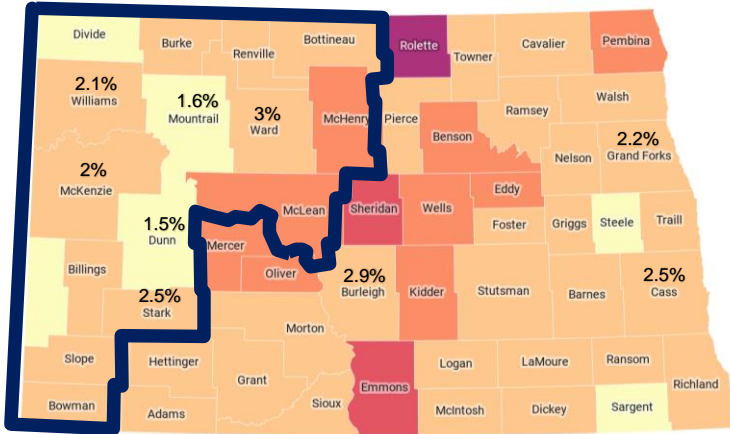


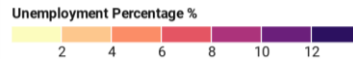
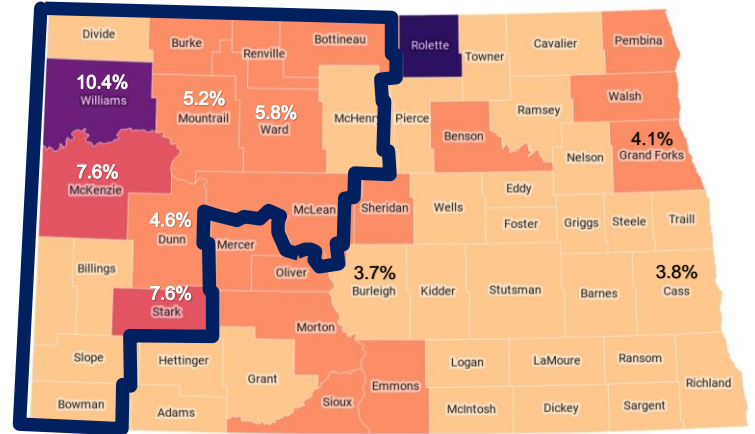
WESTERN WORK NEEDED

All employment sectors need & deserve job creation efforts.
Our North Dakota communities need support in finding work.

North Dakota Unemployment - January 2020



North Dakota Unemployment - September 2020



The average unemployment rate from January to September 2020 in North Dakota's top 16 oil & gas producing counties has increased **2.29%**.

The average unemployment in the remaining 37 counties has increased **.28%**.

Top 16 Oil and Gas Producing Counties

Jan-20, 2.71%

Sep-20, 5.00%

37 Other North Dakota Counties

Jan-20, 3.61%

Sep-20, 3.89%

Statewide

Jan-20, 3.34%

Sep-20, 4.23%

CREATING MORE from \$16 Million

Goal to bring
5-10 Frac
Crews back
to ND

Incentivize
Completion
of up to 80
DUC Wells

Support
500-1,000
Frac Crew
Jobs

Generating
150-200
Long-Term
Jobs

Potential to
support
650-1,200
Jobs in
North Dakota

Funds provided for the DUC Well Completion Project (*completion of wells already drilled but uneconomic to complete at current oil price*) will support up to 1,200 potential jobs in the state, stabilize production, and bring increased certainty to North Dakota's economy and state and local revenue.

North Dakota CARES about healthy communities and a healthy economy.

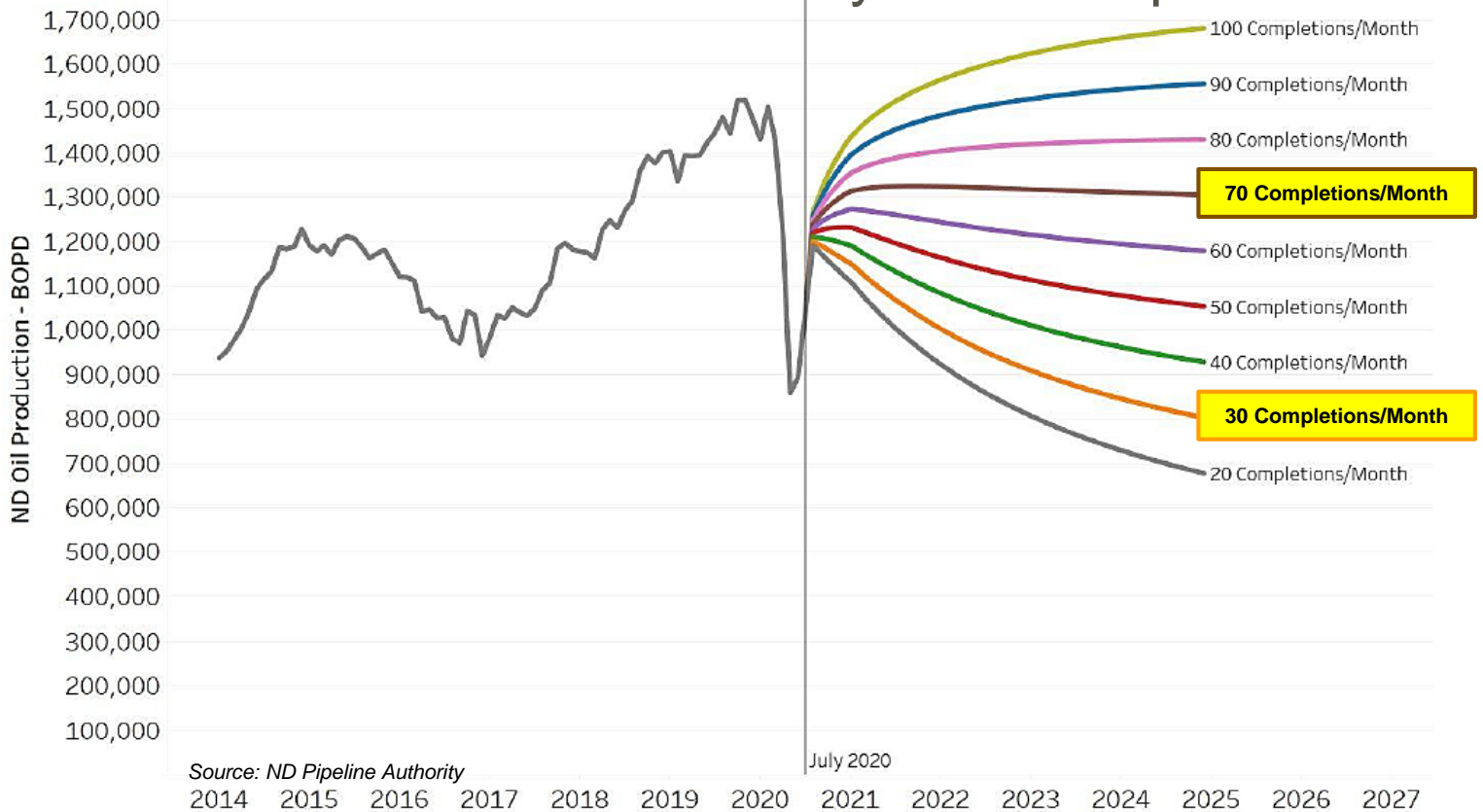
STABILIZE PRODUCTION

LIFTING THE CURVE

Without incentive → 30 well completions/month

With incentive → 70 well completions/month

ND Production Scenarios by # of Completions



The first year of just 1 new well completion has the potential to generate a 100% return in state sales tax revenues alone.

SUPPORTING NORTH DAKOTA REVENUE

\$200,000 Sales Taxes

Benefiting state general fund, counties, and cities.

\$800,000 Extraction Taxes

Benefiting Legacy Fund, education, and water infrastructure.

\$800,000 Production Taxes

Benefiting Legacy Fund, counties, cities, schools, research, and outdoor heritage.

\$2.9 million Royalty Payments

\$1.1 million Salaries & Wages



SUPPORTING NORTH DAKOTA TAX REVENUE × 80 =

The first year of 80 new well completions
has the potential to generate:

\$16 Million = Sales Taxes

\$64 Million = Extraction Taxes

\$64 Million = Production Taxes

\$232 Million = Royalties

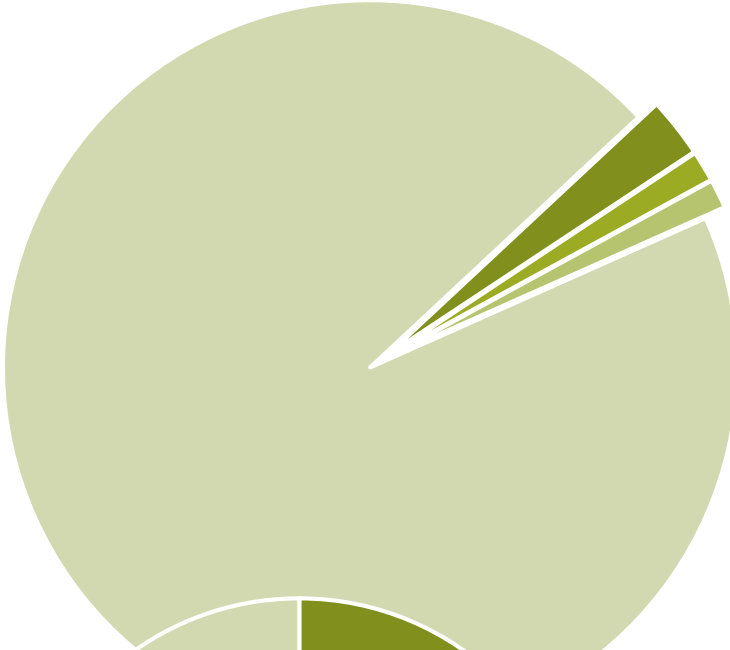
\$88 Million = Salaries & Wages

Potential to create \$88 Million in salaries and wages alone from \$16 Million in CARES Act funding through the DUC Well Completion Project by completing up to 80 wells. These tax revenues support North Dakota education, water projects, schools, counties, cities and more.



5% OF ND CARES ACT FUNDING

ALLOCATIONS WILL SUPPORT AND RE-ENERGIZE OIL & GAS SECTOR WHICH GENERATES 52% OF ND STATE TAX REVENUES.



3% - \$33 Million

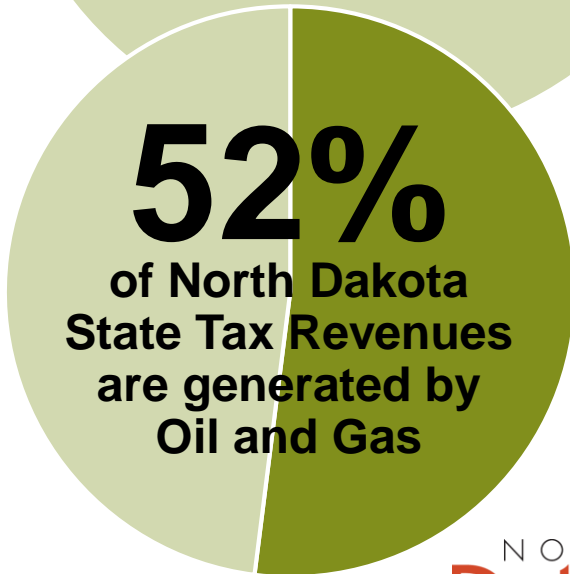
To support up to 1,000 ND jobs plugging orphan wells sitting abandoned across the state.

1% - \$17 Million

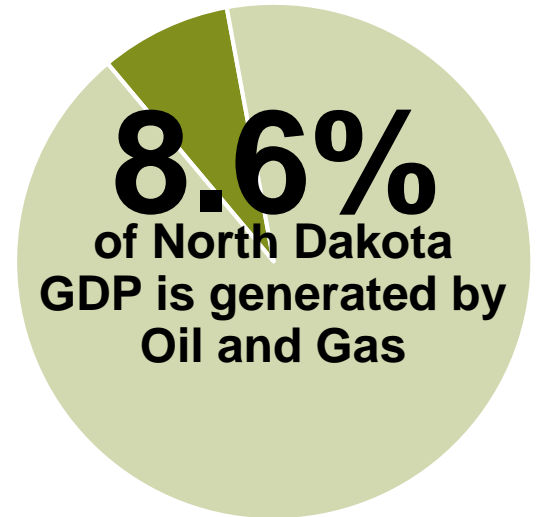
To return over 2,000 acres of land to North Dakota citizens through reclamation of orphan well sites.

1% - \$16 Million

To support 650 - 1,200 jobs, generate additional state revenues, and stabilize production through Spring 2021 by incentivizing completion of up to 80 DUC Wells.



52%
of North Dakota
State Tax Revenues
are generated by
Oil and Gas



8.6%
of North Dakota
GDP is generated by
Oil and Gas

Education

North Dakota schools in HUB Cities and across the state benefit from Tax Revenues directly and through the Common Schools Trust Fund.

All ND Cities

HUB City Funding
Airport & Municipal
Infrastructure Funds

All ND Counties

County & Township
Infrastructure Fund

Research

Lignite Research Fund

Abandoned Well Plugging Site Reclamation Fund

State General Fund

Strategic Investments and Improvements Fund
State Disaster Relief Fund
Budget Stabilization Fund
Tax Relief Fund

Legacy Fund

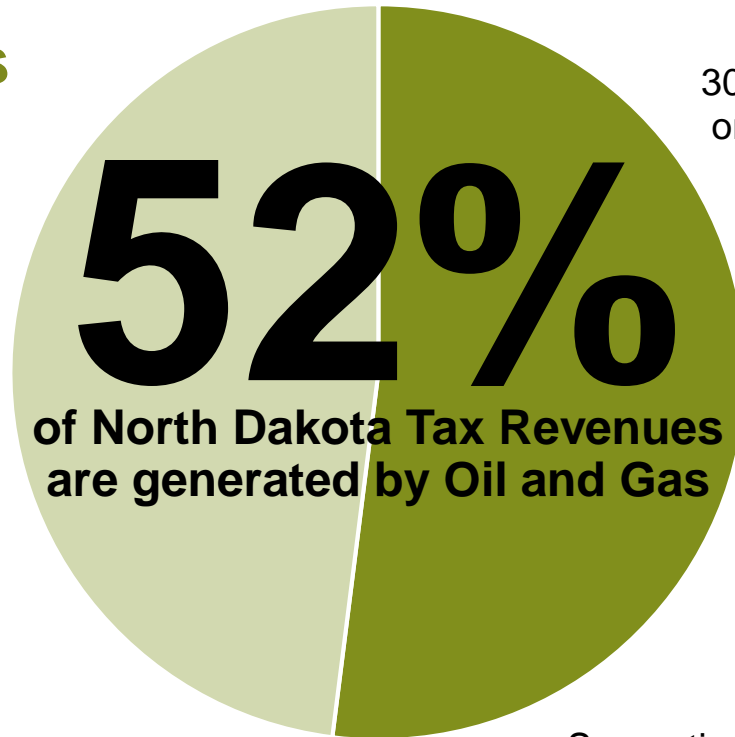
30% of Oil Extraction Taxes
or \$19.2 Million in first year
through completion of 80
DUC wells.

Outdoor Heritage Fund

Water

Infrastructure

Supporting Water Diversion projects
across the state.



NORTH
Dakota
Be Legendary.™

Mineral Resources



ND Water Use and Completions

CARES Act Funding received to complete “DUC” (Drilled but uncompleted) wells in North Dakota will specifically go towards reimbursement of up to \$200,000 in water acquisition and disposal costs per hydraulic fracture completion of up to 80 DUC wells by December 30, 2020.

Targeted grants to reimburse water costs will support North Dakota companies and use of a North Dakota resource

By reimbursing less than 50% of typical frac water costs these grants will incentivize operators to be conservative with water use

“DUC” WELLS *UNTAPPED POTENTIAL*



**A “DUC” well is a well
that has been drilled
but uncompleted.**

The well is not yet capable of production because it needs to be hydraulically fractured and production equipment needs to be installed for the well to produce.

\$7.2 million =

Cost to drill and complete a new well in ND.

\$5.0 million =

Cost to complete a DUC well.

*\$500,000 = avg. associated water costs of 219,000 barrels of water
(avg. volume needed to frac 1 well)*

**Current WTI oil price of \$40 per barrel is \$5 below
the price needed to make DUC well completions
economic without incentives.**