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North Dakota Petroleum Council's Oil Can! Program

Report 1: May 6, 2009

Applicant: The North Dakota Petroleum Council

Principal Investigator: Ron Ness, President



North Dakota Petroleum Oil Can! Program:

The Petroleum Council's Oil Can! program resulted based on feedback from the eight Town Hall Meetings held in 2008. The Petroleum Council initiated the Oil Can! program as part of a good neighbor initiative to partner with our current energy education outreach efforts. This expansion of the first town hall meetings, has thus far kept a focus on engaging in a continuous dialog about key issues relating to oil and gas development with key officials, policy makers, and the general public. This education and outreach program has strived towards adapting to the reactions and interests of the key officials, policy makers, and general public while using a lessons learned approach as the initiatives have been constructed. Through the *Oil Can!* program, the Petroleum Council continues to stress responsible development by industry that includes good relationships and communications with our North Dakota citizens and a commitment to environmental protection.

The program will have several deliverables all with a focus of not only improved communications to land owners, stakeholders, neighbors, and policy-makers, but continually working to improve actions and responses to questions and concerns by all citizens of our state. To date, additional town hall meetings have been held, changes to the Petroleum Council's web site have been made to acknowledge the new program, public relations efforts have been initiated, and the program has begun to take on a face for the oil and gas industry as a whole.

Developing the Program:

The first action taken by the Petroleum Council to initiate this program was establishing a belief system under the program, naming the program, and branding a logo to the program. The Petroleum Council teamed up with Lynn Helms, Director of the Department of Mineral Resources, to establish an action committee that worked together to develop three guiding principles for 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 website, mail-based and internet-based surveys, phone, e-mail and direct mail).

- Rather than focusing primarily on sending information to stakeholders, the petroleum industry will focus primarily on receiving information from stakeholders. Based on this “listen first” approach, the industry will gain a better understanding of any issues or concerns; thus the industry will 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 & environmentally-friendly manner.

New Web Site Features:

These guiding principles along with an interactive group of town hall questions have been added to the Petroleum Council’s new web site. This section of the web site will continue to, in the future, serve as a location where members of our communities can go to learn more about good-will efforts made by the oil and gas industry as well as to learn more about specific questions of the industry. The compilation of questions and answers from the Town Hall Meetings has been made available in an online form that will allow the Petroleum Council to update or add to the archive at any given point.

Additional Town Hall Meetings:

As part of the *Oil Can!* program, the Petroleum Council organized additional Oil and Gas Town Hall Meetings which were scheduled on November 11 & 12, 2008 in Bowbells, Powers Lake, Parshall, Stanley, and Killdeer. These Town Hall meetings brought together industry experts, public officials, and the general public in efforts to further develop an understanding of the oil industry as well as get a feel for concerns and questions people may have for the oil and gas industry. These town hall meetings served as an opportunity keep communication lines between the oil and gas industry and the general public open and easily accessible. Approximately 450 local citizens attended this series of Town Hall Meetings and many left feedback requesting future Town Hall Meetings in their communities. Presenters for the event included Lynn Helms, Department of Mineral Resources; Justin Kringstad, North Dakota Pipeline Authority; John Harju, Energy and Environmental Research Center; Larry Dokken, member of the North Dakota Petroleum Council; and Vicky Steiner, North Dakota Association of Oil and Gas Producing Counties.

Media Relations:

Newspaper and radio advertising for the oil and gas industry have become part of the Petroleum Council's tools to reach out to the general public in its education efforts. Multiple newspaper advertisements have been run in small western community papers to inform western citizens of oil and gas industry events in their local communities and topics of importance to the oil and gas industry.

Sponsorship packages have been purchased for the Scott Hennen Show and the Joel Heitkamp show under the *Oil Can!* program. These media packages allow for weekly radio advertisements such as the oil and gas industries impact on North Dakota workforce, economic impacts the oil and gas industry has had on the state, and how the oil and gas industry (under the *Oil Can!* program) is committed to working hand in hand with North Dakota citizens. These sponsorship packages also provide the Petroleum Council with near immediate air time if key issues for the industry arise throughout the year.

This spring the *Oil Can!* program served as means to promote responsible road care in western North Dakota during the unusually wet spring weather. Advertisements ran in all

major western newspapers listing proper steps to be taken to avoid excessive road damage during softer road conditions. Both radio packages also ran 30 second advertisements which additionally encouraged the oil and gas industry to take extra precautions while driving heavy equipment and vehicles on western roads. In addition, *Oil Can!* sponsored the “Roughneck Player of the Game” for the University of North Dakota Sioux hockey and basketball games. This provided an opportunity to extend important oil and gas messages to a unique audience.

Program Moving Forward:

The second phase of this project is scheduled to move forward between April 2009 and December of 2009. Goals for the upcoming phase of the program are to continue media relation efforts that were established during the first phase and look to implement the following concepts to the program:

- Develop and distribute a toolkit that coalition members can use to implement the program into the culture of their organizations.
- Conduct mail-based and internet-based surveys of key stakeholder groups.
- Hold a special event, such as an “*Oil Can!* Bakken Rocks BBQ” and rig tour in western North Dakota.
- Develop a form on the Petroleum Council web site to allow mineral owners to seek information on delayed royalty payments from operators.

Oil Can! will continue to be a driving force urging responsible behavior and improved communication for the oil and gas industry. The Petroleum Council will continue to work with its advisory committee and Lynn Helms to further conduct positive public relations and education with the general public. Established media relations and the Petroleum Councils new web site will serve as tools to communicate important issues and concerns between the oil and gas industry and the general public. The Petroleum Council will also use the established media relations to further implement the *Oil Can!* program as a brand that is easily recognizable by North Dakota citizens.

Mineral royalty payments emerged as a serious issue for concern during the 2009 legislative session. Through the *Oil Can!* program, the Petroleum Council has begun planning and developing action steps to help address the royalty payment complaints mineral owners have as

well as facilitate and respond to mineral owners as it is feasible. A section on Petroleum Council’s new web site will allow mineral owners to fill out a complaint form that will be process and forwarded to its oil operator and respective law firm. *Oil Can!* will be used as a method of making mineral owners aware of this new service available to them.

Oil Can! through phase I has proven to be a valuable tool for improving communications between industry, key stakeholders, policy makers, and the general public. *Oil Can!* provides an immediate response mechanism for situations, such as impacts to roads and urging the oil and gas industry to use discretion. This was an important, time sensitive issue and the immediate proactive steps though *Oil Can!* appeared to have been successful. As the brand and reputation of the *Oil Can!* program expands, we suspect its value to all parties to increase.

Budget:

Oil Can! Expense Report
Phase I
 September 2008 – April 2009

	<u>Budgeted Amount:</u>	<u>Expenditures:</u>
Advertising:	\$15,000.00	
Radio/print		\$13,772.44
Event Sponsorships:	\$ 5,000.00	
Western Community Events		\$ 1,250.00
Town Hall Event:	\$ 3,000.00	
Planning and Advertising		\$ 3,689.00
Target Marketing/Web Development:	\$ 4,000.00	
Consulting and Promotions		\$11,799.82
Staff Time:	\$ 1,500.00	
Petroleum Council Staff		\$ 3,051.12
 Total Budget for Phase I	 <u>\$28,500.00</u>	
 Total Expenses for Phase I		 <u>\$33,562.38</u>

Respectfully Submitted by Ron Ness