

STATEMENT BY Donny Nelson

Law and Order in the Oil & Gas Fields Report

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My name is Don Nelson from Keene, North Dakota. My family farms and ranches in McKenzie county, located in western North Dakota, where we have dealt with the benefits and pitfalls of being located between two oil and gas fields for over 50 years.

Over the years we've dealt with hydrogen sulfide emissions (H₂S), seismic damage, oil and salt water spills, reclamation problems, and too many other issues to list now. The one reoccurring thread, however, is that the state of North Dakota has no tracking system or follow up plan for citizen complaints. The agencies whether state or federal can then claim there are no complaints.

This report clearly defines this problem and shows that those states, such as Colorado and New Mexico, with a desire to treat citizen complaints seriously, do a much better job of this. From 1999 to May 2004 the Colorado Oil and Gas Conservation Commission recorded 905 complaints and the New Mexico Oil Conservation Division 119. All other agencies in all the other surveyed states, including North Dakota, claim not to recall complaints or never to have received any.

An example of this is the North Dakota State legislature is currently discussing a proposal to require geophysical companies to provide landowners with a copy of state statute that explains what rights landowners have before entering into negotiations to do seismic activity on their land. It would also require these companies to test water sources - wells and developed springs - for quantity and quality, if the landowner requests such a test – in case of damage during the seismic operations. This proposal came about because of past damages and because North Dakota last fall cut the distance for shot holes for seismographers from 1320 feet down to 660 feet from a residence, water sources, or sensitive areas. The industry claimed there had never been a problem, but we collected affidavits from landowners and cases to prove otherwise.

That is why I believe North Dakota, Wyoming and Montana should begin tracking and following up citizen complaints. People in oil and gas country have become used to fixing and paying for these problems themselves. This is why we hear the statement no problems exist. Citizens have become disillusioned with agencies when no action has been taken on past complaints and do not contact the agencies with current problems. That only makes it impossible to win good common sense landowner protection rights that are needed, as we see increased exploration such as horizontal drilling and new sources of energy such as coal bed methane (CBM), that creates new and unique problems that are associated with it.