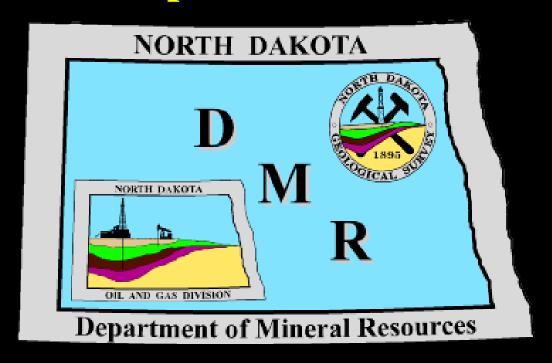
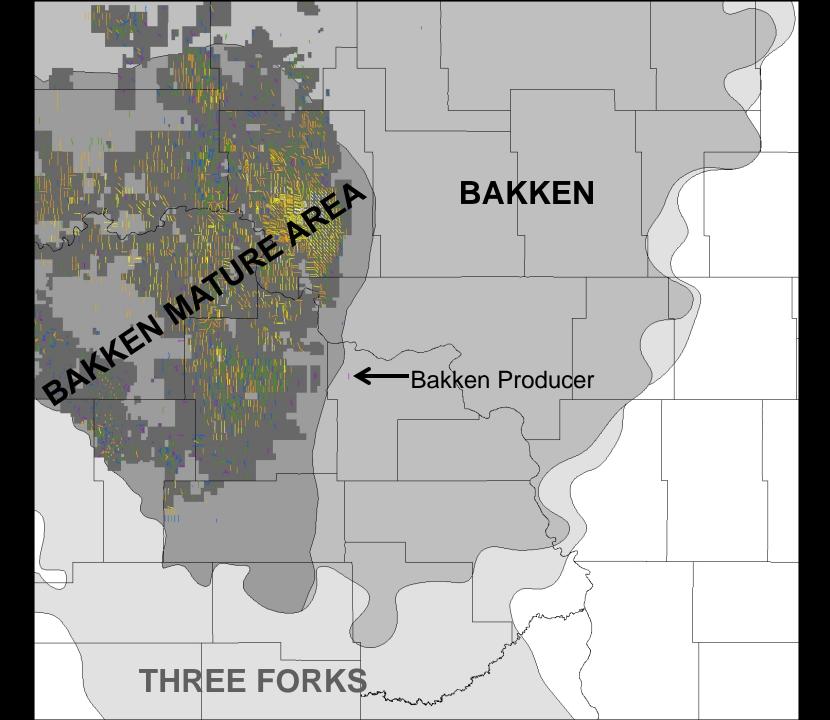
## North Dakota Department of Mineral Resources

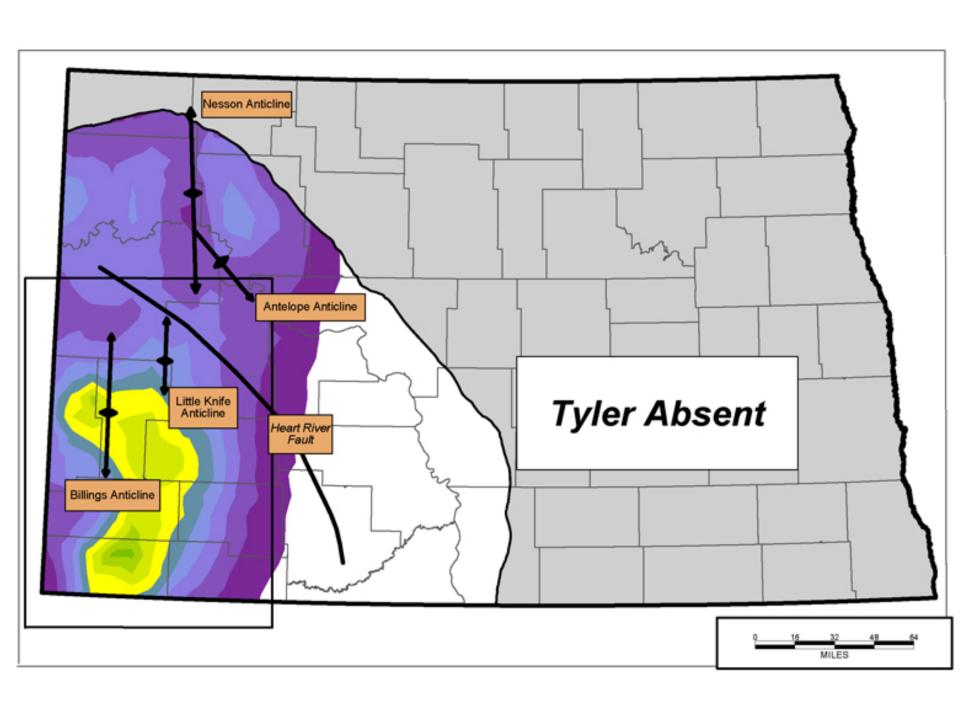


http://www.oilgas.nd.gov

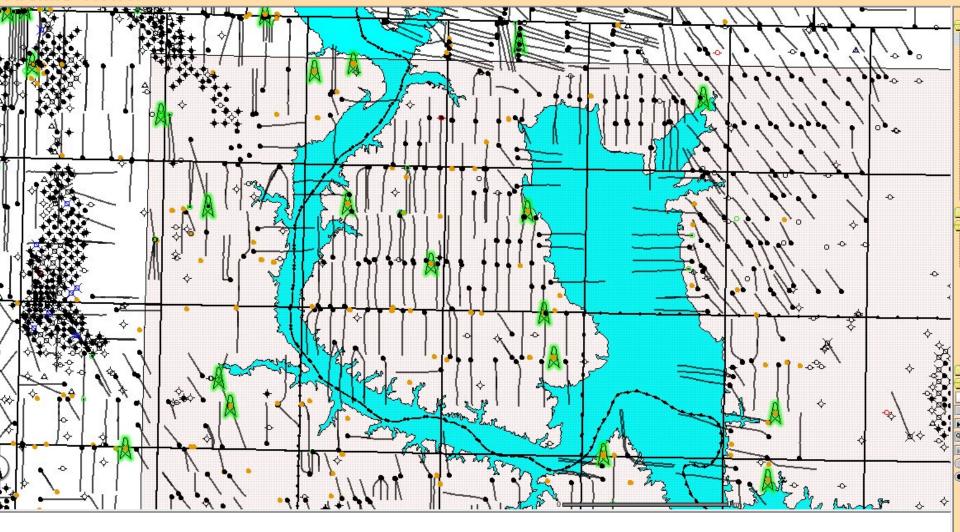
http://www.state.nd.us/ndgs

600 East Boulevard Ave. - Dept 405 Bismarck, ND 58505-0840 (701) 328-8020 (701) 328-8000

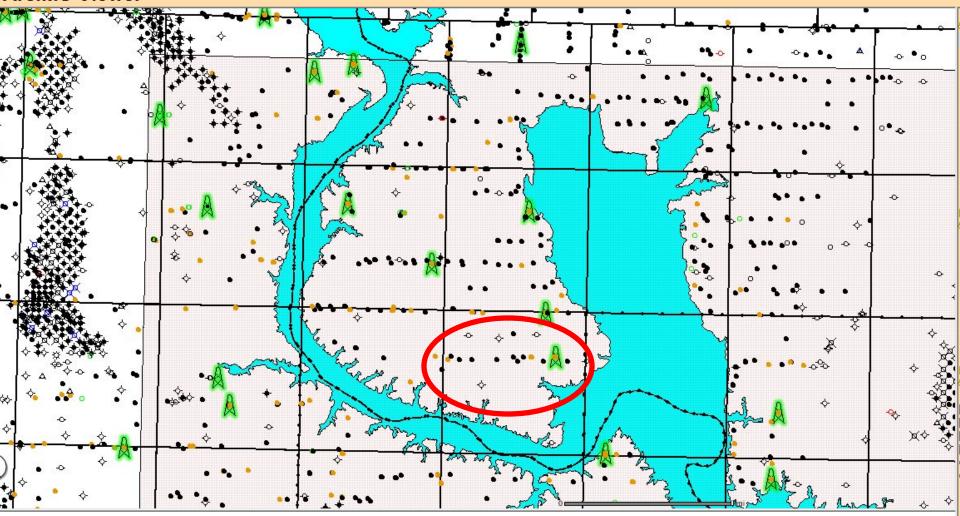




### **ArcIMS Viewer**

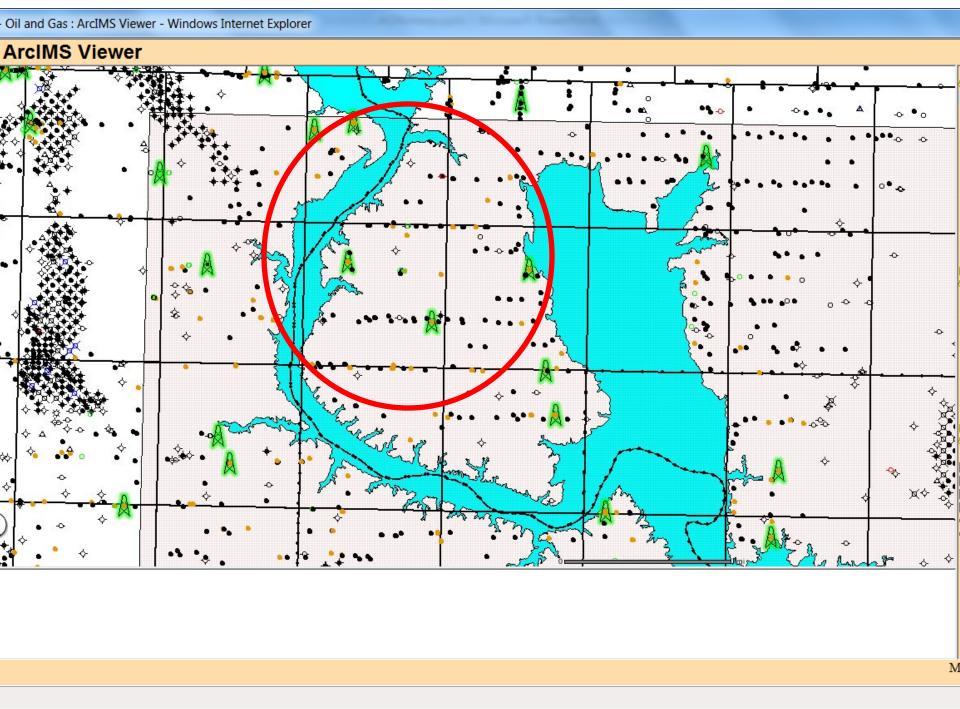


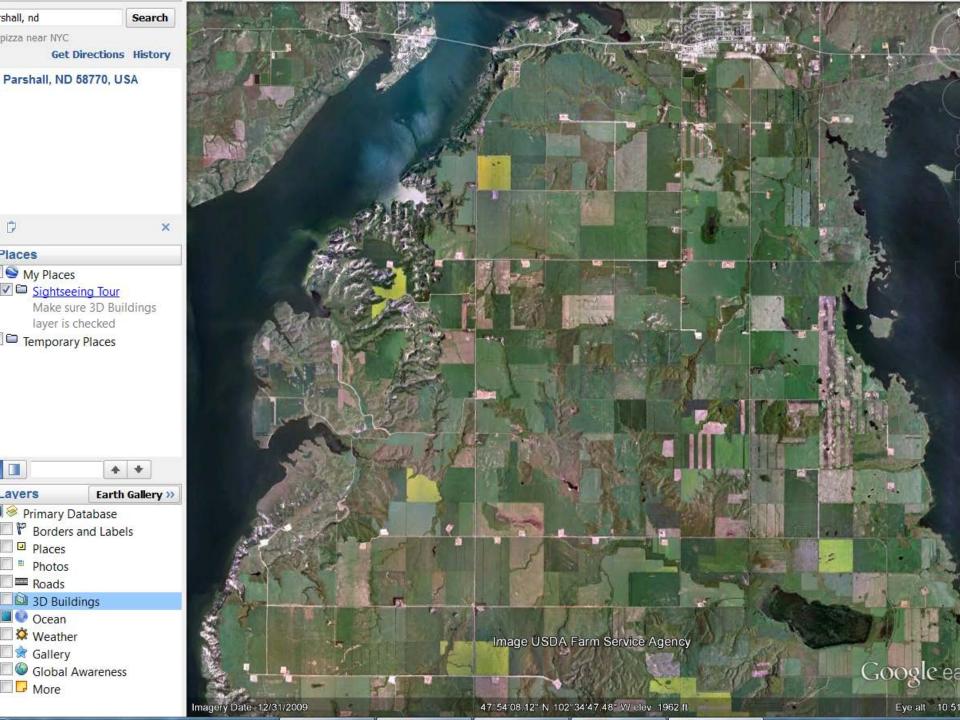
## **ArcIMS Viewer**

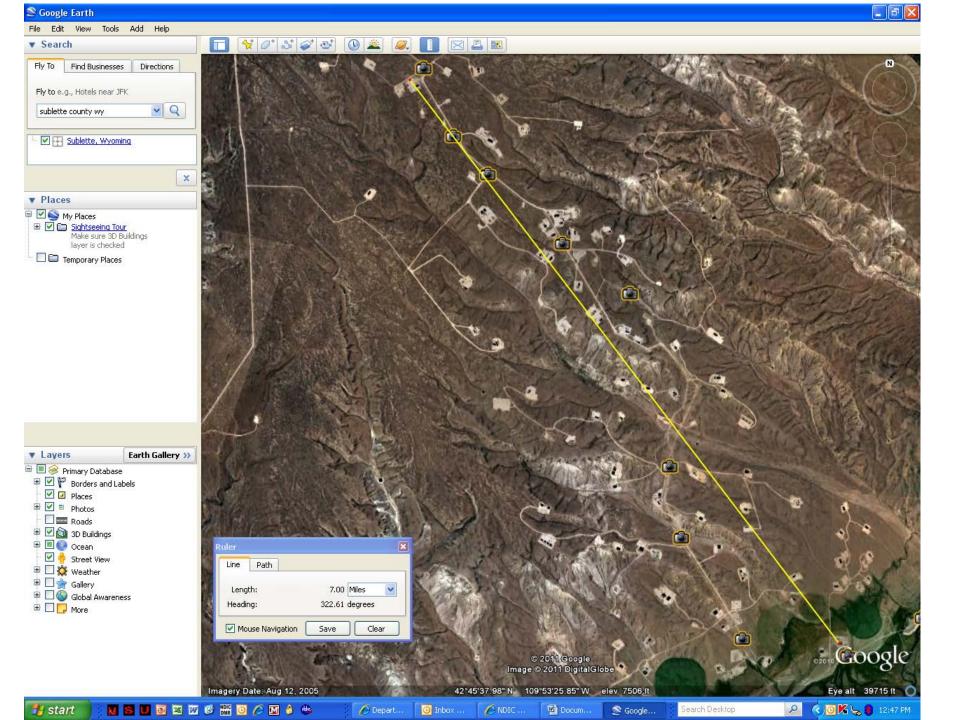




Vern Whitten Photography





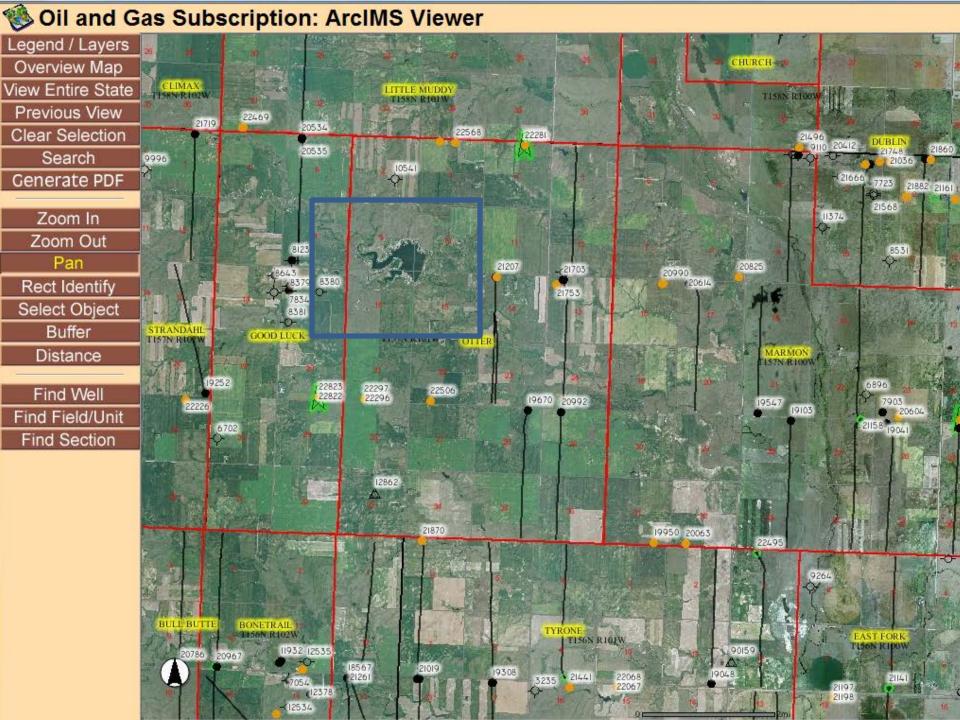


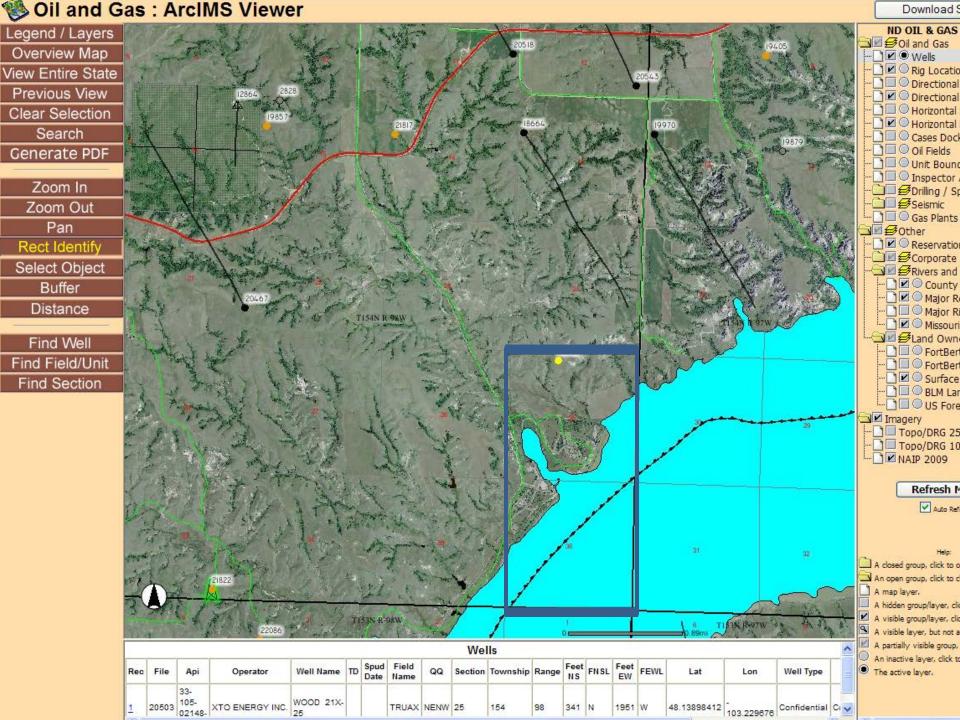
# Permit Review Process

- 1) Operator records
  - Registered with Secretary of State
  - Bonding in place
  - Organization report filed
- 2) Permit complete
  - Fee paid
  - Survey plat
  - Construction diagram
  - Directional plan
  - Geologic prognosis
  - Mud, casing, and cementing programs
- 3) Compliance with Industrial Commission orders & policies
  - Spacing unit set backs
  - Occupied dwellings
  - Surface owner affidavits

# Permit Review Process

- 4) Topography and Aerial Photography
  - Hazardously near body of water
  - Blocking a drainage
- 5) Watch list areas
  - Military installations USAF
  - Well head protection areas NDDH
  - Sensitive aquifer areas NDWC
  - Endangered species USFWL
  - Fort Berthold communities TAT
  - Currently working with NDDOT, NDGF, NDPR to define critical areas

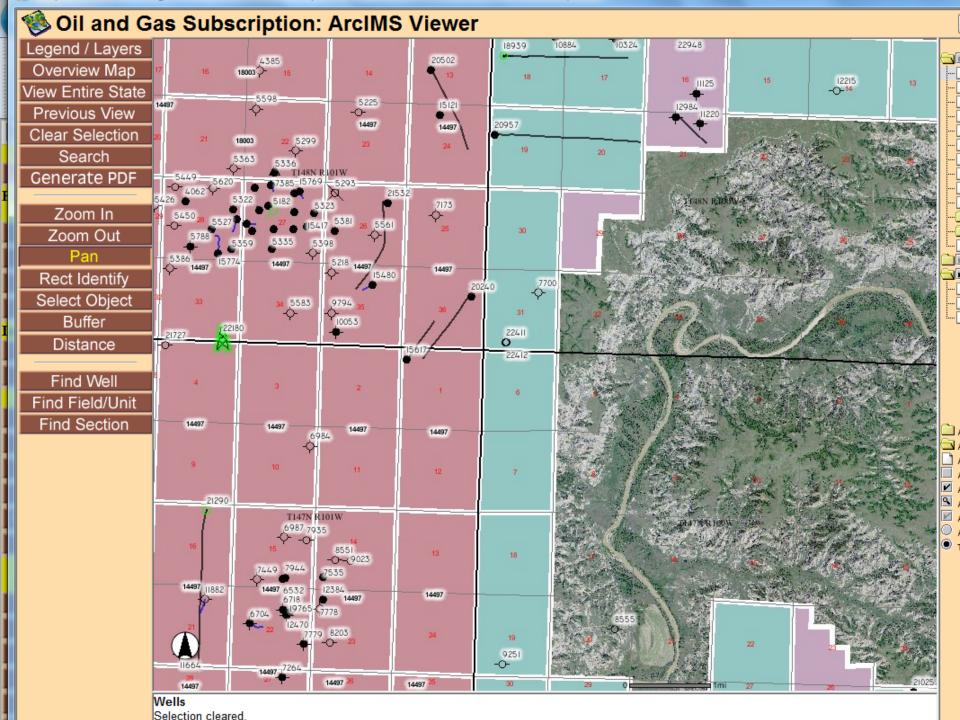


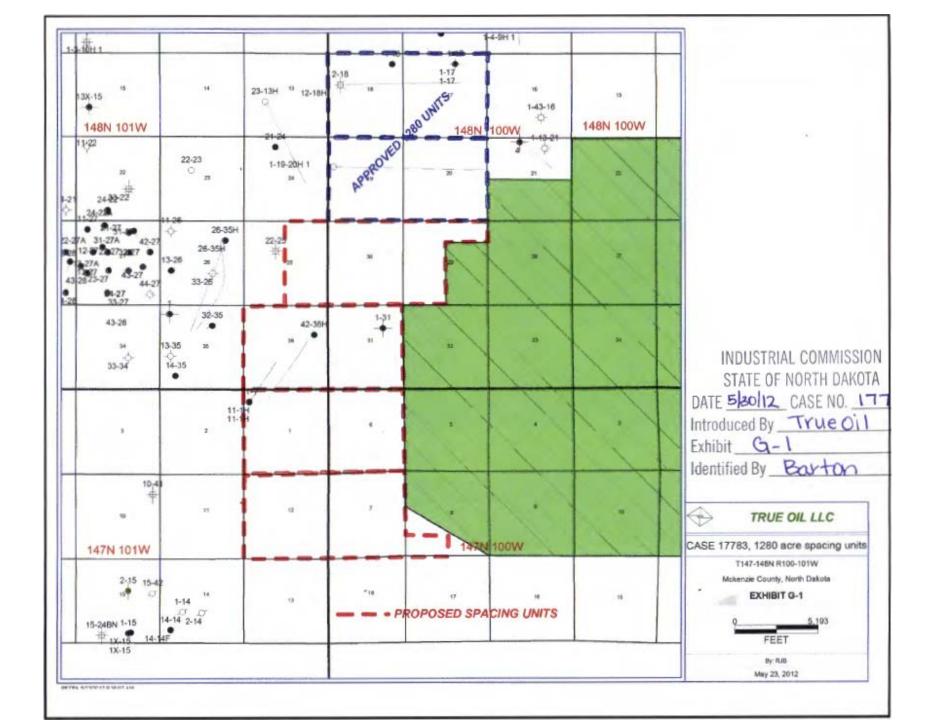


#### **DETAILS OF WORK**

Drilling and development of the lease will take place in the winter months to mitigate traffic impacts on County Road 15. No road access will be allowed on County Road 15 for trucks carrying equipment to and from the well, besides the agreed upon and approved County Road crossing. XTO Energy is willing to plant trees near the well site to enhance the view shed of the area. XTO Energy will lay the gas gathering lines at the same time as the company constructs the lease road to the well to mitigate the use of flaring. XTO Energy is willing to have a security/traffic guard stationed where the lease road will cross County Road 15 during the drilling and completion operations. This will aid in traffic control and prevent heavy trucks from driving on County Road 15.







### **SUMMARY OF PROPOSED 2012 RULES**

NDAC	RULES	PROPOSED CHANGE
		THO GOLD WINHOL
43-02-03 GENI		Manage Language (a. 40, 00, 00, 00, (Ostata Danida Car)
43-02-03-05	Enforcement of Laws and Rules	Move language to 43-02-03-28 (Safety Regulation)
43-02-03-15	Bonds	Increase \$20,000 bond to \$50,000
43-02-03-15	Bonds	Commercial SWD bond increased from \$20,000 bond to \$50,000
		Eliminates \$50,000 10-well blanket bond
43-02-03-16	Permit to Drill	Consider csg imbrittlement due to H <sub>2</sub> S when considering recompletions
43-02-03-16.3	Recovery of a Risk Penalty	Clarify that "approximate" well loc is to be included in the invitation to participate
	·	Requires the drilling or spacing unit be included in the invitation to participate
43-02-03-18	Drilling Units	Allows temporary spacing order effective for up to 3 yrs, not 1-1/2 yrs
		Amends rule to address only initial well site construction
43-02-03-19	Site Construction	Soil stabilization additives and materials require approval from Director
		Must reduce size of well site after completion if not used f/well operations
	Fencing, Screening, and Netting of Pits	Amended to also address "drilling" pits which were newly created
43-02-03-19.2	Disposal of Waste Material	Requires all waste material from undesirable events to be immediately disposed
43-02-03-19.3	Earthen Pits and Open Receptacles	Requires flare pits to be at least 150 feet from wells and tanks
		Allows lined fresh wtr pit for frack water f/1yr in cut w/only drinking wtr chemicals
		Creates new section addressing pits allowing cuttings, but no fluids
43-02-03-19.4	Drilling Pits	Must reclaim pit w/in 30 days after drilling well; Director may grant exceptions
		Allows small lined pit f/trench water and rig wash, but reclaim before MORT
		Must dike pit to keep surface water from entering
40,00,00,40,5	December 1976	Creates new section allowing reserve pits only for wells < 5000' deep or SWD
43-02-03-19.5	Reserve Pits	Must reclaim pit w/in one yr after completing well
		Must slope surface to promote surface drainage away from reclaimed area
43-02-03-21	Casing, Tubing, and Cementing	Requires remedial work f/inadequate sur csg job to be approved by Director
10 00 00 05	D : 0 T : 10	Requires surface casing pressure test after cementing
43-02-03-25	Deviation Tests and Directional Surveys	Requires directional surveys to be in reference to true north
		Creates new section addressing hydraulic fracture stimulation
43-02-03-27.1	Hydraulic Fracture Stimulation	Must use popoff valves, rupture disk, remote valve
		Use frack string: no chem disclosure if > 350psi on annulus after frack
		Frack down csg: run csg evaluation f/thickness of csg and cmt w/chem disclosure
42 02 02 20	Cofety Degulation	Incorporated language removed from 43-02-03-05 on well shut in f/public safety
43-02-03-28	Safety Regulation	Requires automatic shut-down equip if well is threat to public health or safety
		Prohibits injection equipment from being installed < 500' from occupied dwelling  Creates new section and incorporates language from 43-02-03-49&53
43-02-03-30.1	Leak and Spill Cleanup	
		Requires operators to respond w/appropriate resources to contain & clean up spills Run CBL prior to completion
43-02-03-31	Well Log, Completion and Workover Reports	File two digital copies of logs, instead of one digital and one paper
		Creates new section to address final restoration after well is plugged
43-02-03-34.1	Reclamation of Surface	No additional requirements: Language taken from 43-02-03-19
		Amend rulemove spill reference to 43-02-03-30.1
43-02-03-49	Oil <del>Spills,</del> Prod Equip, Dikes, and Seals	Must remove "unused" equip rather than "unusable"
43-02-03-51	Treating Plant	Increases minimum bond from \$20,000 to \$50,000 for treating plants
TU-UZ-U3-01	Freating Flam	Amend rulemove spill reference to 43-02-03-30.1
43-02-03-53	Saltwater Handling Facilities	Requires oil recovered from saltwater handling facilities to be reported to Director
43-02-03-33	California Flamaning Facilities	Must remove "unused" equip rather than "unusable"
		Director can timely (instead of "immediately") reply to a complaint
43-02-03-54	Investigative Powers	Allows Director to decline to investigatecan appeal to IC
43-02-03-55	Abandonment of Wells-Suspension of Drilling	Abandonment will now include water source wells and stratigraphic tests
		Allows applications for additional wells on a spacing unit without live testimony
43-02-03-88.1	Special Procedures Administrative Hearings	Comments and objections to hearings must be rec'd prior business day by 5pm
43-02-03-90.2	Official Nation	Comments and objections to hearings must be rec'd prior business day by 5pm  Comments and objections to hearings must be rec'd prior business day by 5pm
	PHYSICAL EXPLORATION REQUIREMENTS	Comments and objections to hearings must be rec diprior business day by 5pm
	Notification of Work Performed	Director may require progress reports price to consist of a secient
+3-02-12-00	INDUNCATION OF WORK FERIORITIED	Director may require progress reports prior to completion of a project

		Creates new section addressing pits allowing cuttings, but no fluids		
42 02 02 10 4	Drilling Pits	Must reclaim pit w/in 30 days after drilling well; Director may grant exceptions		
43-02-03-19.4		Allows small lined pit f/trench water and rig wash, but reclaim before MORT		
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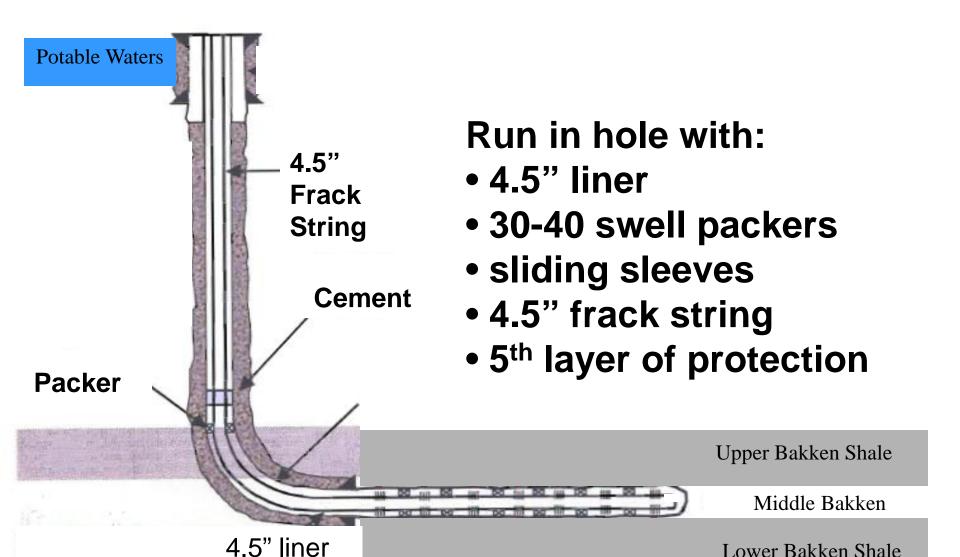
	•	
		Incorporated language removed from 43-02-03-05 on well shut in f/public safety
43-02-03-28	Safety Regulation	Requires automatic shut-down equip if well is threat to public health or safety
		Prohibits injection equipment from being installed < 500' from occupied dwelling





43-02-03-27.1		Creates new section addressing hydraulic fracture stimulation
	Hydraulic Fracture Stimulation	Must use popoff valves, rupture disk, remote valve
		Use frack string: no chem disclosure if > 350psi on annulus after frack
		Frack down csg: run csg evaluation f/thickness of csg and cmt w/chem disclosure

## TYPICAL HORIZONTAL OIL WELL





HYDRAULIC FRACTURING HOW IT WORKS

**GROUNDWATER** PROTECTION

CHEMICAL

REGULATIONS

FIND A WELL BY STATE

FREQUES





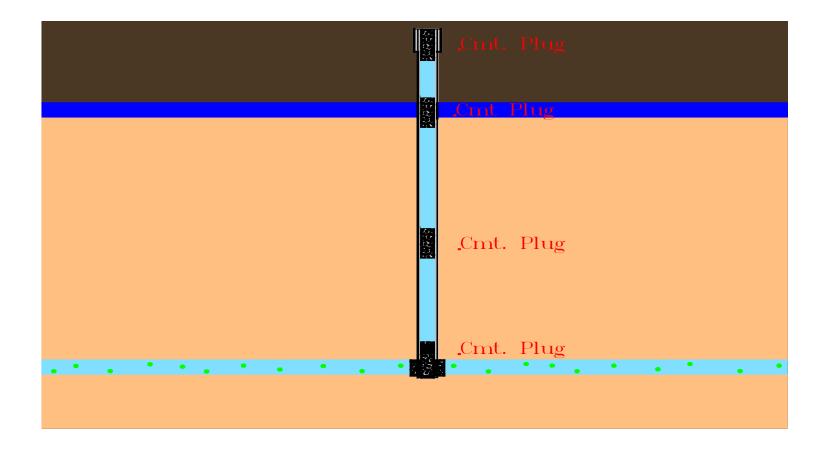
## Find a Well



Nex	t Page							Pag	e 1 of	5 Go
	API No.	Job Date	State	County	Operator	WellName	We <b>ll</b> Type	Latitude	Longitude	Datum
L	33-025-01132	4/13/2011	North Dakota	Dunn	XTO Energy/ExxonMobil	Alwin Federal 12X-19	Oil	47.627564	-102.967017	NAD83
1	33-105-01913	4/18/2011	North Dakota	Williams	XTO Energy/ExxonMobil	Lonnie 31X-3	Oil	48.196639	-102.880264	NAD83
L	33-105-01824	5/14/2011	North Dakota	Williams	XTO Energy/ExxonMobil	Allen 21X-17	Oil	48.254792	-103.058819	NAD83
1	33-105-01825	4/28/2011	North Dakota	Williams	XTO Energy/ExxonMobil	Woodrow 34X-32	Oil	48.198603	-103.053617	NAD83
1	33-053-03113	3/22/2011	North Dakota	Mc Kenzie	XTO Energy/ExxonMobil	101 Federal 21X-24	Oil	47.546178	-104.000694	NAD83
L	33-105-01948	2/26/2011	North Dakota	Williams	XTO Energy/ExxonMobil	Normark 24X-31	Oil	48.460233	-103.008811	NAD83
L	33-105-01899	2/17/2011	North Dakota	Williams	XTO Energy/ExxonMobil	Michael State 31X-16	Oil	48.167464	-103.031950	NAD83
1	33-025-01165	5/9/2011	North Dakota	Dunn	Marathon Oil	Lucky Fleckenstien #34-20H	Oil	47.264306	-102.330608	NAD83
1	33-025-01173	5/3/2011	North Dakota	Dunn	Marathon Oil	Wardner #24-35H	Oil	47.245872	-102.445641	NAD83

43-02-03-15	Bonds	Increase \$20,000 bond to \$50,000
		Commercial SWD bond increased from \$20,000 bond to \$50,000
		Eliminates \$50,000 10-well blanket bond

### PLUG AND ABANDON





BTA Oil Producers. JV-P#1. Near Rider Field NDIC File No. 14857. SE SE 15-140-103. Panoramic Reclamation photo taken looking 070 towards middle of location. May 1, 2001. dwn.

Well was plugged in 07/1998

Reclamation work in 09/1998

Seeded in Spring of 1999



BTA Oil Producers - JV-P#1 - Rider Field.

NDIC File No. 14857. SE SE 15-140-103.

Panoramic photo looking east. Photo taken from butte to west on 7/2/2002.



BTA Oil Producers. JV-P#1. Near Rider and Knutson Fields. NDIC File No. 14857. SE SE 15-140-103. Panoramic photo looking east from butte west of location.

Photo taken on May 7th, 2003. dwn.

