



NDIC Proposes New Rules for 2012 for Pits, Hydraulic Fracturing, Commission Procedure and Other Matters

By: [Heidi Hande](#)

The North Dakota Industrial Commission, Department of Mineral Resources, Oil and Gas Division ("NDIC"), proposes to amend its administrative rules regarding reserve and drilling pits, hydraulic fracturing, duration of temporary spacing orders, the procedure for increased density applications and other matters, to be effective in 2012. The public hearing will be November 1, 2011 and written comments must be submitted by November 14, 2011.

The NDIC proposes two new sections of the administrative code, one to address the proposed drilling pits and another to address the proposed shallow well reserve pits. Proposed NDAC § 43-02-03-19.4 regarding drilling pits permits utilization of a pit to bury drill cuttings and solids generated from drilling and completion *but* prohibits reserve and circulation of the mud system through earthen pits without the waiver of the director. Pits shall not be located in, or hazardously near, bodies of water. Finally, these proposed drilling pits must be reclaimed within thirty days of drilling the well or of drilling permit expiration.

The provisions of the current NDAC § 43-02-03-19 regarding reserve pits for drilling mud and drill cuttings will be replaced with this proposed new section. Proposed NDAC § 43-02-03-19.5 permits reserve pits for shallow wells, being located above a depth of five thousand feet, which must be reclaimed within a reasonable time -but not more than one year.

An entirely new section is proposed in NDAC § 43-02-03-27.1 regarding hydraulic fracture stimulation. Proposed section (1) of this new section dictates the procedure for a frac string run inside the intermediate casing string. Proposed section (2) provides requirements for the cement evaluation

tools and pressure testing design. Regarding disclosure, section (2)(i) proposes that:

after the hydraulic fracture stimulation is performed the owner, operator, or service company shall post on the FracFocus Chemical Disclosure Registry the . . . fracture date, state, county, American petroleum institute number, operator name, well name and number. . .and hydraulic fracturing fluid composition [including] trade name. . . ingredients . . . [and] chemical abstract number.

Within twenty-four hours of a pressure incident during stimulation exceeding three hundred fifty pounds per square inch gage, the owner or operator shall verbally notify the director and post the incident on the FracFocus web site under subsection (3). Note that the FracFocus web site is currently available here: <http://fracfocus.org/>.

Procedurally, the proposed amendment to NDAC § 43-02-03-18 regarding drilling units extends the duration of a temporary order from eighteen months to three years, at the expiration of which time a hearing will shall be held to determine the proper spacing of a pool.

Increased density wells may be resolved administratively under the proposed amendment to NDAC § 43-02-03-88.1. Applications to amend field rules to allow additional wells on existing spacing units will be handled similar to pooling applications. The director is authorized, on behalf of the NDIC, to grant or deny such applications.

The proposed amendments contain key considerations for operators in the Bakken and Three Forks. The proposed rule changes are provided on the NDIC's web site, <https://www.dmr.nd.gov/oilgas/rules2012changes.pdf>, along with the accompanying notice, <https://www.dmr.nd.gov/oilgas/rules2012fullnotice.pdf>.

Please contact [Heidi Hande](#), [Relma Miller](#) or [Dante Tomassoni](#) if you would like more information.