Contract No. G-016-034
“Oil Can! Good Neighbor Initiative and Outreach Program”
Submitted by North Dakota Petroleum Council
Principal Investigator: Ron Ness, President

PARTICIPANTS

<table>
<thead>
<tr>
<th>Sponsor</th>
<th>Cost Share</th>
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<tr>
<td>North Dakota Petroleum Council</td>
<td>$ 83,000</td>
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<tr>
<td>North Dakota Industrial Commission</td>
<td>$ 50,000</td>
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<tr>
<td>Total Project Cost</td>
<td>$133,000</td>
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Project Schedule – 24 months          | Project Deliverables: |
Contract Date – April 6, 2009          | Status Report: April 15, 2009 ✓ |
Start Date – September 15, 2008        | Status Report: November 15, 2009 ✓ |
Completion Date – November 15, 2010    | Status Report: May 15, 2010 ✓ |
                                           | Final Report: November 15, 2010 |

OBJECTIVE/STATEMENT OF WORK:
This project will focus on engaging in a continuous dialog about the key issues relating to oil and gas development with the neighbors, policymakers and the general public. The education and outreach efforts will strive towards adapting to the key interests of our neighbors, the policymakers while using a lessons learned approach as we construct the initiatives to meet desired objectives. It is anticipated that the program will have to be flexible, adapting as new issues, ideas and concerns occur. The Initiative will stress responsible development by industry and includes improving relationships and communications with our neighbors and a commitment to environmental protection.

STATUS
Contract executed. One of the conditions of this contract is that there is coordination in the planning and implementation of the program with the Department of Mineral Resources Director. Written confirmation has been provided that the Director has been involved.

The first status report has been received for the September, 2008 through March, 2009 time period and is posted on the Industrial Commission/Oil and Gas Research Program website. The Oil Can! program has been developed based on feedback from the eight Town Hall meetings held in 2008. This program is a part of the good neighbor initiative to partner with the Petroleum Council’s current energy education outreach efforts. The program will have several deliverables all with a focus of not only improved communications to landowners, stakeholders, neighbors and policy makers, but continually working to improve actions and responses to questions and concerns by all North Dakotans.

During the first phase of this contract an action committee/advisory committee was established and the program was named and a branding logo was developed. The guiding principles for the program have been developed:

1) Listen first
2) Broaden outreach
3) Respect others
New website features have been implemented on the North Dakota Petroleum Council website with links to the Department of Mineral Resources website. Two town hall meetings were held November 11 & 12 in Bowbells, Powers Lake, Parshall, Stanley and Killdeer. Approximately 450 citizens attended these meetings. Media relations included newspaper advertising throughout western North Dakota. In addition there has been radio advertising. During the spring of 2009 the Oil Can! program served as a 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 encouraged the oil and gas industry to take extra precautions while driving heavy equipment and vehicles on western roads. This program also sponsored a “Roughneck Player of the Game” for UND Sioux hockey and basketball games. Planning for Phase II of the project took place during the first seven months.

*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 through *Oil Can!* appeared to have been successful.

The second status report has been received for the April 15 – November 15, 2009 time period. The status report is posted on the Industrial Commission/Oil and Gas Research Program website. During this time period the goals of the Oil Can! program were further refined to be:

- 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.

During this Phase II time period the program included the hosting of community events, development and distribution of safety and education materials, development and posting of web-based information and media coverage.

On October 5, 2009 the Petroleum Council received the Interstate Oil and Gas Compact Commission Chairman’s Stewardship Award in the category of Energy Education for the *Oil Can!* project.

The Community Outreach was achieved through the Petroleum Council’s donation to the American Red Cross ($80,000 for North Dakota flood relief), the 2009 Bakken Rocks CookFest and the development of the Safety Alert flyer. This flyer emphasizes that oil well facilities are private property and should not be used by anyone other than trained industry personnel. The 2009 Bakken Rocks CookFest brought together over 1,800 people in the western part of State. (Killdeer and Stanley)

New web-based informational resources were implemented during this time period. Two informational sections were developed – a Royalty Owner Information Center and Frequently Asked Questions.
Media efforts continued during this phase utilizing newspapers and radio as well as sponsorship of UND Roughneck Performance of the Game for Fighting Sioux football and hockey radio broadcasts and Impact Player of the Game for western North Dakota high school sports.

During Phase III (November 15, 2009 – May 15, 2010), the community outreach aspects of this program included a focus on workforce safety. In cooperation with local safety associations, state agencies, oil companies and others, a “Remember Charlie” presentation was made available. Also during this time frame a “Drive Safely” campaign was undertaken.

It was also during Phase III that the Surface Owner Information Center was developed and a Frequently Asked Questions format has been posted on the Petroleum Council’s website. This Center addresses issues that typically affect a surface owner.

*Oil Can!* continues to issue news releases and articles that discuss the economic benefits of the industry as well as highlighting industry events. Sponsorship on two radio programs allows for weekly advertisements focusing on the economic benefits of the industry and highlighting technological advancements and outreach efforts.

The Phase III status report in its entirety is posted on the Industrial Commission/Oil and Gas Research Program website.

05/26/10