



NEWS RELEASE | **FOR IMMEDIATE RELEASE** | October 28, 2020

Oil and Gas Division reallocation of CARES Act Funding approved for work in western North Dakota

BISMARCK, N.D. – The North Dakota Emergency Commission and North Dakota Legislative Budget Section have approved reallocating 1% of the state’s CARES Act Funding to a grant program which will provide additional short- and long-term economic support statewide from a previously approved Oil and Gas Division orphan well site reclamation program. The \$16 million reallocation will move a portion of dollars from the reclamation of orphan well sites to a grant program that will support the employment of frac crews to complete drilled but uncompleted (“DUC”) wells.

“Reclamation of the orphan wells which can’t be completed by the CARES Act deadline of December 30, 2020 due to winter weather will be completed next year using other funding sources. However, Western North Dakota is facing a 5% unemployment rate – Williams County alone has gone from 2.1% unemployment in January of 2020 to 10.4% in September 2020,” said Lynn Helms, Director of the Department of Mineral Resources. By refocusing these dollars towards completing up to 80 additional DUC wells we are not only helping get our neighbors back to work in the short-term but the long-term benefits include stabilization of production and North Dakota state tax revenues, plus ongoing jobs operating newly completed wells will help North Dakota through the months ahead.”

The DUC Well Completion program funding will reimburse up to \$200,000 in water acquisition and disposal costs per hydraulic fracture completion of up to 80 DUC wells by December 30, 2020. This program is the result of North Dakota’s Bakken Restart Task Force which was implemented in May at the start of the COVID pandemic and subsequent oil price collapse. The

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Task Force goal is to seek out and review potential strategies to stimulate and support the oil and gas community.

More information about the DUC Well Completion program can be found online at:

<https://www.dmr.nd.gov/oilgas/bakkenrestart.asp>

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