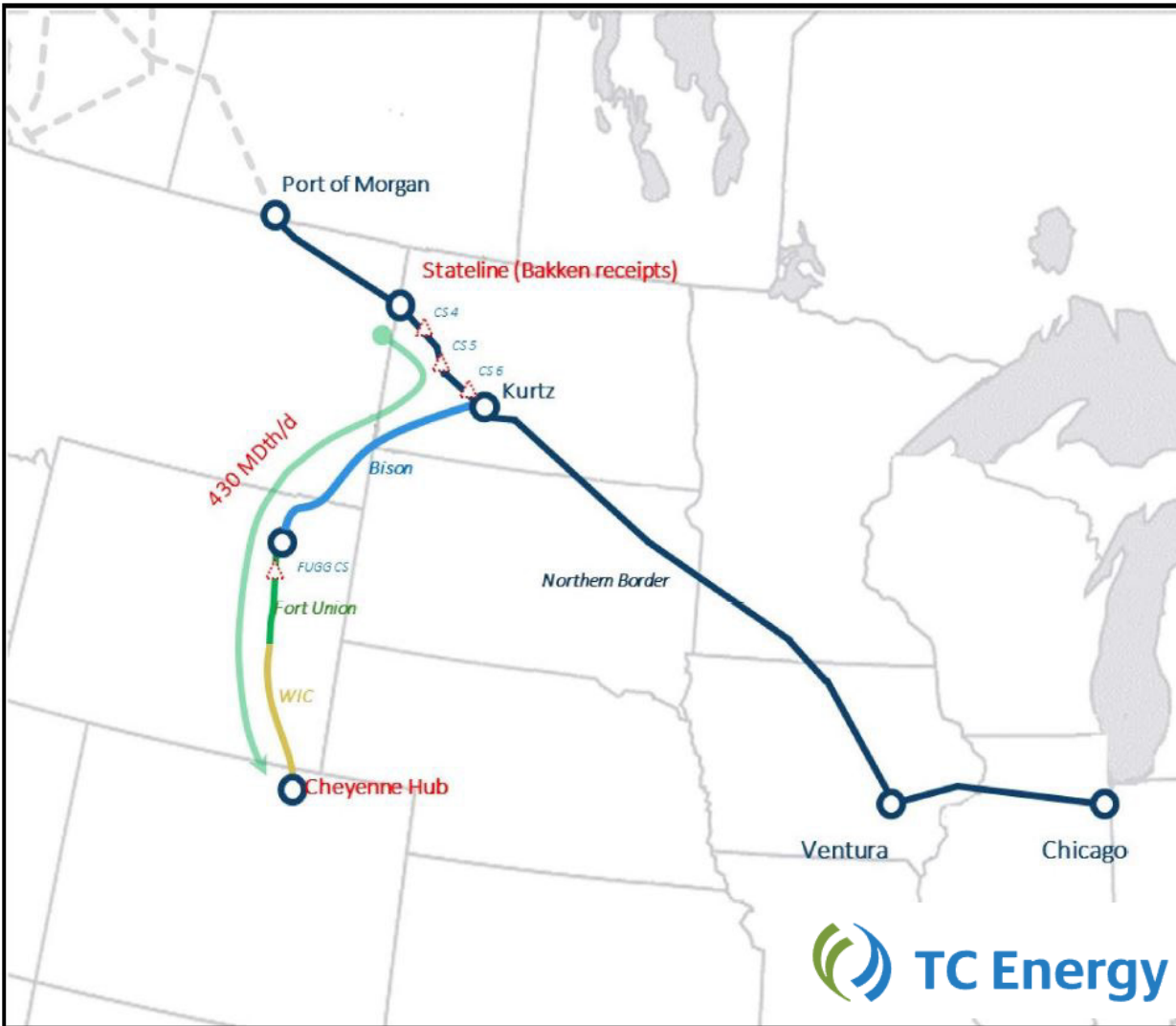
TC Energy / Kinder Morgan: Bakken xPress Project

Project Highlights

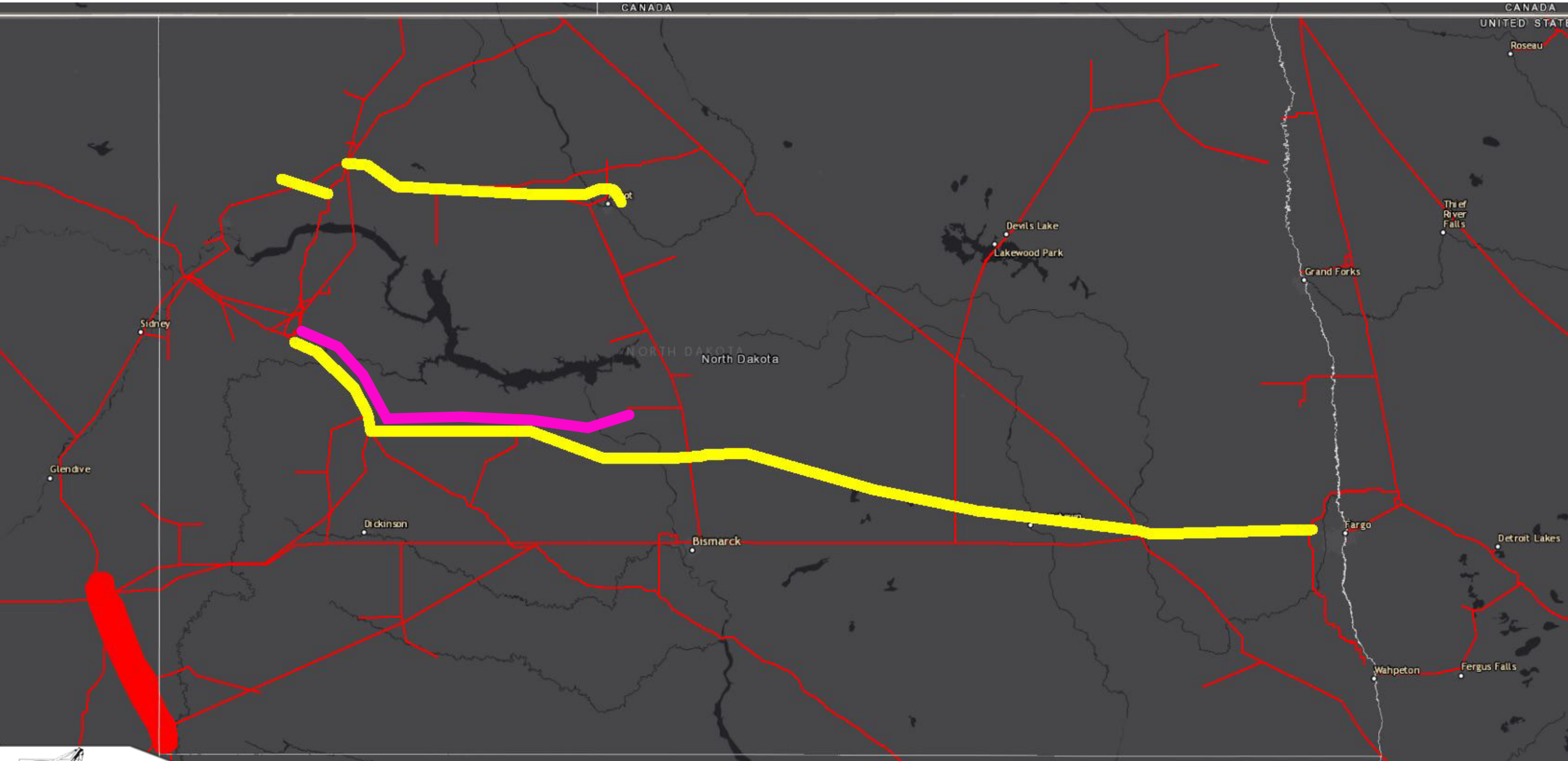
- Non-binding open season April 4 - May 6, 2022
- Binding Open Season: June 1-30, 2023
- Three compressor upgrades in North Dakota
- Reverse the idle Bison Pipeline (30" – 302 Mile)
- Capacity 300,000 Dth/Day (430,000 Offered)
- May 2026 targeted in-service date **(DELAYED)**
- Fort Union Gas Gathering and Wyoming Interstate Company provide further transport to Cheyenne hub.
- Seeking commitments 10yrs or Longer
- \$555 million: \$347 Replacement/\$208 Expansion

Proposed Rates

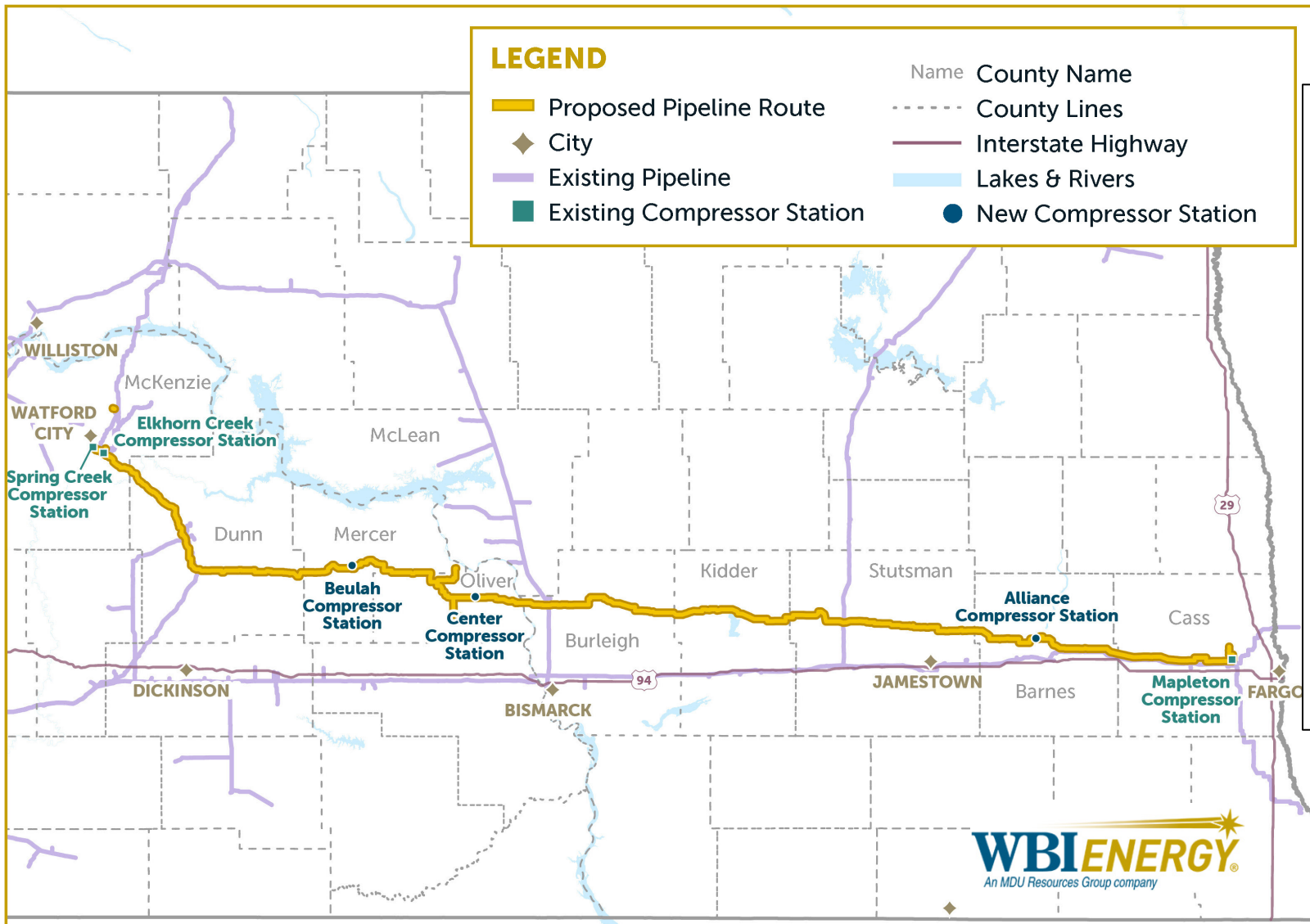
- NBPL/Bison \$0.45/Dth + Fuel/Elec to WIC/FUG Interconnect
- WIC/FUG to Cheyenne \$0.30/Dth + Fuel/Elec



Beyond 2026: Gas Transmission Projects



WBI Energy: Proposed Bakken East Project



Natural Gas Pipeline Project Highlights

- Non-binding open season Dec 16 – Jan 31, 2025
- Binding open season Feb 2 – Mar 12, 2026
- 134 Miles: 42" Pipe
- 162 Miles: 36" Pipe
- 57 Miles: 30" Pipe
- 20 Miles: 20"-30" Pipe (Laterals)
- Compression: ~89,000 HP
- Proposed Capacity 1,400,000 to 1,700,000 Dth/Day
- Phase 1 (West) : Nov 2029 targeted in-service
- Phase 2 (East) : Nov 2030 targeted in-service
- Seeking commitments 20yrs or Longer

Estimated Rates

- \$0.85 to \$0.90/Dth + Fuel/Electric/Commodity
- Anchor Shipper Minimum: 100,000 Dth/Day
- Foundation Shipper Minimum: 250,000 Dth/Day



Bakken East Major Milestone Schedule



Intensity Infrastructure Partners Proposed Pipeline



Phase 1 Project Highlights

- Non-binding open season Feb 3 – Mar 7, 2025
- 136 Miles: 36" Pipe
- Proposed Capacity 1,100,000 Dth/Day
- July 2029 targeted in-service
- Seeking commitments 10yrs or Longer

Phase 1 Estimated Rates

- Sub-\$0.40/Dth + Fuel/Electric/Commodity
- Anchor Shipper Minimum: 100,000 Dth/Day
- Foundation Shipper Minimum: 250,000 Dth/Day

Phase 2 Project Highlights

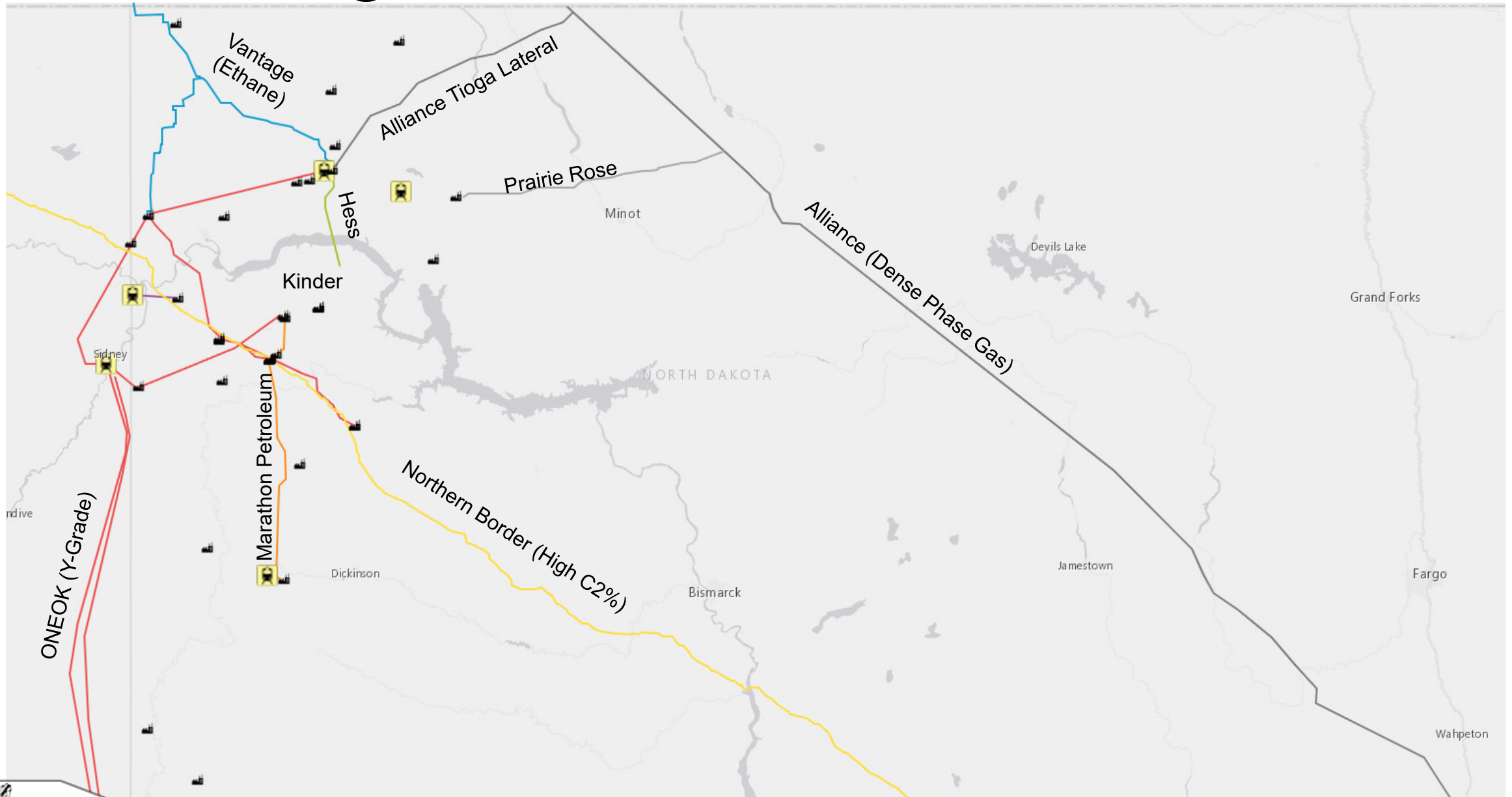
- Non-binding open season Apr 17 – May 23, 2025
- 208 Miles: 30" Pipe
- Proposed Capacity 430,000 Dth/Day
- January 2030 targeted in-service
- Seeking commitments 10yrs or Longer

Phase 2 Estimated Rates

- \$0.80/Dth + Fuel/Electric/Commodity
- Anchor Shipper Minimum: 100,000 Dth/Day
- Foundation Shipper Minimum: 250,000 Dth/Day



Regional NGL Infrastructure



Contact Information

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