



**North Dakota
Oil & Gas Workforce Needs and
Economic Impact Study Results
2007 Legislative Highlights
Oil & Gas Research Council**

**Ron Ness, North Dakota Petroleum
Council**



North Dakota Oil and Gas Workforce Needs Survey

Employment will increase:

13% in 2007

7% in 2008

5% in 2009

3% in 2010





North Dakota Oil and Gas Workforce Needs Survey

Total Projected Employment Needs in Western ND

2007	13%	3291 new hires
2008	7%	3751 new hires
2009	5%	3056 new hires
2010	3%	2820 new hires

Growth, Replacements, & Retirements



Key Workers Needed

- **Drilling Rig Hands**
- **Truck Drivers**
- **Work-over Rig Crews**
- **Production Hands**
- **Directional Driller/Fluids/Fishing Professionals**
- **Stimulation/Cementing Supervisors**
- **Roustabouts**





Action Steps

- Promote our Industry to Students
- Rig Training/Truck Driving Program at Williston State College
- Recruit – Recruit - Recruit



North Dakota's Oil Industry

**Up to \$17.25/hr
starting wage!**

**Good Jobs. Great Pay.
Great Benefits.**

Open positions include drilling, well servicing, roustabout, mechanic, welding, trucking, shop and office positions.

Most positions require a valid drivers license with a clean driving record. Some require a CDL or the ability to acquire a CDL.

Drug testing is required in the hiring process and randomly in a work situation for most positions.

Most positions are labor intensive and involve outdoor work in all weather conditions.

Different age restrictions may apply — usually at least 18 years old or at least 21 years old.

Drilling schedules may include the option to work four days on, four days off, with significant overtime hours available. Housing and meals may also be provided.

Get position details and application instructions at jobsnd.com or call Job Service North Dakota at 701-774-7900 or 1-800-247-0989.



Job Service North Dakota is an equal opportunity employer/program provider. Auxiliary aids and services are available upon request to individuals with disabilities.



Economic Impact Study

- 2005 data results from operators
- Oil & Gas Upstream is a **\$3.9 billion** industry in N.D.
 - Wheat - \$3.56 billion
 - Coal - \$1.8 billion
- 5,267 direct jobs
- 21,000 in-direct jobs





Direct Impacts by Segment

- Exploration = \$445 million
- Extraction = \$910 million
- Transportation/Processing = \$132 m
- Royalties paid = \$197 million
- Lease Bonuses = \$82 million
- Total taxes paid + \$281 million

240 wells drilled - \$623 million



2007 Key Legislation

SB-2397 - Bakken Tax Holiday

- Starts July 1, 2007 for one year.
- Tax rate on new horizontal Bakken wells 7% for the first 75,000 bbls or 18 months whichever comes first.

HB-1279 - permanently extends the 24-month shallow gas tax holiday.



House Bill 1462

- Sales tax exemption for materials used on compressing, processing, gathering, or refining of gas used to expand or build a gas-processing facility.
- Sales tax exemption for expanding or building an oil refinery.



Three Affiliated Tribes

Senate Bill 2419

- Fee Lands
- 60-month oil extraction tax exemption continues The tribe would agree not to impose any fees, taxes, or employment provisions on industry.

Trust lands

- 5% gross production tax
- 6.5% tax could be reduced through the agreement between the Governor and tribe.



North Dakota Pipeline Authority

- House Bill 1128 is designed to facilitate pipeline projects for North Dakota's energy industry. The intent is not to have the state own or operate transportation facilities but to help gather information and remove potential roadblocks on energy transportation projects and help pave the way for industry to make the investment.



Save the Oil \$

- **HCR-3045** establishes a vote of the people at the next general election to amend the state's constitution to establish a lock-box for funds flowing into the Permanent Oil and Gas Tax Trust Fund.
- Reduce the dependence on oil taxes.



Unlocatable Mineral Interests

HB 1048 authorizes the County Treasurer in a county where the unlocatable mineral owners are located to serve as a trustee for the creation of a trust.



Oil & Gas Research Council

Established in 2003

The Mission is to promote the growth of the oil and gas industry in the state through research and education

Energy Transportation Bottlenecks

Bakken Completion Techniques

CO₂ Sequestration

Shallow Gas

Other New Technologies

Research Council Funding

- ***Funding increased from \$1.3 Million Per Biennium to \$3 Million***
- Next Grant Round Scheduled for November 1, 2007

Recently Funded Projects Middle Bakken

- Two projects to monitor middle Bakken well completion procedures for effectiveness have just been approved.
- Projects like this are critical to solving problems associated with expanding the middle Bakken play.

David Fischer

701-746-8509

fischerd@gfwireless.com

For more information visit the OGRC website:

www.nd.gov/ndic/ogrp-infopage.htm



Thank you – I would be happy to answer any questions

