

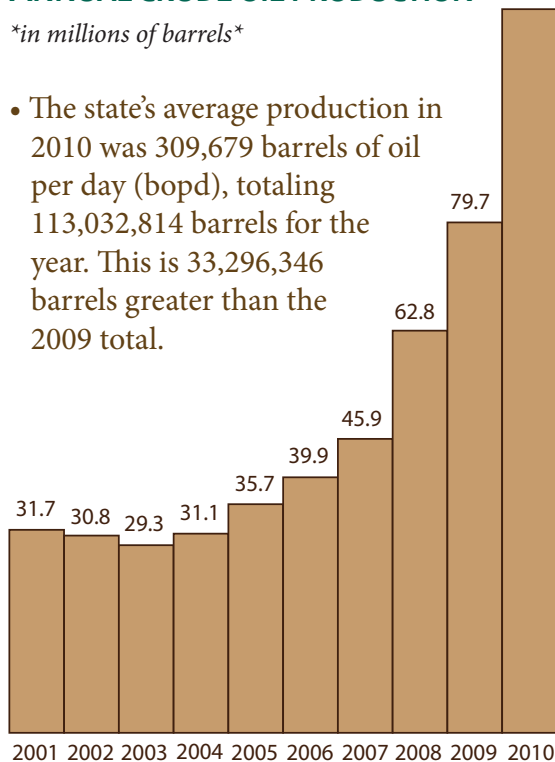


FACTS & FIGURES

ANNUAL CRUDE OIL PRODUCTION 113.0

in millions of barrels

- The state's average production in 2010 was 309,679 barrels of oil per day (bopd), totaling 113,032,814 barrels for the year. This is 33,296,346 barrels greater than the 2009 total.



RESPONSIBLE DEVELOPMENT

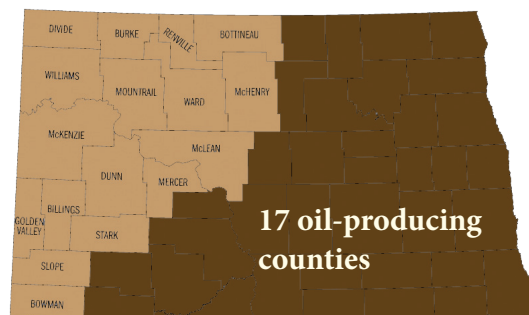
- Together with the USFS, industry has reclaimed 794 well sites and 231 road miles in the Little Missouri National Grasslands. This totals 3,449 acres returned to vegetation after oil and gas reserves were depleted.

ND 2010 OIL PATCH STATS

- North Dakota is the 4th largest oil producing state in the U. S.
- At the end of 2010, there were 6,008 wells capable of producing oil and gas in North Dakota. The average well produced approximately 58 bopd.
- In 2010, 114 billion cubic feet of natural gas was produced and 80 billion cubic feet was processed in North Dakota.
- The average cost of completing an oil well in North Dakota was nearly \$7.9 million during 2010. The average cost of completing a well in 2009 was approximately \$5.6 million.

WHERE THE OIL COMES FROM

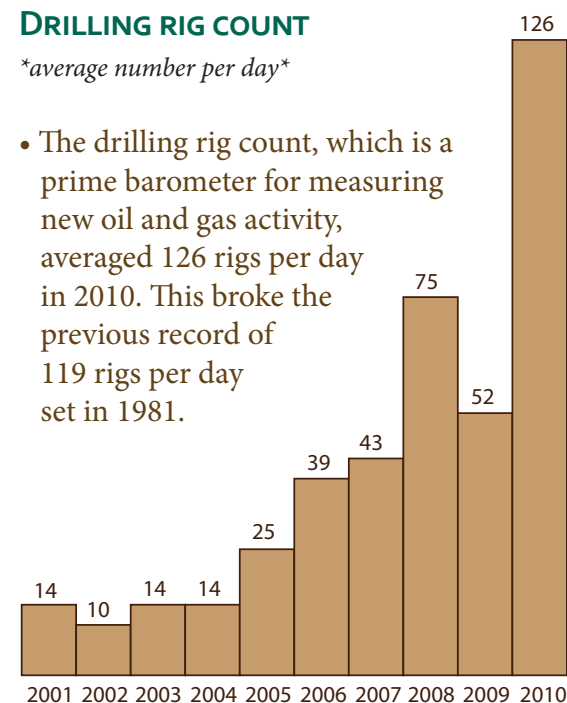
- Oil and gas exploration has occurred in every county in the state except Traill County.
- 2010 top-producing counties: Mountrail (40.8% of state production), McKenzie, Dunn and Williams.



DRILLING RIG COUNT

average number per day

- The drilling rig count, which is a prime barometer for measuring new oil and gas activity, averaged 126 rigs per day in 2010. This broke the previous record of 119 rigs per day set in 1981.



OIL PATCH EMPLOYMENT

- In 2010, the average wage in the oil and gas extraction industry was \$90,225. That wage is 141.5% above the statewide average wage of \$37,353.
- Each drilling rig results in roughly 120 direct and indirect jobs.

REFINING & TRANSPORTATION

- The state's only crude oil refinery is near Mandan, ND. It has a daily capacity of 58,000 barrels. Pending permitting requirements, Tesoro Corporation plans to expand the crude oil throughput capacity to 68,000 barrels by the second quarter of 2012.
- There are 13 natural gas processing plants operating in western North Dakota located near Arnegard, Ambrose, Killdeer, Knudson, Lignite, Marmarth, McGregor, New Town, Ray, Rhame, Stanley, Tioga and Trotters. Three additional plants are planned to come online in 2011.

AND NATIONALLY...

- In 2010, the biggest source of U.S. energy was petroleum, which supplied 37.8% of our nation's energy. Other sources included natural gas (25.1%), coal (21.4%), nuclear (8.6%), renewables (6%).
- U.S. average crude oil production was 5.5 million bopd in 2010, up 2.8% from 5.3 million bopd in 2009.
- Petroleum imports averaged 11.8 million bopd in 2010, up 0.5% from 2009.
- The U.S. imported 61.4% of its total oil needs in 2010. Largest importers: Canada (21.6%), Mexico (10.9%), Saudi Arabia (9.3%), Venezuela (8.4%).

VISIT WWW.NDOIL.ORG FOR MORE STATISTICS.

Statistics provided by: API, JSND, NDDMR Oil & Gas Division, NDPA, ND State Land Dept., Office of State Tax Commissioner, USFS

Information compiled by the North Dakota Petroleum Council. PO Box 1395, Bismarck, ND 58502 (P) 701.223.6380 (F) 701.222.0006

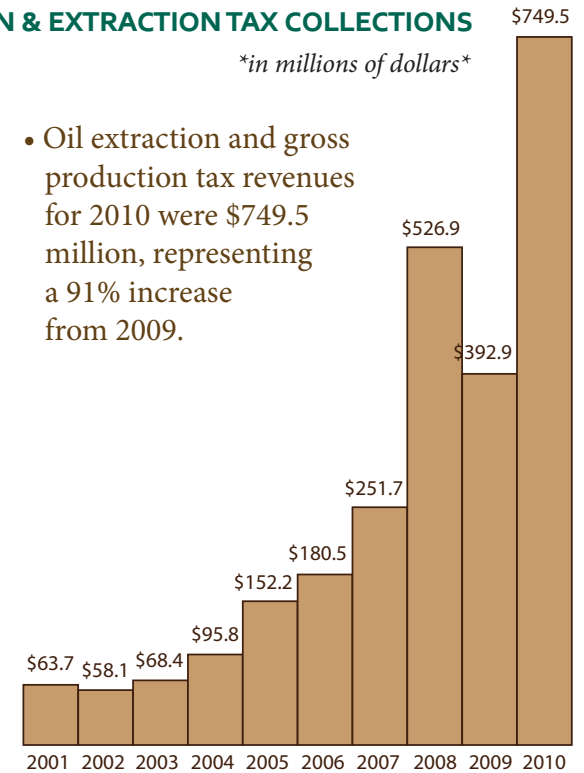
HISTORY OF OIL

North Dakota's first oil well came in just south of Tioga in Williams County on April 4, 1951. That well, Clarence Iverson #1, produced more than 585,000 barrels of oil in 28 years.

OIL & GAS PRODUCTION & EXTRACTION TAX COLLECTIONS

in millions of dollars

- The average production and extraction tax paid on crude oil in 2010 was 10.13%. The tax rate on crude oil varied between 5% and 11.5% depending upon the type of well.
- The oil and gas industry reported \$1.492 billion in taxable sales and purchases in 2010, up 110% from 2009.



- Oil extraction and gross production tax revenues for 2010 were \$749.5 million, representing a 91% increase from 2009.

- The tax on natural gas for calendar year 2010 was 13.7 cents per thousand cubic feet (MCF). In 2010, the state collected more than \$10.1 million in production tax on gas.
- In 2010, the oil industry paid \$85.2 million in royalties and \$295 million in lease bonuses to trust funds managed by the State Land Department.
- The U.S. Forest Service administered lands in the Little Missouri National Grasslands provided federal oil and gas revenues of \$44.2 million during fiscal year 2010. In addition, Bureau of Land Management administered lands produced more than \$32 million during fiscal year 2010. Approximately half of that amount, \$16.1 million (adjusted for net receipts sharing), was returned to the state's general fund and is the first money expended for education statewide.