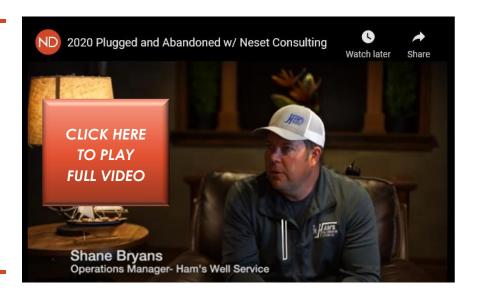


"The pandemic hits, we basically were at a standstill...How long is it going to last?...Fast forward to 2021...Thanks to the P&A project we were able to keep 100% of our staff on." - Shane Bryans – Ham's Well Service



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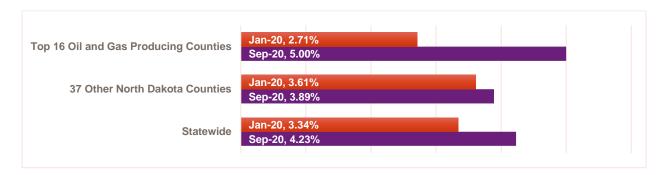
### 2020-2021 PANDEMIC IMPACTS IN WESTERN NORTH DAKOTA

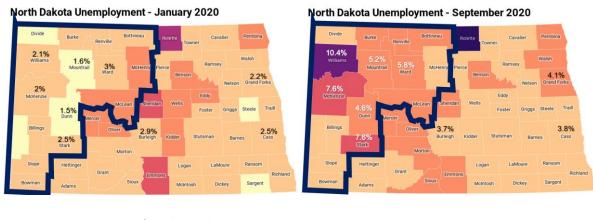
Data Sources: North Dakota Labor Market Information

Average unemployment rate from January to September 2020 in North Dakota's four core Bakken/Three Forks producing counties increased 5.15%.

North Dakota's Top 16 Oil and Gas Producing counties increased 2.29%.

The average unemployment in the remaining 37 North Dakota counties increased 0.28% from January to September 2020.





#### BAKKEN RESTART TASK FORCE

To provide economic relief to businesses and their employees in Western North Dakota, the <a href="Bakken Restart Task Force">Bakken Restart Task Force</a> sought use of the CARES Act Funds to facilitate a program which would create work for those who may otherwise be seeking assistance from unemployment. This would be in the form of plugging abandoned wells in the state.

The <u>Department of the Treasury released CARES Act Guidance</u> which provided their interpretation of the above limitations on the permissible use of Fund payments.

#### **CARES Act Fund Usage:**

The CARES Act provides that payments from the Fund may only be used to cover costs that:

- 1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
- 2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
- 3. were incurred during the period that begins on March 1, 2020 and ends on December 31, 2021.

Item 1 above - "Necessary Expenditures Incurred Due to the Public Health Emergency" - is clarified in the Department of Treasury's guidance as including:

"The requirement that expenditures be incurred "due to" the public health emergency means that expenditures must be used for actions taken to respond to the public health emergency. These may include expenditures incurred to allow the State, territorial, local, or Tribal government to respond directly to the emergency, such as by addressing medical or public health needs, as well as expenditures incurred to respond to second-order effects of the emergency, such as by providing economic support to those suffering from employment or business interruptions due to COVID-19-related business closures. Funds may not be used to fill shortfalls in government revenue to cover expenditures that would not otherwise qualify under the statute. Although a broad range of uses is allowed, revenue replacement is not a permissible use of Fund payments. The statute also specifies that expenditures using Fund payments must be "necessary." The Department of the Treasury understands this term broadly to mean that the expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments."

### FUNDING OVERVIEW: CARES ACT FUNDING REVIEW

GOAL	CARES Act Funds Awarded	CARES Act Funds Paid to Date	CARES Act Funds Remaining	RESULTS
Support employment of 500- 600 service company employees through well plugging.	<u>2020</u> \$33,175,000	\$33,175,000	\$0	1,380 full time jobs were supported in 2020 with over 157,710 man-hours documented in the assistance of plugging 258 wells.
Support employment of 300- 500 service company employees through site reclamation work.	2020 \$16,300,000 2021 (HB 1395) \$6,000,000	\$16,300,000 \$6,000,000	\$0 \$0	1,925 full time jobs were supported in 2020 with over 45,872 man-hours documented in the assistance of equipment removal & reclamation work on 139 locations in North Dakota.  Reclamation is an ongoing process. All sites will be properly reclaimed before bonding is released.
Goal to keep 5-10 frac companies employed and working in ND through the pandemic completing wells.	<b>\$16,000,000</b> 2020 - \$16,000,000	\$15,925,077	\$74,923	637 invoices were processed for costs associated with the completion of 81 wells approved for reimbursement.  These invoices totaled \$24,069,847.42 and of that amount \$15,925,076.97 was reimbursed.
Reimbursement of other costs incurred due to COVID-19	\$1,512	\$1,512	\$0	COVID-19 Operating Costs included hand sanitizer, non-contact thermometers, webinar upgrade, etc.
TOTAL	\$71,476,512	\$71,401,589	\$74,923 - Remaining CARES Act	Funds to be returned to ND OMB.

### CARES ACT FUNDING RECIEVED

#### **PLUGGING**

May 12, 2020 the North Dakota Emergency Commission approved an allocation of \$33,175,00 to the North Dakota Industrial Commission. The goal of this funding was to maintain the employment of 500-600 skilled oil and gas service sector employees by plugging wells in 2020. At the time funding was approved the deadline for use of CARES Act Funds was December 30, 2020.

• ND Emergency Commission May 12, 2020 Minutes

May 15, 2020 the Legislative Budget Section approved the Emergency Commission's recommendation.

<u>ND Legislative Budget Section May 15, 2020 Meeting</u>

**June 10, 2020** public hearings were held for ND Industrial Commission <u>Case #28495</u> to consider confiscation of over 368 wells. These hearings were open to the public and all wells being considered for confiscation were published on the Oil and Gas Division's website.

- 17 Wells were placed back on production.
- 19 Wells were plugged by the operator.
- 332 Wells remained for consideration of confiscation.

N.D.C.C. § 38-08-04.4 authorizes the Commission to enter contracts for plugging or replugging, removal or repair of related equipment, and/or reclamation of abandoned sites if any of the following apply:

- 1. The person or company drilling or operating the well or equipment: cannot be found, has no assets with which to properly plug or replug the well or reclaim the site, or cannot be legally required to plug or replug the well or to reclaim the site.
- 2. There is no bond covering the well to be plugged or the site to be reclaimed or there is a bond but the cost of plugging or replugging the well or reclaiming the site, pipeline, or associated pipeline facility exceeds the amount of the bond.
- 3. The well, equipment, pipeline, or associated pipeline facility is leaking or likely to leak oil, gas, or saltwater or is likely to cause a serious threat of pollution or injury to the public health or safety.

For the full statute see: N.D.C.C. § 38-08-04.4

**June 19, 2020** the North Dakota Industrial Commission approved orders to confiscate 239 wells and granted authority to the Director to confiscate up to another 93 wells after September 1, 2020 if requirements outlined in the applicable orders were not met. A second hearing would need to be held for wells operators requested to be confiscated.

- Industrial Commission Meeting Minutes (6.19.20)
- <u>Press Release</u>

**July 31, 2020** a second public hearing was held for ND Industrial Commission <u>Case #28530</u> to consider confiscation of 81 wells, 2 produced water underground gathering systems, and 8 treating plants. This hearing was open to the public and all oil and gas systems being considered for confiscation were published on the Oil and Gas Division's website.

**August 20, 2020** the North Dakota Industrial Commission approved orders to confiscate additional wells and facilities as a result of the July 31<sup>st</sup> hearing.

• <u>Industrial Commission Meeting Minutes</u> (8.20.20)

**December 30, 2020** was the initial deadline for spending of CARES Act Funding. Well plugging supported over 1,380 full time jobs and 157,719 man-hours. All CARES Act funding allocated for plugging (\$33,175,000) was utilized for plugging costs in 2020.

**Moving Forward:** Wells confiscated by the North Dakota Industrial Commission are subject to the requirements outlined in the Order for those wells. Any future funding for plugging work to be completed by the state may be paid from <a href="MWPSRF">AWPSRF</a>, forfeiture of single well bonds, and/or civil litigation. Request for bids for plugging work – when available – are posted on the Oil and Gas Division's website under <a href="Employment and Bid Opportunities.">Employment and Bid Opportunities.</a>

To see all bids received and awarded applicable to CARES Act funds please visit the Case Files for NDIC Case #28495 or Case #28530.

#### RECLAMATION

**June 18, 2020** the North Dakota Emergency Commission approved an allocation of \$33,175,000 for the reclamation of the abandoned wells in North Dakota confiscated by the North Dakota Industrial Commission in NDIC Cases #28495 and #28530. The goal of this funding was to maintain the employment of 500-600 skilled oil and gas service sector employees reclaiming the wells that were plugged with the initial CARES Act funding in 2020. At the time funding was approved the deadline for use of CARES Act Funds was December 30, 2020.

• ND Emergency Commission June 18, 2020 Minutes

**June 25, 2020** the Legislative Budget Section approved the Emergency Commission's recommendation.

• ND Legislative Budget Section June 25, 2020 Meeting

**In October 2020** - \$16,875,000 of funding received for reclamation was turned back to the Office of Management and Budget for reallocation. A short construction season was not going to allow enough time to utilize all funds received prior to the December 30, 2020 CARES Act deadline. Since this decision, an extension was approved for spending of CARES Act funds by December 30, 2021 – however funds were already turned back prior to this extension.

**December 30, 2020** was the initial deadline for spending of CARES Act Funding. As of December 30, 2020 – 173 sites were reclaimed supporting over 1,925 full time jobs and 45,872 man-hours. These 173 sites cover approximately 880 acres of land. All CARES Act funding allocated for reclamation after turnback (\$16,300,000) was utilized for reclamation costs in 2020.

**April 29, 2021** the 67<sup>th</sup> Legislative Session approved House Bill 1395 which appropriated CARES Act funding - including the reallocation of funds that were unspent. This bill appropriated \$6,000,000 towards the costs of reclamation of wells previously confiscated. The \$6,000,000 in funding appropriated during the legislative session must be spent by the current federal deadline of December 30, 2021. Throughout 2021 the Oil and Gas Division contracted with additional service companies to keep folks busy decommissioning locations the state has confiscated and mitigate any potential concerns on locations not yet reclaimed by cleaning and removing tanks, pumping units, treaters, and other surface equipment, purging and capping flowlines, and removing any other garbage on location.

- Following the removal of surface equipment locations are analyzed for contamination for any extra remediation needs. Recontouring of the land, seeding the location, and lastly monitoring the site for successful growth will be completed.
- Learn more about this process in the video with North Dakota Oil and Gas Division field inspector Rick Hutchens: When the Land if Quiet Again



Request for bids for reclamation work – when available – are posted on the Oil and Gas Division's website under <u>Employment and Bid Opportunities</u>. To see all bids received and awarded related to reclamation locations where CARES Act funding was spent please visit the Case Files for <u>NDIC Case #28495</u> or <u>Case #28530</u>.

### CONFISCATED WELL FILE NUMBERS IMPACTED BY CARES ACT FUNDS\*:

\*Below is a list of NDIC well file numbers (by operator) whose confiscation costs (plugging, reclamation, equipment removal, or other costs associated with a well confiscation) were paid in part with funds received from the CARES Act. Information about each of these locations can be found in the Well File or the Case Files related to each of these wells. For more information on how to access this information please contact DMR at 701-328-8020

File #	Well Name	County
2577	FRYBURG HEATH-MADISON UNIT P-813	BILLINGS
7122	BIG STICK (MADISON) UNIT 0117	BILLINGS
7387	ROMANYSHYN 1	BILLINGS
7452	BIG STICK (MADISON) UNIT 1301	BILLINGS
7619	BIG STICK (MADISON) UNIT 3209	BILLINGS
8055	BIG STICK (MADISON) UNIT 3104	BILLINGS
9121	FEDERAL 6-1	BILLINGS
12179	SFTU 16-19	BILLINGS
12476	SOUTH FRYBURG 14-19T	BILLINGS
12814	ELKHORN SHORT COM. 3	BILLINGS
12908	BLACKTAIL FEDERAL 5-13	BILLINGS
13024	MORGAN DRAW FEDERAL A 2	BILLINGS
13311	SFTU 4-35	BILLINGS
13781	BIG STICK (MADISON) UNIT 2505	BILLINGS
14693	SFTU 11-24	BILLINGS
15017	DAVIS CREEK 1-12	BILLINGS
21077	BSMU 1707	BILLINGS

925	NORTH WESTHOPE-MADISON UNIT C-5	BOTTINEAU
1260	WRIGHT A 1	BOTTINEAU
1547	P. M. KING 2	BOTTINEAU
1819	KING G 1A	BOTTINEAU
1866	NEWBURG-SPEARFISH-CHARLES UNIT H-716	BOTTINEAU
1905	NEWBURG-SPEARFISH-CHARLES UNIT M-717	BOTTINEAU
1996	NEWBURG-SPEARFISH-CHARLES UNIT U-709	BOTTINEAU
2113	NEWBURG-SPEARFISH-CHARLES UNIT G-715	BOTTINEAU
2282	NEWBURG-SPEARFISH-CHARLES UNIT E-719	BOTTINEAU
2712	NEWBURG-SPEARFISH-CHARLES UNIT L-710	BOTTINEAU
2778	KIRBY B 1-23	BOTTINEAU
2868	HOUMANN C 5	BOTTINEAU

2898	BERTHA BRYCE ESTATE 1	BOTTINEAU
3158	NEWBURG-SPEARFISH-CHARLES UNIT 1-711	BOTTINEAU
3512	ROGER KERSTEN ESTATE 1	BOTTINEAU
3913	E. M. DAVIS 1	BOTTINEAU
3996	GEORGE SHURSON, ET AL 1	BOTTINEAU
4093	Ter Haar 1	BOTTINEAU
4141	M. SOLBERG 1	BOTTINEAU
5172	NEWBURG-SPEARFISH-CHARLES UNIT O-705	BOTTINEAU
5173	NSCU J-706	BOTTINEAU
5193	ANTLER MIDALE UNIT 11-30	BOTTINEAU
5393	DEMARS 2	BOTTINEAU
6285	Harold Gravseth 1	BOTTINEAU
6389	AO ERICKSON 8-14	BOTTINEAU
6390	AO ERICKSON 7-13	BOTTINEAU
6517	AO ERICKSON 3R	BOTTINEAU
6720	NEWHOUSE A 9 H	BOTTINEAU
6836	STRATTON C 14	BOTTINEAU
7040	MYRTLE GRORUD 1-R	BOTTINEAU
7064	Watland 1	BOTTINEAU
7139	RUTH VEDQUAM 1	BOTTINEAU
7147	WATLAND A 1	BOTTINEAU
7175	E. PEARSON 5-122	BOTTINEAU
7413	STANLEY-STATE 1	BOTTINEAU
7727	NEWBURG-SPEARFISH-CHARLES UNIT O-712	BOTTINEAU
7889	C. L. BRANDT 1	BOTTINEAU
8249	TOOTLE 1	BOTTINEAU
8283	STANLEY-STATE 2	BOTTINEAU
9108	KJELSHUS 9-11	BOTTINEAU
9839	BRONDERSLEV 2	BOTTINEAU
10462	North Westhope-Madison Unit GB-2R	BOTTINEAU
10907	PEARSON 31-30	BOTTINEAU
11483	ANDERSON 25-3	BOTTINEAU
11779	BRANDT GOODMAN 1-9	BOTTINEAU
11988	BRANDT/NERMOE 2-9	BOTTINEAU
12583	STEAD 44-14 2	BOTTINEAU
12655	STEAD 24-14 4 SWD	BOTTINEAU
13137	KOEHLER 31-23 1	BOTTINEAU
13333	KABANUCK 1	BOTTINEAU
13565	NERMOE 1-4	BOTTINEAU
14302	RICE 1	BOTTINEAU
14647	KOEHLER-STEAD 1H	BOTTINEAU
14748	ANTLER MIDALE UNIT 42-25	BOTTINEAU
14749	ANTLER MIDALE UNIT 43-25	BOTTINEAU
14751	ANTLER MIDALE UNIT 32-25	BOTTINEAU
15347	ZARGON NORTH HAAS 1	BOTTINEAU

15754	DEMARS 1X	BOTTINEAU
16294	LYLE 1	BOTTINEAU
17503	LODOEN 1	BOTTINEAU
17626	RICE 9	BOTTINEAU
17665	CRAMER 2	BOTTINEAU
19139	ERICKSON ET AL 1A	BOTTINEAU
20673	NWMU A-11H	BOTTINEAU
20681	NWMU A-10H	BOTTINEAU
21624	BALLANTYNE 2-1H	BOTTINEAU
28008	MMU 32-24-H1	BOTTINEAU

10228	ROLPH 1-24	BOWMAN
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1485	NORTHWEST-WILLIE HOLTE 1	BURKE
1511	PAN AMERICAN-WILLIE HOLTE 1	BURKE
1690	CARL THORSON 2	BURKE
2233	BRYAN 1	BURKE
2461	BEARD 1	BURKE
2701	RAYMOND MORITZ 1	BURKE
2756	A. K. HOLEN 1	BURKE
2907	EAST FLAXTON-MADISON UNIT 08	BURKE
2965	EAST FLAXTON-MADISON UNIT 04	BURKE
2986	H. ANDERSON 1	BURKE
3243	CHRISTENSON 1	BURKE
3394	EAST FLAXTON-MADISON UNIT 06	BURKE
3419	Radenz 1	BURKE
3420	EAST FLAXTON-MADISON UNIT 02	BURKE
3503	CHRISTENSEN ET AL 2	BURKE
4230	NE FOOTHILLS UNIT CHREST 1	BURKE
4244	NE FOOTHILLS U GULLICKSON, GE A-1	BURKE
4276	NE FOOTHILLS UNIT DOE 2	BURKE
4281	SPIESE 1	BURKE
4350	SABINE 1	BURKE
4358	OBRIEN 1	BURKE
4374	INGERSON, F 1	BURKE
4383	THOMPSON 1	BURKE
4637	STEEN 2	BURKE
5056	A. CHREST 1	BURKE
5673	EAST FLAXTON-MADISON UNIT 15-R	BURKE
5889	NE FOOTHILLS UNIT CHREST 2 WIW	BURKE
5940	BRYAN 3	BURKE
6350	NE FOOTHILLS UNIT DOE 3	BURKE
6397	OWINGS 1	BURKE
7843	GRANDALL 1	BURKE
8462	BEARD 2	BURKE
8759	ANDERSON 3-24	BURKE

8916	ELLITHORPE 1	BURKE
9335	MASTERS 1	BURKE
9829	ABEL USA 3	BURKE
9933	DELORES USA 3	BURKE
10702	EM ARNOLD 28-10 H	BURKE
10841	BLY 30-11	BURKE
15987	EM BUCKSHOT 36-4 H	BURKE
17440	MESA 24-2H	BURKE

1883	NORMAN OVERLEE 1	DIVIDE
2759	SULLIVAN 23-1	DIVIDE
5667	MOORE 31-23HR	DIVIDE
5925	NYGAARD 33-23HR	DIVIDE
13065	20401 JV-P OLSON 1313	DIVIDE
13418	STONEVIEW-STONEWALL UNIT 20	DIVIDE
13434	STONEVIEW-STONEWALL UNIT 110	DIVIDE
15001	STONEVIEW-STONEWALL UNIT 4410H	DIVIDE
15203	STATE 1-36H	DIVIDE
15582	20104 JV-P SSU 31-11H	DIVIDE
15624	20401 JV-P MICHAEL 1-H	DIVIDE
15626	20401 JV-P NESS 1-25H	DIVIDE
16146	KEARNEY 4-25H	DIVIDE
28858	SSU 11-24H	DIVIDE

12833	8902 JV-P LKNMU 3B	DUNN
12996	8902 JV-P LKNMU 6 WI	DUNN
14442	BEAUDOIN 36-1	DUNN

4684	GOVERNMENT TAYLOR B 2	GOLDEN VALLEY
10600	SQUARE BUTTE SWD SYSTEM D01	GOLDEN VALLEY
11422	MESA FEDERAL 1-9	GOLDEN VALLEY

3315	NORSBY 1	MCHENRY
3696	NORSBY 2	MCHENRY
12553	JR 2-6	MCHENRY
12828	NORSBY 7	MCHENRY

6135	FEDERAL 15-43	MCKENZIE
6663	FEDERAL 3-32X	MCKENZIE
7200	FOLKVORD-STATE 1-36 SWD	MCKENZIE

8468	BEICEGEL CREEK 27-42	MCKENZIE
8883	BOWLINE CREEK 35-24	MCKENZIE
9309	LINDVIG FEDERAL 1-11HR	MCKENZIE
9362	BURNING MINE BUTTE 9-21	MCKENZIE
10064	GARRISON IV STATE 1	MCKENZIE
10193	GARRISON IV STATE 2	MCKENZIE
10308	SNOWCOVER 43-18	MCKENZIE
10367	SILURIAN 21-1	MCKENZIE
10439	M. L. LASSEY 1	MCKENZIE
10566	ERICKSON B 1	MCKENZIE
10675	NOVAK 25-31	MCKENZIE
10879	ERICKSON C 1	MCKENZIE
10950	LASSEY MONSON 1	MCKENZIE
11078	DOBIAS STATE UNIT 1	MCKENZIE
11143	ERICKSON D 1	MCKENZIE
11144	LASSEY-ERICKSON A 1	MCKENZIE
11145	ERICKSON E 1	MCKENZIE
11146	ERICKSON "F" 1	MCKENZIE
11157	LINDSLEY-DOBIAS STATE 1	MCKENZIE
11177	LASSEY-MYERS A 1	MCKENZIE
11300	ERICKSON G 1	MCKENZIE
11316	LINDVIG 10 1	MCKENZIE
11339	ERICKSON J 1	MCKENZIE
11340	HAROLD 28-4	MCKENZIE
11355	DOBIAS MONSON WELL 1	MCKENZIE
11393	ERICKSON H 1	MCKENZIE
11408	GLASS BLUFF 14-35	MCKENZIE
11458	MONSON 3-32	MCKENZIE
11499	A. M. LASSEY A 1	MCKENZIE
11523	POWERS 1	MCKENZIE
11536	PIERRE CREEK 43-7 SWD	MCKENZIE
11729	FEDERAL RIVET 6-3 SWD	MCKENZIE
11847	HAY DRAW 31-33	MCKENZIE
12542	BICENTENNIAL 31-35H	MCKENZIE
12852	R. K. E. 44-16H	MCKENZIE
12870	BICENTENNIAL FEDERAL 41-11H	MCKENZIE
12934	TOMAHAWK 1-13	MCKENZIE
13185	ERRMU 1-19HR	MCKENZIE
13361	ERRMU 13-19	MCKENZIE
13411	PIERRE CREEK NELSON FEDERAL 31-26H	MCKENZIE
13452	CINNAMON CREEK 31-7	MCKENZIE
13707	DANIELSON 3-32	MCKENZIE
13729	MOI POKER JIM 31-19H	MCKENZIE
13796	FEDERAL RIVET 6-6	MCKENZIE
14635	SQUAW GAP FEDERAL 14-30H	MCKENZIE
14974	MONDAK FEDERAL 16-28XHR	MCKENZIE
15541	AARON 1-22	MCKENZIE
15622	SCHMIDT 1-25H	MCKENZIE
10022	эспілігі 1-2эп	INICKEINLIE

15648	LYNN 2	MCKENZIE
15676	OTT FEDERAL 1-13H	MCKENZIE
15677	GEHRIG FEDERAL 1-24H	MCKENZIE
15695	LASSEY 1-15H	MCKENZIE
15767	GONZALEZ 1-8H	MCKENZIE
15781	LYNN 3H	MCKENZIE
15803	MCGRIFF FEDERAL 1-22H	MCKENZIE
15805	GRIFFEY JR. 1-16H	MCKENZIE
15844	LINK 13-2HA	MCKENZIE
15879	SCHMITZ 44-30H	MCKENZIE
16437	COLAVITO FEDERAL 1-27H	MCKENZIE
90012	HATTER 34-43X SWD	MCKENZIE
Alturas	Produced Water Underground Gathering	MCKENZIE
	System	
Erickson CTB	Erickson CTB	MCKENZIE
Lassey CTB	Lassey CTB	MCKENZIE
Monson CTB	Monson CTB	MCKENZIE

2088	FLEM 1	RENVILLE
2170	FLEM B 1	RENVILLE
2279	Morton Beckedahl B1	RENVILLE
3925	N. SHARP 2 SWD	RENVILLE
4965	ELBERG 1	RENVILLE
4980	SCHULTZ 1	RENVILLE
4985	SWIFT SWD 1	RENVILLE
5166	VENDSEL 1	RENVILLE
5178	CARROLL AITKEN 1	RENVILLE
5264	SHARP 1	RENVILLE
5474	UCLI 1	RENVILLE
5486	CROOKS 3	RENVILLE
5574	UCLI 3 SWD	RENVILLE
5615	HELMERS 9-31	RENVILLE
5688	BRYANS 1-17	RENVILLE
5737	CARLSON 23-35	RENVILLE
7718	LEO PRESKEY 2R	RENVILLE
7891	LEO PRESKEY 3	RENVILLE
8660	MARIE WEBER 1	RENVILLE
8940	ROBERT WEISE 1	RENVILLE
9744	LEO GATES 1	RENVILLE
9779	KLOSTERMAN 1	RENVILLE
10381	DAVIDSON 1	RENVILLE
10545	CAROLYN 1	RENVILLE
10620	ALEXANDER 1	RENVILLE
10640	DAVIDSON 2	RENVILLE
10641	LAUMB 1	RENVILLE
10786	LAVONNE 16-12	RENVILLE
10790	TENNECO 1-17	RENVILLE

10814	TENNECO 2-17	RENVILLE
10955	EUGENE 2	RENVILLE
10956	LAUMB 3	RENVILLE
10972	ALEXANDER 2	RENVILLE
10980	TENNECO 3-17	RENVILLE
11083	TENNECO 4-17 SWD	RENVILLE
11196	ALEXANDER 3	RENVILLE
11304	ENERGY KELLY 2	RENVILLE
11777	DONALD PETERSON 1-28	RENVILLE
11788	SCORE 1	RENVILLE
11910	BERGLOF 1-A	RENVILLE
11960	CARLSON PAUL 4-27	RENVILLE
12077	LADY HAWK 44-15	RENVILLE
12159	SCORE 2	RENVILLE
12410	EPEX ENGEBERG 28-11	RENVILLE
12572	BECKEDAHL D 2	RENVILLE
12649	MRPSU 25-44	RENVILLE
12869	MRPSU 31-12	RENVILLE
13009	MRPSU 36-41	RENVILLE
13016	MRPSU 36-21	RENVILLE
13073	MRPSU 31-42	RENVILLE
13148	E-M ALEXANDER 17-8	RENVILLE
13180	MRPSU 32-13	RENVILLE
13241	MRPSU 36-23	RENVILLE
13351	TRIPLETT 1-2	RENVILLE
13875	E-M LELAND 10-15	RENVILLE
14616	DAVIS OLSON 12-30	RENVILLE
15732	STOA 41-1H	RENVILLE
16607	HOLBROOK 14-16 H	RENVILLE
17317	E-M EMMEL 10-3	RENVILLE
17739	FUNKE 1	RENVILLE
21720	LAURA FUNKE 4	RENVILLE
21762	DONOVAN FUNKE 3	RENVILLE
28362	MRP 25-41	RENVILLE

5914	HOWIE 1 SWD	SLOPE
6015	HOWIE 2	SLOPE

13973	STATE ADDITION 5 1	STARK
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4346	NESHEM 2	WARD
4401	NESHEM 4	WARD
4639	NESHEM 5	WARD
4803	LEWIS MANN 1	WARD
4978	FELT A 1	WARD

4996	MANN A SWD 1	WARD
5020	PEARSON 1	WARD
12277	FARGO 31-15	WARD
13844	NESHAM 7H	WARD
13936	NESHAM 8	WARD
15638	TIGGER 25-8	WARD

840	w.c.koshman 1	WILLIAMS
3055	BRONSON 32-25	WILLIAMS
3392	E. Goetz 1	WILLIAMS
5612	NELSON 13-28 SWD	WILLIAMS
6306	JENSEN 4 1	WILLIAMS
6757	CLARK 1	WILLIAMS
9241	BOWEN, CHARLES 21-1	WILLIAMS
9781	BIWER 1	WILLIAMS
9920	SAGASER 1	WILLIAMS
10047	TOTAL-STATE 1-36	WILLIAMS
10073	SKARDERUD 10-7	WILLIAMS
10080	GRACE OYLOE 1-4	WILLIAMS
10414	WINTER LESNICK 1	WILLIAMS
10480	SKARDERUD 22-7	WILLIAMS
10837	ALLISON 1	WILLIAMS
11450	SKARDERUD 33-7	WILLIAMS
11452	RIDER FEDERAL STATE 1	WILLIAMS
11516	STATE 36 1	WILLIAMS
11937	ISAKSON 32-23	WILLIAMS
12030	FOSTER 1-32	WILLIAMS
12730	DAVIDSON 1	WILLIAMS
14659	SANDBERG 1-21H	WILLIAMS
15136	MCGINNITY 2-6H	WILLIAMS

#### DUC WELL COMPLETION

**October 23, 2020** the North Dakota Emergency Commission approved a reallocation of \$16,000,000 to incentivize completion of DUC wells by reimbursing up to \$200,000 per approved well for water acquisition, handling, and disposal costs of up to 80 wells. The goal of this funding was to maintain the skilled frac crew workforce in North Dakota. Supporting 5-10 frac crews resulting in 500-1,000 frac crew jobs and providing 150-200 long-term production jobs to operate the new wells.

• ND Emergency Commission October 23, 2020 Minutes

**October 28, 2020** the Legislative Budget Section approved the Emergency Commission's recommendation.

• ND Legislative Budget Section October 28, 2020 Meeting

**December 30, 2020** was the initial deadline for all work to be completed and CARES Act Funds to be used. However, an additional COVID relief bill was signed extending the deadline for expenditure of Coronavirus Relief Fund money through December 31, 2021.

**August 2021**, the North Dakota Oil and Gas Division reimbursed \$15,925,077 as part of the completion of 81 wells. All invoices submitted for reimbursement have been processed and no additional funding will be spent from the CARES Act dollars received for DUC well completions. This resulted in \$74,923 which will be turned back to the Office of Management and Budget. This program to date has brought in \$4,600,000 in sales tax and provided approximately 400 full time jobs completing wells.

• DUC Well Program Informational Slides

# WELLS COMPLETIONS: LIST OF LOCATIONS APPROVED FOR DUC WELL COMPLETION REIMBURSEMENT

NOTE: More information about each of these locations can be found in the Well File or the Case Files related to these wells. For more information on how to access this information please contact DMR at 701-328-8020

File #	Well Name	County
36994	HULL 41-28TFH	DUNN
37316	KLOVSTAD 34-33H	DUNN
36993	LEIDERBACH 11-27H	DUNN
37093	RUGGLES 14-33H	DUNN
37095	WIEST 24-33H	DUNN
37057	ANGUS FEDERAL 10-9H	MCKENZIE
37056	ANGUS FEDERAL 11-9H2	MCKENZIE
37055	ANGUS FEDERAL 12-9H	MCKENZIE
37054	ANGUS FEDERAL 13-9H2	MCKENZIE
37053	ANGUS FEDERAL 14-9HSL1	MCKENZIE
37060	ANGUS FEDERAL 7-9H	MCKENZIE
37059	ANGUS FEDERAL 8-9H1	MCKENZIE
37058	ANGUS FEDERAL 9-9H	MCKENZIE
37044	CHAROLAIS SOUTH FEDERAL 2-10HSL	MCKENZIE
36221	DANIEL USA 11-2TFH-2B	MCKENZIE
37089	JONAH USA 11-2H	MCKENZIE
36222	MORSETTE USA 11-2H	MCKENZIE
36223	SHERMAN USA 21-2TFH	MCKENZIE
37047	SIMMENTAL FEDERAL 10-16H	MCKENZIE
37046	SIMMENTAL FEDERAL 11-16H2	MCKENZIE
37045	SIMMENTAL FEDERAL 12-16H	MCKENZIE
37043	SIMMENTAL FEDERAL 13-16HSL2	MCKENZIE
37052	SIMMENTAL FEDERAL 5-16H2	MCKENZIE
37051	SIMMENTAL FEDERAL 6-16H	MCKENZIE
37050	SIMMENTAL FEDERAL 7-16H2	MCKENZIE
37049	SIMMENTAL FEDERAL 8-16H	MCKENZIE
37048	SIMMENTAL FEDERAL 9-16H1	MCKENZIE
34628	TARPON FEDERAL 34-20-2TFH	MCKENZIE
35193	TARPON FEDERAL 34-20-3H	MCKENZIE
34631	TARPON FEDERAL 34-20-1H	MCKENZIE
34630	TARPON FEDERAL 34-20-1TFH	MCKENZIE
34629	TARPON FEDERAL 34-20-2H	MCKENZIE
34627	TARPON FEDERAL 34-20TFHU	MCKENZIE
36551	THELEN 5297 12-6 6T	MCKENZIE

36552	THELEN 5297 12-6 7B	MCKENZIE
36553	THELEN 5297 12-6 8T	MCKENZIE
36934	THELEN 5397 43-34 10B	MCKENZIE
37018	THELEN FEDERAL 5397 44-34 14TX	MCKENZIE
33886	USA 153-95-8A-31- 3H	MCKENZIE
36950	USA 153-95-8A-31- 2H	MCKENZIE
36224	VALARIE USA 21-2H	MCKENZIE
37353	MORAY FEDERAL 4-10TFH	MOUNTRAIL
37160	MOTUNE FEDERAL 1-10-15H	MOUNTRAIL
36252	OSPREY FEDERAL 2-26-29H	MOUNTRAIL
36250	OSPREY FEDERAL 3-26-29H	MOUNTRAIL
36253	OSPREY FEDERAL 4-26-29TFH	MOUNTRAIL
36251	OSPREY FEDERAL 5-26-29TFH	MOUNTRAIL
37161	PIKE FEDERAL 2 SLH	MOUNTRAIL
37202	CPEUSC JEAN 10-9-4-157N-99W-LL TFH	WILLIAMS
33764	CPEUSC JEAN 2-9-4-157N-99W MBH	WILLIAMS
33762	CPEUSC JEAN 3-9-4-157N-99W MBH	WILLIAMS
33844	CPEUSC JEAN 4-9-4-157N-99W MBH	WILLIAMS
33842	CPEUSC JEAN 5-9-4-157N-99W MBH	WILLIAMS
33763	CPEUSC JEAN 6-9-4-157N-99W TFH	WILLIAMS
33761	CPEUSC JEAN 7-9-4-157N-99W TFH	WILLIAMS
33845	CPEUSC JEAN 8-9-4-157N-99W TFH	WILLIAMS
33843	CPEUSC JEAN 9-9-4-157N-99W TFH	WILLIAMS
33840	CPEUSC TAMI 10-8-5-157N-99W TFH	WILLIAMS
37203	CPEUSC TAMI 11-8-5-157N-99W-LL TFH	WILLIAMS
34258	CPEUSC TAMI 2-8-5-157N-99W MBH	WILLIAMS
34256	CPEUSC TAMI 3-8-5-157N-99W MBH	WILLIAMS
33839	CPEUSC TAMI 4-8-5-157N-99W MBH	WILLIAMS
33841	CPEUSC TAMI 5-8-5-157N-99W MBH	WILLIAMS
34259	CPEUSC TAMI 6-8-5-157N-99W-LL TFH	WILLIAMS
34257	CPEUSC TAMI 7-8-5-157N-99W TFH	WILLIAMS
34255	CPEUSC TAMI 8-8-5-157N-99W TFH	WILLIAMS
33838	CPEUSC TAMI 9-8-5-157N-99W TFH	WILLIAMS
36763	LCU JESSIE 8-24H1	WILLIAMS
36765	LCU JESSIE 10-24H	WILLIAMS
36766	LCU JESSIE 11-24H1	WILLIAMS
36767	LCU JESSIE 12-24H	WILLIAMS
36942	LCU JESSIE 2-24H1	WILLIAMS
36943	LCU JESSIE 3-24H	WILLIAMS
36944	LCU JESSIE 4-24H1	WILLIAMS
36760	LCU JESSIE 5-24H	WILLIAMS

36761	LCU JESSIE 6-24H1	WILLIAMS
36762	LCU JESSIE 7-24H	WILLIAMS
36764	LCU JESSIE 9-24H1	WILLIAMS
35560	MCGINNITY E 159-95-31-30-20MBH	WILLIAMS
35562	MCGINNITY E 159-95-31-30-4TFH	WILLIAMS
37259	S MISSOURI 152-103-4-2-9H	WILLIAMS

### DUC WELL REIMBURSMENT AMOUNTS:

Operator	Sum of Reimbursement Approved	
Continental	\$5,799,999.96	
Crescent Point	\$3,700,615.26	
Liberty Resources Management Company, LLC	\$400,000.00	
Marathon	\$1,955,992.79	
Nine Point Energy, LLC	\$200,000.00	
Oasis	\$1,000,000.00	
PetroHunt	\$268,468.96	
Slawson	\$1,400,000.00	
Whiting Oil and Gas Corporation	\$1,200,000.00	
Grand Total	\$15,925,076.97	

#### LETTERS FROM INDUSTRY

# Crescent Point Energy

RE: CARES Act Reimbursement

Dear Mr. Helms,

Crescent Point Energy US Corp ("Crescent Point") recently received reimbursement in the amount of \$3,700,615.26 for costs associated with our DUC well completion program. 2020 and 2021 have presented significant challenges, but it was Crescent Point's great pleasure to continue our operations in North Dakota through these times. The aforementioned reimbursement was integral in allowing us to do so and we wanted to express our gratitude to the Department of Mineral Resources for working with us in this endeavor. Your department has been great to work with and Crescent Point looks forward to continuing to do so.

Sincerely,

Justin Foraie
Vice President, Engineering and EHS

Crescent Point

#### OmniByte Technology Solution Key to Oil Well Reclamation

OmniByte's FormsPro mobile platform was instrumental in North Dakota Industrial Commission's (NDIC) Plug, Abandon & Reclaim Orphaned Wells program, Bakken Restart, funded in 2020 by the CARES Act.



OmniByte worked with the ND DMR to leverage FormsPro to gather input directly from service company employees, create and deploy the programs' required forms within a span of only a few weeks. As a result, FormsPro was used to capture the required documentation and reporting for plugging 285 wells, reclamation of 183 abandoned wells, and support ongoing employment of 3,700 oil and sector employees during the COVID pandemic.

The FormsPro mobile platform enabled oil field workers to collect and automatically report and securely store the program's vital data, allowing the NDIC to meet their reporting requirements and process payments to the service companies. In addition, FormsPro's flexibility allowed for immediate updates to the forms based on real-time feedback from users as the Bakken Restart program kicked off, which ensured all of the service companies could complete their required work without interruption.

OmniByte was honored to be part of the DMR's Bakken Restart program by supporting other North Dakota Oil & Gas service companies during the challenges COVID-19 presented by providing the FormsPro mobile platform. FormsPro is much more than a CARES Act program solution, and it continues to be a critical mobile solution for numerous oil & gas companies. It is highly configurable, provides automation of end-to-end workflows, easy to deploy, and provides access to real-time data for key analytics to all involved in the oil and gas supply chain.

Ray Berry | President and CEO | Co-Founder

## Magnum Cementing Services

Magnum Cementing Services faced challenging times from the COVID pandemic and effect of the economic downturn. During these times Magnum ensures to minimize employee impact and diversify to maintain efficiencies.

The Cares Act helped maintain employee headcount while keeping employment within proximity of their families. North Dakota employees benefitted from this as they were able to keep working to support their families and to keep supporting the local communities.

The Cares Act also made it possible for Magnum Operations to stay working in North Dakota, this reduced overall cost for the company and maintained necessary efficiencies. These efficiencies helped minimize the financial impact and Magnum was able to provide more support to the North Dakota employees, their families, and the local communities.

Overall, the support from the Cares Act helped to reduce any burdens from a company and employee perspective.



## **Basin Concrete**

Basin Conrete Inc. was selected to participate in the Plugging and Reclamation of Abandoned wells in the fall of 2020. Although the work greatly benefited Basin our employees and the Bakken Region were the real winners. I say that because this work helped avoid layoffs and gave them productive work to do that not only allowed them to provide for their livelihood but also gave them the opportunity to continue building their skill sets and bolstered the overall experience levels in Basin Concrete Inc. and the Bakken Region.

- Basin's truck drivers got to drive another mile, winch another load, or haul another load of
  water giving each that much more personal experience to add to the overall experience pool of
  truck drivers for the Bakken Region.
- Basin's hydrovac crews got to clean another tank, pothole another old cellar, and/or off load
  product at the disposal which again gave each of them employees that much more experience
  personally and that experience then is added to the overall experience pool for Hydrovac crews
  in the Bakken Region.
- Basin's crane crews got to rig and make another pick, once again giving the team more personal
  experience and adding more experience to the pool for crane crews of the Bakken Region.
- Basin's Hot Oil operators got to roll another well giving them added personal experience and that experience can now be added into the experience pool for the Bakken Regions hot oil operators.
- Basin's rental equipment got to be introduced to Bakken Region Consultants that may have not had experience with Basin until now.
- Basin got to showcase its vision of being the 1<sup>st</sup> choice for customers and employees buy
  providing the best service. Equipment, and products to its customers through Basin's
  exceptional people, commitment, and teamwork.

And Finally, the revenue generated helped Basin operate through at tough 2020.

Eric Anton General Manager



# Go Wireline

From: Lucas Gjovig
Sent: Wednesday, January 13, 2021 11:26 AM
To: Idokk78@yahoo.com
Cc: Owners
Subject: Go Wireline's Statement

Larry,

Below is our statement regarding how the Cares Act Orphan Well program helped Go Wireline.

Go Wireline performed wireline and tools services during the NDIC's program financed by the Cares Act to Plug, Abandon & Reclaim Orphaned Wells in North Dakota, which ended December 31, 2020. Plugging these Orphaned Wells has inherent value to the people and the environment of North Dakota. As a company owned and operated by North Dakotans, we are proud to have provided services on this program.

More personally to us, however, this program helped us to keep as many as 15 people working in the field through one of the most challenging downturns the industry has faced. The work helped them support their families, pay bills, and meet other financial needs. Additionally, 15 people still working meant their family members would retain health insurance through the Covid pandemic, upwards of 30 people.

Go Wireline looks forward to the opportunity to participate in this program again should the NDIC obtain further funding.

Best,

-Lucas Gjovig Chief Operating Officer

# Patriot Well Solutions



January 11, 2021

Patriot Well Solutions 13527 58th St. NW, Williston, ND 58801 Ph: (701) 264-5057

To: Larry Dokken and NDIC Oil & Gas Division

#### RE: NDIC Cares Act Funding to Plug, Abandon & Reclaim Orphaned Wells in North Dakota

I am writing on behalf of Patriot Well Solutions to express our appreciation for the work that we participated in related to the NDIC Cares Act Funding.

This work greatly benefited our North Dakota employees and our company in several ways:

- Allowed our company to employ 28 personnel
- Supported 28 North Dakota families
- Positioned company to recover quickly from downturn by maintaining local training and R&M facilities
- · Kept key company assets employed
- · Speeded process for opening new facility in Williston, ND

While we understand the program ended December 31, 2020, we look forward to actively participating in any similar work that may occur in the future.

# Petroleum Experience, Inc.

To whom it may concern,

In regard to the State Orphan Well Project that took place over the 2020 Fall Season, on behalf of Petroleum Experience Incorporated we wanted to say; Thank You! During the course of this program, PEI employed an additional 9 consultants, 4 office employees and 1 Safety Coordinator for 5 months. These 9 consultants otherwise would have been temporarily laid off due to the downturn we have seen in our industry today. This program ensured that each family had steady income, health insurance and most importantly a distraction from all the issues we see in the world today. While these P&A jobs ensued; each consultant used an array of different service providers providing the same benefit to each of these families, each job employed roughly 8-10 companies. PEI plugged 65 wells and prepped an additional 3 for work completed on a total of 68 wells. All while maintaining no incidents or COVID-19 cases. Throughout the entirety of this program, we have heard multiple companies voice their opinion on the positive impact this had, keeping their employees on a steady schedule in one of the most volatile downturns the Bakken has ever seen. Not to mention the landowner praise as most of these wells were an eye sore and burden to their harvest season. Once again, I want to express our gratitude from everyone at Petroleum Experience Inc.



Thank You,

### Storbakken & Sons

### Storbakken & Sons Construction, Inc.



January 12, 2021

To Whom It May Concern,

We are writing this letter to express gratitude for the work provided through the Cares Act. Because of this Act our company, Storbakken & Sons Construction, was able to keep all our valued employees on payroll. We currently employ 26 outstanding men and women. The work provided through Cares Act kept our employees not only employed but provided them with consistent income throughout the holiday season!

Storbakken & Sons Construction is locally owned and operated. We have been in business since 2009. Thanks to the Cares Act we were able to successfully make it into 2021. We are so fortunate to have been able to provide our services and truly value the experience and knowledge that was gained in completing the projects at hand.

Once again, we want to take the time to express our gratitude. Thank you for this opportunity. It meant so much to us, our own families, our valued employees and their families, as well as our community.

# Bob's Oilfield Service

January 11, 2021 Attn: Larry Dokken Neset Consulting Service

We would like to thank you for teaming up with Bob's Oilfield Service on the Abandon and Reclamation Project that we worked on this last fall. This project came at a very good time our company as we were about to lay off one supervisor and eight other employees. That would have been nine families that avoided lay offs thanks to this Cares Act Project, those nine employees continued employment and our company kept busy with this project, which also helped Bob's Oilfield Service pay our bills and helped us through a very tough 2020 year. Thank you again and please consider using our company for any future projects!

Rob Heim, Manager

# Chamley Pipe & Salvage

NDIC CARE ACT 2020

I would like to begin with saying thanks to Neset Consulting and Mr. Dokken for letting Chamley Pipe & Salvage participate in this program.

Chamley Pipe & Salvage began working with Neset Consulting on this project on August 31, 2020 and continued until it ended on December 31, 2020.

We had 2 full time truck drivers and a third part-time driver working on this project almost every day going out and loading up rods and tubing at the plugged and abandon locations. We also had 2 full time yard personnel working to sort and sell the pipe and rods that we had purchased from Neset Consulting from this project.

Chamley Pipe & Salvage was able to keep 4-5 employees busy for the last quarter of 2020 with the help of the NDIC CARES ACT program of 2020.

Chamley Pipe & Salvage was fortunate to be able to participate in this program in 2020. We are looking forward to being able to work with Neset Consulting on more programs like this to help ensure that old orphan wells are reclaimed, and the land is returned to a more productive use.

Thank you,

Wayne Engberg

Chamley Pipe & Salvage



### RESOURCES

- Interstate Oil and Gas Compact Commission (IOGCC) State and Provincial Relief
   Measures
- Review of ND Oil and Gas Division's "Well Status" Designations
- Oil and Gas Division Three-Part Education Series: Well Plugging and Reclamation
- <u>Pipeline Authority DUC Well Inventory Update</u> (April 2021 Update)
- Industrial Commission Case #28495
- Industrial Commission Case #28530
  - Cases files linked above contain Orders for confiscation listing wells and sites associated with this document. Including but not limited to public notices, bid documentation, and written comments related to the cases.
- Oil and Gas Division Basic Services This is a subscription service of \$50/year that allows
  access to each Well File in North Dakota. Well Files would contain additional
  documentation such as sundry forms, communications, applications, site assessments,
  etc. A well file may also be requested by contacting the Oil and Gas Division offices.