

Minutes of the
EMPOWER NORTH DAKOTA COMMISSION

August 4th, 2014
ND Petroleum Council
100 West Broadway, Suite 200
Bismarck, ND 58501

Members present:

Al Anderson, Ron Ness, Dale Niezwaag, Mark Nisbet, Mike Rud, Randy Schneider, David Straley, John Weeda, Ron Day, Jason Bohrer

Members present via phone:

Margaret Hodnik
Mark Bring

Ex Officio Members:

Julie Voeck

Others present:

Justin Dever, Department of Commerce
Mike Fladeland, Department of Commerce
Sherri Frieze, Department of Commerce
Deana Wiese, ND Ethanol Council
Todd Kranda, Kelsch, Kelsch, Ruff & Kranda Law Firm
Gaylon Baker, Stark Development
Carlee McLeod, Utility Shareholders of ND
Jay Hesse, Geronimo Energy
Brady Pelton, NDAOGPC
Jean Schafer, Basin Electric
Don Boehm, Basin Electric
Cory Fong, Odney Advertising
Shane Goettle, Odney Advertising
Andrea Travnicek, Governor's Office
Mark Scheid, Ulteig/ACEC
John Olson, NextEra

CALL TO ORDER/WELCOME

Chairman Anderson called the meeting to order at 1:15 p.m. and welcomed Commission members and guests.

APPROVAL OF MINUTES

A motion was made by Schneider and seconded by Straley to approve the minutes of July 7th. Motion carried unanimously.

2014 Final Policy Document

Motion: It was moved by Schneider, seconded by Niezwaag to adopt the Policy Updates and Recommendations with changes made.

Legislative Proposals – Review & Approve

Justin Dever discussed the bill drafts:

- **Strategic Infrastructure and Improvement Authority – No Bill Draft**

This bill draft would establish a Strategic Infrastructure and Improvement Authority as part of the Industrial Commission that would assist communities in addressing oil & gas related impacts.

- **Oil & Gas Trigger Mechanism – No Bill Draft (may be combined with the first)**

This bill draft would establish a trigger mechanism that would provide additional funds to oil impacted communities if oil & gas revenues exceed certain thresholds, such as 25% over legislative projections.

- **Value- Added Energy Facility Sales Tax Exemption Bill Draft - Appendix A**

Motion: It was moved by Schneider seconded by Straley to adopt changes to the bill as amended.

- **Drill Cutting Beneficial Use – No Bill Draft**

This bill draft would provide an extraction tax credit for the development of technologies for beneficial use of drill cuttings.

- **Coal Beneficiation Bill Draft – Appendix B**

Motion: It was moved by Straley, seconded by Schneider to adopt changes to the bill as amended.

- **Oil Gathering Pipelines Sales Tax Exemption Bill Draft – Appendix C**

Motion: It was moved by Weeda, seconded by Schneider to adopt the bill as amended.

Introduced by

1 A BILL for an Act to create and enact a new section to chapter 57-39.2 of the North Dakota
2 Century Code, relating to sales tax exemption for tangible personal property used to
3 construct a processing facility to produce fertilizer, chemicals, or a chemical derivative; to
4 amend and reenact subsection 4 of section 57-40.2-03.3 of the North Dakota Century
5 Code, relating to an use tax exemptions for tangible personal property used to construct a
6 facility to produce fertilizer, chemicals, or a chemical derivative; and to provide an effective
7 date.

8 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

9 **SECTION 1.** A new section to chapter 57-39.2 of the North Dakota Century Code is
10 created and enacted as follows:

11 **Sales and use tax exemption for materials used to construct a processing facility**
12 **to produce fertilizer or chemicals.**

13 1. Gross receipts from sales of tangible personal property used to construct or expand
14 a processing facility in this state to produce fertilizer, chemicals, or a chemical
15 derivative, are exempt from taxes under this chapter. To be exempt, the tangible
16 personal property must be incorporated in the structure of the facility or used in the
17 construction process to the point of having no residual economic value.

18 2. To receive the exemption under this section at the time of purchase, the owner of
19 the processing facility must receive from the tax commissioner a certificate that the
20 tangible personal property used to construct or expand the processing facility which

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1 the owner intends to purchase qualifies for exemption. If a certificate is not received
2 before the purchase, the owner shall pay the applicable tax imposed by this chapter
3 and apply to the tax commissioner for a refund.

4 3. If the tangible personal property is purchased or installed by a contractor subject to
5 the tax imposed by this chapter, the owner may apply for a refund of the difference
6 between the amount remitted by the contractor and the exemption imposed or
7 allowed by this section.

8 **SECTION 2. AMENDMENT.** Subsection 4 of section 57-40.2-03.3 of the North Dakota
9 Century Code is amended and reenacted as follows:

- 10 4. The tax imposed by this section does not apply to:
- 11 a. Production equipment or tangible personal property as authorized or approved
12 for exemption by the tax commissioner under section 57-39.2-04.2;
 - 13 b. Machinery, equipment, or other tangible personal property used to construct an
14 agricultural commodity processing facility as authorized or approved for
15 exemption by the tax commissioner under section 57-39.2-04.3 or 57-39.2-
16 04.4;
 - 17 c. Tangible personal property used to construct or expand a system used to
18 compress, process, gather, or refine gas recovered from an oil or gas well in
19 this state or used to expand or build a gas-processing facility in this state as
20 authorized or approved for exemption by the tax commissioner under section
21 57-39.2-04.5;
 - 22 d. Tangible personal property used to construct to expand a qualifying oil refinery
23 as authorized or approved for exemption by the tax commissioner under
24 section 57-39.2-04.6; or

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- 1 e. Tangible personal property used to construct or expand a qualifying facility as
2 authorized or approved for exemption by the tax commissioner under section
3 57-39.2-04.10;
- 4 f. Tangible personal property used to construct or expand a qualifying facility as
5 authorized or approved for exemption by the tax commissioner under section
6 57-39.2-04.11; ~~or~~
- 7 g. Telecommunications infrastructure that is capable of providing
8 telecommunications service as authorized or approved for exemption by the
9 commissioner under chapter 57-39.2; or
- 10 h. Tangible personal property used to construct or expand a qualifying facility as
11 authorized or approved for exemption by the tax commissioner under section 1
12 of this Act.

13 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable events occurring
14 after June 30, 2015.

Introduced by

1 A BILL for an Act to amend and reenact sections 57-60-02 and 57-61-01.4 of the North
2 Dakota Century Code, relating to an exemption from the coal conversion facility privilege
3 tax for a coal beneficiation plant that produces beneficiated coal that is used within a coal
4 conversion facility and the severance and sales and use tax exemption for coal used in
5 certain plants.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. AMENDMENT.** Section 57-60-02 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **57-60-02. Imposition of taxes.**

10 There is hereby imposed upon the operator of each coal conversion facility a tax paid
11 monthly for the privilege of producing products of such coal conversion facility. The rate of
12 the tax must be computed as follows:

- 13 1. For all coal conversion facilities, except as otherwise provided in this section, the
14 tax is measured by the gross receipts derived from such facility for the preceding
15 month and is in the amount of four and one-tenth percent of such gross receipts.
16 For purposes of this subsection, "gross receipts" of a coal gasification plant do not
17 include any amount that is received by the operator of the plant for production of
18 synthetic natural gas in excess of one hundred ten million cubic feet per day. Gross
19 receipts derived from the sale of a capital asset are not subject to the tax imposed
20 by this subsection.

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- 1 2. For electrical generating plants, the tax is at a rate of sixty-five one-hundredths of
2 one mill times sixty percent of the installed capacity of each unit times the number
3 of hours in the taxable period. All electrical energy generating units that begin
4 construction or complete repowering are exempt from eighty-five percent of the tax
5 imposed by this subsection for five years from the date of the first taxable
6 production or from the date of the first taxable production after repowering from the
7 unit. The board of county commissioners may, by resolution, grant to the operator
8 of an electrical generating plant located within the county partial or complete
9 exemption from the remaining fifteen percent of the tax imposed by this subsection
10 for a period not exceeding five years from the date of the first taxable production or
11 from the date of the first taxable production after repowering from the unit. If a
12 board of county commissioners grants a partial or complete exemption for a
13 specific coal conversion facility under this subsection, the provisions of subsection
14 2 of section 57-60-14 do not apply as that subsection relates to revenue from the
15 specific unit of the coal conversion facility for which the partial or complete
16 exemption has been granted. Notwithstanding section 57-60-14, any tax collected
17 from a unit subject to the exemption provided by this subsection must be allocated
18 entirely to the county for allocation as provided in section 57-60-15. If a unit is
19 incapable of generating electricity for eighteen consecutive months, the tax on that
20 unit for taxable periods beginning after the eighteenth month must be reduced by
21 the ratio that the cost of repair of the unit bears to the original cost of the unit. This
22 reduced rate remains in effect until the unit is capable of generating electricity.
- 23 3. For electrical generating plants, in addition to the tax imposed by subsection 2,
24 there is a tax at the rate of twenty-five one-hundredths of one mill on each kilowatt

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1 hour of electricity produced for the purpose of sale. For all electrical generating
2 plants that begin construction or complete repowering, the production from the
3 plants is exempt from the tax imposed by this subsection for five years from the
4 date of the first taxable production or from the date of the first taxable production
5 after repowering from the plant.

6 4. For coal gasification plants, the tax is the greater of either the amount provided in
7 subsection 1 or thirteen and one-half cents on each one thousand cubic feet
8 [28316.85 liters] of synthetic natural gas produced for the purpose of sale but not
9 including any amount of synthetic natural gas in excess of one hundred ten million
10 cubic feet per day.

11 5. a. For all coal conversion facilities, other than electrical generating plants, the
12 production from the facilities is exempt from eighty-five percent of the tax
13 imposed by this section for a period of five years from the date of first taxable
14 production from the facility. The operator of each facility applying for exemption
15 under this subsection shall certify to the tax commissioner the date of first
16 taxable production of the facility.

17 b. The board of county commissioners may, by resolution, grant to the operator of
18 a coal conversion facility, other than an electrical generating plant, located
19 within the county a partial or complete exemption from the remaining fifteen
20 percent of tax imposed by this section for a period not exceeding five years
21 from the date of the first taxable production from the facility. Notwithstanding
22 the provisions of section 57-60-14, any tax collected which is based upon the
23 production of a facility subject to the exemption provided by this subsection

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1 must be allocated entirely to the county for allocation as provided in section 57-
2 60-15.

3 6. For coal beneficiation plants, the tax is twenty cents on each ton of two thousand
4 pounds [907.18 kilograms] of beneficiated coal produced for the purpose of sale, or
5 one and one-quarter percent of the gross receipts derived from such facility for the
6 preceding month, whichever amount is greater. Any amount of beneficiated coal
7 produced in excess of eighty percent of the design capacity of the coal
8 beneficiation plant is exempt from such tax.

9 7. A coal beneficiation plant that produces beneficiated coal that is used within a coal
10 conversion facility shall be exempt from the tax otherwise imposed by this section.

11 **SECTION 2. AMENDMENT.** Section 57-61-01.4 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **57-61-01.4. (~~Effective through June 30, 2015~~) Severance and sales and use tax**
14 **exemptions for coal used in certain plants.**

15 No state severance tax may be imposed on coal used in, or coal used to produce
16 steam that is used in, agricultural commodity processing facilities as defined in subsection 4
17 of section 57-39.2-04.4 located within North Dakota or adjacent states or any facility owned
18 by the state or a political subdivision of the state. No state severance tax may be imposed
19 on coal purchased for improvement through the process of coal beneficiation defined in
20 subsection 2 of section 57-60-01 which is subsequently used in, or used to produce steam
21 that is used in, agricultural commodity processing facilities located within North Dakota or
22 adjacent states or any facility owned by the state or a political subdivision of the state. The
23 coal mine owner or operator shall require the person purchasing the coal to certify that
24 amount of coal purchased for use in agricultural commodity processing facilities or for

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1 beneficiation and subsequent use in agricultural commodity processing facilities or any
2 facility owned by the state or a political subdivision of the state or to produce steam that is
3 used in any of those facilities.

4 ~~**(Effective after June 30, 2015) Severance and sales and use tax exemptions for**~~
5 ~~**coal used in certain plants.**~~ No state severance tax may be imposed on coal used in
6 ~~agricultural processing or sugar beet refining plants located within North Dakota or adjacent~~
7 ~~states. The coal mine owner or operator shall require the person purchasing the coal to~~
8 ~~certify that amount of coal purchased for agricultural processing or sugar beet refining~~
9 ~~purposes. Coal exempted from the severance tax by this section is not subject to sales and~~
10 ~~use taxes.~~

11 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable events occurring
12 after June 30, 2015.

Introduced by

1 A BILL for an Act to create and enact section 57-39.2-04.13 and a new subdivision to
2 subsection 4 of section 57-40.2-03.3 of the North Dakota Century Code, relating to a sales and
3 use tax exemption for materials used in transmission of oil through gathering lines; and to
4 provide an effective date.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1.** Section 57-39.2-04.13 of the North Dakota Century Code is created and
7 enacted as follows:

8 **57-39.2-04.13. Sales and use tax exemption for materials used in transmission of oil**
9 **through a gathering pipeline.**

- 10 1. Gross receipts from sales of tangible personal property used to construct or expand a
11 system to transmit oil, from an oil or gas well in this state, through a gathering pipeline
12 are exempt from taxes under this chapter. Tangible personal property used to replace
13 an existing system to collect oil from an oil or gas well in this state and transmit that oil
14 through a gathering pipeline does not qualify for exemption under this section unless
15 the replacement creates an expansion of the system or the system's capacity.
- 16 2. For purposes of this section, a system to transmit oil from an oil or gas well or tank
17 battery in this state through a gathering pipeline includes tangible personal property
18 that is incorporated as a physical component of a gathering pipeline or incorporated as
19 an essential component in moving or monitoring the flow of oil through a gathering
20 pipeline. A gathering pipeline begins immediately after the oil is measured from a
21 well's storage tank or tank battery and into the gathering system. A system to transmit
22 oil from the lease site of an oil or gas well in this state through a gathering pipeline
23 does not include tank batteries or other storage on or off the well site and does not
24 include metering equipment that measures the oil moving from storage into the

1 gathering system. The gathering pipeline status ends after the oil is measured out of
2 the gathering pipeline into a storage or shipping terminal or into a transmission
3 pipeline.

4 3. To receive the exemption under this section at the time of purchase, the owner of the
5 system to transmit oil from the lease site of an oil or gas well in this state through a
6 gathering pipeline must receive from the tax commissioner a certificate that the
7 tangible personal property used to construct or expand that system which the owner
8 intends to purchase qualifies for exemption. If a certificate is not received before the
9 purchase, the owner shall pay the applicable tax imposed by this chapter and apply to
10 the tax commissioner for a refund.

11 4. If the tangible personal property is purchased or installed by a contractor subject to the
12 tax imposed by this chapter, the owner of the system to transmit oil from the lease site
13 of an oil or gas well in this state through a gathering pipeline may apply to the tax
14 commissioner for a refund of the difference between the amount remitted by the
15 contractor and the exemption imposed or allowed by this section. Application for a
16 refund must be made at the times and in the manner directed by the tax commissioner
17 and must include sufficient information to permit the tax commissioner to verify the
18 sales and use taxes paid and the exempt status of the sale or use.

19 **SECTION 2.** A new subdivision to subsection 4 of section 57-40.2-03.3 of the North Dakota
20 Century Code is created and enacted as follows:

21 Tangible personal property used to construct or expand a qualifying oil gathering
22 system as authorized or approved for exemption by the tax commissioner under
23 section 57-39.2-04.13.

24 **SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable events occurring after
25 June 30, 2015.

NORTH DAKOTA OIL & GAS EMPLOYMENT REPORT



**JOB
SERVICE**
North Dakota

NORTH DAKOTA OIL & GAS EMPLOYMENT REPORT

Job Service North Dakota
1000 E Divide Ave
PO Box 5507
Bismarck, ND 58506-5507

Governor: Jack Dalrymple

Interim Executive Director: Darren Brostrom

Planning and Support Area Director: Kevin Marchus

Prepared by: Labor Market Information Center
Bureau of Labor Statistics Manager: Michael Ziesch
Employment and Training Administration Manager: Marcia Goetz
Primary Researchers: Craig Koch, Daniel Stenberg, Virginia Frank
Research Analyst Intern: Katelyn Schirado

Released: June 2014

For more North Dakota workforce-related information visit: www.ndworkforceintelligence.com



This report is the result of the 2013 North Dakota Legislature directing Job Service North Dakota to identify all employees who should be included for statistical purposes in oil and gas related employment.

Key Findings

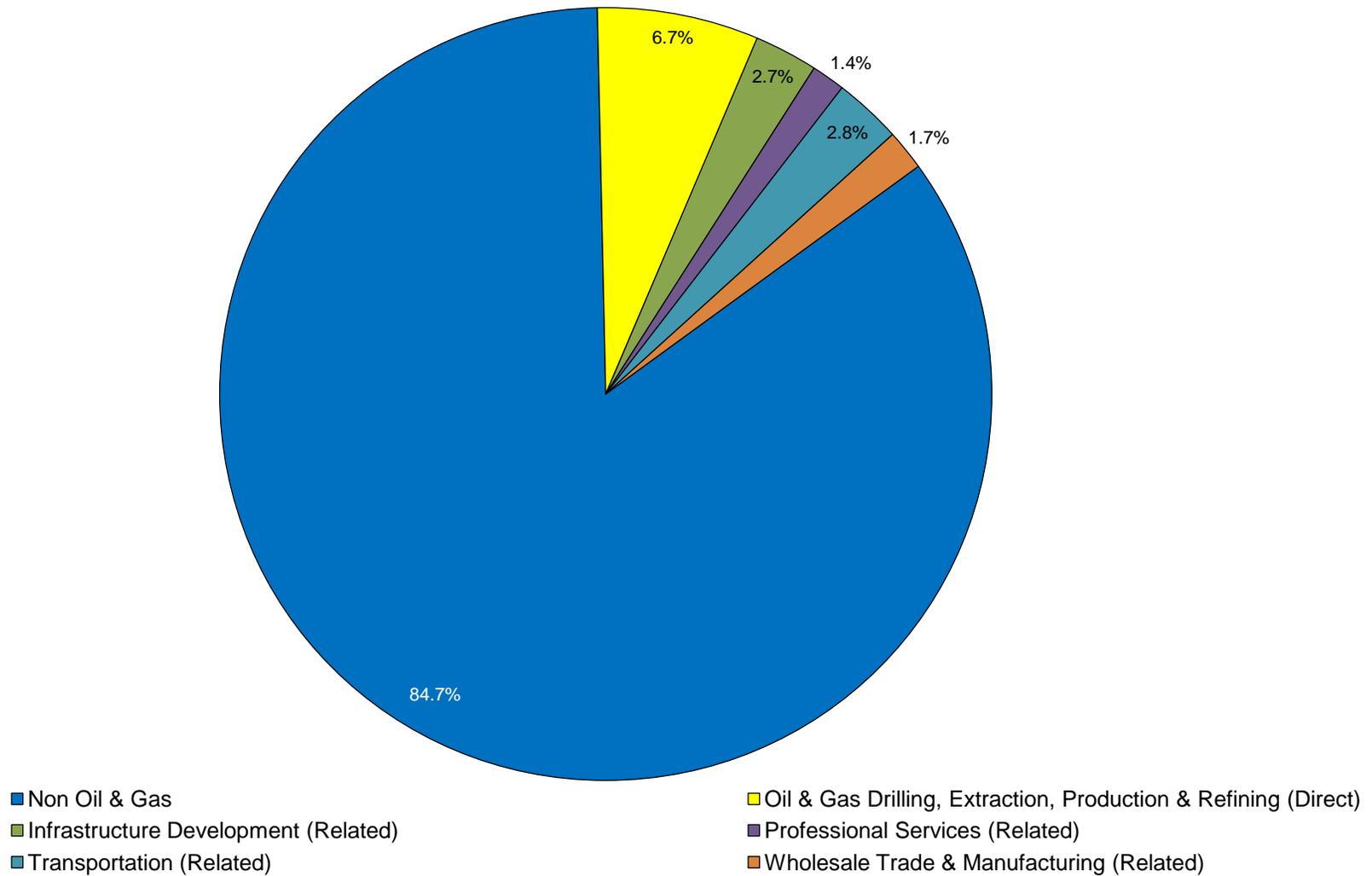
- Of the 359,415 jobs* in North Dakota in 2013, 15.3% or 55,137 are attributable to oil and gas related employment. Those jobs represent 28.5% of total wages or \$5.0 billion of the \$17.5 billion in wages. The employment is broken into five subcategories with the corresponding job counts:

Oil & Gas Drilling, Extraction, Production & Refining	24,254
Infrastructure Development	9,541
Professional Services	5,055
Transportation	10,173
Wholesale Trade & Manufacturing	6,114
TOTAL OIL & GAS RELATED EMPLOYMENT	55,137

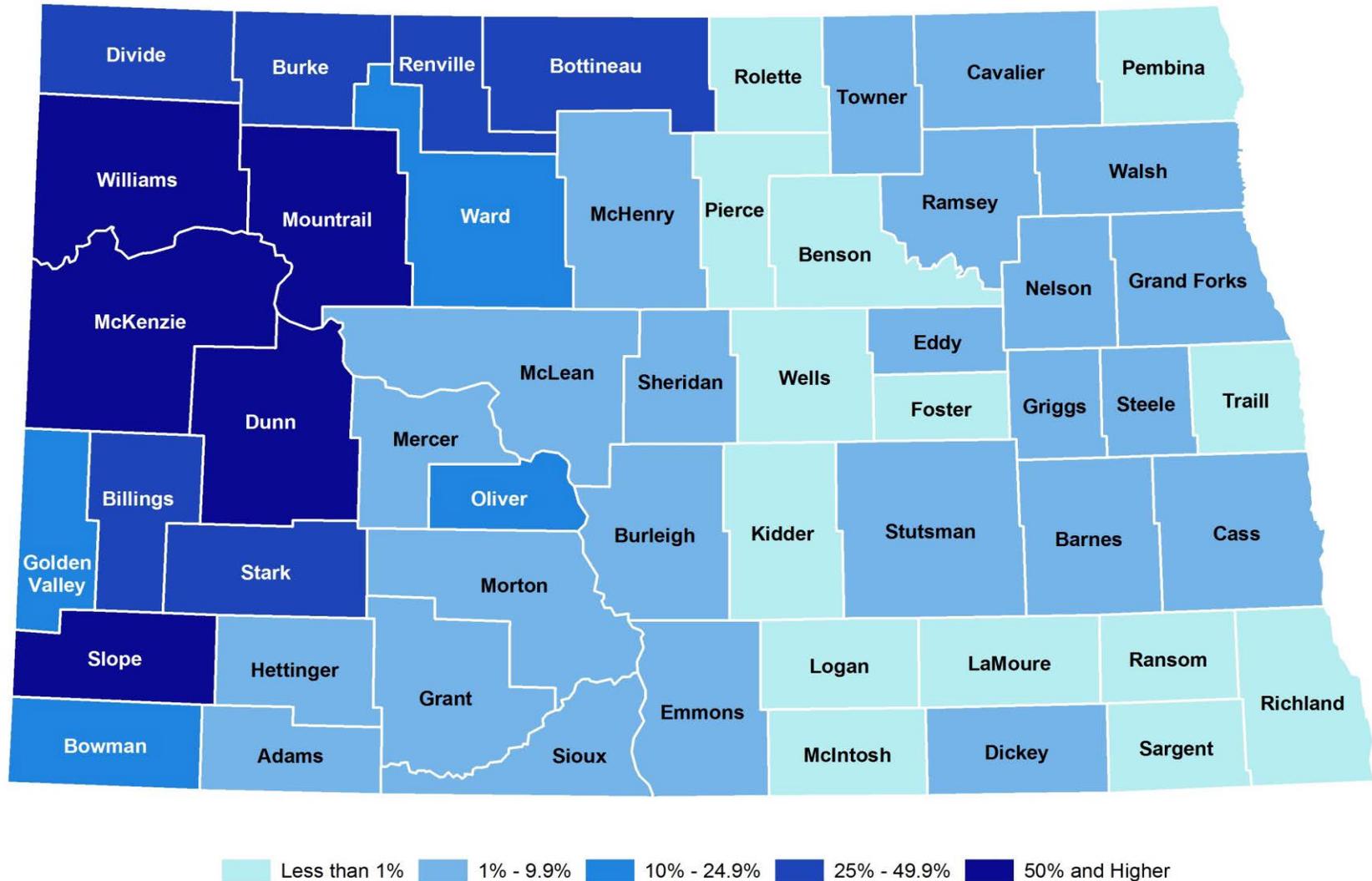
- The five counties with the largest count of oil and gas related jobs are: Williams (22,896), Stark (8,374), McKenzie (5,661), Ward (4,364), and Mountrail (3,945).
- The five counties with the largest share of oil and gas related employment are: Slope (88.4%), Dunn (73.0%), McKenzie (71.1%), Mountrail (64.6%), and Williams (64.5%).

**The universe for the job count is private (non-government) sector jobs covered by Unemployment Insurance in North Dakota. The location, noted elsewhere in this report, is where the establishment is located, not necessarily where the worker resides. This report does not include secondary employment effects (e.g. food, housing, health care, government services, etc.).*

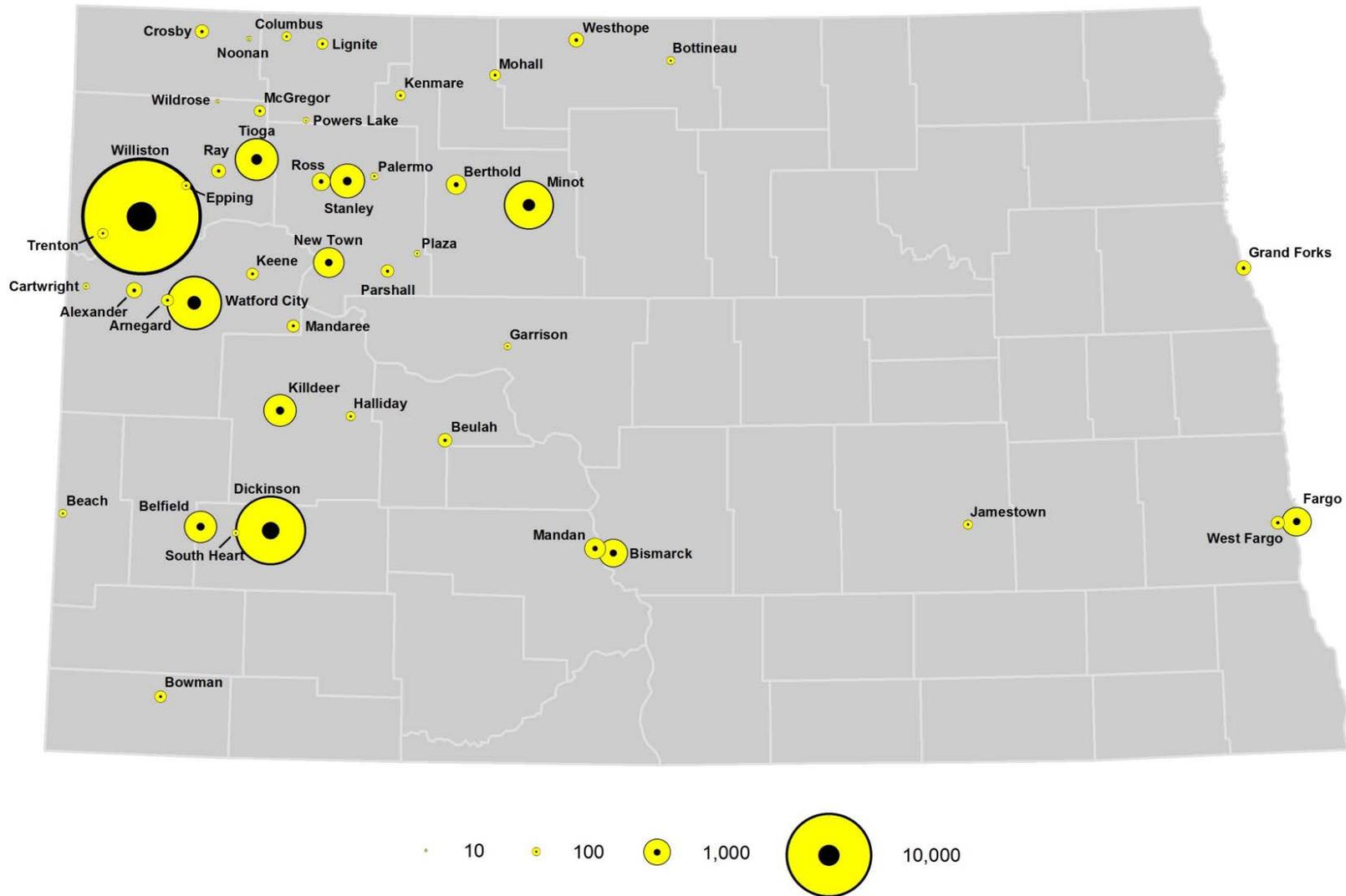
North Dakota Oil & Gas Related Employment as a Percent of Total Private Employment (2013)



Oil & Gas Related Employment as a Percent of Total Private Employment by County (2013)



Oil & Gas Related Employment Count by City/Community (2013)





Bottineau County

In 2013, 25.5% of all jobs and 40.6% of all wages in Bottineau County were attributable to oil and gas related employment.

Category	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Direct Oil & Gas	220	220	100.0	15,103,206	15,103,206	100.0	14	14	
Related Oil & Gas	519	305	58.7	31,777,788	19,885,431	62.6	45	45	
Infrastructure Development	***	***	***	***	***	***	8	8	
Professional Services	76	51	67.1	4,368,170	2,985,414	68.3	13	13	
Transportation	154	136	88.6	11,131,103	10,192,565	91.6	17	17	
Wholesale Trade & Manufacturing	***	***	***	***	***	***	7	7	
Non Oil & Gas	1,315	0	0.0	39,248,278	0	0	241	0	
Bottineau County	2,053	524	25.5	86,129,272	34,988,637	40.6	300	59	19.7

City/Community	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Bottineau	1,256	91	7.2	39,507,167	4,807,964	12.2	177	16	9.0
Westhope	378	298	78.7	23,774,112	21,353,587	89.8	39	16	41.0

Note: Totals may not sum due to rounding. For confidentiality reasons, cities/communities are included only if they have 10 or more oil and gas establishments.

***Data not available due to confidentiality restrictions



Bowman County

In 2013, 22.0% of all jobs and 38.6% of all wages in Bowman County were attributable to oil and gas related employment.

Category	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Direct Oil & Gas	220	220	100.0	19,093,726	19,093,726	100.0	11	11	
Related Oil & Gas	264	140	53.2	18,685,915	10,112,663	54.1	25	25	
Infrastructure Development	***	***	***	***	***	***	9	9	
Professional Services	***	***	***	***	***	***	5	5	
Transportation	***	***	***	***	***	***	6	6	
Wholesale Trade & Manufacturing	***	***	***	***	***	***	5	5	
Non Oil & Gas	1,155	0	0.0	37,979,427	0	0	150	0	
Bowman County	1,638	360	22.0	75,759,068	29,206,389	38.6	186	36	19.4

City/Community	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Bowman	1,303	193	14.8	53,206,183	14,340,310	27.0	152	24	15.8

Note: Totals may not sum due to rounding. For confidentiality reasons, cities/communities are included only if they have 10 or more oil and gas establishments.

***Data not available due to confidentiality restrictions



Burke County

In 2013, 49.0% of all jobs and 63.0% of all wages in Burke County were attributable to oil and gas related employment.

Category	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Direct Oil & Gas	132	132	100.0	9,480,811	9,480,811	100.0	12	12	
Related Oil & Gas	262	234	89.4	17,037,999	15,317,825	89.9	38	38	
Infrastructure Development	***	***	***	***	***	***	9	9	
Professional Services	***	***	***	***	***	***	1	1	
Transportation	162	158	97.2	10,778,174	10,586,005	98.2	26	26	
Wholesale Trade & Manufacturing	***	***	***	***	***	***	2	2	
Non Oil & Gas	354	0	0.0	12,815,575	0	0	86	0	
Burke County	747	366	49.0	39,334,385	24,798,636	63.0	136	50	36.8

City/Community	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Columbus	170	118	69.7	10,117,653	7,156,993	70.7	20	12	60.0
Lignite	201	167	83.3	14,212,041	13,023,525	91.6	23	14	60.9
Powers Lake	157	46	29.6	5,679,839	2,460,586	43.3	33	13	39.4

Note: Totals may not sum due to rounding. For confidentiality reasons, cities/communities are included only if they have 10 or more oil and gas establishments.

***Data not available due to confidentiality restrictions



Burleigh County

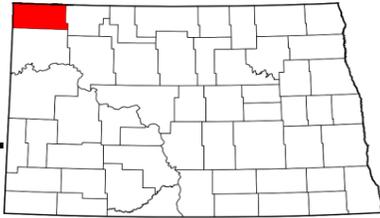
In 2013, 2.5% of all jobs and 4.8% of all wages in Burleigh County were attributable to oil and gas related employment.

Category	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Direct Oil & Gas	75	75	100.0	5,809,808	5,809,808	100.0	19	19	
Related Oil & Gas	3,119	1,077	34.5	264,094,021	89,160,665	33.8	220	220	
Infrastructure Development	528	211	40.1	34,693,618	16,946,675	48.8	30	30	
Professional Services	1,643	488	29.7	163,622,240	46,393,266	28.4	104	104	
Transportation	184	106	57.7	10,584,537	6,313,682	59.7	47	47	
Wholesale Trade & Manufacturing	764	271	35.5	55,193,626	19,507,042	35.3	39	39	
Non Oil & Gas	42,283	0	0.0	1,719,935,696	0	0	3,294	0	
Burleigh County	45,477	1,151	2.5	1,989,839,525	94,970,473	4.8	3,533	239	6.8

City/Community	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Bismarck	44,781	1,128	2.5	1,963,661,873	92,843,473	4.7	3,369	220	6.5

Note: Totals may not sum due to rounding. For confidentiality reasons, cities/communities are included only if they have 10 or more oil and gas establishments.

***Data not available due to confidentiality restrictions



Divide County

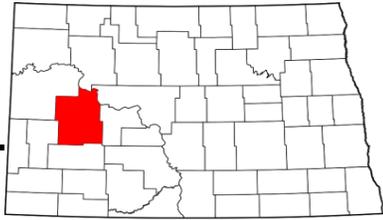
In 2013, 35.0% of all jobs and 53.2% of all wages in Divide County were attributable to oil and gas related employment.

Category	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Direct Oil & Gas	66	66	100.0	6,380,545	6,380,545	100.0	14	14	
Related Oil & Gas	244	228	93.2	18,377,455	17,578,072	95.7	60	60	
Infrastructure Development	***	***	***	***	***	***	12	12	
Professional Services	19	17	90.0	1,032,775	999,449	96.8	13	13	
Transportation	156	150	96.0	12,353,831	12,045,888	97.5	34	34	
Wholesale Trade & Manufacturing	***	***	***	***	***	***	1	1	
Non Oil & Gas	529	0	0.0	20,310,138	0	0	87	0	
Divide County	839	294	35.0	45,068,138	23,958,617	53.2	161	74	46.0

City/Community	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Crosby	728	251	34.5	38,349,930	21,241,504	55.4	127	55	43.3
Noonan	73	32	44.0	3,506,857	2,322,495	66.2	17	10	58.8

Note: Totals may not sum due to rounding. For confidentiality reasons, cities/communities are included only if they have 10 or more oil and gas establishments.

***Data not available due to confidentiality restrictions



Dunn County

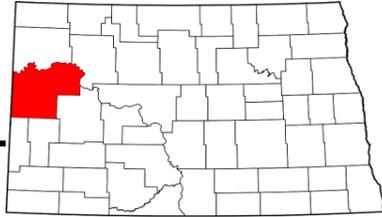
In 2013, 73.0% of all jobs and 85.6% of all wages in Dunn County were attributable to oil and gas related employment.

Category	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Direct Oil & Gas	1,111	1,111	100.0	109,261,176	109,261,176	100.0	38	38	
Related Oil & Gas	980	944	96.4	71,795,467	69,671,613	97.0	130	130	
Infrastructure Development	494	484	98.0	34,766,983	34,206,988	98.4	27	27	
Professional Services	***	***	***	***	***	***	14	14	
Transportation	361	355	98.3	26,249,406	25,938,280	98.8	86	86	
Wholesale Trade & Manufacturing	***	***	***	***	***	***	3	3	
Non Oil & Gas	723	0	0.0	28,001,094	0	0	102	0	
Dunn County	2,814	2,055	73.0	209,057,737	178,932,789	85.6	270	168	62.2

City/Community	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Halliday	189	118	62.3	9,870,898	7,459,504	75.6	37	18	48.6
Killdeer	2,041	1,465	71.8	150,869,273	128,596,836	85.2	188	124	66.0

Note: Totals may not sum due to rounding. For confidentiality reasons, cities/communities are included only if they have 10 or more oil and gas establishments.

***Data not available due to confidentiality restrictions



McKenzie County

In 2013, 71.1% of all jobs and 83.2% of all wages in McKenzie County were attributable to oil and gas related employment.

Category	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Direct Oil & Gas	1,728	1,728	100.0	158,236,805	158,236,805	100.0	105	105	
Related Oil & Gas	4,084	3,933	96.3	359,963,059	347,082,731	96.4	348	348	
Infrastructure Development	1,706	1,641	96.2	155,357,597	150,748,273	97.0	89	89	
Professional Services	403	381	94.6	39,281,156	35,890,007	91.4	71	71	
Transportation	1,602	1,539	96.1	131,010,722	126,215,158	96.3	158	158	
Wholesale Trade & Manufacturing	373	371	99.6	34,313,584	34,229,293	99.8	30	30	
Non Oil & Gas	2,145	0	0.0	89,070,799	0	0	371	0	
McKenzie County	7,958	5,661	71.1	607,270,663	505,319,536	83.2	824	453	55.0

City/Community	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Alexander	509	331	65.2	39,310,424	31,655,077	80.5	89	49	55.1
Arnegard	296	202	68.3	19,916,427	14,259,650	71.6	51	30	58.8
Cartwright	104	54	52.0	8,954,275	5,079,588	56.7	17	13	76.5
Keene	232	198	85.6	21,067,190	19,625,112	93.2	24	14	58.3
Mandaree	220	209	95.2	18,786,238	18,225,722	97.0	22	16	72.7
Watford City	5,884	4,112	69.9	438,991,973	364,694,328	83.1	534	274	51.3

Note: Totals may not sum due to rounding. For confidentiality reasons, cities/communities are included only if they have 10 or more oil and gas establishments.

***Data not available due to confidentiality restrictions



Mountrail County

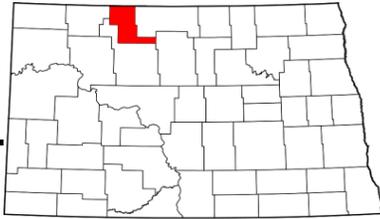
In 2013, 64.6% of all jobs and 76.8% of all wages in Mountrail County were attributable to oil and gas related employment.

Category	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Direct Oil & Gas	1,301	1,301	100.0	115,316,570	115,316,570	100.0	70	70	
Related Oil & Gas	2,741	2,644	96.4	213,833,949	207,098,130	96.8	321	321	
Infrastructure Development	939	895	95.3	62,356,081	59,134,973	94.8	56	56	
Professional Services	273	253	92.7	25,399,979	23,919,554	94.2	62	62	
Transportation	1,371	1,345	98.1	112,843,372	111,259,777	98.6	184	184	
Wholesale Trade & Manufacturing	159	151	95.2	13,234,517	12,783,826	96.6	19	19	
Non Oil & Gas	2,068	0	0.0	90,678,499	0	0	280	0	
Mountrail County	6,110	3,945	64.6	419,829,018	322,414,700	76.8	671	391	58.3

City/Community	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
New Town	1,958	1,265	64.6	143,317,596	111,574,722	77.9	238	151	63.4
Palermo	109	77	71.0	7,299,795	6,386,821	87.5	16	10	62.5
Parshall	495	224	45.2	34,738,577	21,212,587	61.1	64	27	42.2
Plaza	145	57	39.4	7,267,592	3,366,095	46.3	24	11	45.8
Ross	517	461	89.1	40,651,841	37,568,059	92.4	53	38	71.7
Stanley	2,682	1,665	62.1	171,851,779	128,135,632	74.6	243	126	51.9

Note: Totals may not sum due to rounding. For confidentiality reasons, cities/communities are included only if they have 10 or more oil and gas establishments.

***Data not available due to confidentiality restrictions



Renville County

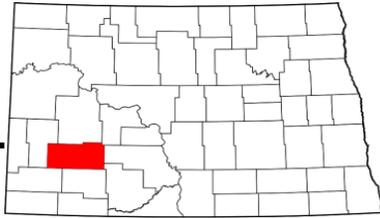
In 2013, 30.8% of all jobs and 50.3% of all wages in Renville County were attributable to oil and gas related employment.

Category	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Direct Oil & Gas	150	150	100.0	14,168,074	14,168,074	100.0	17	17	
Related Oil & Gas	72	61	84.9	4,080,532	3,451,143	84.6	17	17	
Infrastructure Development	***	***	***	***	***	***	5	5	
Professional Services	***	***	***	***	***	***	5	5	
Transportation	***	***	***	***	***	***	2	2	
Wholesale Trade & Manufacturing	***	***	***	***	***	***	5	5	
Non Oil & Gas	462	0	0.0	16,785,315	0	0	86	0	
Renville County	684	211	30.8	35,033,921	17,619,217	50.3	120	34	28.3

City/Community	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Mohall	508	163	32.2	26,897,101	14,854,608	55.2	82	25	30.5

Note: Totals may not sum due to rounding. For confidentiality reasons, cities/communities are included only if they have 10 or more oil and gas establishments.

***Data not available due to confidentiality restrictions



Stark County

In 2013, 43.0% of all jobs and 64.1% of all wages in Stark County were attributable to oil and gas related employment.

Category	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Direct Oil & Gas	4,163	4,163	100.0	449,600,976	449,600,976	100.0	119	119	
Related Oil & Gas	5,133	4,211	82.0	418,109,575	349,529,854	83.6	408	408	
Infrastructure Development	1,373	864	63.0	111,702,843	72,597,855	65.0	77	77	
Professional Services	869	723	83.2	75,341,513	65,514,995	87.0	126	126	
Transportation	1,616	1,575	97.5	121,834,710	119,767,845	98.3	145	145	
Wholesale Trade & Manufacturing	1,275	1,049	82.3	109,230,509	91,649,159	83.9	60	60	
Non Oil & Gas	10,201	0	0.0	378,635,728	0	0	1,060	0	
Stark County	19,497	8,374	43.0	1,246,346,279	799,130,830	64.1	1,587	527	33.2

City/Community	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Belfield	1,703	1,433	84.1	121,299,814	109,971,930	90.7	129	86	66.7
Dickinson	17,140	6,666	38.9	1,083,261,008	663,043,716	61.2	1,334	397	29.8
South Heart	101	63	62.5	5,960,525	4,378,943	73.5	29	14	48.3

Note: Totals may not sum due to rounding. For confidentiality reasons, cities/communities are included only if they have 10 or more oil and gas establishments.

***Data not available due to confidentiality restrictions



Ward County

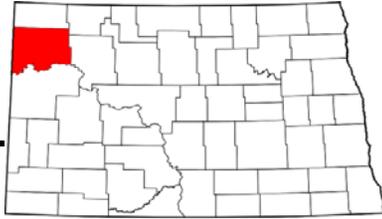
In 2013, 14.3% of all jobs and 26.8% of all wages in Ward County were attributable to oil and gas related employment.

Category	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Direct Oil & Gas	1,571	1,571	100.0	150,376,548	150,376,548	100.0	69	69	
Related Oil & Gas	3,760	2,793	74.3	302,291,041	230,417,034	76.2	352	352	
Infrastructure Development	1,704	1,162	68.2	145,131,118	105,138,816	72.4	61	61	
Professional Services	578	455	78.6	50,882,217	42,041,019	82.6	113	113	
Transportation	933	880	94.3	62,138,959	59,456,115	95.7	137	137	
Wholesale Trade & Manufacturing	545	297	54.5	44,138,747	23,781,084	53.9	41	41	
Non Oil & Gas	25,080	0	0.0	969,526,909	0	0	2,185	0	
Ward County	30,411	4,364	14.3	1,422,194,498	380,793,582	26.8	2,606	421	16.2

City/Community	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Berthold	870	541	62.3	70,615,177	51,266,093	72.6	58	20	34.5
Kenmare	662	144	21.8	33,791,118	14,615,056	43.3	99	24	24.2
Minot	27,894	3,338	12.0	1,261,951,161	283,678,032	22.5	2,202	326	14.8

Note: Totals may not sum due to rounding. For confidentiality reasons, cities/communities are included only if they have 10 or more oil and gas establishments.

***Data not available due to confidentiality restrictions



Williams County

In 2013, 64.5% of all jobs and 77.9% of all wages in Williams County were attributable to oil and gas related employment.

Category	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Direct Oil & Gas	12,871	12,871	100.0	1,305,103,414	1,305,103,414	100.0	239	239	
Related Oil & Gas	10,551	10,024	95.0	961,738,177	919,049,500	95.6	885	885	
Infrastructure Development	2,968	2,742	92.4	240,360,573	223,442,385	93.0	174	174	
Professional Services	2,150	2,086	97.0	217,503,403	212,348,467	97.6	269	269	
Transportation	2,712	2,587	95.4	226,362,315	214,039,409	94.6	314	314	
Wholesale Trade & Manufacturing	2,721	2,609	95.9	277,511,886	269,219,239	97.0	128	128	
Non Oil & Gas	12,100	0	0.0	589,018,218	0	0	1,271	0	
Williams County	35,522	22,896	64.5	2,855,859,809	2,224,152,914	77.9	2,395	1,124	46.9

City/Community	Employment			Wages			Establishments		
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total
Epping	130	109	83.4	9,404,708	8,407,456	89.4	22	16	72.7
McGregor	193	178	92.3	15,547,113	14,410,556	92.7	15	11	73.3
Ray	524	271	51.8	33,537,227	21,893,886	65.3	80	33	41.3
Tioga	3,932	2,561	65.1	330,585,068	241,044,644	72.9	206	100	48.5
Trenton	176	149	84.6	14,954,778	13,698,169	91.6	22	10	45.5
Wildrose	36	18	51.4	1,817,651	1,316,990	72.5	18	10	55.6
Williston	30,090	19,225	63.9	2,416,877,212	1,892,516,171	78.3	1,937	880	45.4

Note: Totals may not sum due to rounding. For confidentiality reasons, cities/communities are included only if they have 10 or more oil and gas establishments.

***Data not available due to confidentiality restrictions

ND Private Employment Count by Industry & Category

2 Digit NAICS ¹ Industry Code	Total Private Employment	Non Oil & Gas		Oil & Gas Related Categories									
				Drilling, Extraction, Production & Refining		Infrastructure Development		Professional Service		Transportation		Wholesale Trade & Manufacturing	
		Private Employment	% of Total	Private Employment	% of Total	Private Employment	% of Total	Private Employment	% of Total	Private Employment	% of Total	Private Employment	% of Total
11 Agriculture, Forestry, Fishing and Hunting	4,264	4,264	100.0										
21 Mining, Quarrying, and Oil and Gas Extraction	26,196	1,961	7.5	***		***							
22 Utilities	3,591	3,026	84.3			566	15.7						
23 Construction	32,303	24,317	75.3			7,985	24.7						
31-33 Manufacturing	25,410	23,619	93.0	***								***	
42 Wholesale Trade	26,403	***										***	
44-45 Retail Trade	49,005	49,005	100.0										
48-49 Transportation and Warehousing	20,349	9,488	46.6			688	3.4			10,173	50.0		
51 Information	6,810	6,810	100.0										
52 Finance and Insurance	17,105	***						***					
53 Real Estate and Rental and Leasing	5,116	3,473	67.9					1,643	32.1				
54 Professional and Technical Services	15,565	13,186	84.7					2,379	15.3				
55 Management of Companies and Enterprises	5,127	4,871	95.0					256	5.0				
56 Administrative and Waste Services	13,476	13,222	98.1			***		***					
61 Educational Services	2,182	2,182	100.0										
62 Health Care and Social Assistance	55,086	55,086	100.0										
71 Arts, Entertainment, and Recreation	4,114	4,114	100.0										
72 Accommodation and Food Services	35,074	35,074	100.0										
81 Other Services (except Public Administration)	12,239	11,756	96.1					483	3.9				
Total	359,415	304,278	84.7	24,254	6.7	9,541	2.7	5,055	1.4	10,173	2.8	6,114	1.7

***Data not available due to confidentiality restrictions

¹ The North American Industry Classification System (NAICS) is the standard used by federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

ND Private Wages by Industry & Category

2 Digit NAICS ¹ Industry Code	Total Private Wages (\$)	Non Oil & Gas		Oil & Gas Related Categories									
				Drilling, Extraction, Production & Refining		Infrastructure Development		Professional Service		Transportation		Wholesale Trade & Manufacturing	
		Private Wages (\$)	% of Total	Private Wages (\$)	% of Total	Private Wages (\$)	% of Total	Private Wages (\$)	% of Total	Private Wages (\$)	% of Total	Private Wages (\$)	% of Total
11 Agriculture, Forestry, Fishing and Hunting	170,010,146	170,010,146	100.0										
21 Mining, Quarrying, and Oil and Gas Extraction	2,568,317,033	160,350,966	6.2	***		***							
22 Utilities	310,542,784	265,519,746	85.5			45,023,038	14.5						
23 Construction	1,945,256,874	1,312,391,632	67.5			632,865,242	32.5						
31-33 Manufacturing	1,222,309,049	1,101,405,633	90.1	***								***	
42 Wholesale Trade	1,723,384,288	***										***	
44-45 Retail Trade	1,387,784,951	1,387,784,951	100.0										
48-49 Transportation and Warehousing	1,244,160,810	384,959,895	30.9			74,604,629	6.0			784,596,286	63.1		
51 Information	379,961,403	379,961,403	100.0										
52 Finance and Insurance	921,152,776	***						***					
53 Real Estate and Rental and Leasing	274,284,968	121,818,067	44.4					152,466,901	55.6				
54 Professional and Technical Services	1,047,419,058	785,160,807	75.0					262,258,251	25.0				
55 Management of Companies and Enterprises	358,760,806	335,993,512	93.7					22,767,294	6.3				
56 Administrative and Waste Services	430,316,634	413,696,357	96.1			***		***					
61 Educational Services	65,464,190	65,464,190	100.0										
62 Health Care and Social Assistance	2,463,591,022	2,463,591,022	100.0										
71 Arts, Entertainment, and Recreation	62,941,121	62,941,121	100.0										
72 Accommodation and Food Services	574,249,303	574,249,303	100.0										
81 Other Services (except Public Administration)	368,030,361	333,977,017	90.7					34,053,344	9.3				
Total	17,517,937,577	12,518,087,799	71.5	2,421,453,328	13.8	772,440,611	4.4	490,925,493	2.8	784,596,286	4.5	530,434,060	3.0

***Data not available due to confidentiality restrictions

¹ The North American Industry Classification System (NAICS) is the standard used by federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

ND Private Establishment Count by Industry & Category

2 Digit NAICS ¹ Industry Code	Total Private Estab. Count	Non Oil & Gas		Oil & Gas Related Categories										
				Drilling, Extraction, Production & Refining		Infrastructure Development		Professional Service		Transportation		Wholesale Trade & Manufacturing		
		Private Estab. Count	% of Total	Private Estab. Count	% of Total	Private Estab. Count	% of Total	Private Estab. Count	% of Total	Private Estab. Count	% of Total	Private Estab. Count	% of Total	
11 Agriculture, Forestry, Fishing and Hunting	861	861	100.0											
21 Mining, Quarrying, and Oil and Gas Extraction	877	36	4.1	788	89.9	53	6.0							
22 Utilities	148	85	57.4			63	42.6							
23 Construction	4,473	3,886	86.9			587	13.1							
31-33 Manufacturing	864	774	89.6	6	0.7							84	9.7	
42 Wholesale Trade	2,855	2,472	86.6									383	13.4	
44-45 Retail Trade	3,238	3,238	100.0											
48-49 Transportation and Warehousing	2,620	1,137	43.4			60	2.3			1,423	54.3			
51 Information	399	399	100.0											
52 Finance and Insurance	1,947	1,861	95.6					86	4.4					
53 Real Estate and Rental and Leasing	1,046	897	85.8					149	14.2					
54 Professional and Technical Services	2,936	2,399	81.7					537	18.3					
55 Management of Companies and Enterprises	169	148	87.6					21	12.4					
56 Administrative and Waste Services	1,435	1,378	96.0			17	1.2	40	2.8					
61 Educational Services	192	192	100.0											
62 Health Care and Social Assistance	2,182	2,182	100.0											
71 Arts, Entertainment, and Recreation	436	436	100.0											
72 Accommodation and Food Services	2,224	2,224	100.0											
81 Other Services (except Public Administration)	2,181	2,037	93.4					144	6.6					
Total	31,083	26,642	85.7	794	2.6	780	2.5	977	3.1	1,423	4.6	467	1.5	

¹ The North American Industry Classification System (NAICS) is the standard used by federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

ND Counties With at Least 10 Oil & Gas Establishments

Sorted by Percentage of Total Employment

County	Employment			Wages			Establishment Count			Population ¹	
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total	2010 Census	2013 Estimated
Slope	226	200	88.4	18,446,694	17,909,870	97.1	26	14	53.8	727	761
Dunn	2,814	2,055	73.0	209,057,737	178,932,789	85.6	270	168	62.2	3,536	4,162
McKenzie	7,958	5,661	71.1	607,270,663	505,319,536	83.2	824	453	55.0	6,360	9,314
Mountrail	6,110	3,945	64.6	419,829,018	322,414,700	76.8	671	391	58.3	7,673	9,376
Williams	35,522	22,896	64.5	2,855,859,809	2,224,152,914	77.9	2,395	1,124	46.9	22,398	29,595
Burke	747	366	49.0	39,334,385	24,798,636	63.0	136	50	36.8	1,968	2,306
Stark	19,497	8,374	43.0	1,246,346,279	799,130,830	64.1	1,587	527	33.2	24,199	28,212
Divide	839	294	35.0	45,068,138	23,958,617	53.2	161	74	46.0	2,071	2,314
Billings	419	131	31.2	17,702,131	10,618,445	60.0	60	18	30.0	783	874
Renville	684	211	30.8	35,033,921	17,619,217	50.3	120	34	28.3	2,470	2,608
Bottineau	2,053	524	25.5	86,129,272	34,988,637	40.6	300	59	19.7	6,429	6,736
Bowman	1,638	360	22.0	75,759,068	29,206,389	38.6	186	36	19.4	3,151	3,214
Golden Valley	531	106	20.0	21,021,260	7,334,347	34.9	90	21	23.3	1,680	1,823
Ward	30,411	4,364	14.3	1,422,194,498	380,793,582	26.8	2,606	421	16.2	61,675	67,990
Morton	8,842	775	8.8	378,540,530	84,620,790	22.4	984	90	9.1	27,471	28,990
Hettinger	511	37	7.2	19,161,586	2,387,412	12.5	106	12	11.3	2,477	2,660
Mercer	4,402	314	7.1	282,967,696	24,112,540	8.5	311	44	14.1	8,424	8,592
McLean	2,648	168	6.3	139,528,237	10,276,223	7.4	319	39	12.2	8,962	9,517
McHenry	903	45	4.9	36,588,027	2,916,802	8.0	166	19	11.4	5,395	5,922
Walsh	4,120	121	2.9	147,808,935	6,291,646	4.3	494	12	2.4	11,119	11,104
Burleigh	45,477	1,151	2.5	1,989,839,525	94,970,473	4.8	3,533	239	6.8	81,308	88,457
Cass	97,643	1,497	1.5	4,252,107,903	92,651,513	2.2	6,674	179	2.7	149,778	162,829
Stutsman	9,107	136	1.5	337,609,233	9,671,715	2.9	795	28	3.5	21,100	21,120
Barnes	3,996	55	1.4	138,278,416	4,761,860	3.4	405	10	2.5	11,066	11,190
Grand Forks	31,836	332	1.0	1,168,312,345	18,351,680	1.6	2,183	74	3.4	66,861	69,179
Traill	2,730	14	0.5	104,158,620	697,628	0.7	364	11	3.0	8,121	8,245

Note: Only those counties with at least 10 oil and gas establishments are included in this list to ensure confidentiality for individual establishments.

¹ Source: US Census Bureau

ND Cities/Communities with at Least 10 Oil & Gas Establishments

Sorted by Percentage of Total Employment

City/Community	Employment			Wages			Establishment Count			Population ¹	
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total	2010 Census	2013 Estimated
Mandaree	220	209	95.2	18,786,238	18,225,722	97.0	22	16	72.7	596	***
McGregor	193	178	92.3	15,547,113	14,410,556	92.7	15	11	73.3	***	***
Ross	517	461	89.1	40,651,841	37,568,059	92.4	53	38	71.7	98	109
Keene	232	198	85.6	21,067,190	19,625,112	93.2	24	14	58.3	***	***
Trenton	176	149	84.6	14,954,778	13,698,169	91.6	22	10	45.5	***	***
Belfield	1,703	1,433	84.1	121,299,814	109,971,930	90.7	129	86	66.7	803	975
Epping	130	109	83.4	9,404,708	8,407,456	89.4	22	16	72.7	101	94
Lignite	201	167	83.3	14,212,041	13,023,525	91.6	23	14	60.9	154	204
Westhope	378	298	78.7	23,774,112	21,353,587	89.8	39	16	41.0	423	427
Killdeer	2,041	1,465	71.8	150,869,273	128,596,836	85.2	188	124	66.0	752	975
Palermo	109	77	71.0	7,299,795	6,386,821	87.5	16	10	62.5	75	82
Watford City	5,884	4,112	69.9	438,991,973	364,694,328	83.1	534	274	51.3	1,764	3,284
Columbus	170	118	69.7	10,117,653	7,156,993	70.7	20	12	60.0	133	157
Arnegard	296	202	68.3	19,916,427	14,259,650	71.6	51	30	58.8	116	149
Alexander	509	331	65.2	39,310,424	31,655,077	80.5	89	49	55.1	224	293
Tioga	3,932	2,561	65.1	330,585,068	241,044,644	72.9	206	100	48.5	1,237	1,565
New Town	1,958	1,265	64.6	143,317,596	111,574,722	77.9	238	151	63.4	1,945	2,363
Williston	30,090	19,225	63.9	2,416,877,212	1,892,516,171	78.3	1,937	880	45.4	14,919	20,850
South Heart	101	63	62.5	5,960,525	4,378,943	73.5	29	14	48.3	302	358
Halliday	189	118	62.3	9,870,898	7,459,504	75.6	37	18	48.6	188	214
Berthold	870	541	62.3	70,615,177	51,266,093	72.6	58	20	34.5	456	485
Stanley	2,682	1,665	62.1	171,851,779	128,135,632	74.6	243	126	51.9	1,470	2,060
Cartwright	104	54	52.0	8,954,275	5,079,588	56.7	17	13	76.5	***	***
Ray	524	271	51.8	33,537,227	21,893,886	65.3	80	33	41.3	594	766
Wildrose	36	18	51.4	1,817,651	1,316,990	72.5	18	10	55.6	111	105
Parshall	495	224	45.2	34,738,577	21,212,587	61.1	64	27	42.2	910	1,216

Note: Only those cities/communities with at least 10 oil and gas establishments are included in this list to ensure confidentiality for individual establishments.

¹ Source: US Census Bureau

***Unincorporated community

ND Cities/Communities with at Least 10 Oil & Gas Establishments (Continued)

Sorted by Percentage of Total Employment

City/Community	Employment			Wages			Establishment Count			Population ¹	
	Total Private	Oil & Gas	% of Total	Total Private (\$)	Oil & Gas (\$)	% of Total	Total Private	Oil & Gas	% of Total	2010 Census	2013 Estimated
Noonan	73	32	44.0	3,506,857	2,322,495	66.2	17	10	58.8	122	123
Plaza	145	57	39.4	7,267,592	3,366,095	46.3	24	11	45.8	172	190
Dickinson	17,140	6,666	38.9	1,083,261,008	663,043,716	61.2	1,334	397	29.8	17,973	20,826
Crosby	728	251	34.5	38,349,930	21,241,504	55.4	127	55	43.3	1,071	1,298
Mohall	508	163	32.2	26,897,101	14,854,608	55.2	82	25	30.5	785	819
Powers Lake	157	46	29.6	5,679,839	2,460,586	43.3	33	13	39.4	279	321
Beach	395	92	23.2	15,342,238	6,291,364	41.0	72	12	16.7	1,020	1,103
Kenmare	662	144	21.8	33,791,118	14,615,056	43.3	99	24	24.2	1,100	1,108
Bowman	1,303	193	14.8	53,206,183	14,340,310	27.0	152	24	15.8	1,644	1,668
Minot	27,894	3,338	12.0	1,261,951,161	283,678,032	22.5	2,202	326	14.8	41,290	46,321
Garrison	742	71	9.5	25,425,653	4,399,376	17.3	90	13	14.4	1,457	1,552
Beulah	3,210	268	8.3	232,323,806	21,081,849	9.1	151	27	17.9	3,119	3,304
Mandan	7,718	619	8.0	329,113,430	69,916,861	21.2	800	65	8.1	18,497	19,887
Bottineau	1,256	91	7.2	39,507,167	4,807,964	12.2	177	16	9.0	2,214	2,341
Bismarck	44,781	1,128	2.5	1,963,661,873	92,843,473	4.7	3,369	220	6.5	61,527	67,034
West Fargo	9,904	238	2.4	427,594,309	13,840,723	3.2	942	33	3.5	25,928	29,878
Jamestown	8,572	123	1.4	312,767,354	8,849,841	2.8	673	20	3.0	15,440	15,440
Fargo	83,955	1,185	1.4	3,655,194,485	74,504,469	2.0	5,067	124	2.4	105,925	113,658
Grand Forks	30,025	302	1.0	1,103,135,362	17,118,087	1.6	1,860	62	3.3	52,968	54,932

Note: Only those cities/communities with at least 10 oil and gas establishments are included in this list to ensure confidentiality for individual establishments.

¹ Source: US Census Bureau

Methodology

DATA SOURCE

Job Service North Dakota's primary source for industry employment and wage data is the Quarterly Census of Employment and Wages (QCEW) program, which derives its data from quarterly tax reports of employers subject to state and federal unemployment insurance laws. Data are published approximately six months after a quarter ends. North Dakota employers report employment levels for each month of the quarter as well as total quarterly payroll. Reported employment represents the number of insured workers who worked during, or received pay for, the pay period including the 12th of the month. Exceptions include members of the armed forces, self-employed individuals, unpaid family workers and railroad workers who are insured by the railroad unemployment insurance system. Reported payroll includes base pay wages and any bonuses, overtime, and commissions paid to an employee. Job Service North Dakota uses the North American Industry Classification System (NAICS) to code an employer's business activity for each worksite in the state. Each employer determined to be liable to provide unemployment insurance coverage for their employees is assigned one of 1,065 six-digit NAICS codes for each of its worksites. An employer may have more than one worksite or business establishment. QCEW data are based on a place-of-work concept. In other words, QCEW counts where people work not where they reside. This differs with population or labor force counts which are based on a place-of-residence concept. QCEW data are a count of jobs not necessarily workers, so a worker with more than one job is counted for each job in which they are employed. Also, jobs held by out-of-area commuters are counted in the area where they work not where they reside. For example, a Montana resident working in North Dakota is counted as employed in the North Dakota QCEW data.

IN-SCOPE ESTABLISHMENTS

Six-digit NAICS codes are in-scope for the purposes of this report if the industry is a major contributor to well-pad operations. Labor Market Information Center analysts reviewed all six-digit NAICS codes to determine which detail industries may be in-scope. If determined to be in-scope, a NAICS code was categorized as either Direct or Related. The Direct category consists of establishments involved in the drilling, extraction, production, or refining of crude oil, natural gas, or natural gas liquids and includes all activities tied directly to well-pad operations. The Related category consists of establishments involved in key support activities for well-pad development, operation, and maintenance including infrastructure development, professional services, transportation, and wholesale trade and manufacturing. Additionally, NAICS codes were further grouped into subcategories. A listing of in-scope NAICS codes and titles and their associated categories and subcategories is available in the section titled 'In-Scope NAICS Industry Breakouts by Category and Subcategory'. The Direct category consists of 5 six-digit NAICS codes in one subcategory. The Related category consists of 126 six-digit NAICS codes in four subcategories. There were 8,597 in-scope private establishments and 22,486 out-of-scope private establishments in 2013.

SURVEY

Business establishments may provide goods and/or services to the oil and gas sector as well as other sectors. The Job Service Labor Market Information Center surveyed in-scope private sector employers to help determine the percentage of their business activity that can be specifically attributed to the oil and gas sector. The Oil & Gas Employment Survey asked employers to report the percentage of their 2013 business activity attributed to the oil and gas sector. Employers could choose between five percentage ranges (0%, 1-25%, 26-50%, 51-75%, 76-100%) and were asked to report the percentage for each establishment. Employers in the Direct Establishment category were not surveyed due to the nature of their NAICS codes. Instead, they were administratively coded in the 76-100% range since their NAICS codes have a direct relationship to the oil and gas sector. These employers accounted for 794 out of the 8,597 in-scope establishments. Labor Market Information Center analysts reviewed the 7,803 remaining in-scope establishments' Report to Determine Liability (administrative records employers submit for the unemployment insurance program) to determine each establishment's percentage of oil and gas business activity. Analysts performed additional research to determine a business's activity if one was not included in the Report. A total of 4,811 (56%) in-scope establishments in the Direct and Related categories were administratively coded. Job Service North Dakota sent Oil and Gas Employment Surveys to the remaining 3,786 (44%) in-scope establishments via an initial e-mail blast and three follow-up mailings. 137 establishments responded to the e-mail survey. Job Service North Dakota mailed surveys to the remaining 3,649 establishments of which 3,247 responded. The combined response rate for the e-mail blast and mail surveys was 89.4%. The remaining 402 establishments were imputed using a weighted average derived from establishment survey responses by firm size, subcategory, and county location.

RESULTS

To calculate the final results, an establishment's 2013 average annual employment and total wages are multiplied by their business activity percentage as reported via a survey response, an administratively-coded response, or imputation. The top of the percentage range was used to perform the calculation. For example, if an establishment reported 51-75% of their business activity was attributed to the oil and gas sector, then that establishment's average annual employment and total wages are multiplied by .75, while the remainder is considered non oil and gas employment and wages. If an employer's survey response was 0%, all of their employment and wages are considered non oil and gas. For imputed establishments, a business activity percentage based on a weighted average derived from establishment survey responses by firm size, subcategory, and county location was used to calculate final results. All private sector establishments are then aggregated by category, subcategory, and geography. These data are not meant to capture a secondary employment effect (e.g. food, housing, medical, government services, etc.). This survey's focus was on employment tied to well-pad operations.

IN-SCOPE NAICS INDUSTRY BREAKOUTS BY CATEGORY AND SUBCATEGORY

DIRECT OIL AND GAS ESTABLISHMENTS

Establishments involved in the drilling, extraction, production, or refining of crude oil, natural gas, or natural gas liquids and includes all activities tied directly to well-pad operations.

OIL AND GAS DRILLING, EXTRACTION, PRODUCTION, AND REFINING

Establishments involved in the drilling, extraction, production, or refining of crude oil, natural gas, or natural gas liquids. This includes services such as exploration (except geophysical surveying and mapping); excavating slush pits and cellars, well surveying; running, cutting, and pulling casings, tubes, and rods; cementing wells, shooting wells; perforating well casings; acidizing and chemically treating wells; cleaning out, bailing, and swabbing wells; and refining crude petroleum into refined petroleum. This includes all activities tied directly to well-pad operations.

Oil and Gas Drilling, Extraction, Production, and Refining includes the following NAICS codes:

211111	Crude Petroleum and Natural Gas Extraction	213111	Drilling Oil and Gas Wells	324110	Petroleum Refineries
211112	Natural Gas Liquid Extraction	213112	Support Activities for Oil and Gas Operations		

RELATED OIL AND GAS ESTABLISHMENTS

Establishments involved in key support activities for well-pad development, operation, and maintenance including infrastructure development, professional services, transportation, and wholesale trade and manufacturing.

INFRASTRUCTURE DEVELOPMENT

Establishments involved in providing necessary well-pad infrastructure including such activities as the development and construction of the well pad and surrounding site and any service roads to the well pad; pipeline development, use, and maintenance; power generation and distribution (e.g. power lines connecting the well pad to the power grid); gravel and scoria quarrying for service road construction; landfill operation (e.g. accepting of well-pad production waste); bulk petroleum storage; and supplying water for well-pad drilling and production. The infrastructure development subcategory excludes temporary and permanent residential housing construction, commercial or industrial construction not directly connected to the well pad, and establishments involved in the supply or manufacture of well-pad materials.

Infrastructure Development includes the following NAICS codes:

212313	Crushed and Broken Granite Mining	221122	Electric Power Distribution	238212	Nonresidential Electrical Contractors
212319	Other Crushed and Broken Stone Mining	221210	Natural Gas Distribution	238222	Nonresidential Plumbing and HVAC Contractors
212321	Construction Sand and Gravel Mining	221310	Water Supply and Irrigation Systems	238292	Other Nonresidential Equipment Contractors
212325	Clay, Ceramic, and Refractory Minerals Mining	236210	Industrial Building Construction	238912	Nonresidential Site Preparation Contractors
212399	All Other Nonmetallic Mineral Mining	236220	Commercial Building Construction	238992	All Other Nonresidential Trade Contractors
221111	Hydroelectric Power Generation	237110	Water and Sewer System Construction	486110	Pipeline Transportation of Crude Oil
221112	Fossil Fuel Electric Power Generation	237120	Oil and Gas Pipeline Construction	486210	Pipeline Transportation of Natural Gas
221113	Nuclear Electric Power Generation	237130	Power and Communication System Construction	486910	Refined Petroleum Product Pipeline Transport
221114	Solar Electric Power Generation	237210	Land Subdivision	493190	Other Warehousing and Storage
221115	Wind Electric Power Generation	237310	Highway, Street, and Bridge Construction	562112	Hazardous Waste Collection
221116	Geothermal Electric Power Generation	237990	Other Heavy Construction	562211	Hazardous Waste Treatment and Disposal
221117	Biomass Electric Power Generation	238112	Nonresidential Poured Foundation Contractors	562212	Solid Waste Landfill
221118	Other Electric Power Generation	238122	Nonresidential Structural Steel Contractors	562219	Other Nonhazardous Waste Disposal
221121	Electric Bulk Power Transmission and Control	238132	Nonresidential Framing Contractors		

PROFESSIONAL SERVICES

Establishments that provide services necessary for well-pad development, operation, and maintenance such as engineering services; consulting services; technical services; surveying; specialized repair services; testing laboratories; equipment leasing services; mineral rights services (landmen), and remediation services. Professional Services also includes establishments engaged in administrative, management, scientific, and legal services specific to oil and gas development.

Professional Services includes the following NAICS codes:

523910	Miscellaneous Intermediation	541330	Engineering Services	541690	Other Technical Consulting Services
531190	Lessors of Other Real Estate Property	541360	Geophysical Surveying and Mapping Services	541990	All Other Professional and Technical Svcs.
531390	Other Activities Related to Real Estate	541370	Other Surveying and Mapping Services	551114	Managing Offices
532412	Other Heavy Machinery Rental and Leasing	541380	Testing Laboratories	561790	Other Services to Buildings and Dwellings
532490	Other Machinery Rental and Leasing	541611	Administrative Management Consulting Services	561990	All Other Support Services
533110	Lessors of Nonfinancial Intangible Assets	541614	Process and Logistics Consulting Services	562910	Remediation Services
541110	Offices of Lawyers	541620	Environmental Consulting Services	811310	Commercial Machinery Repair and Maint.

WHOLESALE TRADE AND MANUFACTURING

Establishments involved in the supply or manufacture of materials that are unique, dedicated, and/or critical to well-pad construction, operation, or maintenance including materials such as electrical components; industrial equipment or machinery and related parts; storage tanks; concrete; acids; chemicals; proppants; and other fluids. The Wholesale Trade and Manufacturing subcategory excludes establishments whose wholesale supplies or manufactured items are not required for well-pad operations.

Wholesale Trade and Manufacturing includes the following NAICS codes:

324191	Petroleum Lubricating Oil and Grease Mfg	332812	Metal Coating and Nonprecious Engraving	333511	Industrial Mold Manufacturing
325110	Petrochemical Manufacturing	332813	Electroplating, Anodizing, and Coloring Metal	333514	Special Tool, Die, Jig, and Fixture Mfg
325120	Industrial Gas Manufacturing	332911	Industrial Valve Manufacturing	333515	Cutting Tool and Machine Tool Accessory Mfg
325510	Paint and Coating Manufacturing	332912	Fluid Power Valve and Hose Fitting Mfg	333517	Machine Tool Manufacturing
326113	Nonpackaging Plastics Film and Sheet Mfg	332913	Plumbing Fixture Fitting and Trim Mfg	333519	Rolling Mill/Other Metalworking Machinery Mfg
326122	Plastics Pipe and Pipe Fitting Manufacturing	332919	Other Metal Valve and Pipe Fitting Mfg	333911	Pump and Pumping Equipment Mfg
326191	Plastics Plumbing Fixture Manufacturing	332991	Ball and Roller Bearing Manufacturing	336212	Truck Trailer Manufacturing
326199	All Other Plastics Product Manufacturing	332996	Fabricated Pipe and Pipe Fitting Mfg	423320	Masonry Material Merchant Wholesalers
326220	Rubber and Plastics Hose and Belting Mfg	332999	Miscellaneous Fabricated Metal Product Mfg	423810	Construction Equipment Merchant Wholesalers
326291	Rubber Product Mfg for Mechanical Use	333111	Farm Machinery and Equipment Manufacturing	423830	Industrial Machinery Merchant Wholesalers
327310	Cement Manufacturing	333120	Construction Machinery Manufacturing	423840	Industrial Supplies Merchant Wholesalers
327320	Ready-Mix Concrete Manufacturing	333131	Mining Machinery and Equipment Manufacturing	423850	Service Estab. Equip. Merchant Wholesalers
331210	Iron, Steel Pipe & Tube from Purchased Steel	333132	Oil and Gas Field Machinery and Equipment Mfg	423990	All Other Durable Goods Merchant Wholesalers
332311	Prefabricated Metal Buildings and Components	333242	Semiconductor Machinery Manufacturing	424610	Plastics Materials Merchant Wholesalers
332420	Metal Tank (Heavy Gauge) Manufacturing	333249	Other Industrial Machinery Manufacturing	424690	Other Chemical Merchant Wholesalers
332710	Machine Shops	333413	Industrial Fan & Air Purification Equip. Mfg	424710	Petroleum Bulk Stations and Terminals
332721	Precision Turned Product Manufacturing	333414	Heating Equipment (except Warm Air Furnaces)	424720	Other Petroleum Merchant Wholesalers
332722	Bolt, Nut, Screw, Rivet, and Washer Mfg	333415	AC, Refrigeration, and Forced Air Heating	424990	Other Nondurable Goods Merchant Wholesalers
332811	Metal Heat Treating				

TRANSPORTATION

Establishments involved in transporting supplies to the well pad in order to drill for oil and natural gas or transporting recovered oil from the well pad to a refinery. This includes activities such as the transportation of oil, natural gas, production water, oilfield waste, well-pad materials (e.g. supplies, chemicals, equipment, machinery); transportation freight arrangement; hot shot services; and support activities for road and rail transportation including loading and unloading rail cars and operating independent terminals. Though establishments involved in support activities for rail transportation are included, railroad operators themselves are excluded. Establishments involved in the transportation of goods to retailers (gas stations, supermarkets, big box stores, etc.); the transportation of workers to/from worksites; or the transportation of agricultural products are also excluded.

Transportation includes the following NAICS codes:

484110	General Freight Trucking, Local	484220	Other Specialized Trucking, Local	488490	Other Support Activities for Road Transport
484121	General Freight Trucking, Long-Distance TL	484230	Other Specialized Trucking, Long-Distance	488510	Freight Transportation Arrangement
484122	General Freight Trucking, Long-Distance LTT	488210	Support Activities for Rail Transportation	488999	All Other Support Activities for Transport