Director's Cut

July 22, 2025

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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Department of Mineral Resources

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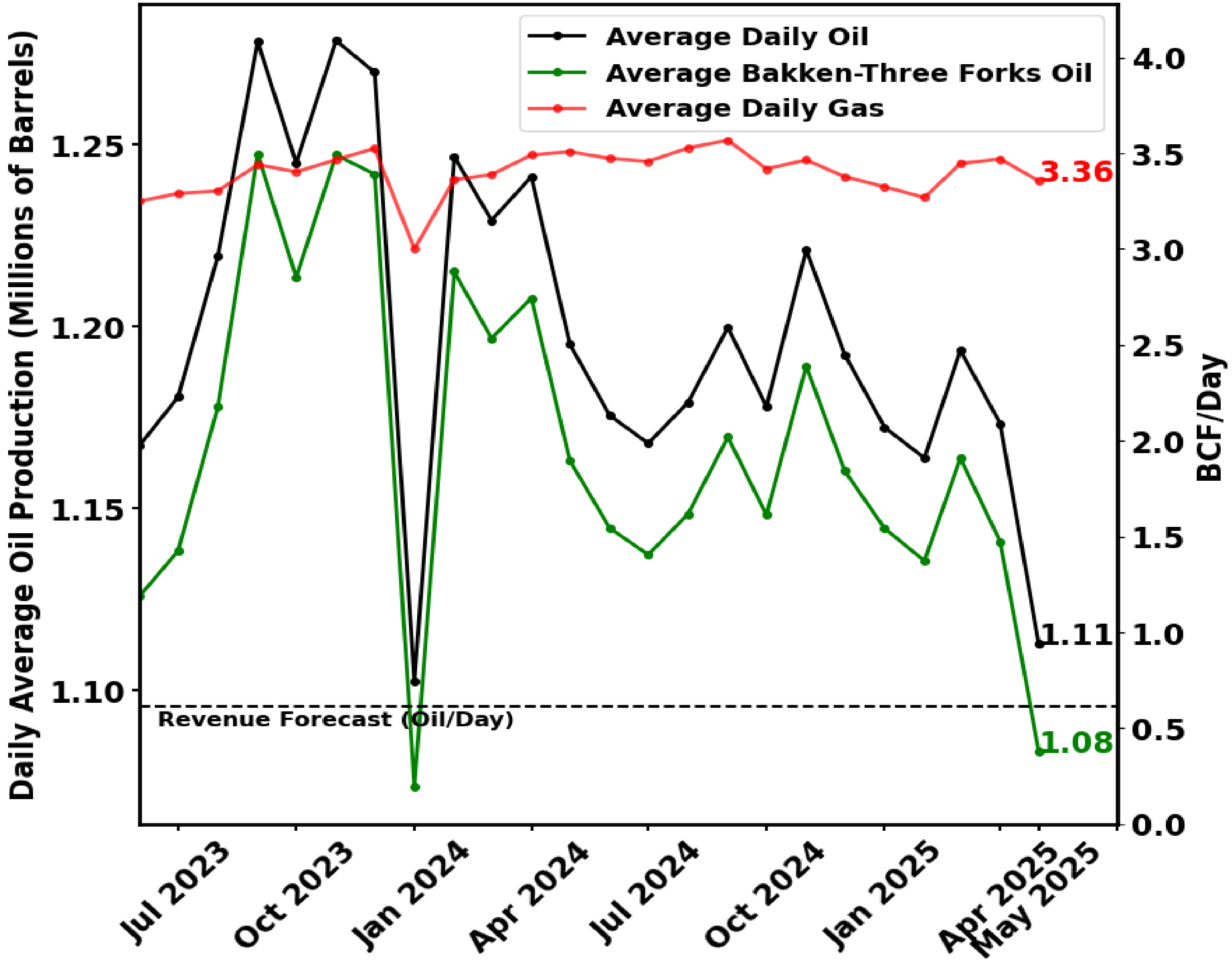
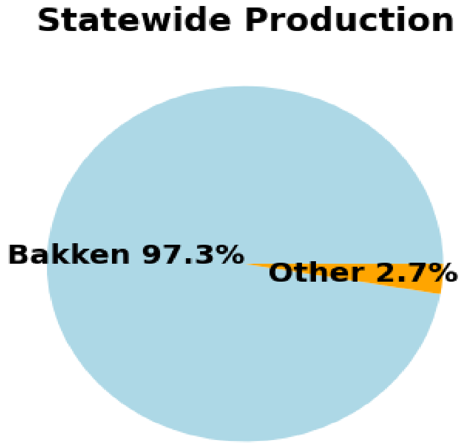
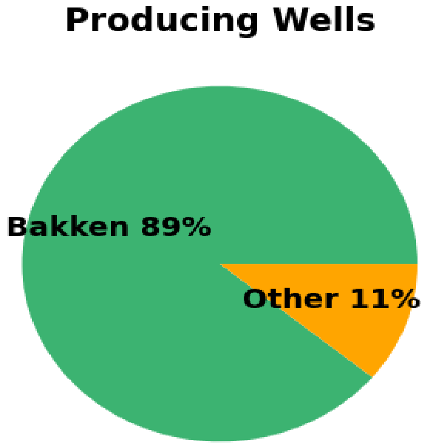
Executive Director
North Dakota Pipeline Authority

NORTH DAKOTA PRODUCTION







OIL PRODUCTION:

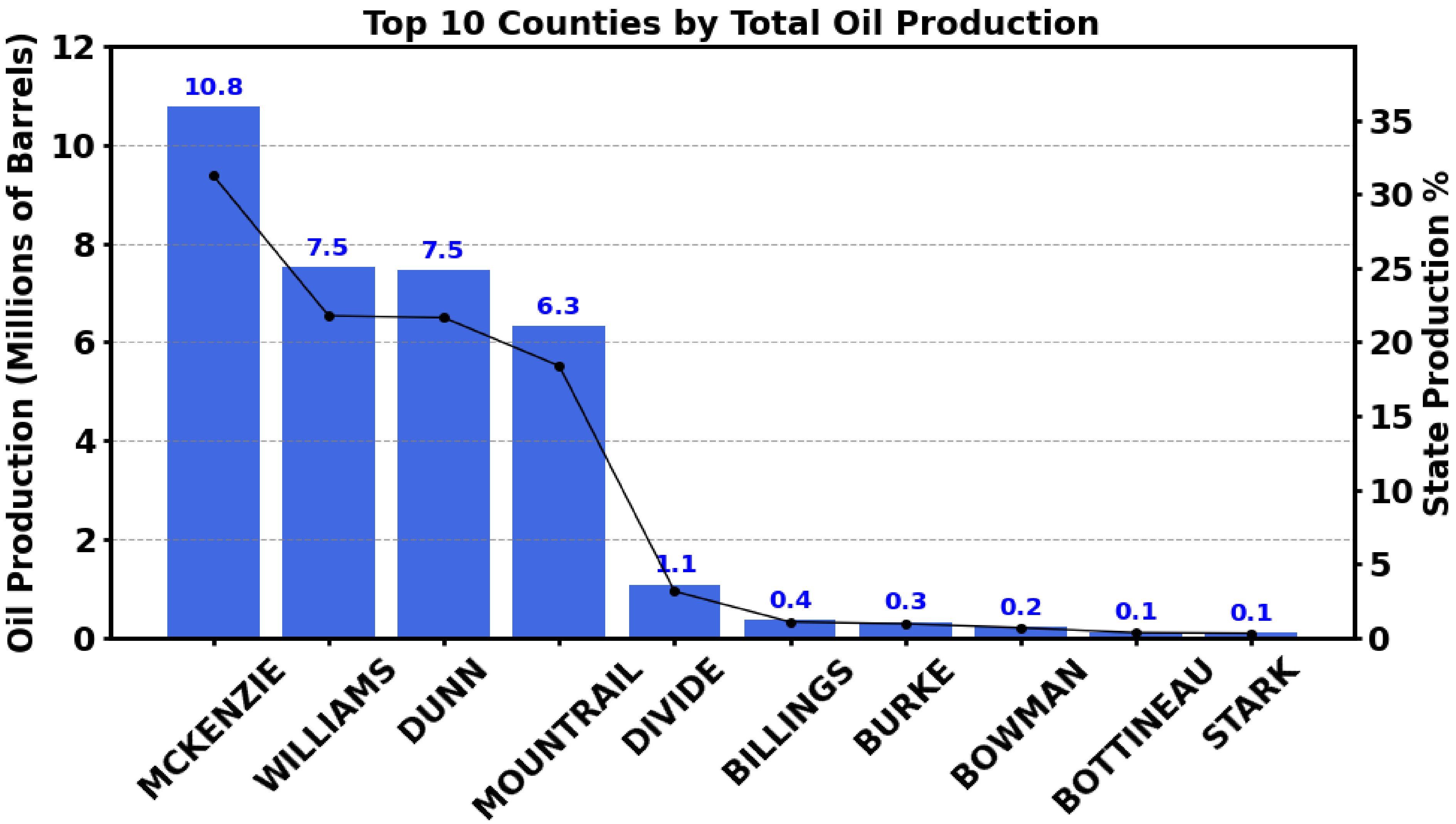
- May: 34,496,480 bbls = 1,112,790 bbls/day
- April: 35,199,579 bbls = 1,173,319 bbls/day
  - 1.16% above Revenue Forecast (RF = 1,100,000 bbls/day)*
  - -5.16% from April to May
  - -60,529 bbls/day April 2025 to May 2025
- 1,083,283 bbls/day or 97.3% from Bakken/Three Forks
- 29,507 bbls/day or 2.7% from non-Bakken/Three Forks

GAS PRODUCTION:

- May: 104.0 BCF/Month =3.355 BCF/Day
- April: 104.1 BCF/Month = 3.471 BCF/Day
  - -3.3% from April to May

**NOTE: July 2025 – June 2026 Forecasted Oil Volume = 1,150,000 bbls/day*

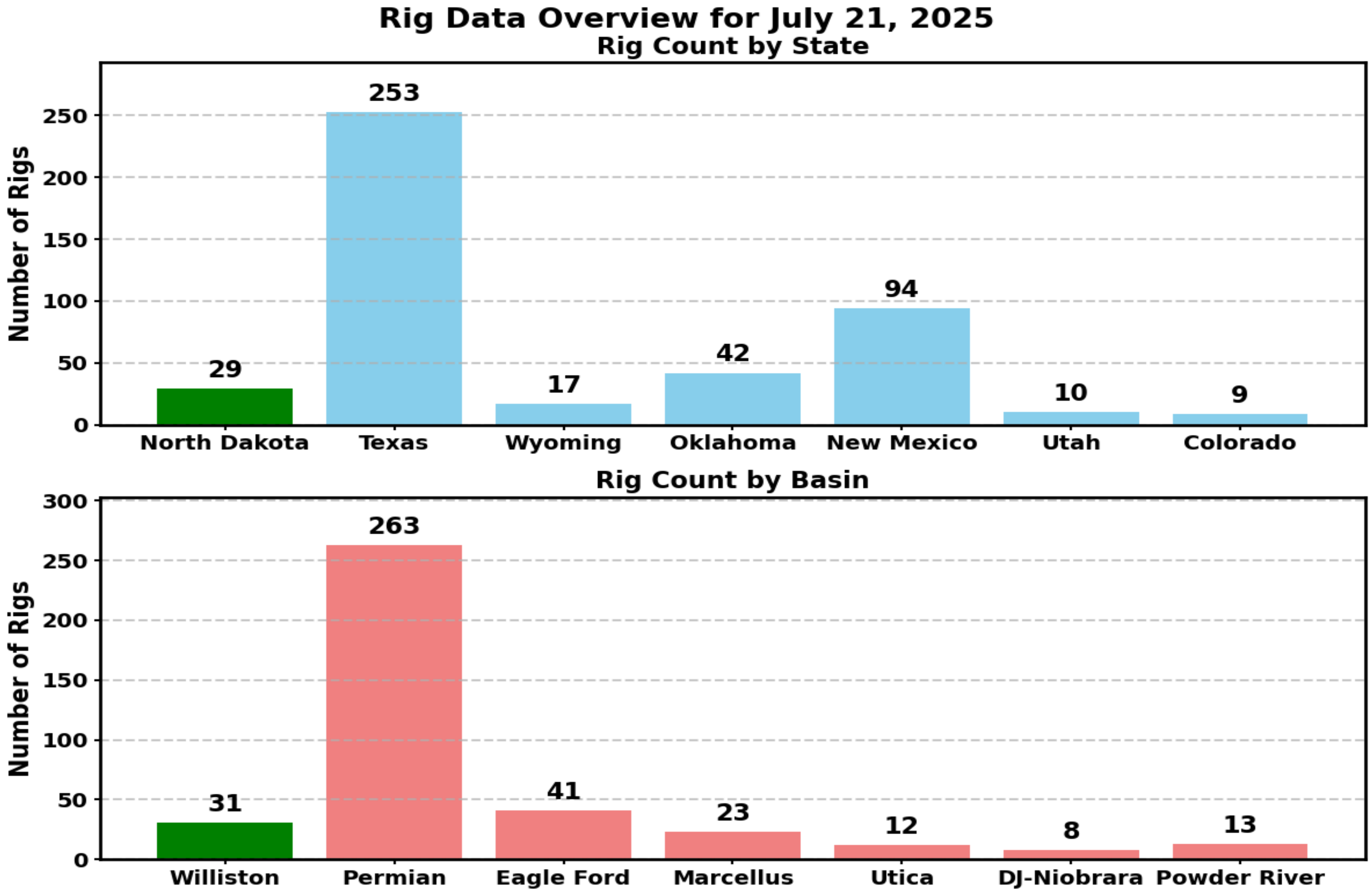
North Dakota County Production



- ~31.5% of ND production comes from McKenzie County

- Top 5 counties make up
- ~96.5% of ND oil production

Rig Counts by State and Basin



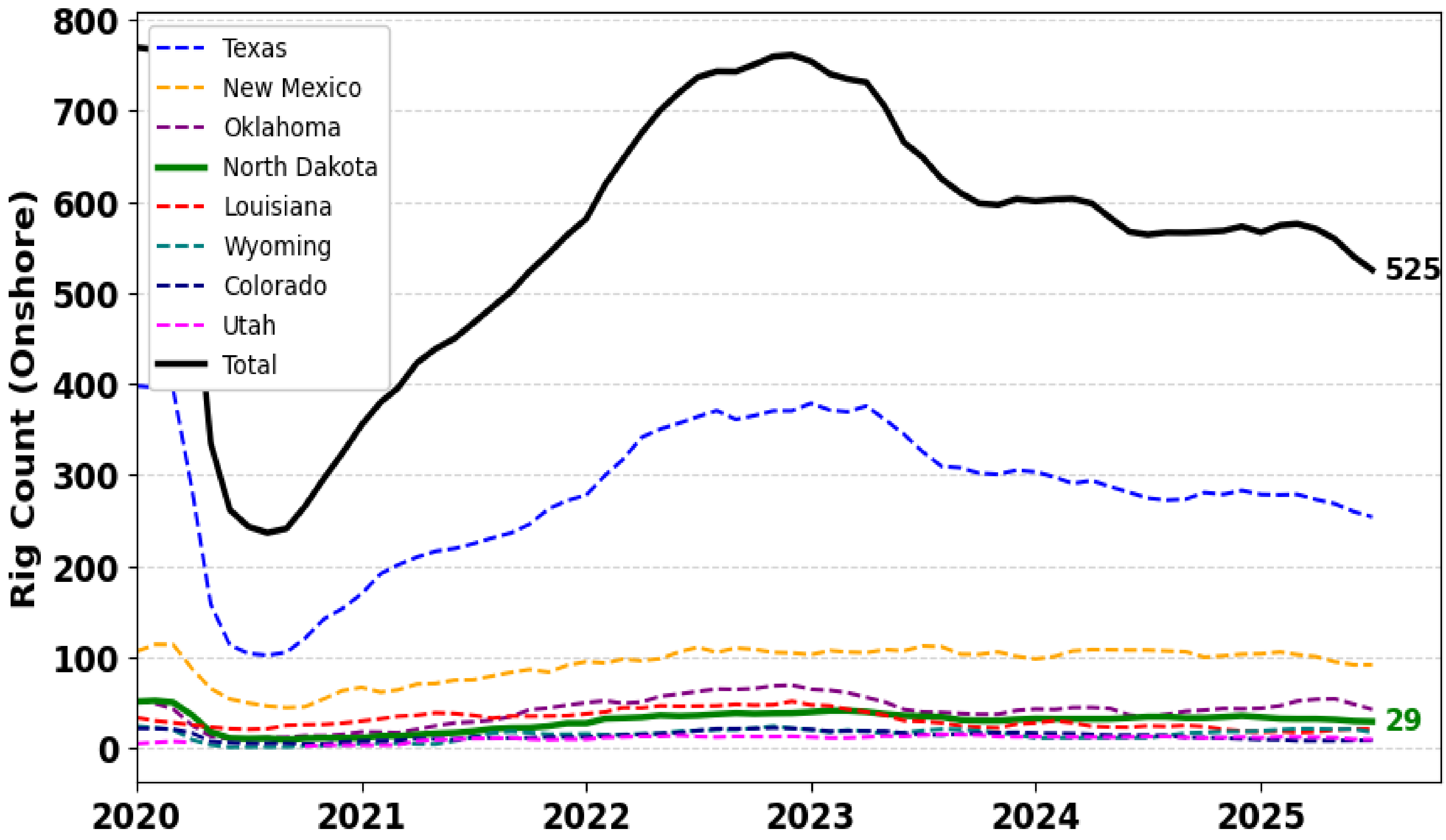
Rig Count Source: https://rigcount.bakerhughes.com/na-rig-count

- Total US Rig Count = 544
  - *June was approx. 554*
- ~46.5% of Rigs are in Texas
- ND Rig Count Trend
  - Current = 29
  - June = 32
  - May = 32
  - April = 32

All time high of 218 on 5/29/2018

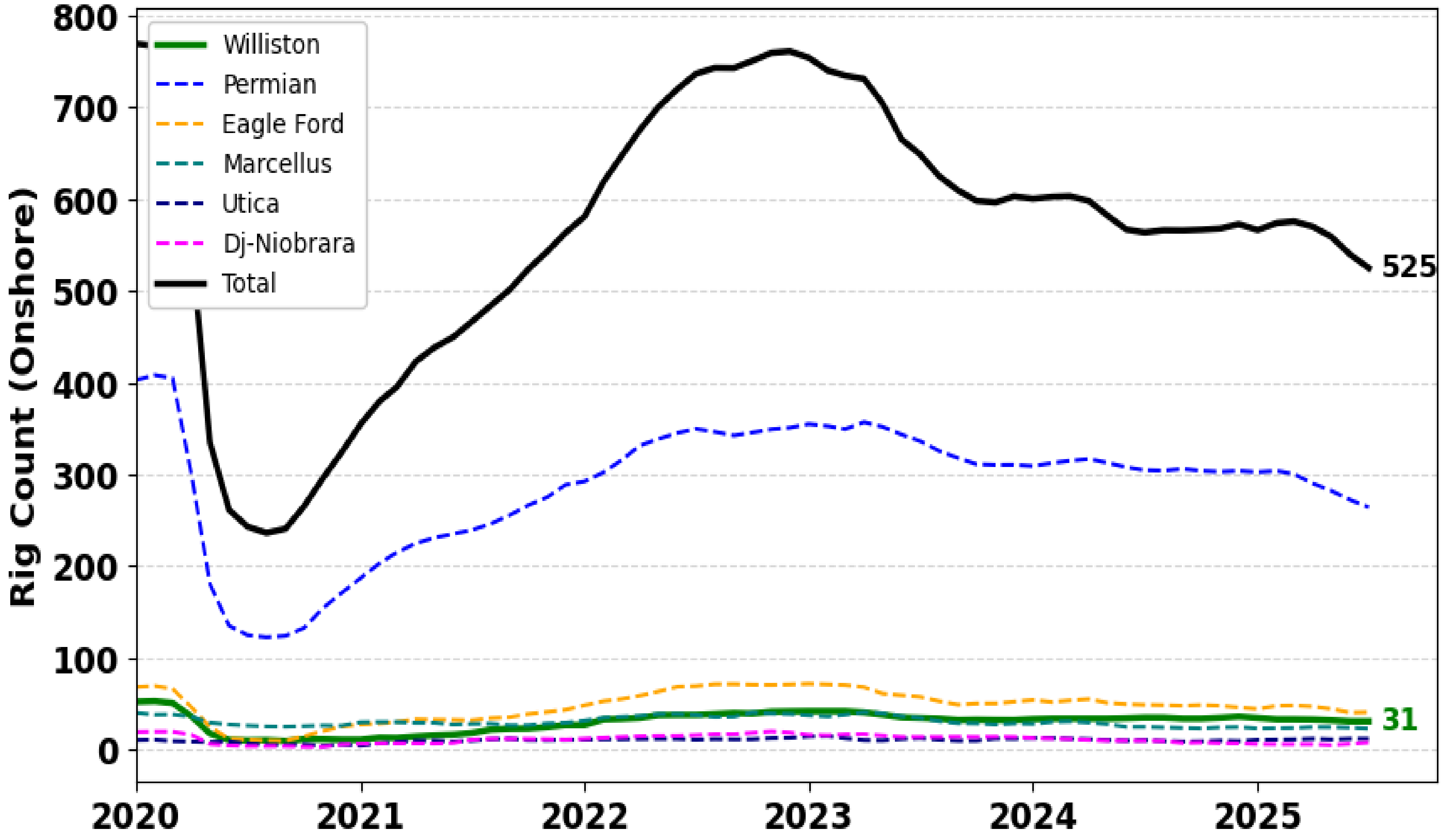
- 31 total rigs in Williston Basin
- 263 rigs in Permian (TX & NM)
  - ~48.5% of total US rig Count
- 35 rigs in the NE US, dry gas play

RIG COUNTS OVER TIME - STATE



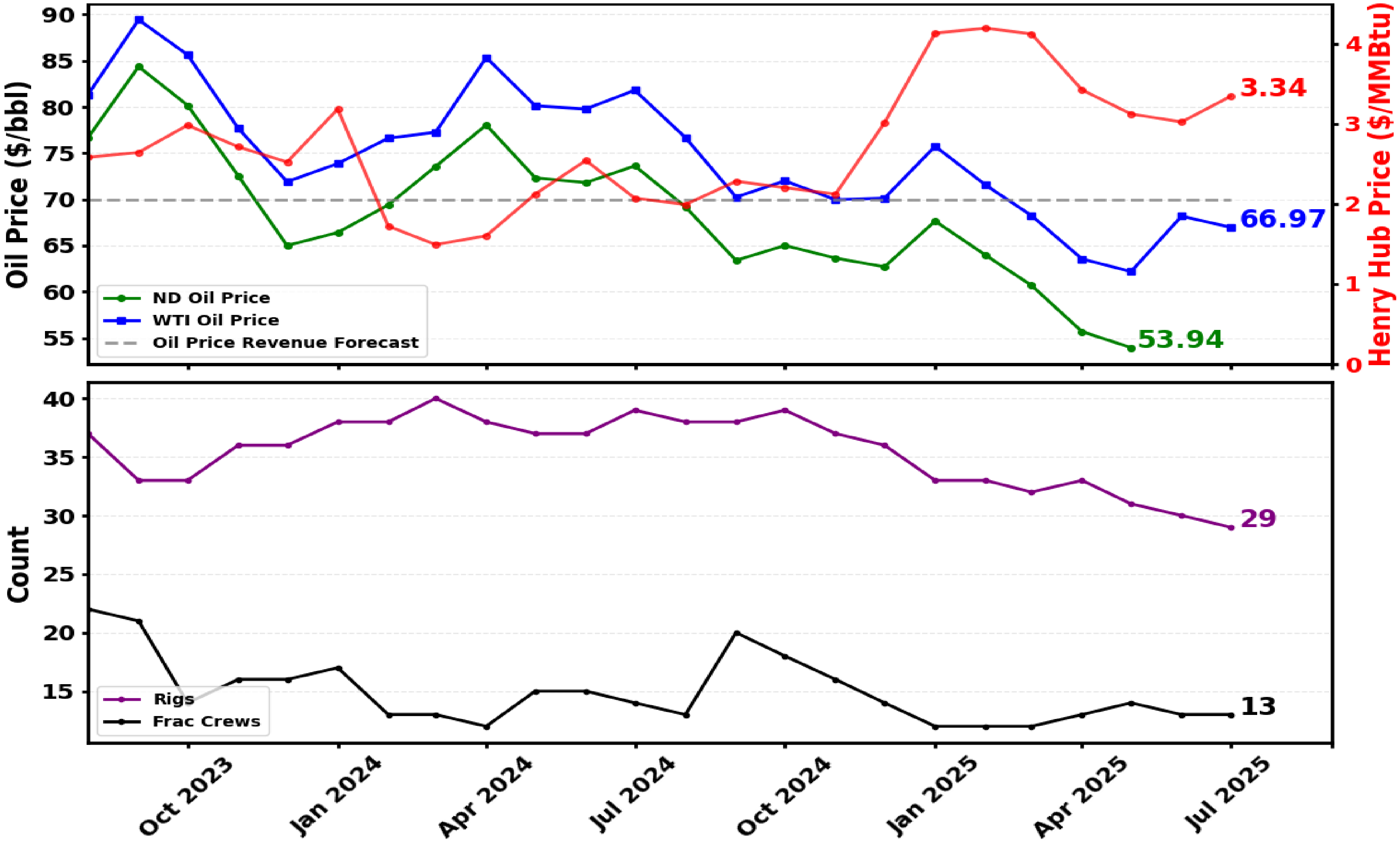
- North Dakota rig count = 29
- US rig count declined, as expected, over the last 3 months
- Notable decline in Texas rig count from 262 in June to 253 currently
- Total US rig count includes land only

RIGS OVER TIME - BASINS



- Williston Basin rig count remaining steady at 31
- US rig count declined, as expected, over the last 3 months
- Notable decline in Permian Basin rig count from 273 in June to 263 currently
- Total US rig count includes land only

Pricing and Activity Levels



Henry Hub Price Source: https://www.eia.gov/dnav/ng/hist/rngwhhdm.htm

- Current WTI Oil = $65.08
- Current HH Gas = $3.23

ND Market Oil Price

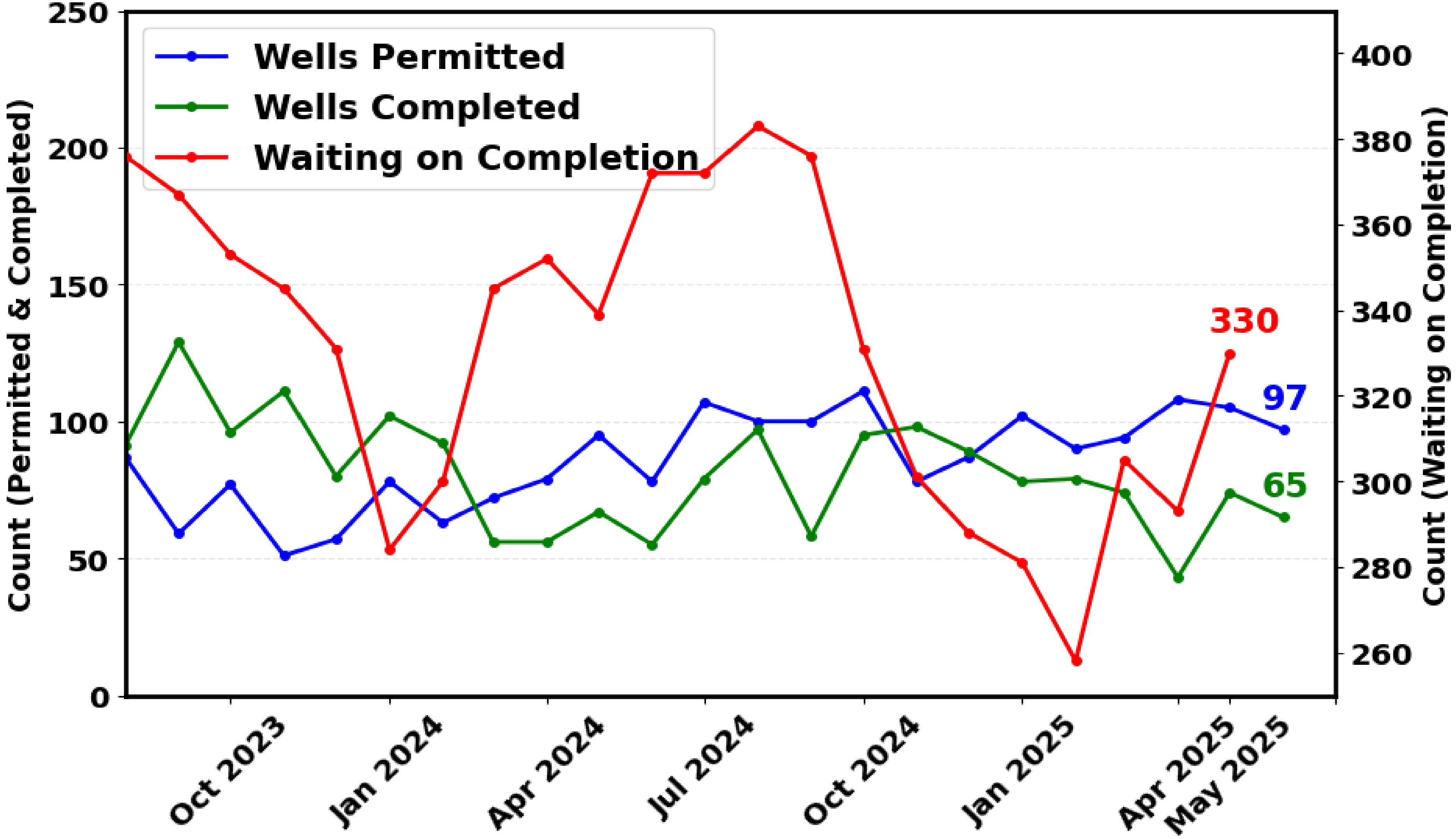
Revenue Forecast = $70*

- May = $53.94
  - -22.9% TO RF
- April = $55.67

NOTE:
July 2025 – June 2026
Revenue Forecast = $59.50 / bbl

- Current frac crew count = 13

Permits and Completions

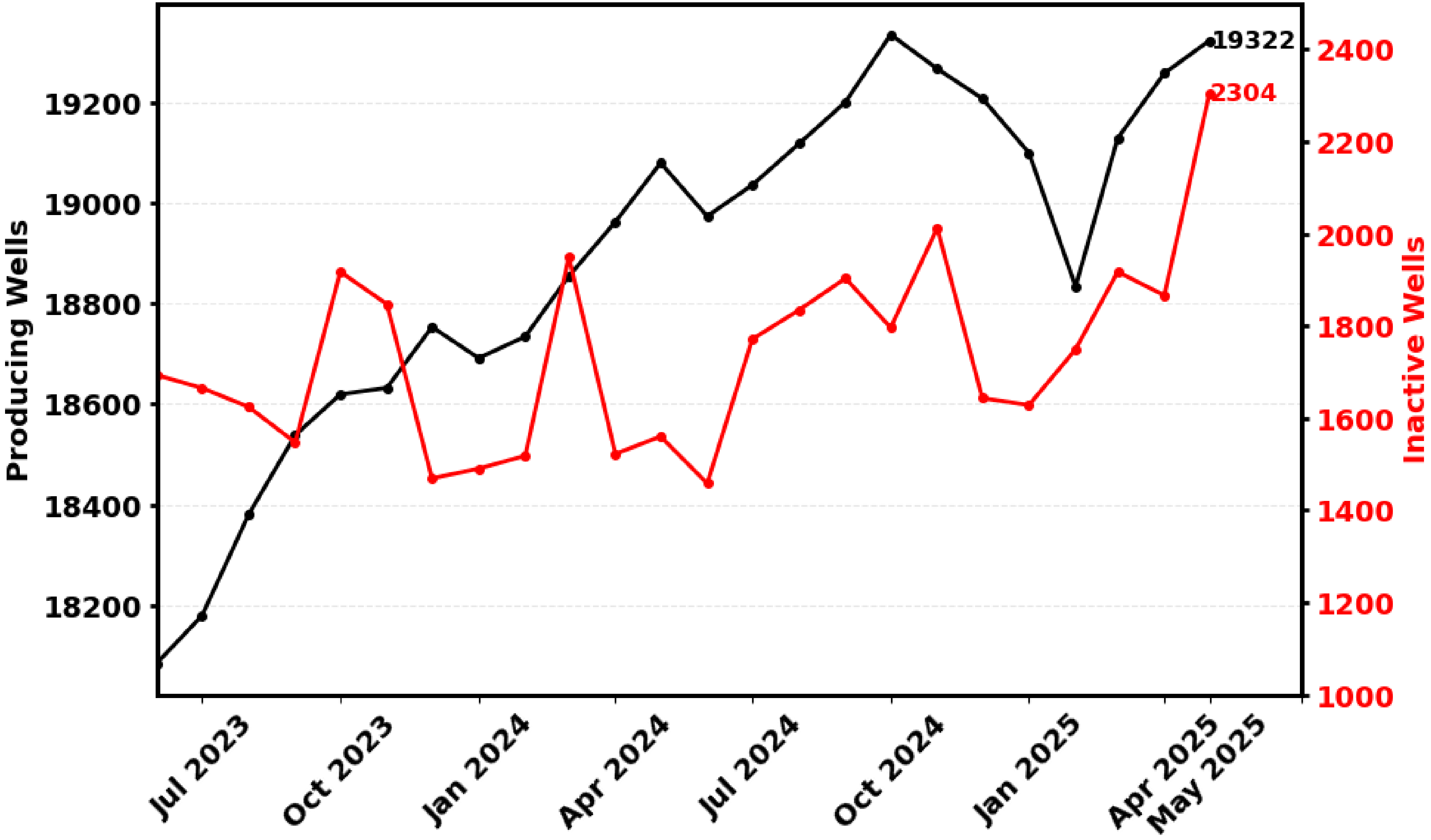


Permit Trend
- June = 97
- May = 105
- April = 108

Completion Trend
- June = 65
- May = 74
- April = 43

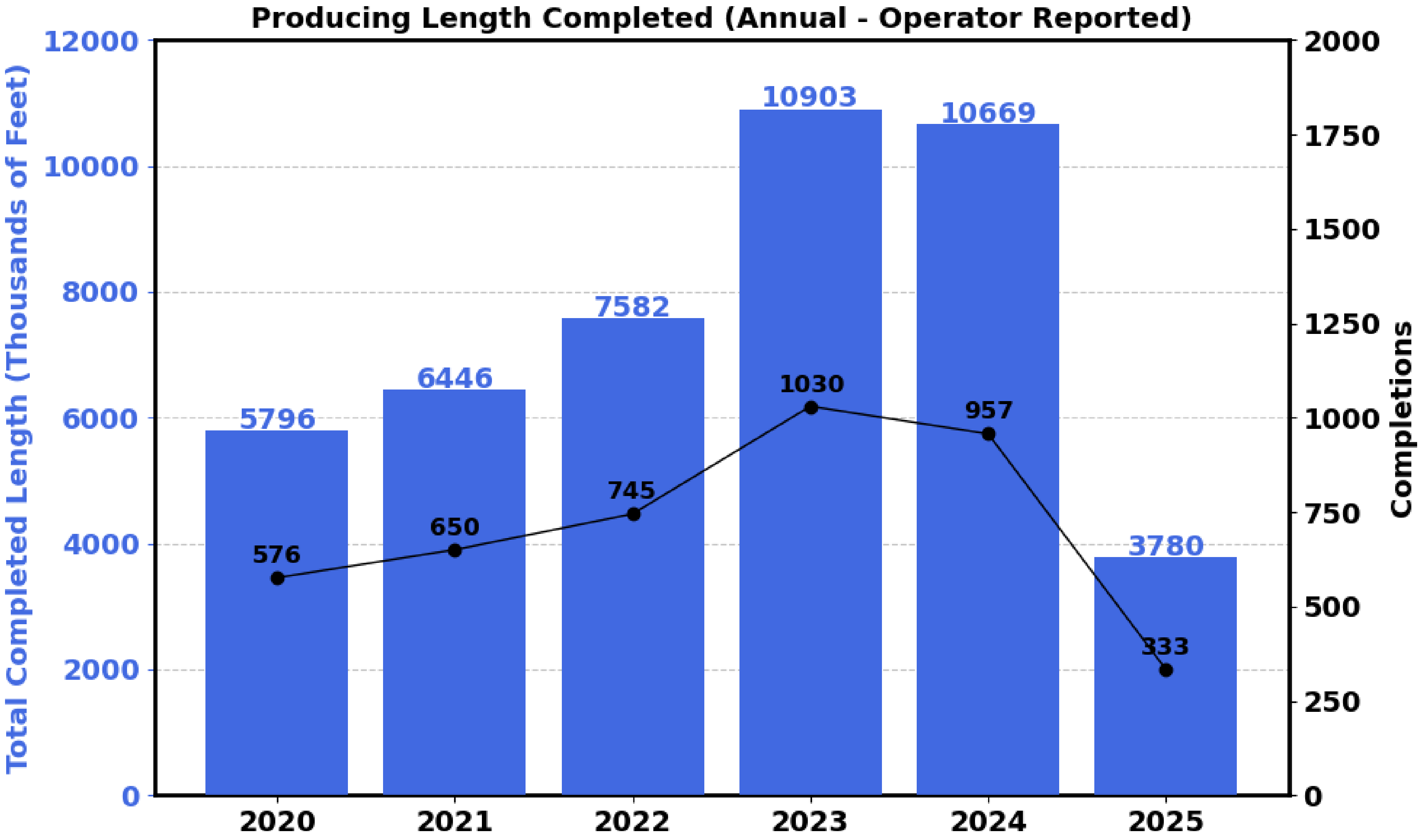
Extended Reach Permits
(*Issued to date*)
- 1028 3-mile lateral permits
- 47 4-mile lateral permits
  - 3 completed
- 15 U-Shaped lateral permits
- 2 J-Shaped lateral permits

WELL COUNT



- Total number of producing wells is up slightly month over month
- Number of inactive wells increased by 438 month over month
  - Likely oil price-related

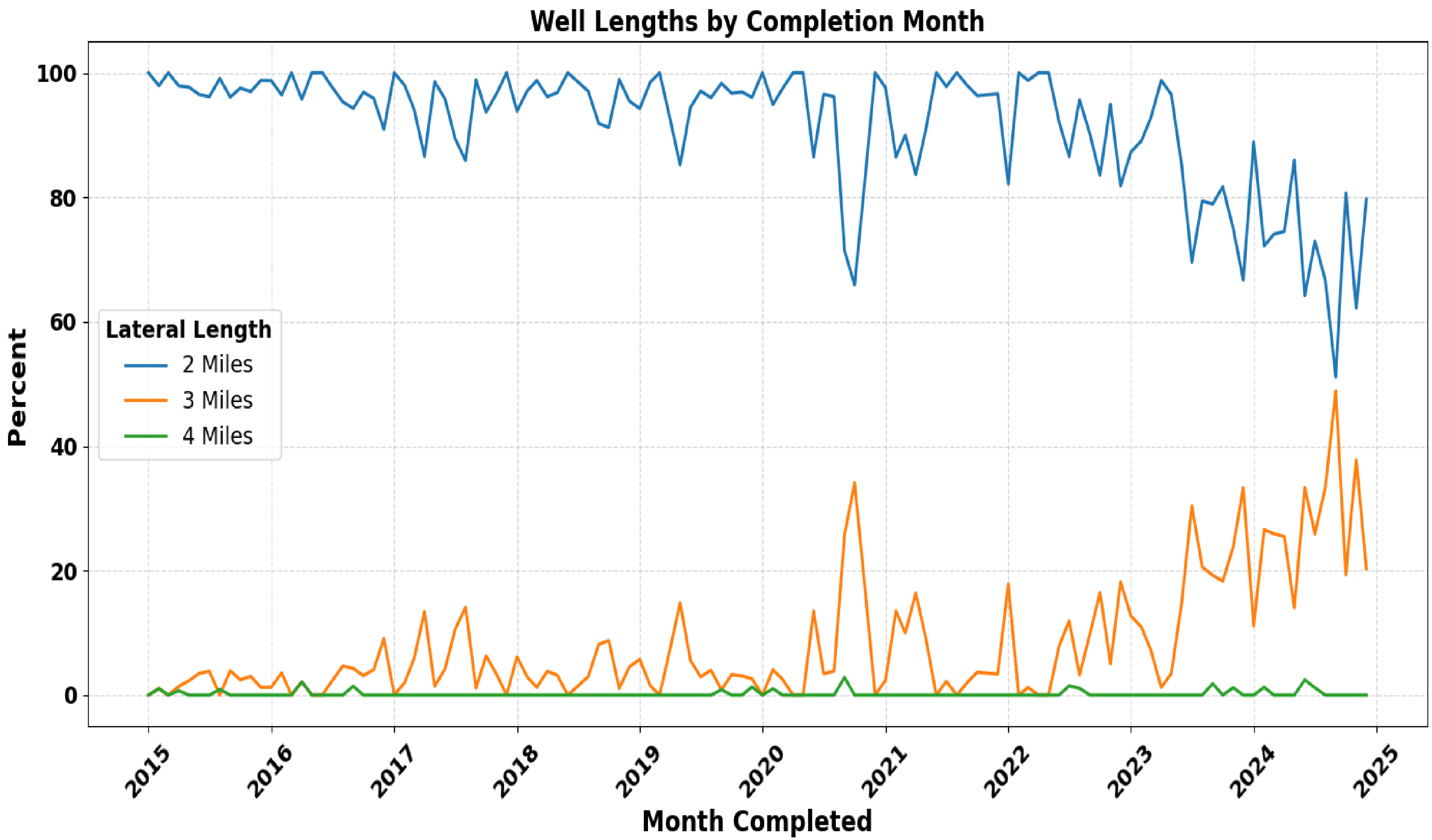
COMPLETED FOOTAGE OVER TIME



TREND OF LATERAL LENGTHS

- 2024 = 10,647,000 total feet completed
- Estimated average lateral length completed by year:
  - 2020 = 10,062
  - 2021 = 9,850
  - 2022 = 10,141
  - 2023 = 10,554
  - 2024 = 11,149

LATERAL LENGTHS OVER TIME

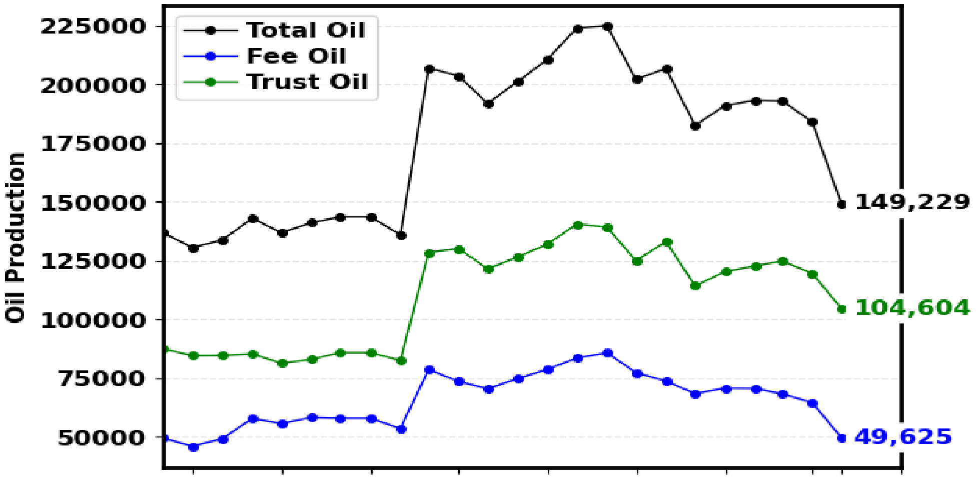


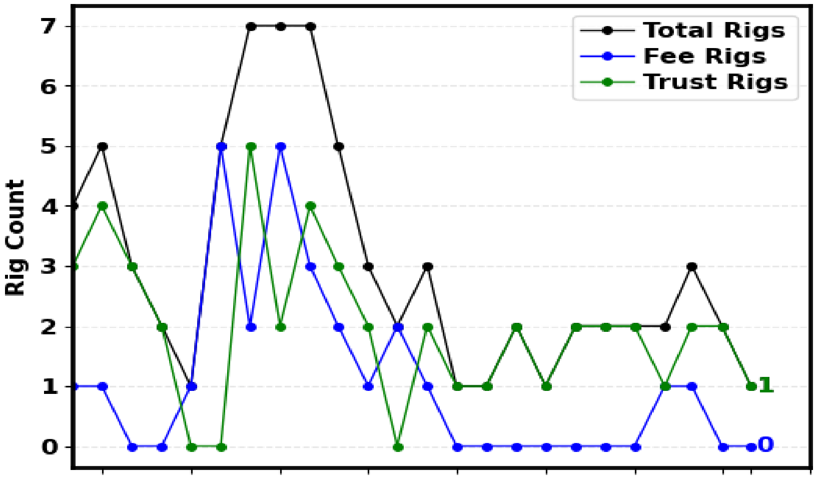
- The total percentage of 2-mile laterals has decreased to ~70%
- The total percentage of 3-mile laterals has increased to ~30%
- 4-mile lateral development began in 2024 and is in its infancy, but we continue to see an increase in 4-mile permits

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*

FORT BERTHOLD ACTIVITY



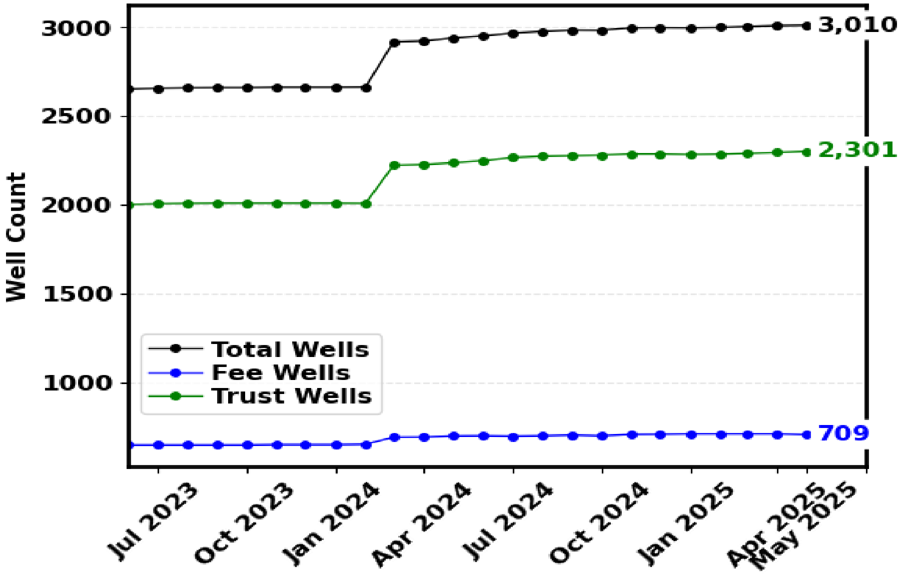


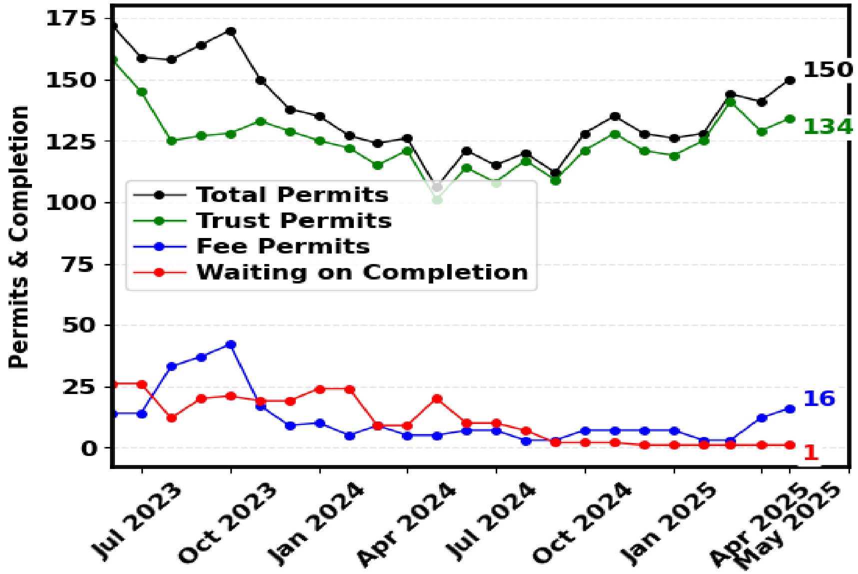
May Oil Production = 149,229

- 18.9% decrease
- Decrease of 34,797 bopd

April Oil Production = 184,026

Rig count at 1





Total Active Permits = 150

- Increase from last month

Number of Active Wells = 3,010

- Fee = 709
- Trust = 2,301

GAS CAPTURE

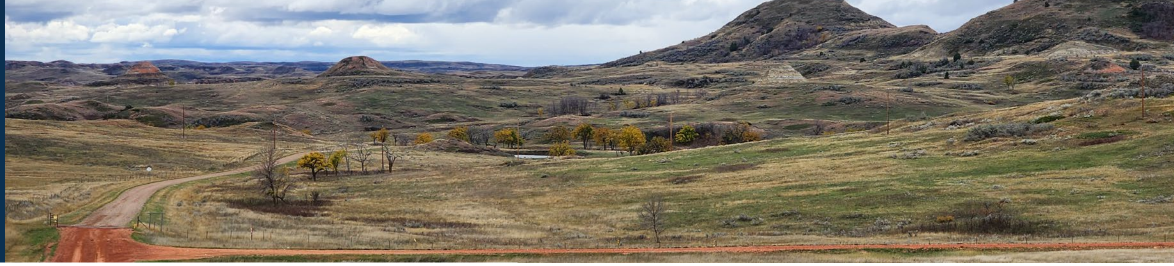
The state-wide gas flared volume from April to May decreased by 6.09 MMCF/D to 142.12 MMCF/D, the statewide gas capture remained steady at 95.7% while Bakken gas capture increased to 96.1%.

Gas capture details are as follows:

Statewide	95.7%
Statewide Bakken	96.1%
Non-FBIR Bakken	95.8%
FBIR Bakken	97.4%
Trust FBIR Bakken	97.3%
Fee FBIR	90.9%

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

SUMMARY



Month and Year	May 2025
Days	31
Oil Production (bbls)	34,496,480
Average Daily Oil (bbls/day)	1,112,790
Gas Production (MCF)	104,010,409
Average Daily Gas (MCF/day)	3,355,174
Daily Average Oil Revenue Forecast (bbls/day)	1,100,000
Oil Revenue Forecast Price ($/bbl)	70
Avg Daily Bakken-Three Forks Prod (bbls/day)	1,083,283
Bakken Production (%)	97.30
Other Production (%)	2.70
Bakken-Three Forks Wells (%)	89
Percentage Other Wells (%)	11
WTI Oil Price ($/bbl) (current)	66.97
ND Oil Price ($/bbl)	53.94
Henry Hub Price (USD/MMBtu)	3.34
Wells Permitted (June)	97
Wells Completed (June)	65
Waiting On Completion	330
Inactive Wells	2,304
Total Producing Wells	19,322
Fort Berthold Total Oil	149,229
Fort Berthold Fee Oil	49,625
Fort Berthold Trust Oil	104,604
Fort Berthold Total Rigs	1
Fort Berthold Fee Rigs	0
Fort Berthold Trust Rigs	1
Fort Berthold Total Wells	3,010
Fort Berthold Fee Wells	709
Fort Berthold Trust Wells	2,301
Fort Berthold Waiting On Completion	1
Fort Berthold Total Permits	150
Fort Berthold Fee Permits	16
Fort Berthold Trust Permits	134
North Dakota Rigs (current)	29
North Dakota Frac Crews (current)	13

- 3 seismic crews recording

THANK YOU

DEPARTMENT OF MINERAL RESOURCES

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Pipeline Authority Monthly Update

Justin J. Kringstad
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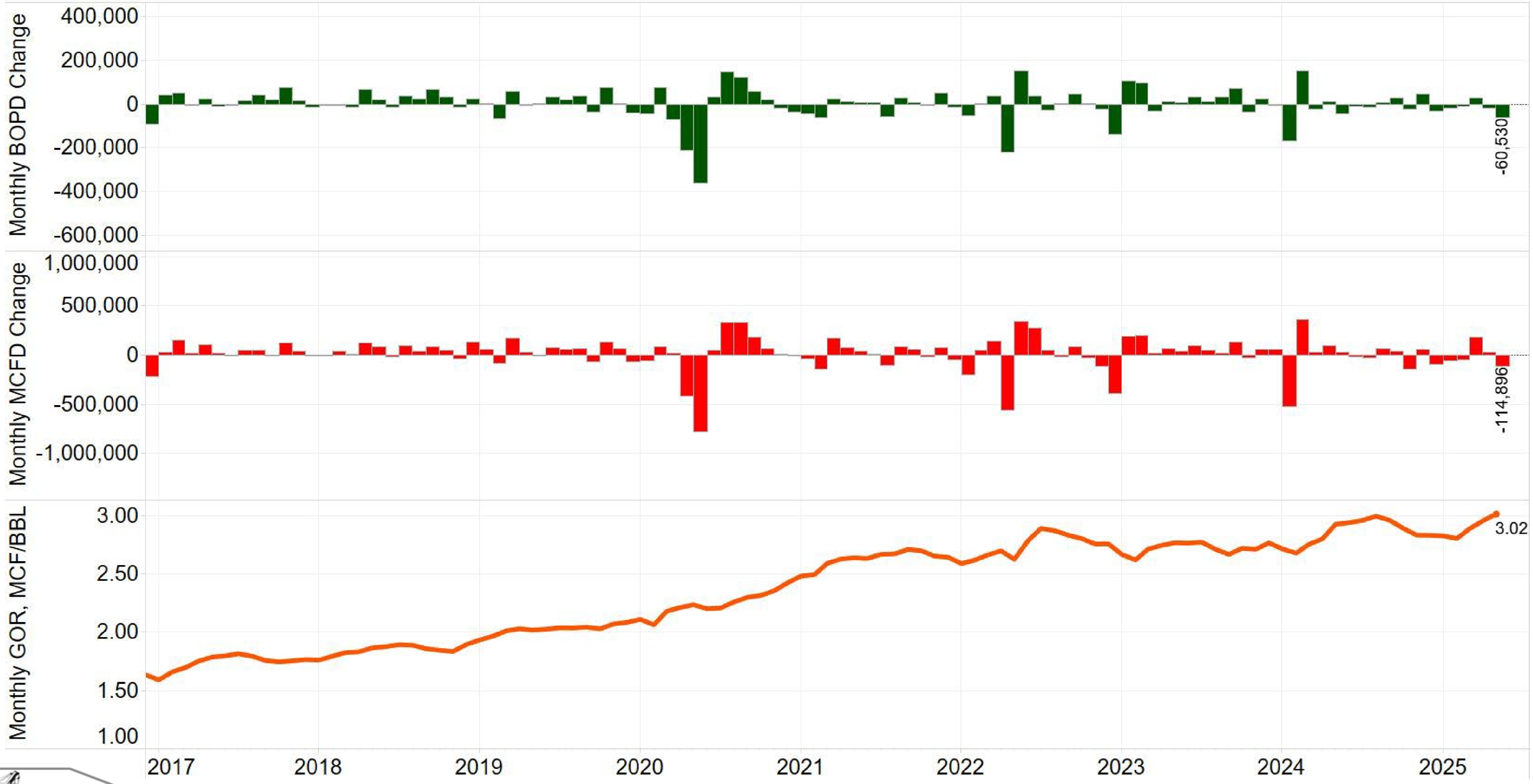
Director
North Dakota Pipeline Authority

July 22, 2025

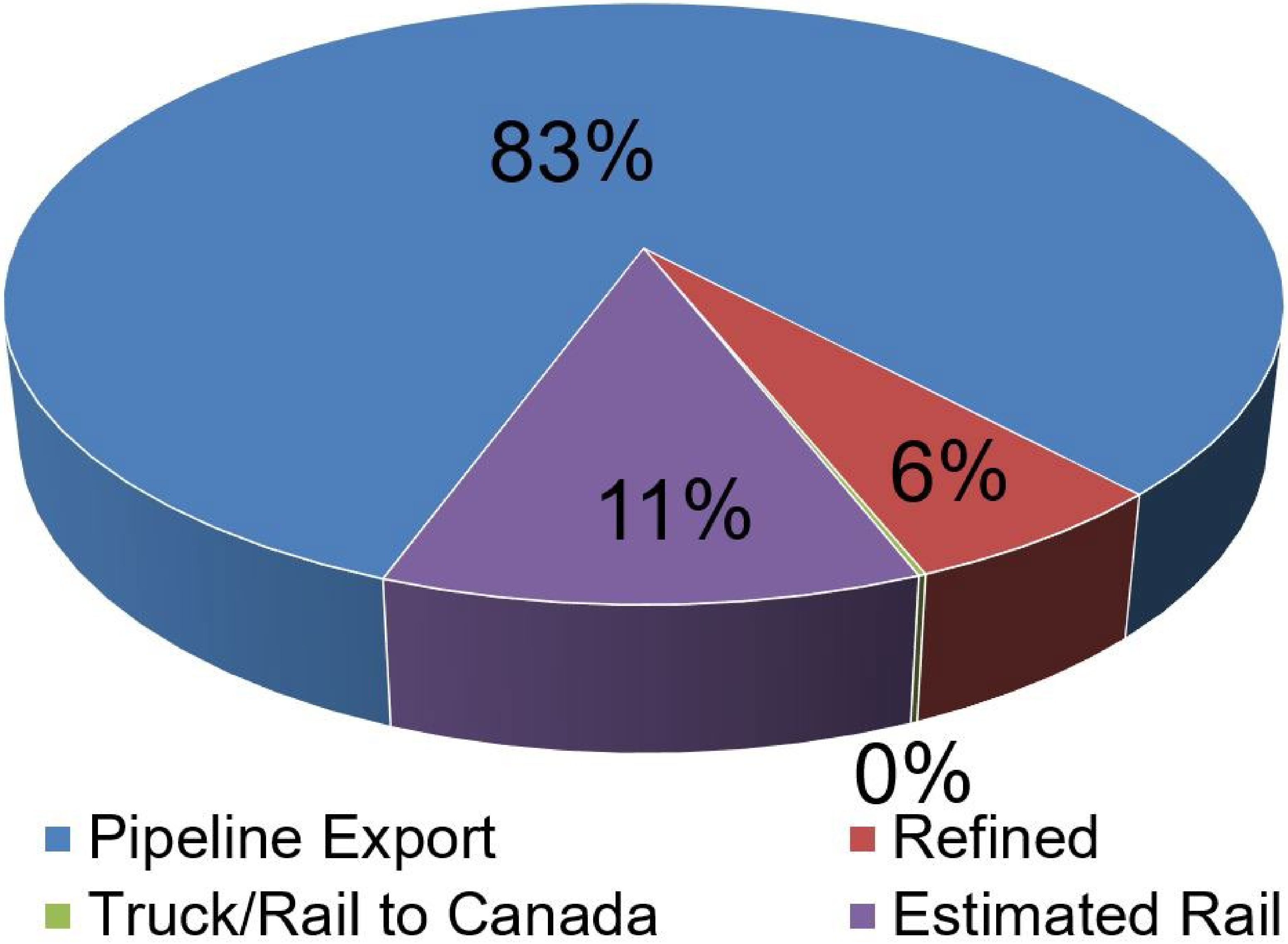
US Williston Basin Oil Production - 2025

MONTH	ND	Eastern MT*	SD	TOTAL
January	1,175,117	74,740	2,281	1,252,138
February	1,165,405	71,448	2,282	1,239,134
March	1,193,397	75,729	2,272	1,271,398
April	1,173,319	73,901	2,294	1,249,514
May	1,112,790	75,178		
June				
July				
August				
September				
October				
November				
December				

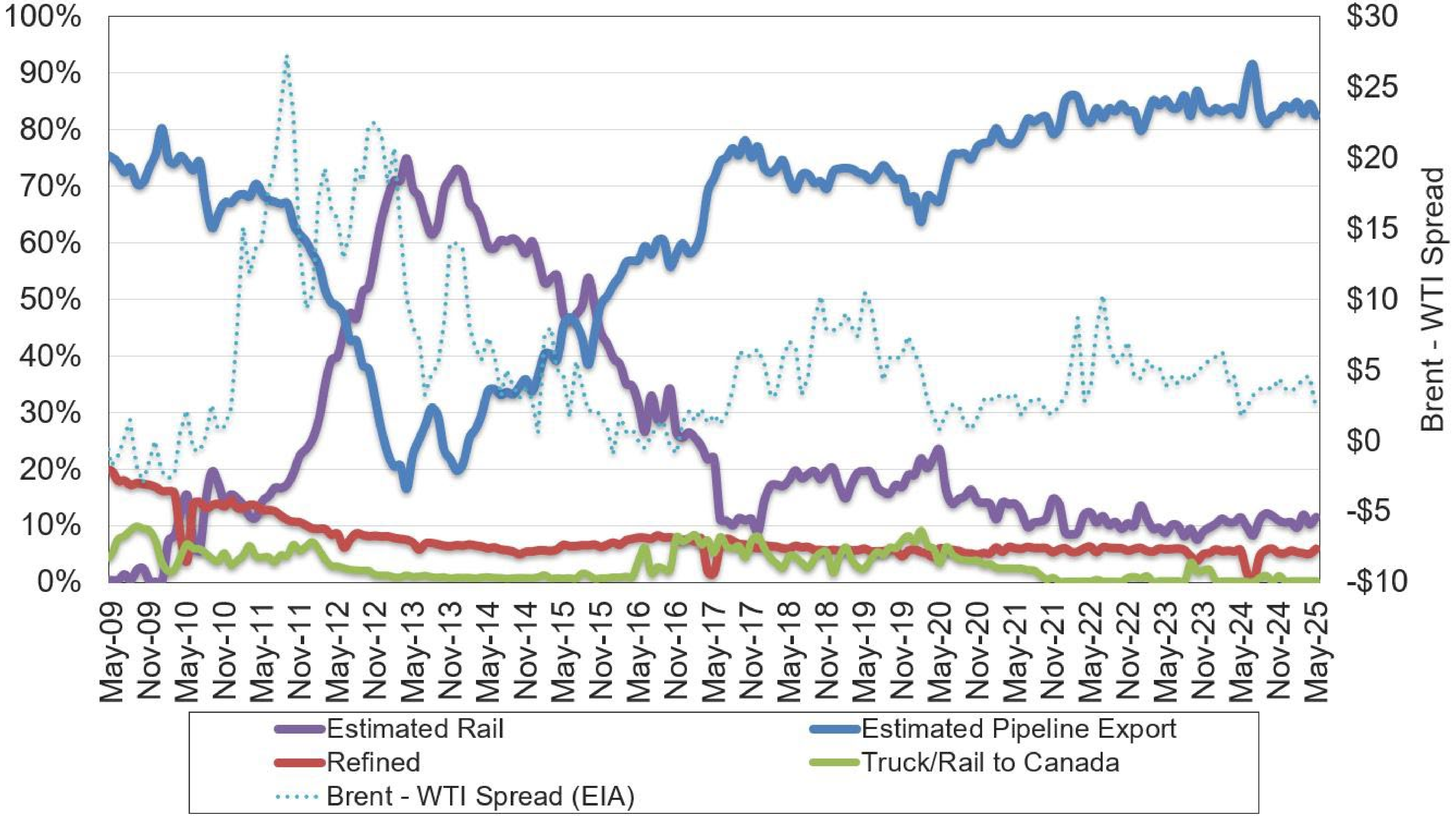
North Dakota Monthly Production Change



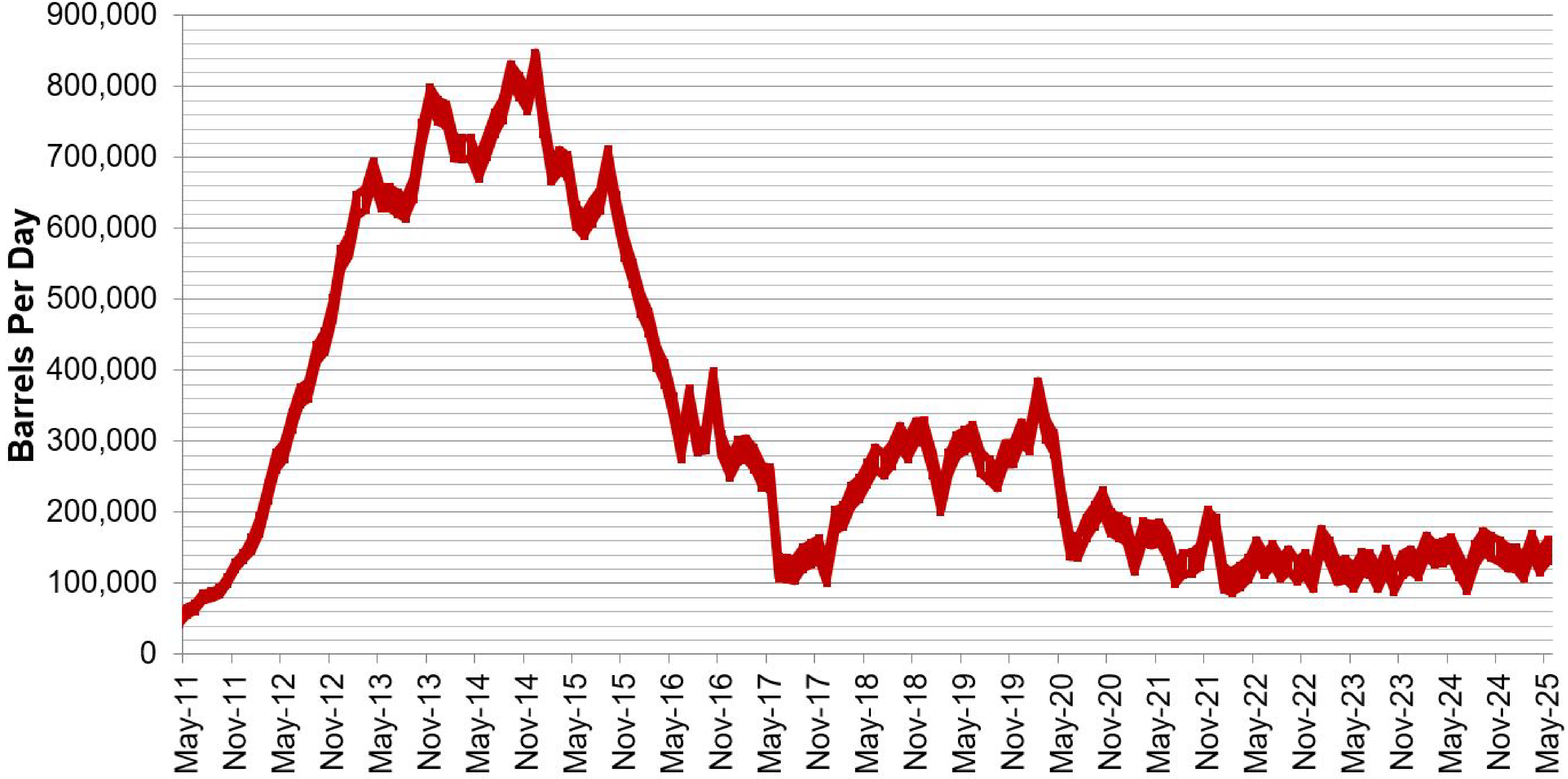
Estimated Williston Basin Oil Transportation



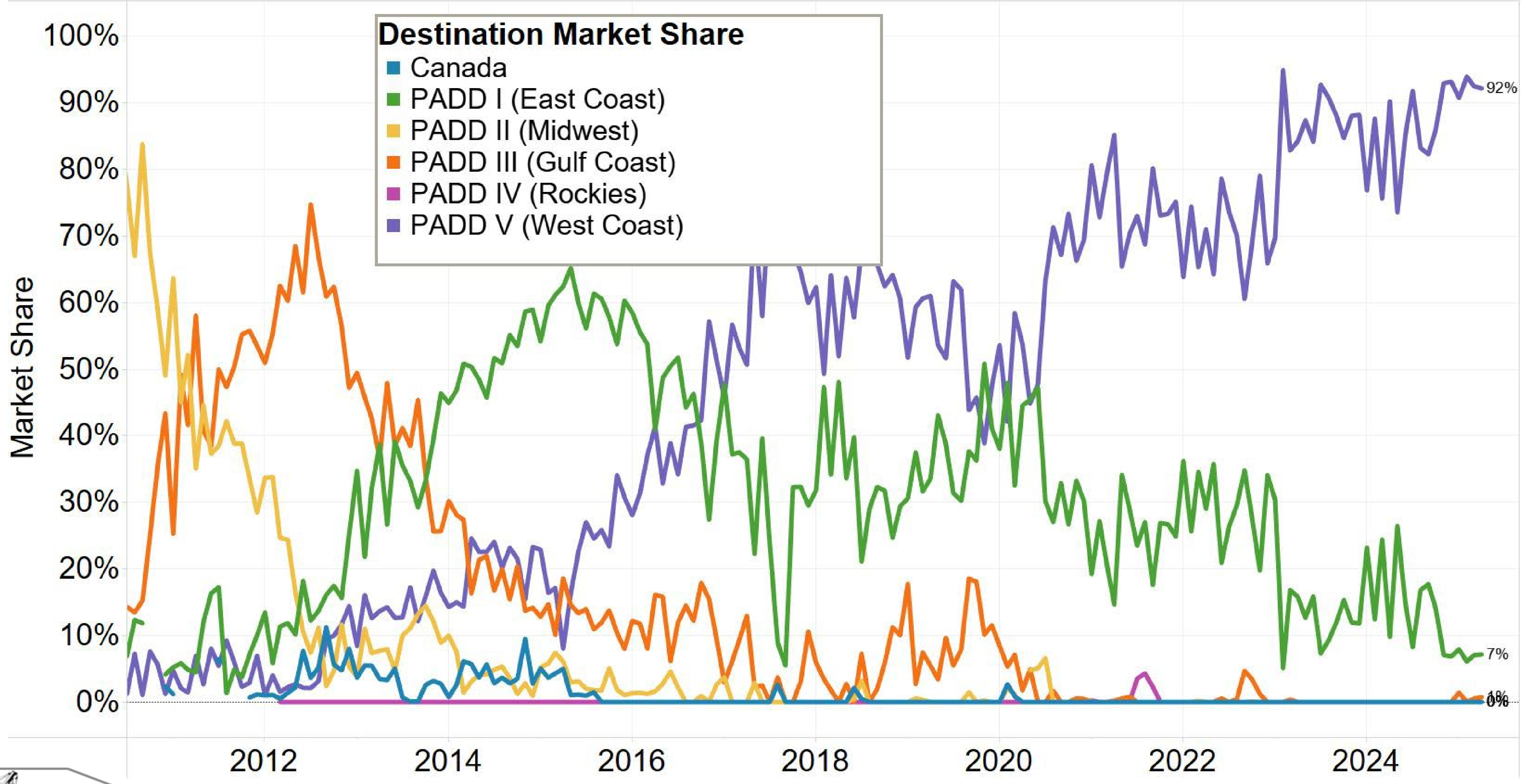
Estimated Williston Basin Oil Transportation



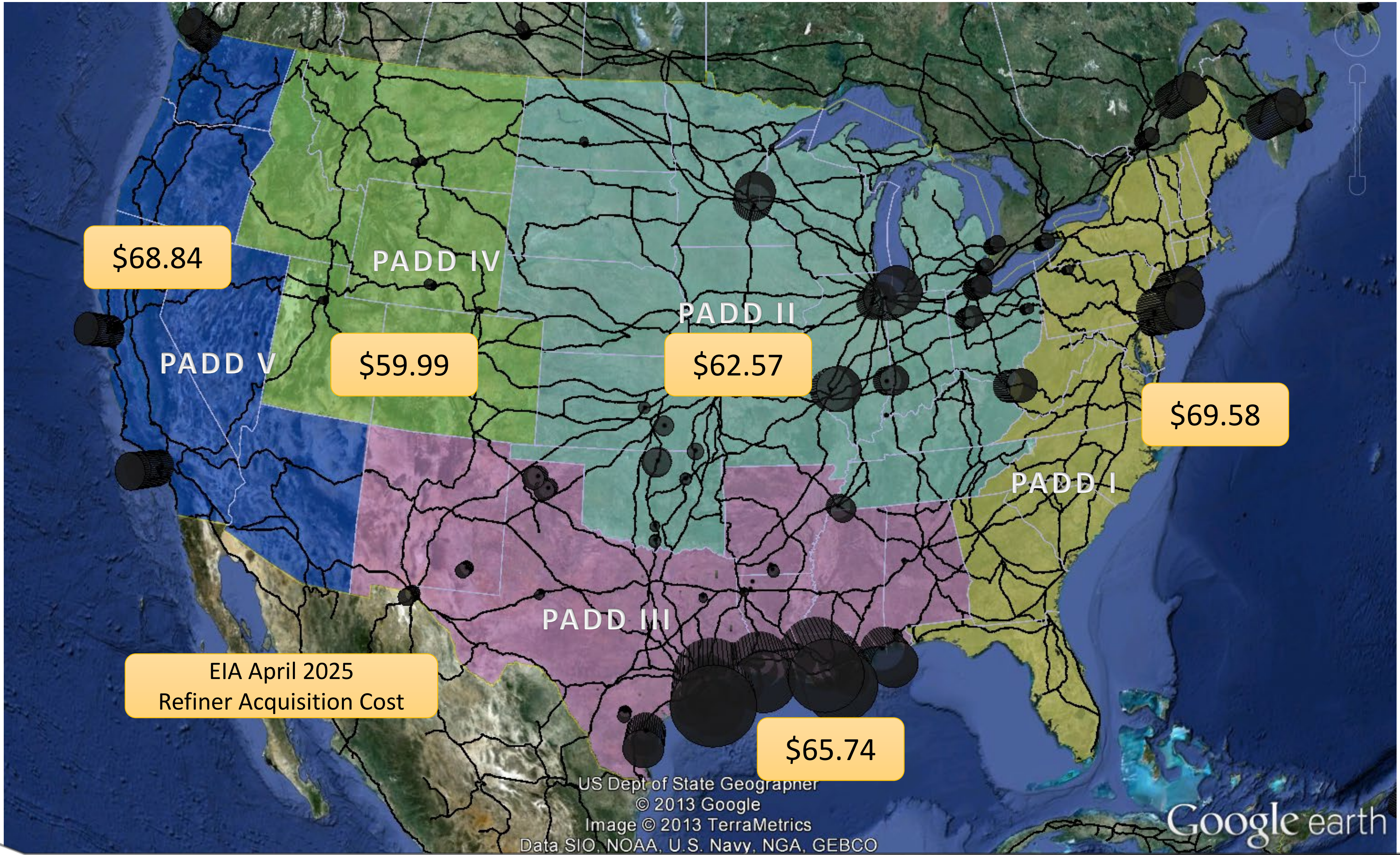
Estimated ND Rail Export Volumes



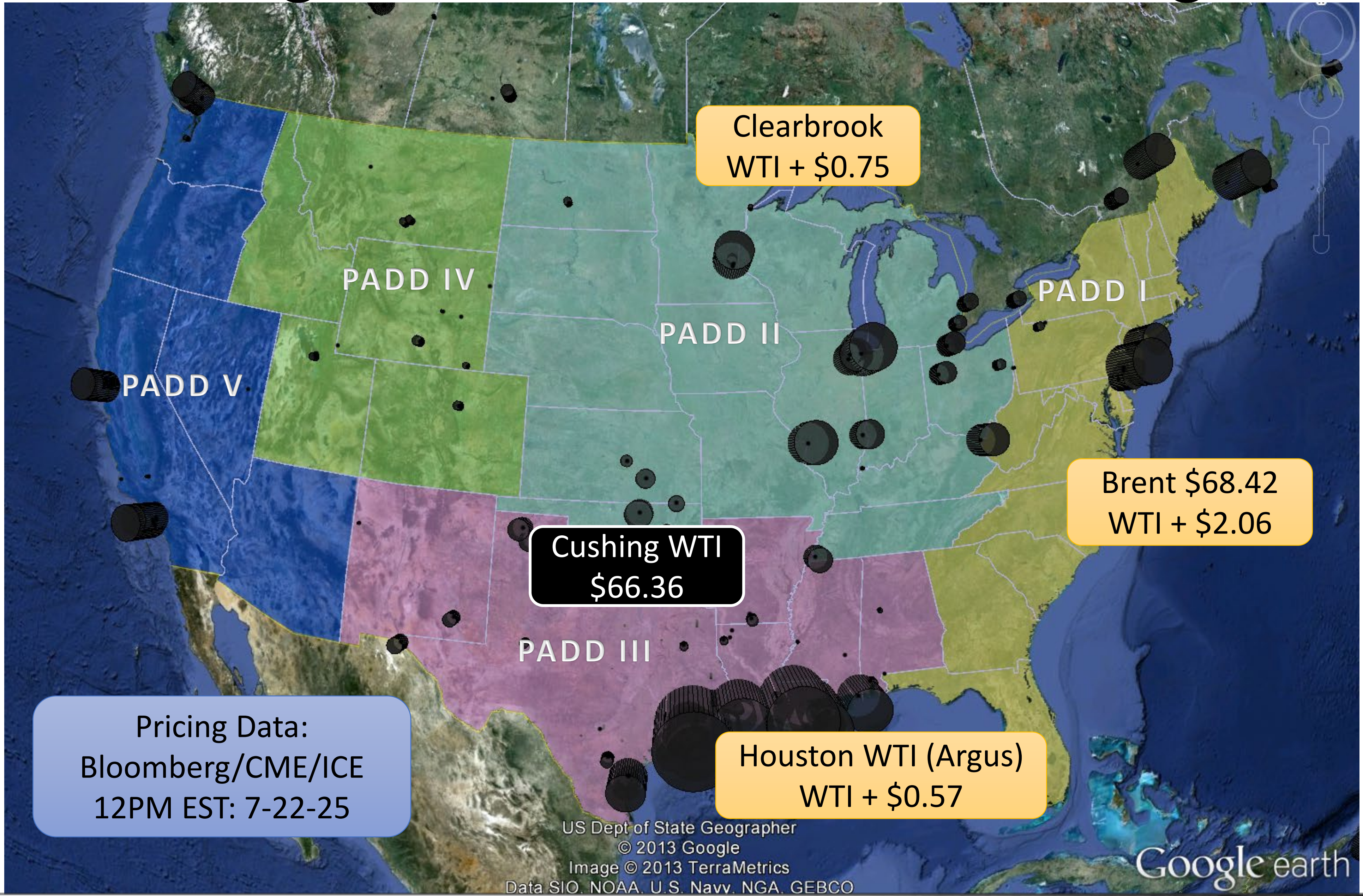
Rail Destinations Market Share (April 2025)



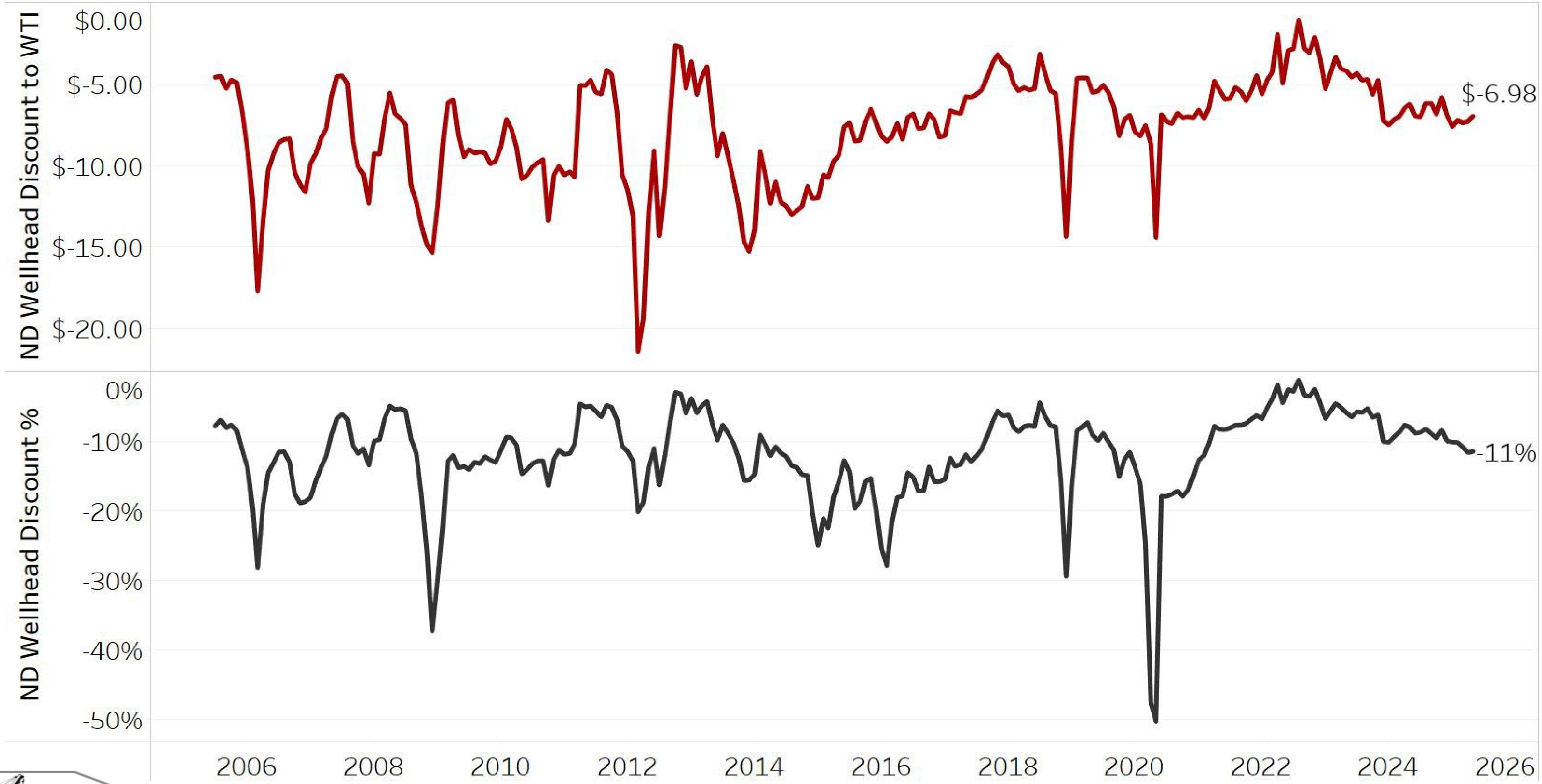
Major Rail Lines and Refineries



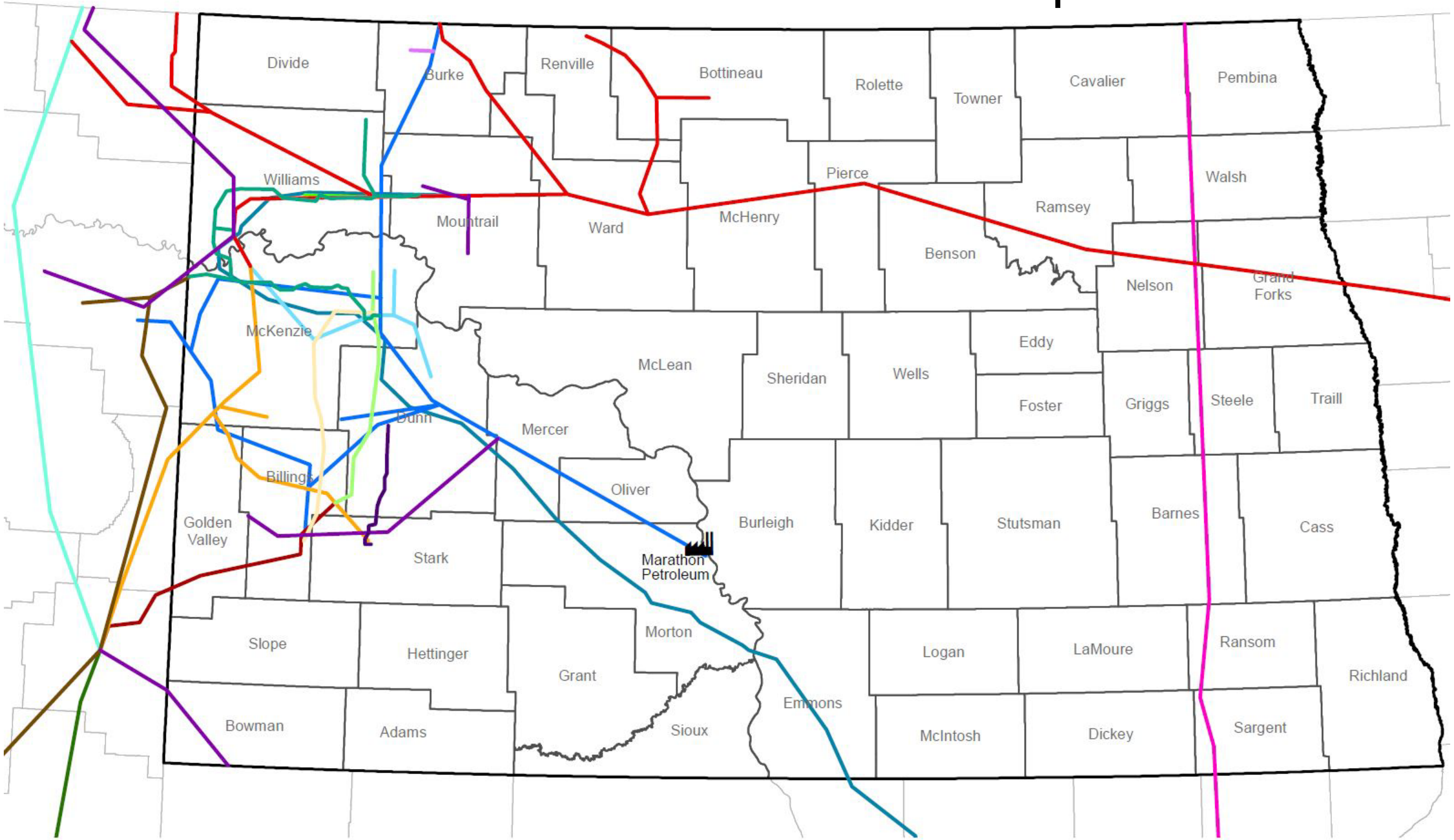
Major Pricing Benchmarks & Refining Centers



Average North Dakota Oil “Discount” to WTI

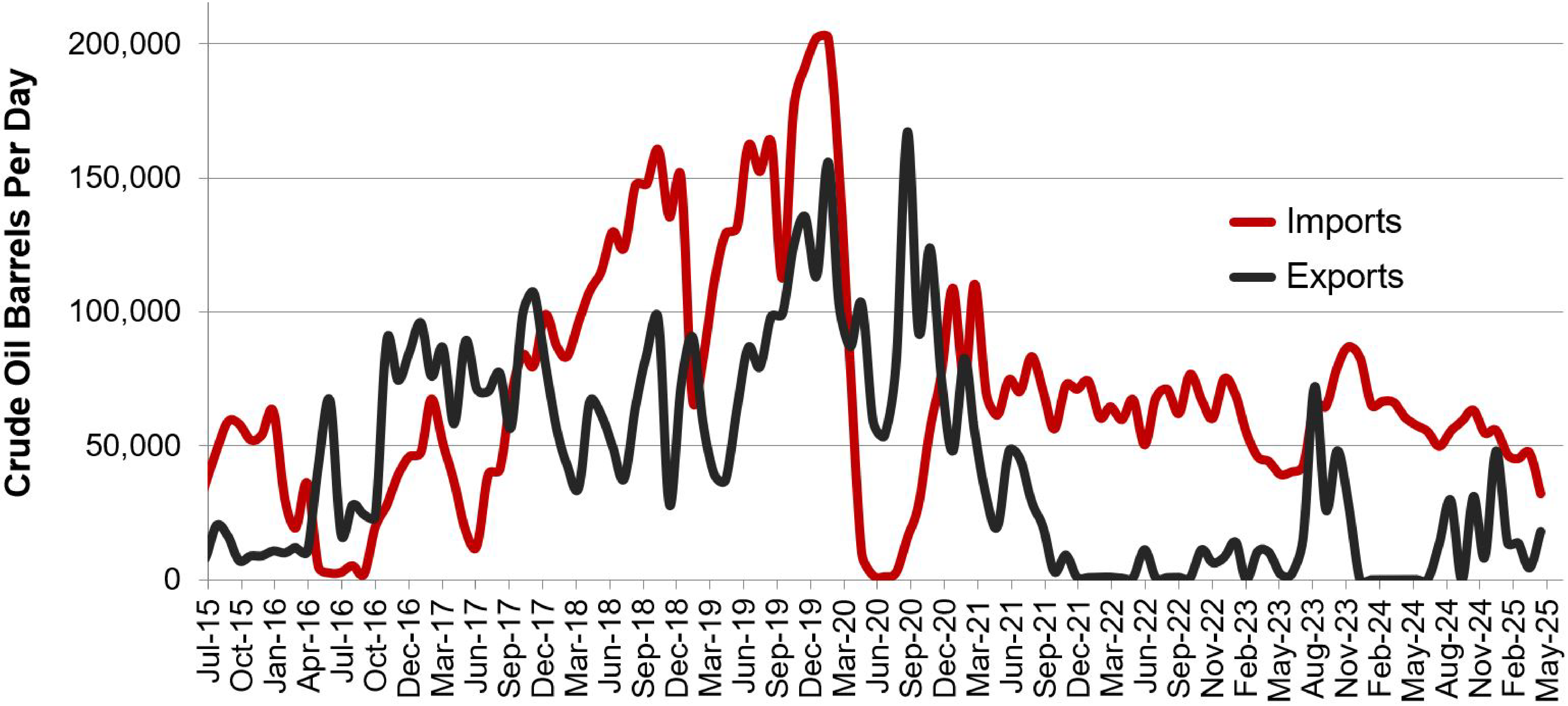


North Dakota Oil Transmission Pipelines



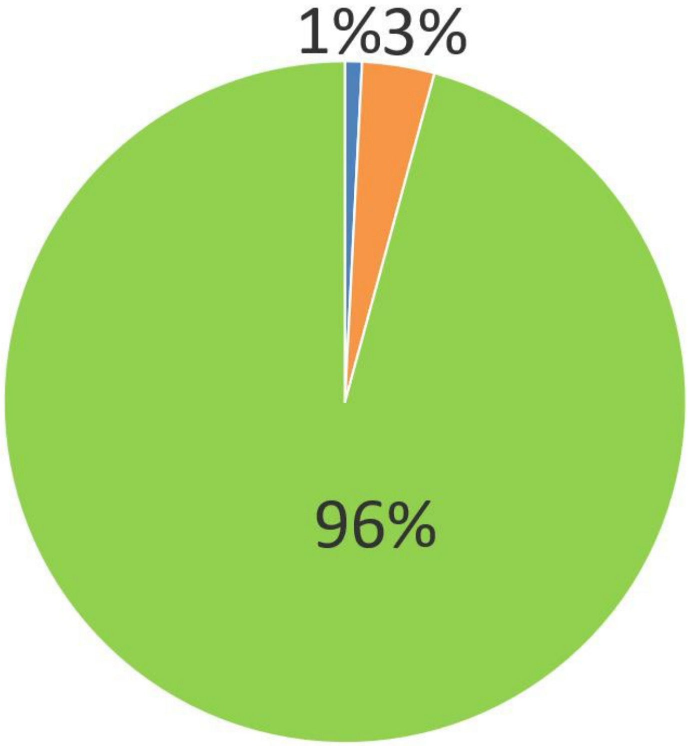
Refinery
Bakken Oil Express
BakkenLink
Basin Transload
Belle Fourche
Bridger
Butte
Crestwood
Dakota Access
Double H
Enbridge
Four Bears
Hiland
Keystone Pipeline
Little Missouri
Bridger
Targa
Marathon

Williston Basin **Truck/Rail** 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

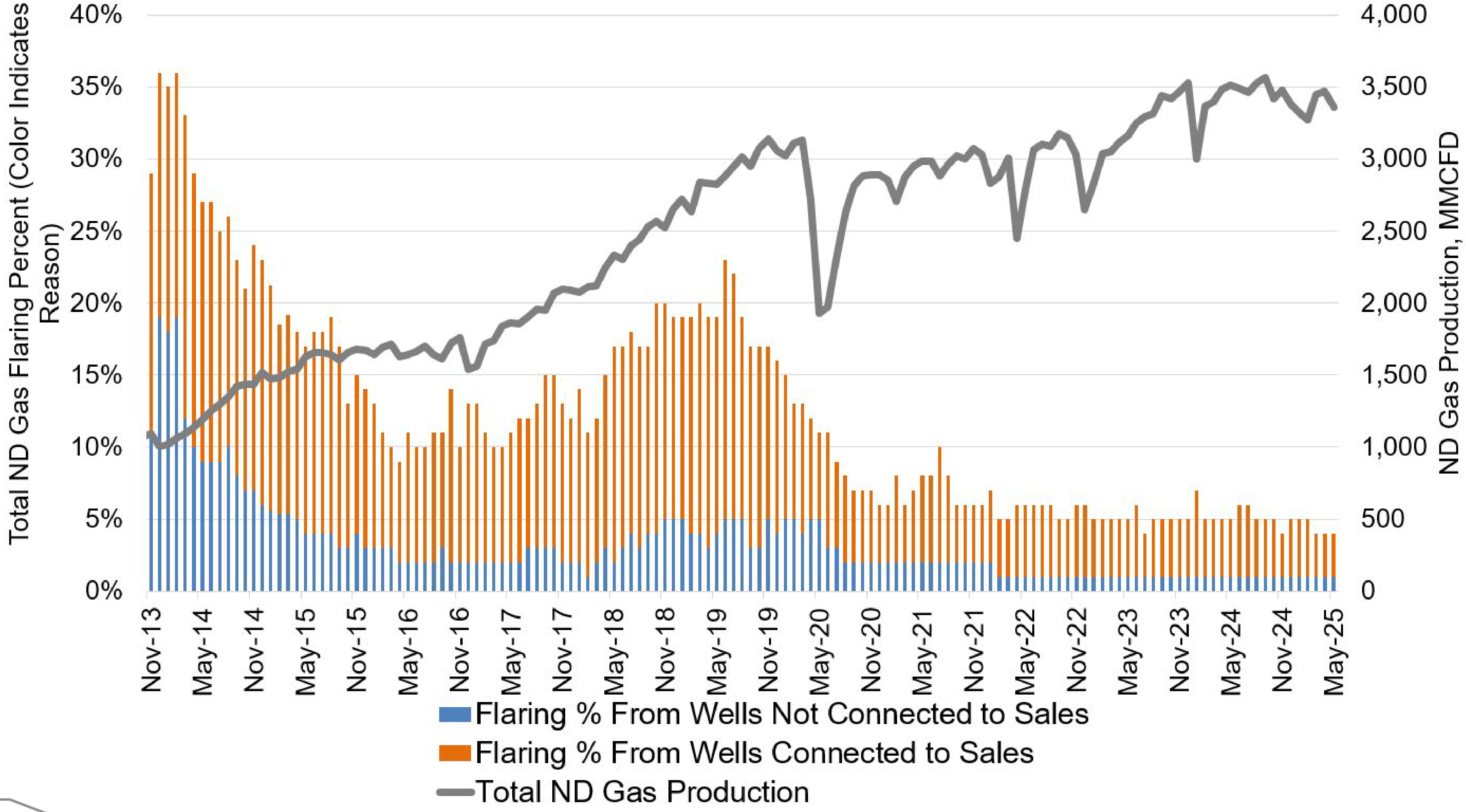
GREEN – % of gas captured and sold
Blue – % flared from zero sales wells
Orange – % flared from wells with at least one mcf sold.

Simple Terms

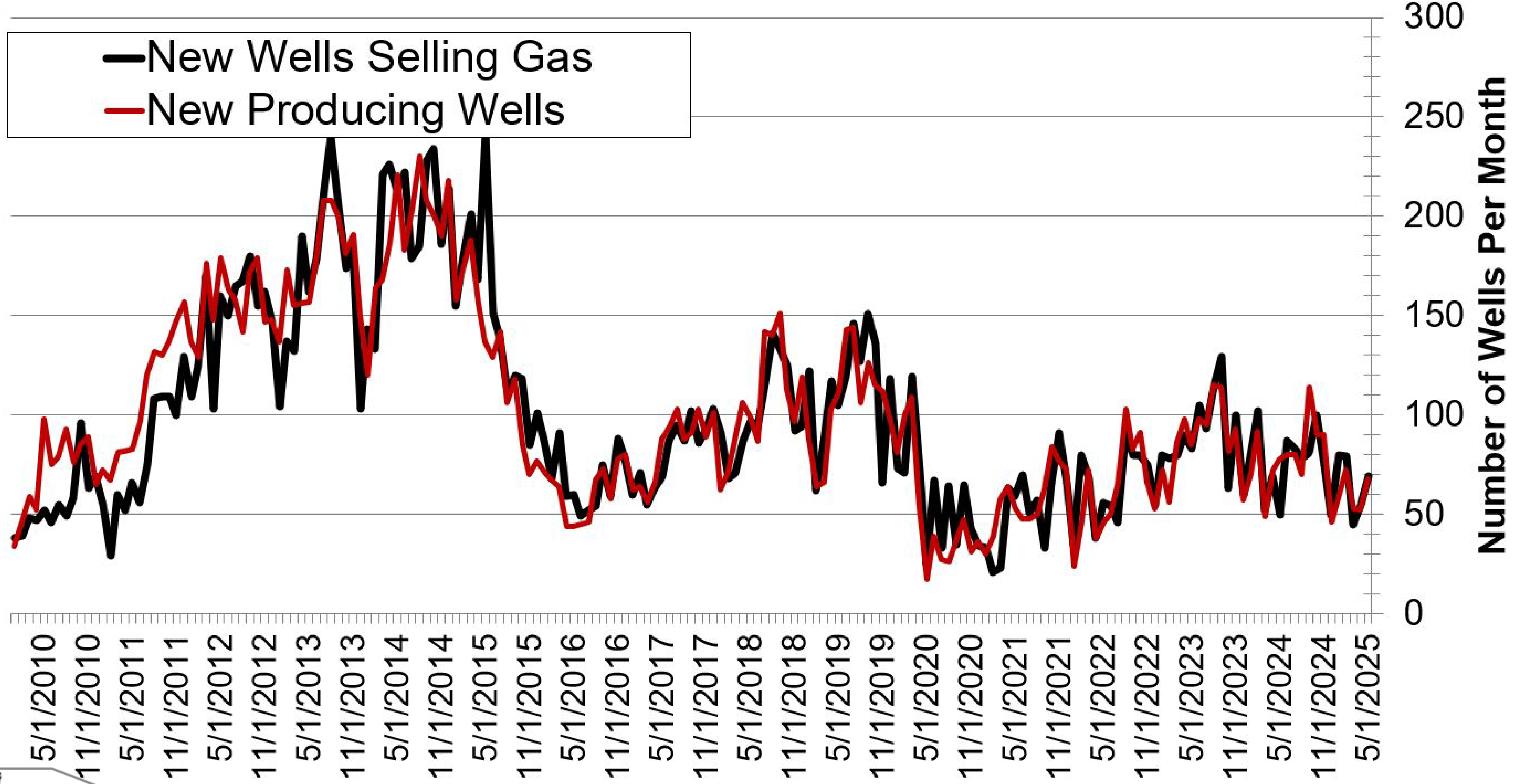
Blue – Lack of pipelines
Orange – Challenges on existing infrastructure

May 2025 Data – Non-Confidential Wells

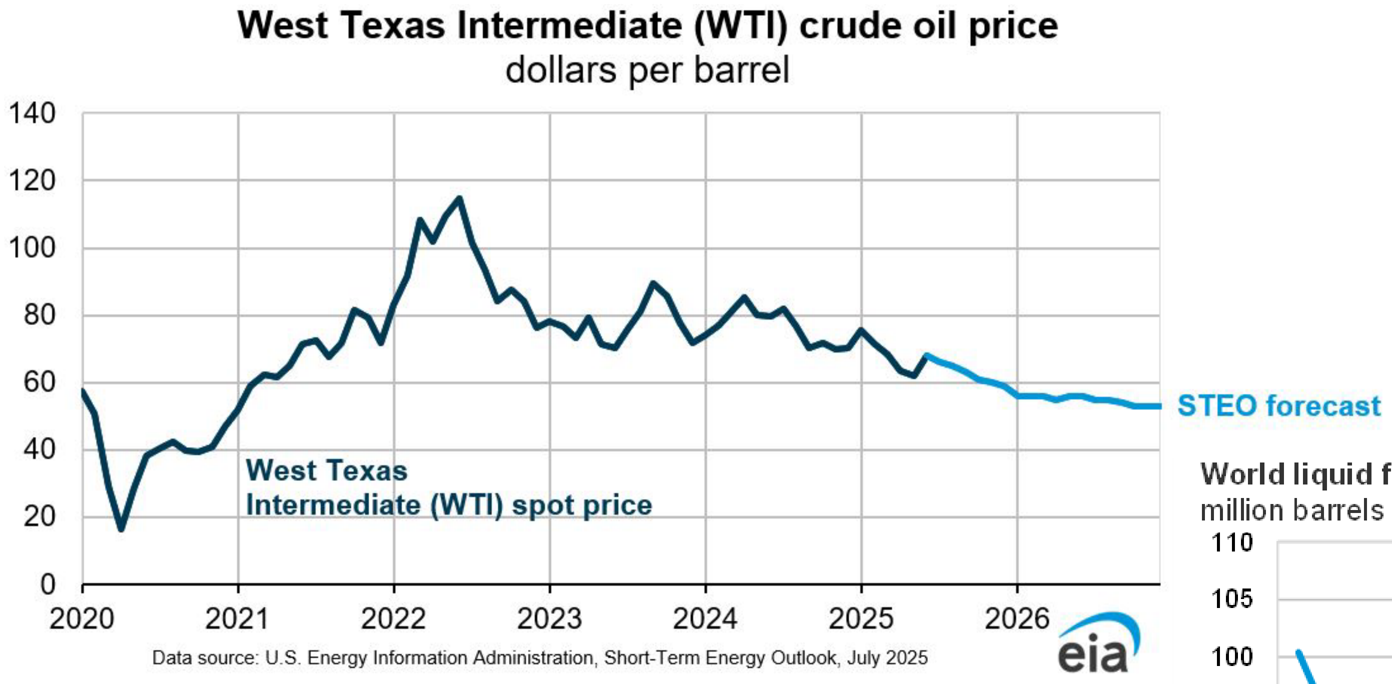
Solving the Flaring Challenge

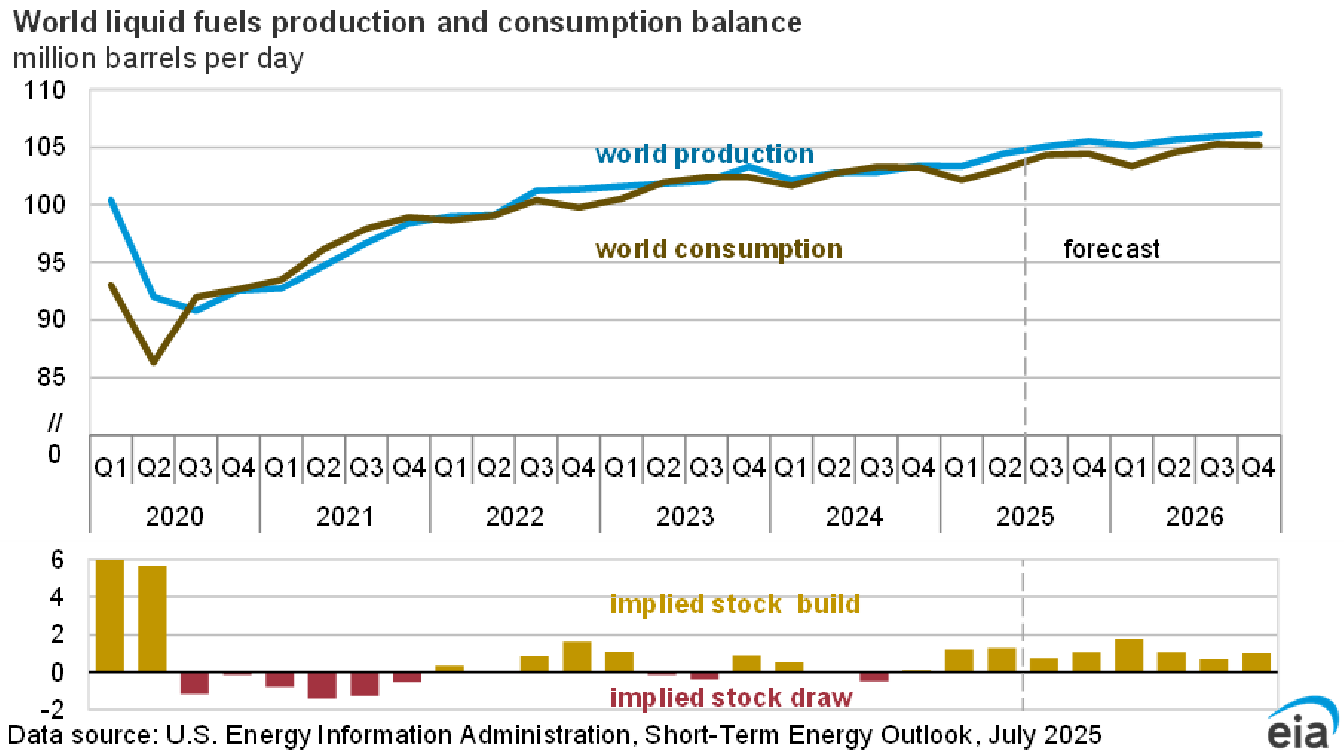


Solving the Flaring Challenge

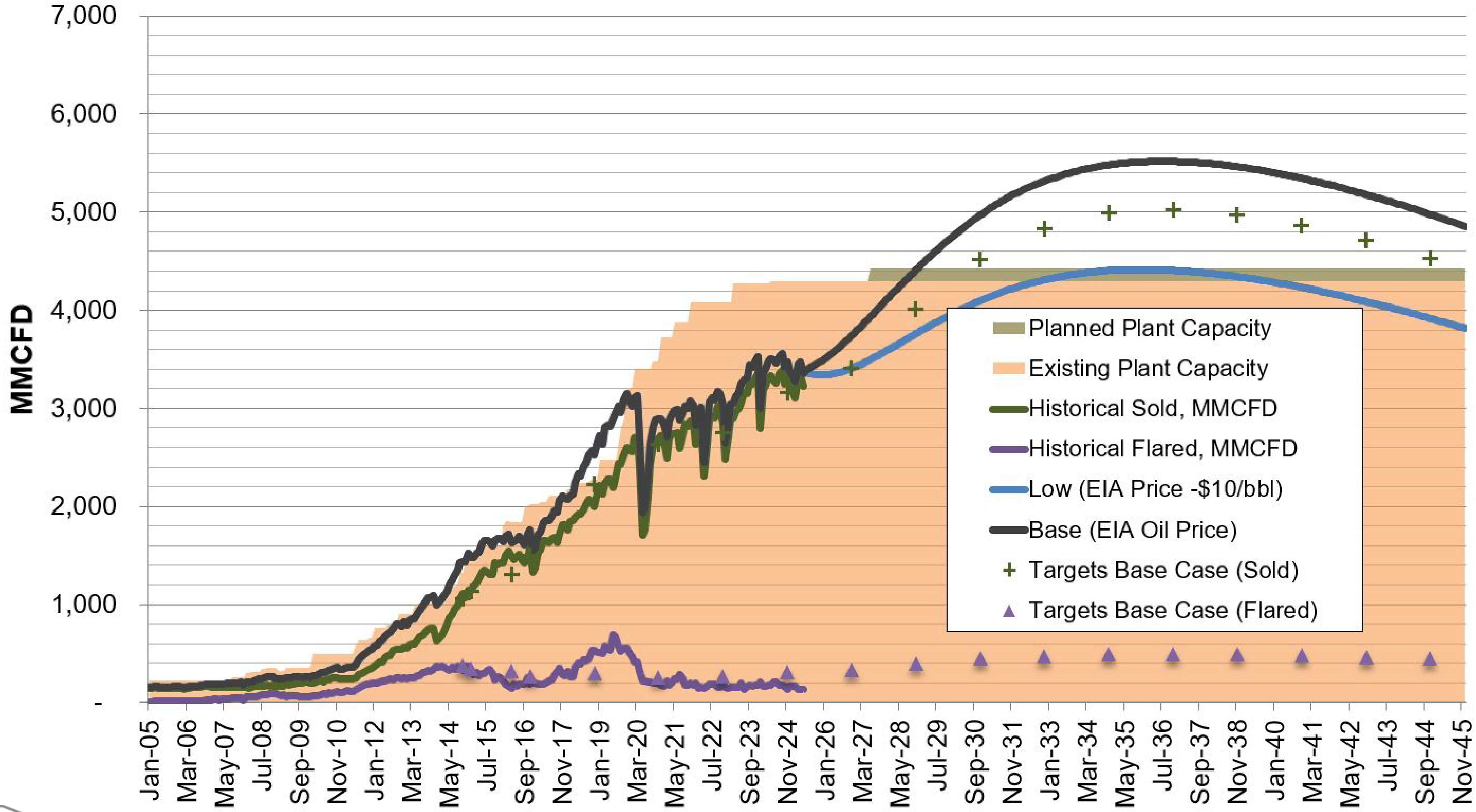


EIA Oil Price Outlook (July 2025)

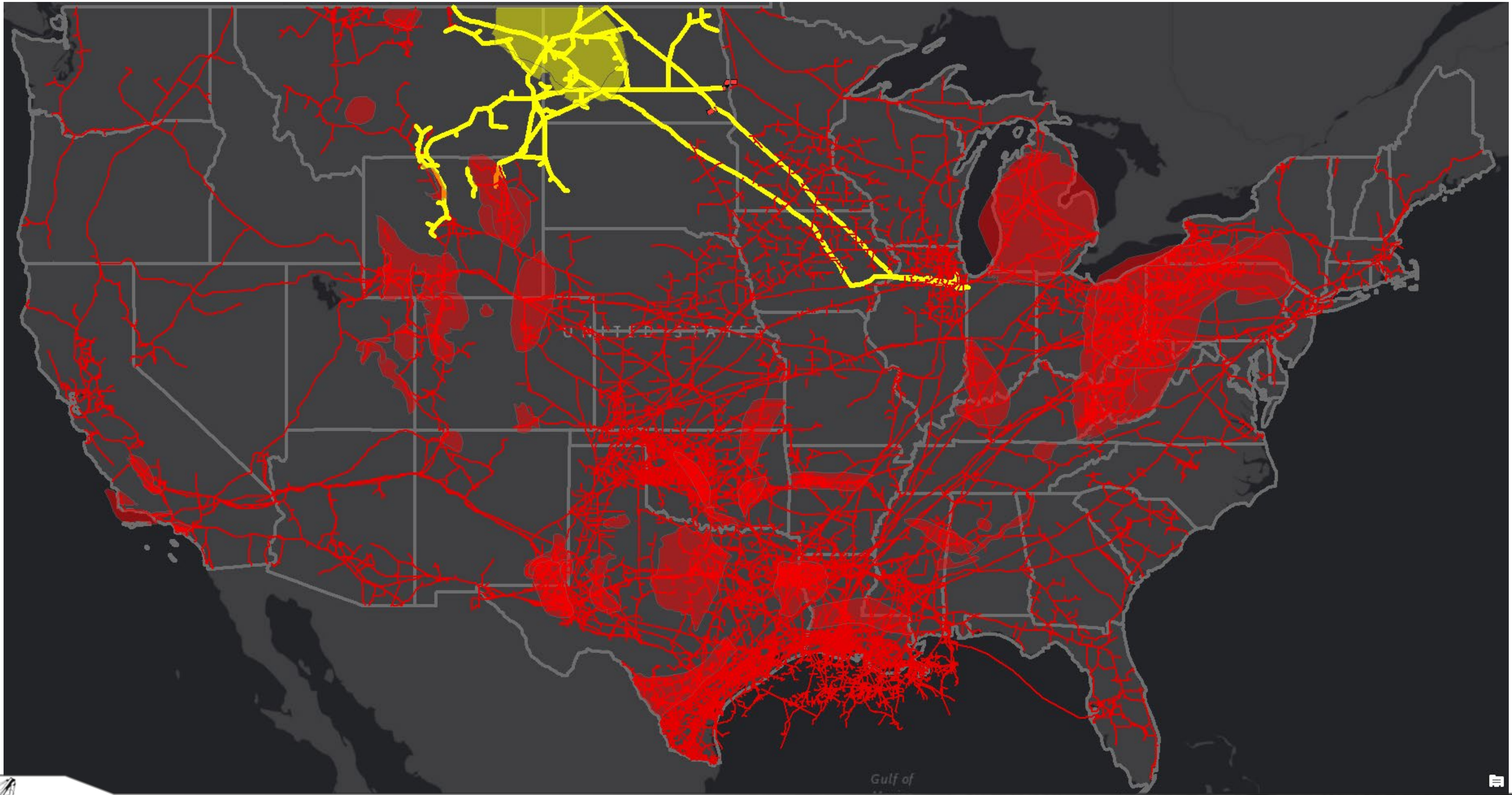




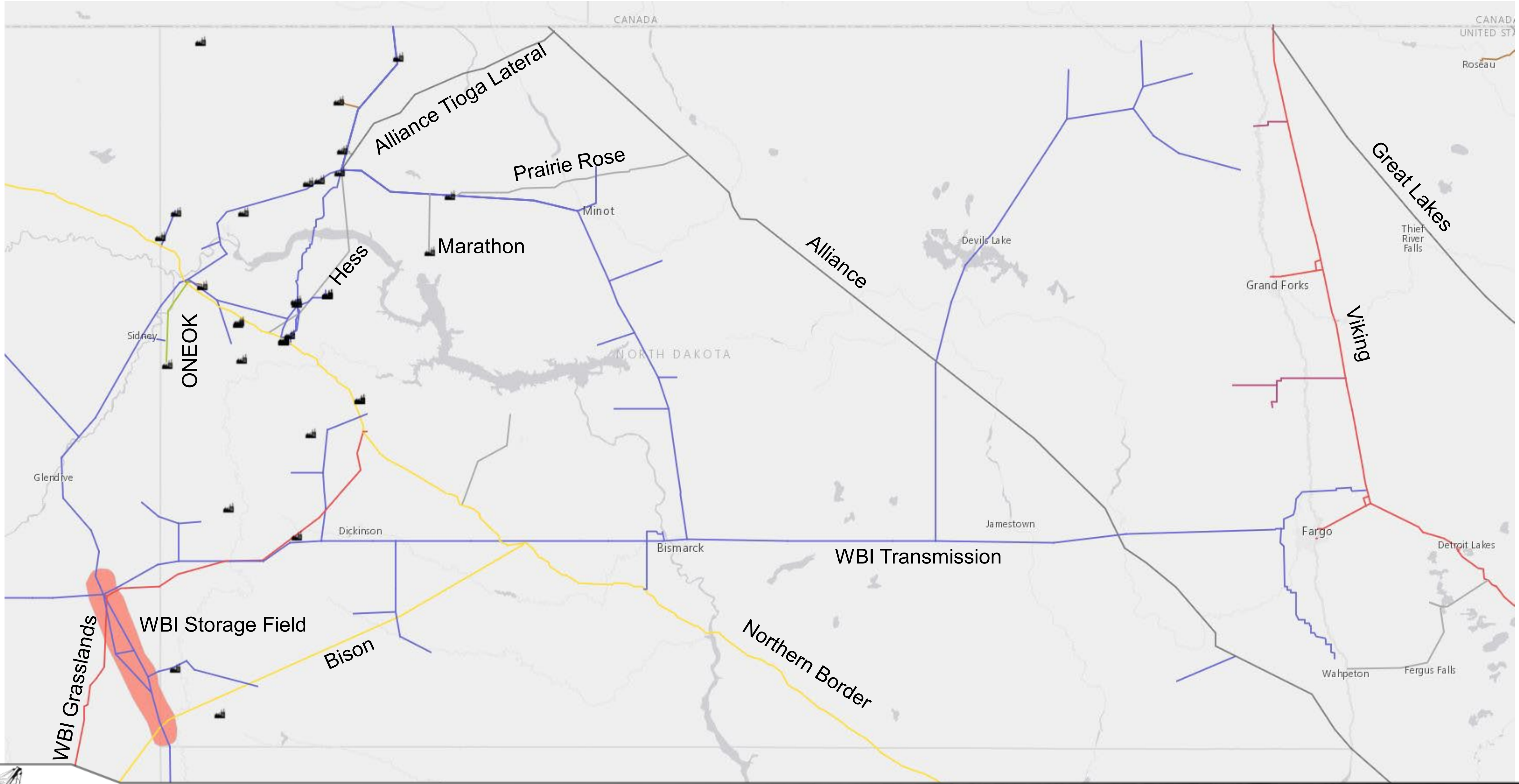
North Dakota Gas Processing Outlook



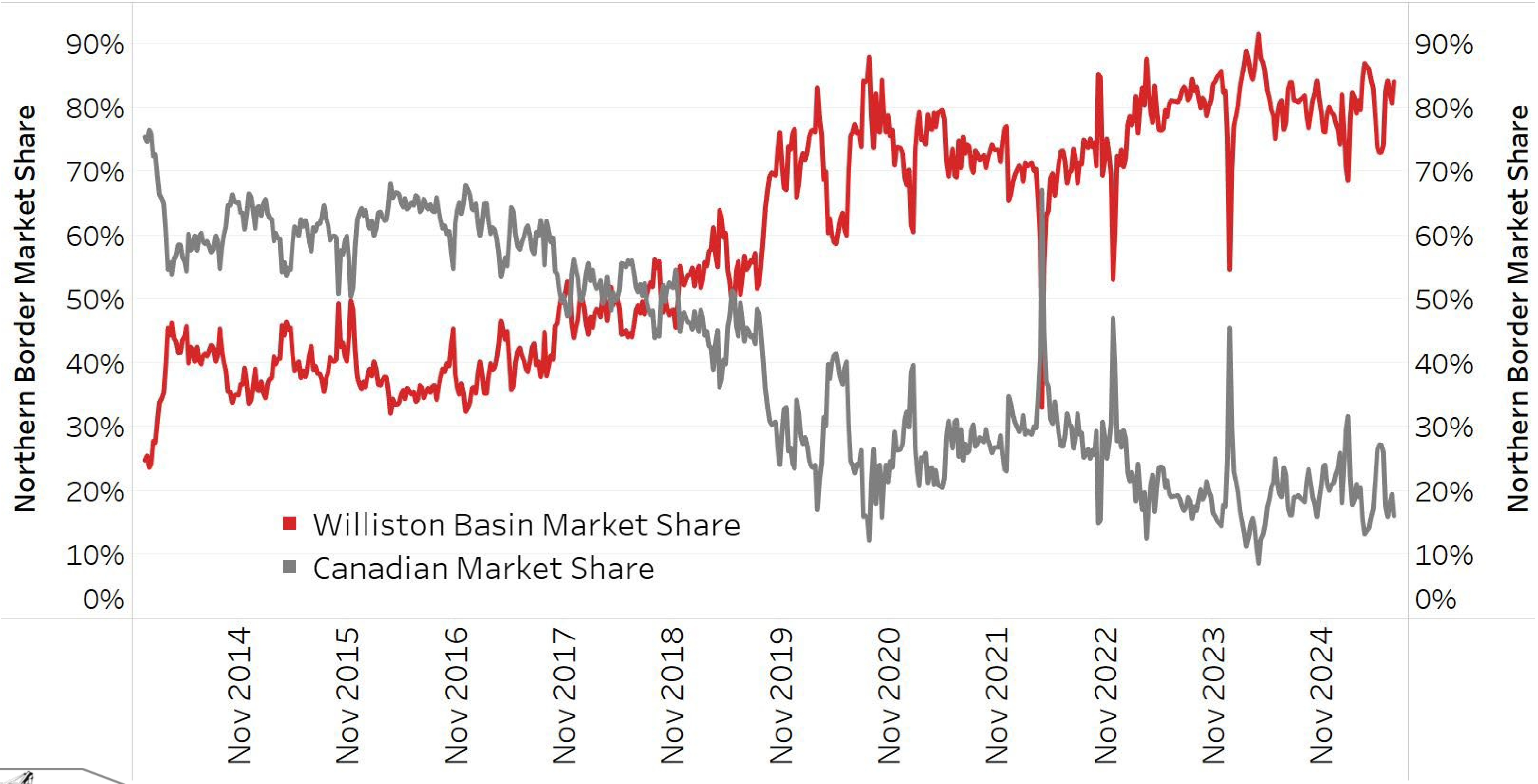
Bakken Natural Gas Infrastructure



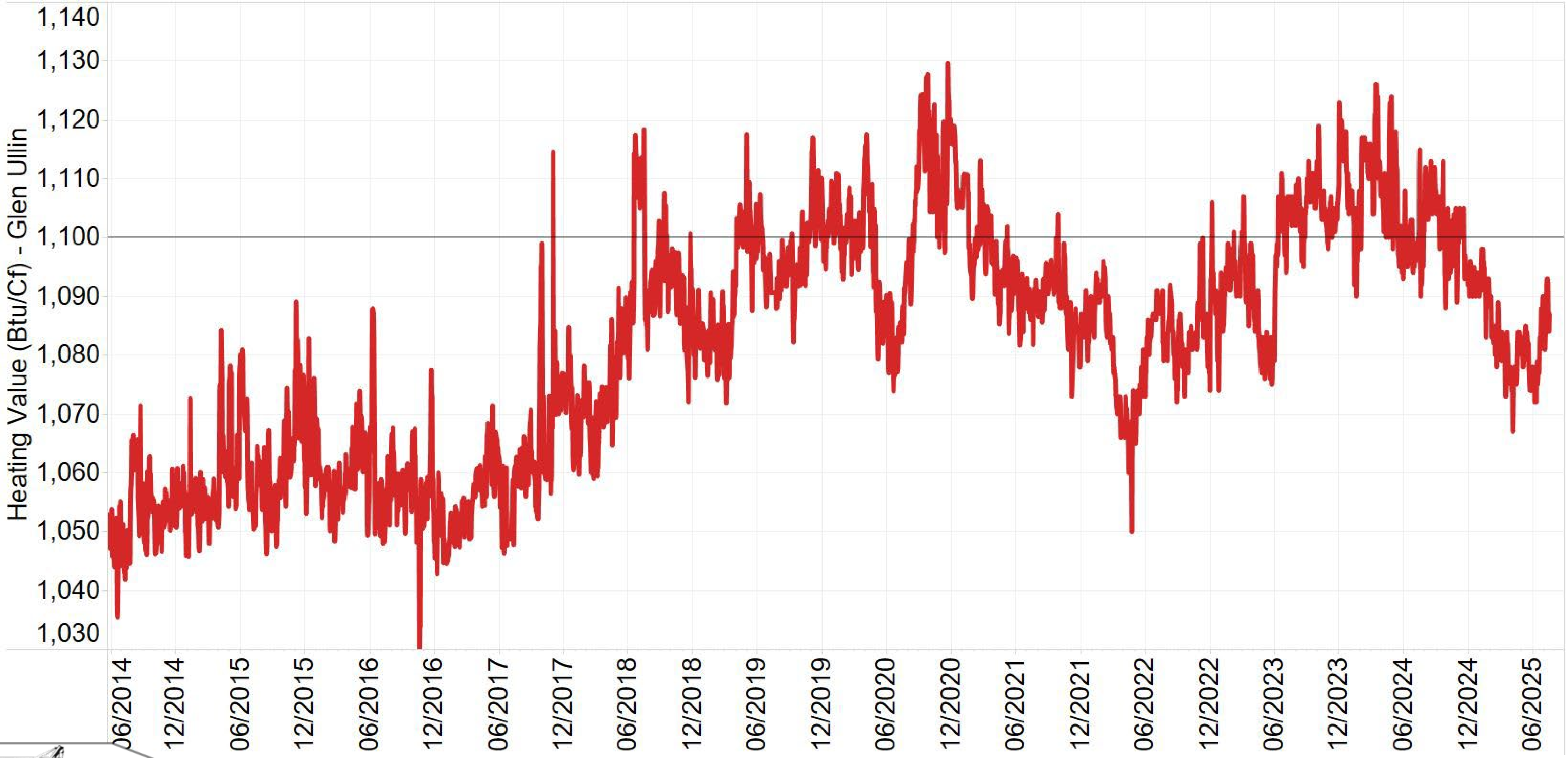
Major Residue Gas Pipeline Infrastructure



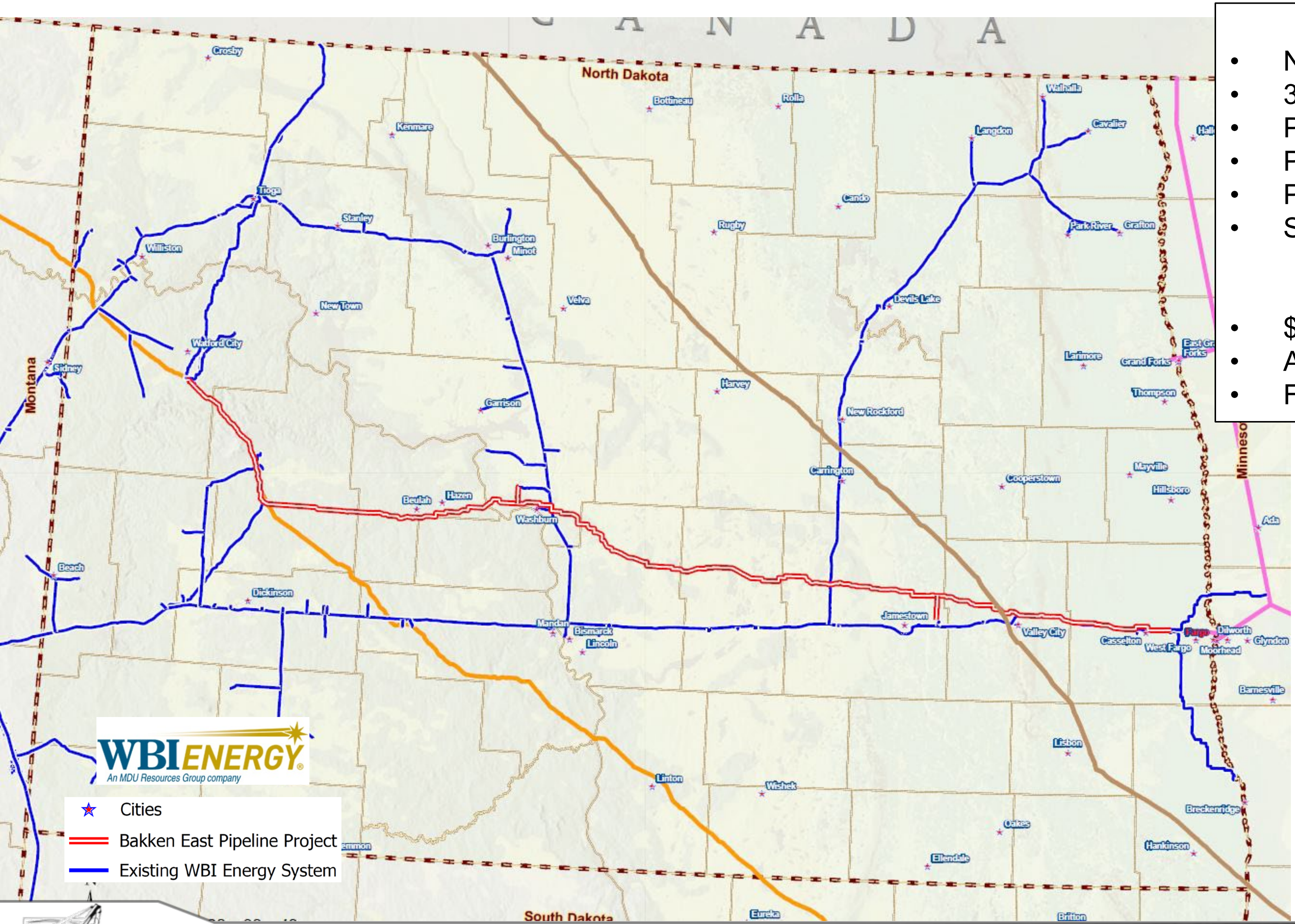
Northern Border Pipeline Market Share



Northern Border BTU at Glen Ullin, ND



WBI Energy: Proposed Bakken East Project



Natural Gas Pipeline Project Highlights

- Non-binding open season Dec 16 – Jan 31, 2025
- 375 Miles: 30” & 24” Pipe
- Proposed Capacity 760,000 Dth/Day
- Phase 1 (West) : Nov 2028 targeted in-service
- Phase 2 (East) : Nov 2029 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

Intensity Infrastructure Partners Proposed Pipeline

Phase 1 Project Highlights

- Non-binding open season Feb 3 – Mar 7, 2025
- 136 Miles: 42” Pipe
- Proposed Capacity 1,500,000 Dth/Day
- January 2028 targeted in-service
- Seeking commitments 10yrs or Longer

Phase 1 Estimated Rates

- $0.50/Dth + Fuel/Electric/Commodity
- Anchor Shipper Minimum: 100,000 Dth/Day
- Foundation Shipper Minimum: 250,000 Dth/Day

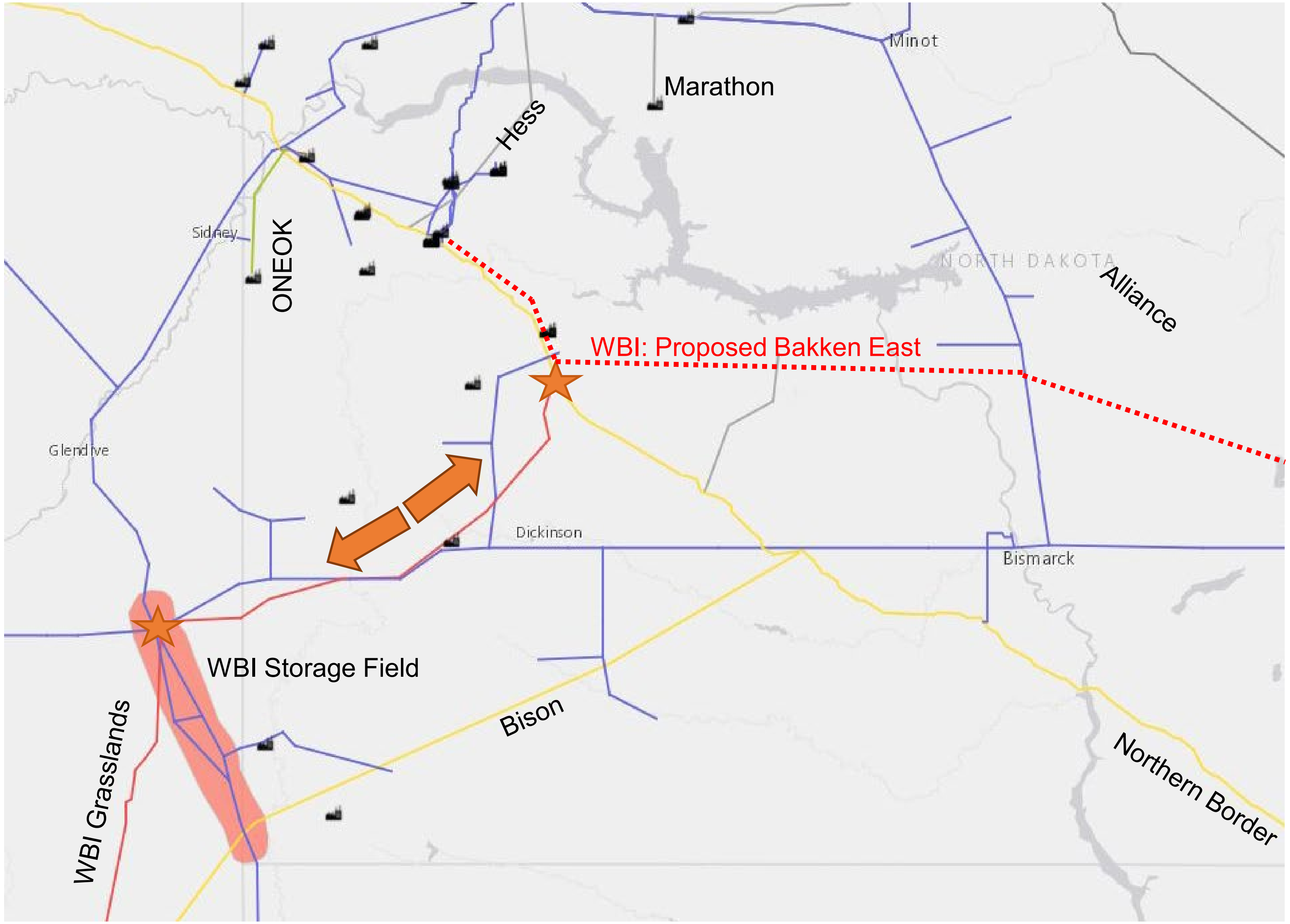
Phase 2 Project Highlights

- 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

WBI Energy Open Season: Storage/Pipe Enhancement



Firm Transportation Project Highlights

- Non-binding open season Apr 21 – May 20, 2025
- Pipeline expansion: 72,000 Dth/Day
- Oct 2029 targeted in-service
- Seeking commitments 15yrs or longer
- Pipe looping and new/upgraded compression

Estimated Rates (+Fuel/Elec/Commodity)

- Capacity reservation: $0.58156/Dth

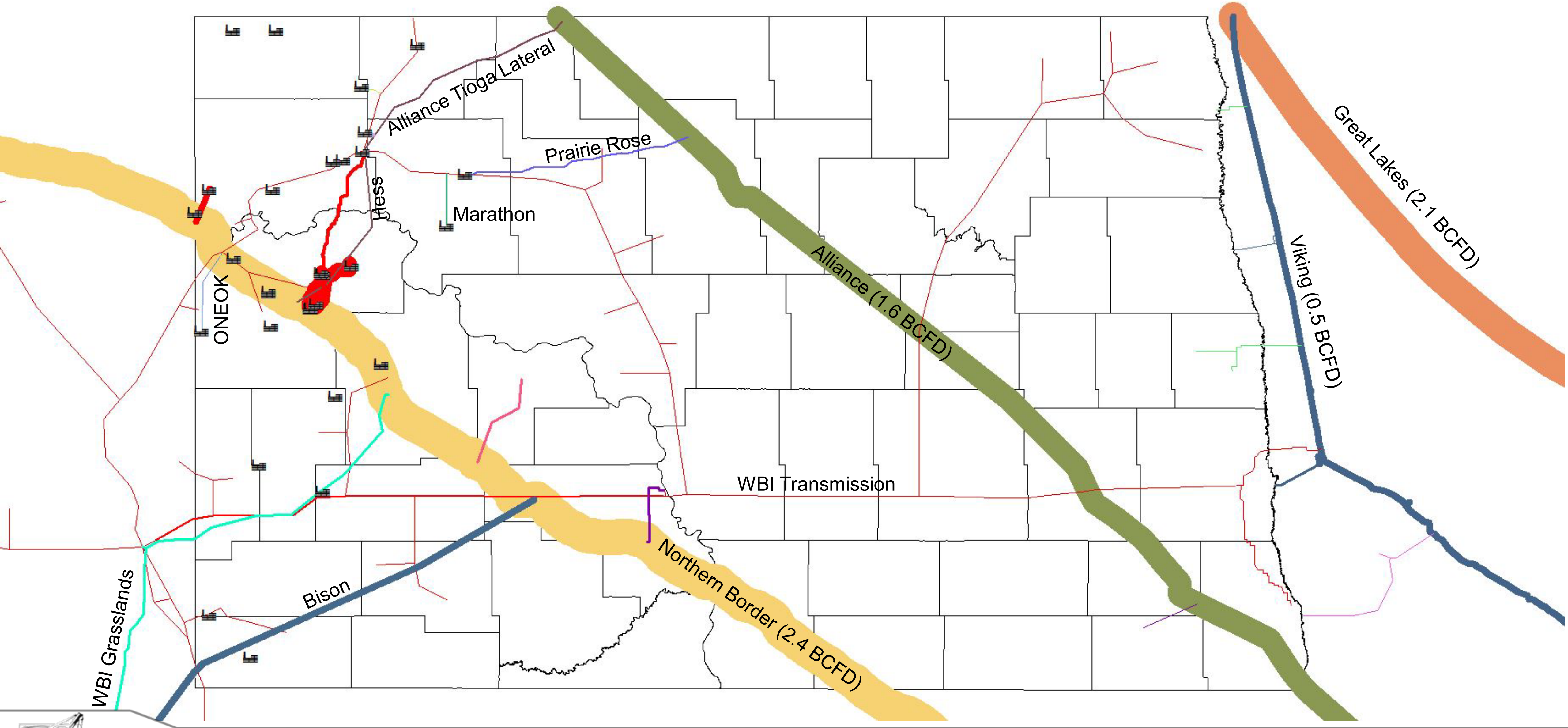
Storage Project Highlights

- Non-binding open season Apr 21 – May 20, 2025
- Deliverability expansion: 72,000 Dth/Day
- Up to ~10 BCF total of new seasonal service
- Oct 2029 targeted in-service
- Seeking commitments 15yrs or longer

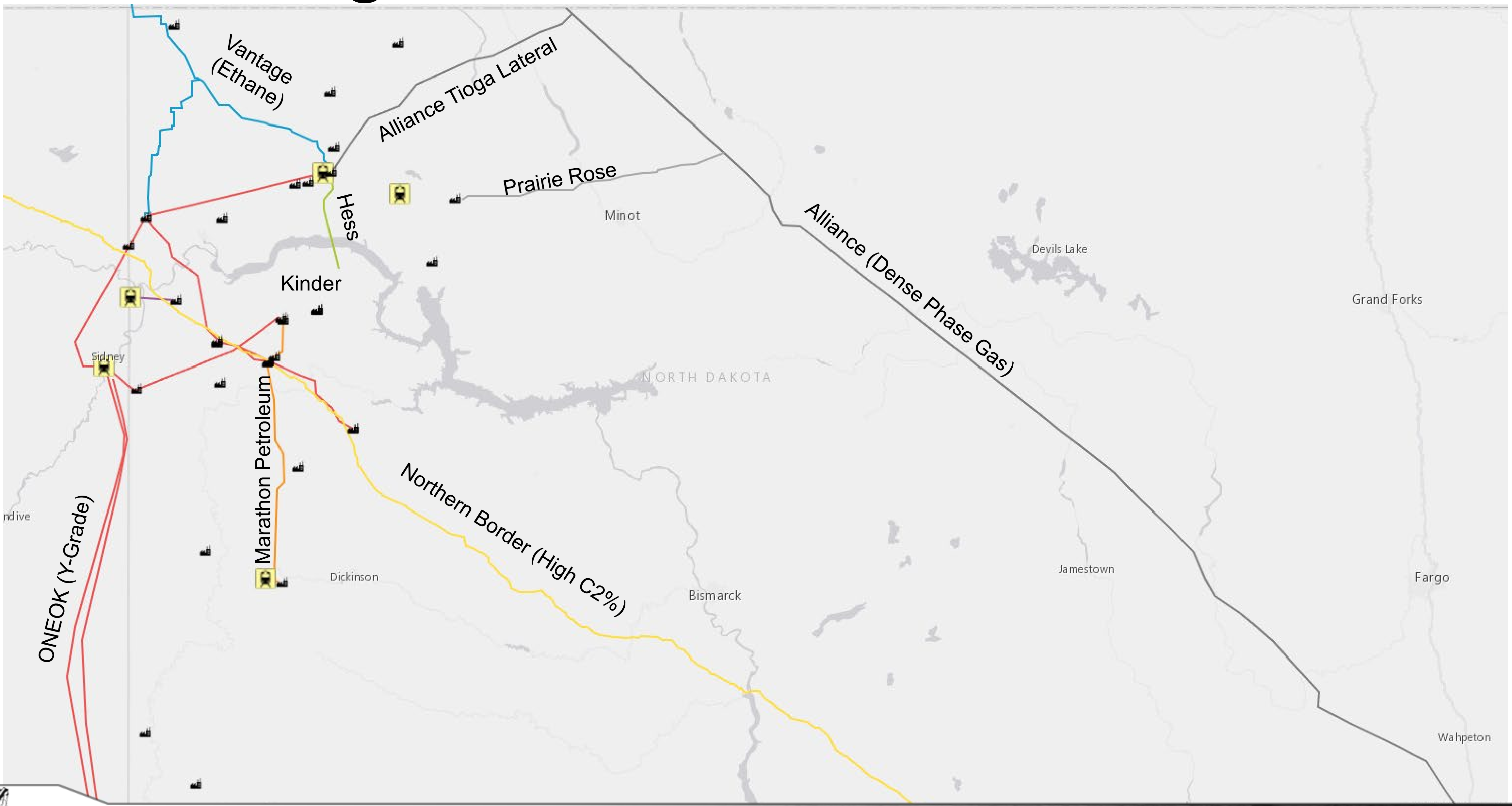
Estimated Rates (+Fuel/Elec/Commodity)

- Capacity reservation: $0.002113/Day
- Deliverability reservation: $0.31901/Day
- Injection charge:$0.00959/Dth
- Withdrawal charge: $0.00959/Dth

Residue Gas Pipeline Capacity Visualization



Regional NGL Infrastructure



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