REQUEST FOR PROPOSALS Recycling Produced Water Study (Section 19 of House Bill No. 1014 – 2019 Legislative Session)

<u>Purpose</u>

The Industrial Commission is requesting proposals to conduct up to 3 studies regarding the recycling of water used in oil and gas operations, also known as produced water, from oil and gas producing regions of North Dakota. The studies must include the development or compilation of data regarding methods for the recycling of produced water specific to this state, and must examine the relevant, objective economic, regulatory, scientific, technological and feasibility considerations. Matching funds and the participation of an industrial partner is required. Preference will be given to a study that includes a Phase II pilot on-the-ground demonstration project and, based on the proposal, additional funding may be made available from the Oil and Gas Research Fund for Phase II.

Background

The Oil and Gas Research Program has previously funded projects at the University of North Dakota Energy and Environmental Research Center (EERC) on the usage/recycling of produced water. The reports can be obtained at <u>https://cms.oilresearch.nd.gov/image/cache/EERC Phase 2.pdf</u> <u>https://cms.oilresearch.nd.gov/image/cache/BPOP_Executive_Summary.pdf</u>. The full reports are available from either the Commission or the EERC.

Excerpt from House Bill 1014: Section 19. "...the industrial commission shall use \$300,000 or so much of the sum as may be necessary, from the oil and gas research fund to contract with the sponsor of the proposal selected for the studies. The industrial commission shall issue a request for proposals for a study regarding the recycling of water used in oil and gas operations, also known as produced water, from oil and gas-producing regions of North Dakota. The study must include the development or compilation of data regarding methods for the recycling of produced water specific to this state, and must examine the relevant objective economic, regulatory, scientific, technological, and feasibility considerations. The contractor shall provide reports on the status of the study at the request of the legislative management during the 2019-20 interim and shall provide a final report to the legislative management by October 1, 2020. "

Proposal Requirements

- Matching funds and the participation of an industrial partner is required.
- Final report on the Phase I study(ies) must be provided to the Industrial Commission by March<u>1</u>, <u>2020 and provided to legislative management by October 1, 2020</u>. At a minimum one presentation may be required to the Industrial Commission with possible presentations to legislative committees and Oil and Gas Research Council. Results may also be posted on the Commission or Department of Mineral Resources websites.
- Final reports for demonstration project(s) are due October 1, 2020.

Proposal Timeline

Proposals are due September 30, 2019 and must be delivered in electronic format to <u>kfine@nd.gov</u>. Additionally, five copies must be submitted in paper format to:

Karlene Fine, Executive Director North Dakota Industrial Commission State Capitol - 14th Floor 600 East Boulevard Bismarck, ND 58505