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North Dakota Petroleum Council's *Oil Can!* Program

Contract number: G-016-34

Phase II report: December 8, 2009

Applicant: North Dakota Petroleum Council

Principal investigator: Mr. Ron Ness, president



Program overview

Created as a result of feedback gained through eight town hall meetings held in 2008, the North Dakota Petroleum Council's *Oil Can!* program was started as part of a good neighbor initiative to partner with current energy education outreach efforts.

Oil Can! is a program designed to open the lines of communication and improve understanding between the petroleum industry of North Dakota and property owners, policy makers, community leaders, media reporters and the general public. *Oil Can!* was founded on the principles that, while building goodwill within the state, the oil industry can create jobs and state revenues, provide America with energy, be a source of pride for North Dakota, coexist with farming and grazing, and listen and respond to issues that arise in western communities and the state of North Dakota.

The goals of the *Oil Can!* program are to:

- assess and effectively respond to the issues, concerns and needs of the stakeholder groups as they relate to being a “good neighbor” and “good steward;”
- increase the level of awareness, understanding and support for the oil and gas industry in North Dakota among key stakeholder groups, especially as it relates to positive economic employment impacts; and
- build and reinforce a unified brand identity and positive image for the oil and gas industry in North Dakota that utilizes *Oil Can!* as a known brand affiliated with the education and outreach efforts of the Petroleum Council.

Guiding principals

Oil Can! functions based on three guiding principals which were established by the action committee during the initial stages of creating the program.

1. Listen first

- The petroleum industry will provide stakeholders with various avenues from which to provide input and feedback (e.g., town hall meetings, interactive Web site, mail- and Internet-based surveys, phone, e-mail and direct mail).
- Rather than focusing primarily on sending information to stakeholders, the petroleum industry will focus on receiving information from stakeholders. Based on

this “listen first” approach, the industry will gain a better understanding of any issues or concerns and be in a better position to respond accordingly.

2. Broaden outreach

- The *Oil Can!* program will not be the sole responsibility of one organization or entity. Instead, the program will be open to any and all organizations and parties with an interest in the petroleum industry who seek to build positive working relationships with key stakeholders and the general public.
- A coalition of supporting organizations will be established and the members will be readily identified in all communications mediums and methods. Membership will not require a financial commitment.

3. Respect others

- Public safety will be a top priority.
- Property rights, laws and regulations will be respected.
- Community values and tribal traditions will be honored.
- Development will occur in a responsible and environmentally friendly manner.

The following information explains the outreach and education efforts developed and implemented during Phase II of the *Oil Can!* program grant which occurred between April 15 and November 15 of this year. These efforts include community events, safety and education materials, web-based information, and media coverage. Additional information and further development of the *Oil Can!* program will be available in Phase III and IV reports.

Awards

The Interstate Oil and Gas Compact Commission presented the North Dakota Petroleum Council with its annual Chairman’s Stewardship Award in the category of Energy Education at its annual meeting held October 5, 2009. Nominations were accepted in four different categories: Large Company, Small Company, Energy Education and Environmental Partnership. These awards represent the commission's highest honor for exemplary efforts in environmental stewardship. The Petroleum Council received the award for its *Oil Can!* project. This program focuses on engaging in a continuous dialog about key issues relating to oil and gas development with neighbors, policy makers, media and the general public in oil and gas production areas and across the state.

Community outreach

The North Dakota Petroleum Council supports the communities where its members live and work through a variety of events. A few of the ways community outreach is practiced include the Petroleum Council's donation to the American Red Cross, the 2009 Bakken Rocks CookFest, Safety Alerts, and Oil & Gas *Tidbits*. These outreach efforts are based on providing educational material, encouraging safe practices and helping those who have been affected by adverse conditions. More information is included below.

ND Petroleum Council Members Contribute to American Red Cross Flood Relief Efforts

Earlier this year, members of the North Dakota Petroleum Council contributed nearly \$80,000 to the American Red Cross for their North Dakota flood relief efforts.

2009 Bakken Rocks CookFest

The North Dakota Petroleum Council hosted a two-day event in two locations to bring together oil operators of the state with local communities. The events took place in the heart of western North Dakota oil country, near Killdeer and Stanley, and brought together over 1,800 people from the area. The CookFest included a competition for best barbecue made by an oil operator and service company along with local entertainment. Attendees had the opportunity to visit educational booths and learn about oil industry topics including Bakken geology, pipeline information, industry updates and safety. By emulating the core values of *Oil Can!*, the Bakken Rocks CookFest has become the premier event of the program to date.

Safety Alerts

In an effort to ensure safety around oil-related facilities, the Petroleum Council has developed a Safety Alert flyer as a supplement to the *Oil Can!* program. The flyer is distributed to schools in western North Dakota, used in school presentations through the Energy Career Awareness Partnership, and made available for industry members to post and use as desired. The flyer emphasizes that oil well facilities are private property and should not be used by anyone other than trained industry personnel. The Petroleum Council will continue to look for ways to educate the public about safety issues around oil-related facilities.

Oil & Gas *Tidbits*

The Petroleum Council makes use of a variety of media vehicles to highlight *Oil Can!* efforts and promote educational material to members of the industry and the general public. The Petroleum Council's quarterly newsletter, *Oil & Gas Tidbits*, has featured articles on the 2009 Bakken Rocks CookFest, the new Royalty Owner Information Center, economic impacts of the industry on North Dakota, and new drilling technology. *Tidbits* is received by government officials, industry members and educators. The newsletter is also used as a handout for members of the general public interested in learning more on particular industry topics.

Web-based informational resources

As a means of making important information available to the public, two informational sections were developed on www.ndoil.org. As part of the outreach efforts of *Oil Can!*, a Royalty Owner Information Center and Frequently Asked Questions webpage were created to address an increasing number of questions related to oil and gas development around western North Dakota communities.

Royalty Owner Information Center

Mineral rights and royalty payments are difficult to comprehend, but the North Dakota Petroleum Council and the oil operators of the state want to make sure individuals have the resources necessary to understand drilling processes and to be aware of mineral owner rights. This section of the website answers a variety of questions for royalty owners regarding royalty payments, guides them to the North Dakota Department of Mineral Resources' "Find A Well" webpage which allows them to identify the companies who may be operating on land in which they own mineral rights. The Information Center helps them find contact information for oil companies in the state that may be able to answer specific questions about their royalties. As *Oil Can!* moves forward, part of its purpose will be to promote this section of the website more heavily so royalty owners can find answers to questions that will help them understand the processes involved with drilling and their role in these processes.

Frequently Asked Questions (FAQ)

These questions were developed in response to the town hall meetings conducted all across western North Dakota in 2008. Question topics include:

- surface owner rights

- mineral owner rights
- regulatory issues
- Bakken basics
- royalties and tax
- oil and gas production
- roads, pipelines and electrical transmission

This section offers a wealth of information in response to questions commonly asked by the general public. Between April 15 and November 15, the FAQ pages had 2,015 direct hits and were viewed a total of 1,161 times through the use of searches.

Media

Reaching the general public and industry members through use of advertising and earned media in radio and newspaper vehicles has played a large role in the North Dakota Petroleum Council's education and outreach efforts through the *Oil Can!* program.

News releases and articles touching on economic benefits of the industry as well as those highlighting industry events have been an effective way to build understanding and support for oil and gas companies whose activities bring a great deal of revenue to the area. The *Oil Can!* program has earned media across the state in a variety of markets. Media in oil producing counties of western North Dakota has focused on *Oil Can!* topics including the 2009 Bakken Rocks CookFest and Charlie Morecraft safety presentations.

Sponsorship packages purchased for the Scott Hennen and Joel Heitkamp shows allow for weekly advertisements focusing on economic benefits of the industry and highlighting technological advancements and outreach efforts made by industry members who aim to work closely with North Dakota citizens. The *Oil Can!* program has also sponsored the University of North Dakota Roughneck Performance of the Game for Fighting Sioux football and hockey radio broadcasts as well as the *Oil Can!* Impact Player of the Game for western North Dakota high school sports. Staying current and present in the public's mind has been and will continue to be a keystone in the *Oil Can!* program. Additionally, because safety is a concern for members of the petroleum industry as well as those who live near areas of oil activity, the Petroleum Council created a newspaper advertisement that focused on road infrastructure and safety.

Looking ahead

As the third phase of this project gets underway, several new goals are at the forefront of plans for the *Oil Can!* program including:

- increasing of efforts to coordinate policy makers to evaluate proper reserve allocations for road infrastructure, water access, mitigation or impact, and oil and gas development;
- conducting mail- and Internet-based surveys of key stakeholder groups to identify “hot topics” and general views in the oil patch;
- developing and distributing a toolkit that coalition members can use to implement the program into the culture of their organizations; and
- evaluating the need for additional education and outreach including town hall meetings and/or a 2010 CookFest.

Concepts established during phase one of the project were accomplished through hosting town hall meetings and the 2009 Bakken Rocks CookFest, and by creating a Web form that allows mineral owners to gain information on delayed royalty payments from operators. The development and sponsorship of aforementioned tools such as Safety Alert and “Remember Charlie” also served as a means of attaining a culture of safety.

Additional goals include engaging industry members in making *Oil Can!* principles part of industry culture as well as building partnerships to increase oil and gas industry presence and educational efforts within the state.

Established media relations and an educational, interactive website will continue to serve as important communication tools as the Petroleum Council looks to increase public awareness and general knowledge of oil and gas industry practices. *Oil Can!* will grow as a means of communicating responsibility and benefits of a booming industry, along with promoting a strong relationship between oil and gas companies and the local public. The North Dakota Petroleum Council will continue to work with its advisory committee and Lynn Helms, Director of the Department of Mineral Resources, to further conduct positive public relations and educational opportunities for the general public in an effort to make *Oil Can!* an easily recognizable brand to North Dakotans.

With the completion of phases one and two, *Oil Can!* has proven to be a valuable tool for improving communications between industry members, key stakeholders, policy makers and the general public. *Oil Can!* provides an immediate response mechanism for situations that are time-sensitive and require a proactive approach, such as impact alleviation. As the brand and

reputation of the *Oil Can!* program expand, we suspect its value to all parties will continually increase. Financial support from the Oil and Gas Research Council has been instrumental in the development and implementation of *Oil Can!*. In addition, there have been many partners along with Petroleum Council members who have played important roles in sharing the messages and outreach efforts of *Oil Can!* during the first two phases. Beginning in phase three, the Petroleum Council will form a standing committee dedicated to the continuation and expansion of the *Oil Can!* program as we forge ahead with making it a recognizable brand to North Dakota citizens.

Budget

***Oil Can!* Expense Report**

Phase II

May – October 2009

	<u>Budgeted amount</u>	<u>Expenditures</u>
Agency MABU	\$ 3,500.00	
Consulting and target marketing		\$ 4,057.15
Printing	\$ 500.00	
Flyers		\$ 377.00
Advertising	\$ 9,000.00	
Radio/print		\$ 10,647.10
Event sponsorships/promotions	\$ 4,000.00	
Western community events		\$ 4,160.60
Staff time/travel	\$ 1,500.00	
ND Petroleum Council staff		\$ 6,059.30
Bakken Rocks CookFest	\$ 10,000.00	
Food and entertainment		\$16,800.10
Total budget for Phase II	<u>\$28,500.00</u>	
Total expenses for Phase II		<u>\$ 42,101.25</u>

Respectfully submitted by Mr. Ron Ness, North Dakota Petroleum Council President