

OIL AND GAS DIVISION GEOLOGICAL SURVEY MERGER



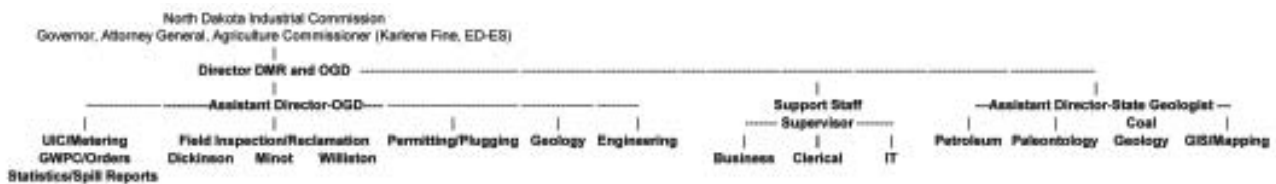
By Lynn Helms

“We need an umbrella under which we can put all of the programs and end up with the whole being greater than the sum of its parts.” Robert Teeter (1939-2004) political pollster and strategist.

The 2003 Legislative Assembly passed an amended Industrial Commission appropriations bill HB1015. Section 14 of the bill directed the Industrial Commission to review the implementation of the merger of the Oil and Gas Division and the Geological Survey to be accomplished by July 1, 2005.

After careful consideration the Industrial Commission approved a public hearing and comment process for review of the merger. This process was chosen over other options such as a study committee because it offered the greatest opportunity for all stakeholders to have a voice in the outcome.

The legislation directed the Industrial Commission to consider allowing the Oil and Gas Director to appoint the State Geologist. Many comments were received urging the retention of the position and qualifications of State Geologist as well as an organizational structure that would maintain State Geologist authority over Geological Survey programs under the direction of the department director. This was accomplished by implementing the following organizational chart:



HB1015 Section 14 also instructed the Commission to recommend a name change for the merged Oil and Gas Division and Geological Survey. Very few public comments were received on this matter, but the majority of comments received felt that Department of Mineral Resources best reflected the mission and jurisdiction of the new agency.

Finally, the Industrial Commission was to report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly. Thirty statutes that dealt with the Oil and Gas Division and the Geological Survey were evaluated. Only seven were amended and one outdated section was repealed.

The proposed merger was passed by the 2005 legislative assembly as part of the Industrial Commission appropriations bill SB1014.

The Department of Mineral Resources has been implementing the merger since July 1, 2005. Many improvements in permitting, regulatory oversight, and service to other state agencies and the citizens of North Dakota are being realized. Following are some specific examples:

- 1) An Oil and Gas Division petroleum engineer and a Geological Survey geologist now cooperatively work on oil and gas evaluations for the State Land Department.
- 2) Letters reminding oil companies to submit cores and samples to the Wilson M. Laird Core and Sample Library are now being sent out by the Oil and Gas Division geologist (where the statutory authority lies) after consultation, when needed, with Survey geologists.
- 3) The core photo and photomicrograph project (see article on page 2).
- 4) The Oil and Gas Division and Geological Survey have cooperated on energy displays at the new Long X visitor center in Watford City and a future display for the Dickinson chapter of the American Petroleum Institute (API).
- 5) Field inspection of geothermal and coal exploration projects, which are very similar to geophysical work, are now done primarily by the Geophysical Field Inspector.