



INDUSTRIAL COMMISSION OF NORTH DAKOTA

Doug Burgum
Governor

Drew H. Wrigley
Attorney General

Doug Goehring
Agriculture Commissioner

Tuesday, April 25, 2023

Governor's Conference Room or Microsoft Teams – 12:30 p.m.

Join on your computer or mobile app

[Click here to join the meeting](#)

Or call in (audio only)

[+1 701-328-0950,,237047549#](#)

- I. Office of the Industrial Commission – Karen Tyler/Reice Haase**
 - A. Consideration of March 28th, 2023 Industrial Commission meeting minutes** (Attachment 1)
 - B. Report on 68th Legislative Session Bills Tracked by the Industrial Commission (Attachment 2)
 - C. Consideration of upcoming grant round schedules** (Attachment 3)
 - D. Other Office of the Industrial Commission Business

(approximately 12:50 p.m.)

- II. Clean Sustainable Energy Program – Reice Haase**
 - A. Termination of Contract C-01-01 Bakken Energy Dakota H₂ Hub** (Attachment 4)
 - B. Other Clean Sustainable Energy Authority business

(approximately 1:00 p.m.)

- III. Lignite Research, Development and Marketing Program – Reice Haase**
 - A. Report on Contract LRC-D96-3 Dakota Gasification Investment Agreement (Attachment 5)
 - B. Other Lignite Research, Development and Marketing Program business

(approximately 1:10 p.m.)

- IV. North Dakota Public Finance Authority – DeAnn Ament**
 - A. Consideration of Approval for the following loan applications:**
 - i. East Central Regional Water District – Drinking Water, \$10,026,000 increase to \$5,133,000 loan** (Attachment 6)
 - ii. Dakota Rural Water District – Drinking Water, \$2,952,000 increase to \$1,000,000 loan** (Attachment 7)
 - iii. City of Beulah – Clean Water, \$4,184,000** (Attachment 8)

- B. Presentation of State Revolving Fund loans approved by Advisory Committee: (Attachment 9)
 - i. City of Beulah – Drinking Water, \$1,923,000
 - ii. East Central Regional Water District – Drinking Water, \$222,000 increase to \$1,750,000 loan
 - iii. City of St. John – Drinking Water, \$920,000
 - iv. City of Minnewaukan – Clean Water, \$270,000
- C. NDPFA Legislative Update (Attachment 10)
- D. Other NDPFA business

(approximately 1:40 p.m.)

V. North Dakota Transmission Authority – John Weeda

- A. **Consideration of Industrial Commission Support Letter for Joint Targeted Interconnection Queue project** (Attachment 11)
- B. NDTA Legislative Update (Attachment 12)
- C. Other NDTA business

(approximately 2:00 p.m.)

VI. North Dakota Department of Mineral Resources – Lynn Helms

- A. **Consideration of the following cases:**
 - i. **Order 32506 for Case 29901** regarding an application of Oasis Petroleum North America LLC to establish an overlapping laydown 3840-acre spacing unit described as Sections 25, 26, 27, 34, 35 and 36, T.153N., R.102W., Williams and McKenzie Counties, ND, and authorize twelve horizontal wells to be drilled on such unit, or granting such other relief as may be appropriate (Attachment 13)
 - ii. **Order 32532 for Case 29927** regarding an application of Grayson Mill Operating, LLC to establish an overlapping 2560-acre spacing unit comprised of Sections 1, 12, 13 and 24, T.153N., R.102W., Williams and McKenzie Counties, ND, authorizing the drilling of a total not to exceed four wells on said proposed overlapping 2560-acre spacing unit, and/or such further relief (Attachment 14)
 - iii. **Order 32507 for Case 29902** regarding an application of Petro-Hunt, LLC for an order of the Commission construing and interpreting its past orders relating to the pooling and allocation of production from the USA 153-96-13A-24-1HS well (File No. 31793), drilled and completed on a spacing unit for the Charlson-Bakken Pool described as Sections 13 and 24, T.153N., R.96W. and Sections 18 and 19, T.153N., R.95W., McKenzie County, ND, Charlson and

Keene Fields, including without limitation Order Nos. 30323 and 13922, or granting such other relief as may be appropriate (Attachment 15)

- iv. **Order 32534 for Case 29929** regarding an application of Continental Resources, Inc. for an order authorizing the use of an open receptacle to be located in the S/2 of Section 5, T.145N., R.96W., Jim Creek Field, Dunn County, ND, for storage of produced water to allow fracture stimulation of the Micahluacas 5-5H well (File No. 39136), Micahluacas 6-5H1 well (File No. 39137), Micahluacas 7-5H well (File No. 39138), Micahluacas 8-5H1 well (File No. 39139), Micahluacas 9-5H well (File No. 39140), and, Micahluacas 10-5H1 well (File No. 39141), as an exception to the provisions of Section 43-02-03-19.3 of the NDAC and such other and further relief (Attachment 16)
- v. **Order 32535 for Case 29930** regarding an application of Continental Resources, Inc. for an order authorizing the use of an open receptacle to be located in the SESE of Section 5, T.145N., R.96W., Jim Creek Field, Dunn County, ND, for storage of produced water to allow fracture stimulation of the Micahluacas 11-5H well (File No. 39162), Micahluacas 12-5H1 well (File No. 39163), Micahluacas 13-5HSL well (File No. 39164), and Micahluacas 14-5HSL1 well (File No. 39165), as an exception to the provisions of Section 43-02-03-19.3 of the NDAC and such other and further relief (Attachment 17)

B. Update on Litigation*:

- i. Case No. 31-2020-CV-0018 - Northern Oil and Gas, Inc. vs. Continental Resources, Inc; Board of University and School Lands and ND Industrial Commission et al – Ordinary High Water Mark challenge
- ii. Blue Appaloosa – appeal of Industrial Commission Order 31208
- iii. Case No. 27-2022-CV-00305 - Blue Steel Oil and Gas, LLC v. North Dakota Industrial Commission, Slawson Exploration Company, Inc and White Butte Oil Operations, LLC – appeal of Industrial Commission Order 31501
- iv. Dominek v Equinor et al – allocation of production from overlapping spacing units
- v. Liberty Resources vs. NDIC et al – appeal of Industrial Commission Order 31792
- vi. North Dakota Industrial Commission v. U.S. Department of Interior – quarterly lease sales

- vii. Spec Tech v NDIC - appeal of Industrial Commission Order 31900
 - C. Update on Bureau of Land Management North Dakota Resource Management Plan revision
 - D. Update on Dakota Access Pipeline Environmental Impact Statement cooperating agency comments
 - E. Department of Mineral Resources Legislative Update (Attachment 18)
 - F. Other North Dakota Department of Mineral Resources business
- * Possible Executive Session under N.D.C.C. 44-04-19.1 & 44-04-19.2 for attorney consultation or negotiation strategy

Meeting Closed to the Public for Executive Session Pursuant to NDCC 6-09-35, 44-04-18.4, 44-04-19.1 and 44-04-19.2

(approximately 2:45 p.m.)

VII. Department of Mineral Resources Executive Session – Steven Nelson

- A. Negotiation strategy regarding Case 29036 – NDIC v. Scout Energy Management, LLC (Confidential Attachment 19)

(approximately 3:15 p.m.)

VIII. Lignite Research, Development and Marketing Program Executive Session – Reice Haase

- B. **Consideration of a request for confidentiality of Appendix A of the Lignite Research Program Grant Application LRC-102F per NDCC 54-17.5-06** (Confidential Attachment 20)

(approximately 3:25 p.m.)

IX. Bank of North Dakota Executive Session – Todd Steinwand

- C. **Consideration for Approval of 2 loan applications** (Confidential Attachments 21 and 22) – Craig Hanson
- D. Presentation of Non-Accrual Loans Quarterly Recap/Detail (Confidential Attachment 23) – Kirby Evanger
- E. Presentation of Problem Loans - Adversely Classified Quarterly Recap (Confidential Attachment 24) – Kirby Evanger
- F. Presentation of Loan Charge-Offs and Recoveries Y.T.D. 03/31/2023 (Confidential Attachment 25) – Kirby Evanger
- G. Holder Rule Update – Kirby Evanger
- H. Presentation of February 15, 2023 Confidential Finance and Credit Committee Minutes (Confidential Attachment 26)
- I. Presentation of February 16, 2023 Confidential Advisory Board Minutes (Confidential Attachment 27)

- J. Other Bank of North Dakota confidential business (as defined under N.D.C.C. 6-09-35)

Meeting Returns to Public Session

(approximately 4:00 p.m.)

X. Executive Session Formal Action Taken in Open Session

(approximately 4:10 p.m.)

XI. Bank of North Dakota – Todd Steinwand

- A. BND Legislative Update (Attachment 28) – Todd Steinwand
- B. Presentation of First Quarter 2023 Performance Highlights (Attachment 29) – Todd Steinwand
- C. **Consideration of Resolution Designating a Depository of the Bank of North Dakota for the Following entities:**
 - i. Federal Home Loan Bank (Attachment 30)
 - ii. JP Morgan Chase (Attachment 31)
 - iii. US Bank (Attachment 32)
 - iv. First Horizon National (Attachment 33)
 - v. Wells Fargo (Attachment 34)
 - vi. Federal Reserve Bank (Open Accounts) (Attachment 35)
 - vii. Federal Reserve Bank (Advances) (Attachment 36)
- D. Presentation of February 15, 2023 Non-confidential Finance and Credit Committee Minutes (Attachment 37)
- E. Presentation of February 16, 2023 Non-confidential Leadership Development and Compensation Committee Minutes (Attachment 38)
- F. Presentation of February 16, 2023 Non-confidential Advisory Board Minutes (Attachment 39)
- G. Other Bank of North Dakota non-confidential business

(approximately 5:00 p.m.)

XII. Remaining Administrative Business

Next Meeting – Thursday, May 25th, 2023
Governor's Conference Room, Bismarck, ND