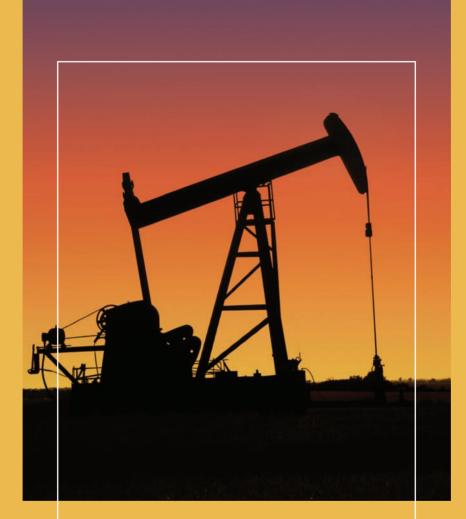
Employment Growth: Oil Industry Focus



Fill oil and gas positions rapidly with this step by step guide.

Collaborative efforts on behalf of North Dakota's workforce agency and the oil and gas industry led to 77 percent job vacancy fulfillment in less than two months.



Courtesy of North Dakota Governor John Hoeven and the Interstate Oil and Gas Compact Commission



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Photos courtesy of North Dakota Division of Oil and Gas, North Dakota Petroleum Council and Job Service North Dakota





North Dakota Governor John Hoeven

"The vitality of the energy industry is crucial to North Dakota's economy. The collaboration between our state oil industry and our lead employment agency, Job Service North Dakota, is really working. We're happy to share this success story with the IOGCC to help other states strengthen the local and national economy, and promote further energy development in the United States."

John Howa





Christine Hansen Executive Director of the Interstate Oil and Gas Compact Commission (IOGCC)

"From our window looking onto the oil and gas producing states, we see the various ways industry problems are addressed and solved. We were amazed at how quickly North Dakota rose to the challenge of filling oil and gas jobs. We saw a real success story and asked Governor Hoeven to share it with our members. We hope you find the information in this IOGCC publication helpful as we all work together to keep the nation's energy resources viable and secure."

Unter Hanson

Fill Oil Jobs Quickly

Finding oil field workers in North Dakota in the fall of 2004 was a challenge. Conventional methods of job advertising were not successfully filling vacant positions. Employers in the North Dakota oil and gas industry were ready to give up. Their hopes of growing their businesses in North Dakota were fading. They couldn't find workers.

North Dakota Governor John Hoeven is familiar with the shortage of employees to fill oil and gas industry positions in the United States. In December 2001, he assembled a Petroleum Professionals Blue Ribbon Task Force through the Interstate Oil and Gas Compact Commission (IOGCC) to address the issue on a national level. Confronted with real and immediate shortage of oil field workers in North Dakota, Hoeven wasted no time gathering forces.

Hoeven wrote a letter to oil and gas employers asking them to forward their job openings to Job Service North Dakota. In turn, Job Service North Dakota implemented a statewide program to attract workers. This concentrated program highlighted the benefits of oil field work, addressed concerns and specified major requirements. Job Service North Dakota directed their efforts in geographic areas with recent layoffs and targeted their message to the underemployed. Industry monitored employer needs, facilitated communication with Job Service North Dakota and arranged for an advertising campaign directed toward potential employees.

Two months into the program, 77 percent of North Dakota's oil and gas industry positions were filled with qualified candidates. As the positions are filled, job listings continue. Today the North Dakota oil and gas industry is handling increased production and stands ready to do more.

Facts:

October 1, 2004 November 5, 2004 December 10, 2004 January 28, 2005 Program in place 86 of 211 jobs filled 191 of 246 jobs filled 214 of 277 jobs filled



The IOGCC is a multi-state government agency that champions the conservation and efficient recovery of domestic oil and natural gas resources while protecting health, safety and the environment. Established by the charter member states' governors in 1935, it is the oldest, largest and most effective interstate compact in the nation.



Proven Steps to fill Oil and Gas Industry Job Openings

Collaborate

Industry Influencer Employers State Workforce Agency Education Media

Advocate

Garner industry support with key influencer Offer benefits of state workforce program Create good will for the oil and gas industry Send all openings to one place Quantify the number of openings Increase the sphere of influence

Identify

Who have filled these areas in the past? Common requirements for these positions Desired abilities Benefits of oil and gas positions Potential employees Geographic pools of unemployed and underemployed Current restrictions and barriers



Communicate

Industry to Influencer

Influencer to: Employers Workforce Agency

Industry to Workforce Agency

Employers to Workforce Agency Refer openings

Industry to Employers Web site Newsletters One on one

Collaborative group to media Media to workforce

Workforce Agency to: Job counselors Industry Employers Workforce Applicants

Workforce Agency Internally Position requirements Likely sources for candidates

> Through system Special postings Posters and fliers in each center

To neighboring workforce agencies

Direct applicants to employers

Advertise

To established demographic targets In established job listing publications Classified newspaper job listings to "identified pools"

Place radio ads in targeted demographic and geographic "pools" Leverage paid announcements

with public service announcements

Public Relations

Press conference/releases Promote collaboration Report success

Track

Positions filled Where applicants came from How applicants were made aware of position Future openings



Collaborate

Greater the inertia - Stronger the force

We all know about the power in numbers. In this instance, Governor John Hoeven, the North Dakota Petroleum Council, the North Dakota Oil and Gas Division and Job Service North Dakota, the statewide workforce agency, joined forces to draw attention to the need for workers in the oil field.

Ron Ness, president of the North Dakota Petroleum Council went to Lynn Helms, director of the Oil and Gas Division, and Governor Hoeven with his concerns about North Dakota losing oil field revenue based on the inability to fill oil field positions.

Governor Hoeven, called upon Job Service North Dakota, the state agency established to bring employer and employees together. Job Service North Dakota, in turn, talked to oil field employers to discover their needs. The result was a very effective public-private partnership.



Advocate

Beat the drum

When Governor Hoeven addressed the North Dakota Petroleum Council annual meeting in early October, he asked the oil field employers to send their job openings to Job Service North Dakota. He repeated that request in a letter.^A In his letter and in his speech, Hoeven highlighted the benefits of listing jobs with Job Service North Dakota which included recruiting assistance, the availability of Workforce Investment Act funds, job fairs and a public awareness campaign.

It should be no surprise that oil field employers were reluctant to work with the government to solve their problems. "At first, I thought Job Service North Dakota was just another bureaucracy," said Bob Mau, owner of Eagle Operating. "Then the Governor brought us all together and things started to happen. This program benefited the industry tremendously. We were unified with Nabors Drilling, Pool Well Services, Key Energy Services and the industry started working together."

Once the openings were posted in one place, the need for oil field workers was not only quantified, but verified. "The need was even greater than we imagined," said Ness. "In the first week there were 100 jobs listed, two weeks later there were 277 job postings. The need for a comprehensive unified program became even more apparent."



^A The Governor's letter is is on page 15.



Identify

Common themes and pockets of potential

When the actual number of jobs was identified and the information about these job openings was in one place, Job Service North Dakota set out to identify common themes and advantages associated with oil field employment.

Job Service North Dakota employees who had experience working with the oil industry were identified and their expertise was tapped. "Armed with data, we looked for pools of available workers with matching transferable skill sets," said Maren Daley, director of Job Service North Dakota.

Skill sets utilized in other industries were identified and matched with those needed in the oil field. It was determined that factory workers, warehouse employees, construction workers and those in manufacturing positions were a likely fit for oil field jobs. Also among those suitable for oil field jobs were seasonal farm workers and retired military personnel.

With the benefit of a statewide labor network and a national network, Job Service North Dakota researched pools of unemployed and underemployed workers. They discovered geographic areas where the labor pool was affected by recent manufacturing layoffs. They found pockets of underemployed and lower paid workers.

It was obvious when looking at the location of these jobs that potential workers would have to relocate. Therefore flexible schedules (four days on – four days off) and availability of housing and meals were clearly a selling point for workers willing to commute to and from their families across the state.

While analyzing the current situation, it was evident changes in the oil industry also needed to be identified. There have been significant advancements in the oil fields over the last two decades. "During the late 70's and early '80's the driller did the hiring, which more often was done in local pubs than at Job Service. Now, oil companies have human resource departments. The oil field is much more safety conscious than it has been," said Jerry Brose, a twenty-plus year customer service consultant at the Job Service North Dakota location in Williston, an area with concentrated oil field employment. "Today, drug testing is a requirement."



In addition to drug testing, many employers do background checks and require physicals. In most cases, the minimum age restriction is 18, yet for some employers, 21 is the minimum. A valid driver's license and a clean driving record are necessary. Some positions require a commercial drivers license (CDL) or the ability to acquire one.

The ability to handle labor intensive work, in all weather conditions is necessary for drilling, well servicing and roustabout positions. Special skill sets such as welding and mechanics are common requirements. Truckers, shop and office workers were needed.

A starting hourly wage of up to \$17.25, with additional benefits, is very attractive to many in the North Dakota labor pool. Job Service North Dakota reports that in 2003, the average yearly wage in the mining industry, which includes oil and gas extraction, coal mining, sand and gravel and support activity for mining was \$59,970. That wage is 99 percent above the statewide average wage of \$26,550.

North Dakota's statewide median income for a family of four is \$46,600 according to statistics gathered by the Bureau of Economic Analysis, the Housing and Urban Development, and the Census Bureau. With the potential for overtime and benefits, an entry-level oil field job is one of the higher paying jobs in the state.

Communicate

Consistently and Repeatedly

Once all data was collected, sorted and prioritized, the locations, advantages and requirements of these positions was compared with the potential labor pool. The next step, and perhaps the most important, was to get the word out.

Messages needed to be sent in a number of directions, in various ways. Communication between the industry and the workforce agency, from the beginning was vital to the success of this program.

In North Dakota, this was accomplished with help from the North Dakota Petroleum Council who acted as a

liaison between the oil industry employers and Job Service North Dakota.

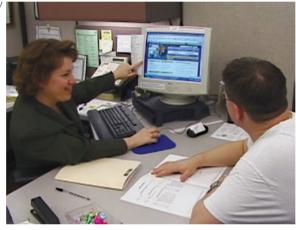
The North Dakota Petroleum Council posted information about this program on their Web site and included a story in the *Petroleum Council E-News.*^B

Ron Ness, of the North Dakota Petroleum Council, reminded

employers, in one-on-one conversations, to forward their openings to Job Service. Job Service remained in touch with Ness so he could account for the services they were providing. As the program gained momentum and recognized results, communication between employers and Job Service customer service consultants increased.

Job Service North Dakota designed communications programs internally and externally. Job counselors were given information about oil field positions through their intra-agency email system and through in-service meetings.

To reach potential employees, Job Service North Dakota dedicated one area of their Web site ^C to oil field positions and posted special announcements on the Web sites. In addition, attention-getting posters ^D, boldly listing the requirements and benefits of oil field jobs, were posted in high traffic areas in each of the 18 Job Service North Dakota locations.



Naturally, the goal of Job Service North Dakota is to fill North Dakota jobs with North Dakota workers. However, to fill all jobs available, Job Service North Dakota sent announcements of these job openings to workforce agencies in neighboring states and to a national workforce agency network, America's Job Bank.

An advertising agency was retained with Workforce Investment Act funds from the Governor's office and matching funds from the North Dakota Petroleum Council. "When we brought the marketing company in, a sense of urgency was created and the whole

campaign was brought to life," said Ness.

Using the common benefits and requirements identified by Job Service North Dakota, Route 94, a Bismarck based advertising agency, developed a magazine ad ^E and radio spots ^F designed to reach under-employed and recently unemployed workers. Route 94 redesigned the bold Job

Service North Dakota poster ^G to make it more appealing when used outside the Job Service North Dakota locations.

The demographic targets determined by the agency were primarily males 18-34; the secondary market was males 25-49. The geographic concentration for the agency's efforts were the pools of under-employed and recently unemployed as determined by Job Service North Dakota. Of course, those seeking jobs or improving their job situations was the psychographic focus of Route 94's efforts.

The key to the advertising on this project, as with any successful campaign, is to keep the message consistent. Therefore, the advertising theme employed by Route 94 carried the same message established by Job Service North Dakota.

^B A copy of the *Petroleum Council E-News*, page 17 ^C Job Service of North Dakota Website, page 18



^D Job Service North Dakota Posters, page 19

Communicate

A magazine ad was placed in *Jobdig*, a regional publication covering major cities in North Dakota and eastern Minnesota. This ad also offered them a posting on the Web site. A sixty day listing on *www.monster.com* was also purchased.

Thirty-second radio ads were placed on five radio stations in two communities. Two separate campaigns were scheduled: one schedule ran for ten days at the end of November and another five day schedule ran the first week in January. These spots were placed to run between 6:00 a.m. and midnight, which is a generally less expensive time period than drive time. Because radio audiences fluctuate greatly from time period to time period, between 14 and 19 spots were scheduled each day. Also, for the message to maintain concentration and break through the clutter, most ads were placed Tuesday - Sunday. The November schedule averaged a 35 percent reach of men 18-34 with a seven frequency. The January schedule also had a 35 percent reach, and the frequency was four. In other words, between the two communities and two schedules, 35 percent of the men between 18 and 34, were exposed to the advertisement four to seven times.



Broadcasters are required by the Federal Communications Commission (FCC) to provide public service time to causes they wish to support. This radio schedule was placed on behalf of the North Dakota Petroleum Council, a nonprofit organization, and Job Service North Dakota, a state agency. Therefore, Route 94's media buyer was able to negotiate "bonus" or no-charge spots resulting in a 20 to 30 percent increase in the number of spots in the schedule. Many of these "bonus" ads ran between midnight and 6:00 a.m., which also helped to reach the targeted shift workers group.



All along, the collaborative group was available to news media. The variety and number of organizations carrying the same message could not be ignored. In November, the Associated Press picked up the story ^H before a planned press conference was announced. Even without the story being planned, the timing couldn't have been better. This news story ran five days before the radio schedule kicked off, making both the story and radio advertisements more memorable.

In February, the Governor's office held a press conference ¹ to announce the success of the collaboration citing 214 of 277 oil field jobs in North Dakota had been filled. Newspapers across the state and broadcast media carried the story.

This program also received national attention. The February 21, 2005 issue of the Oil & Gas Journal, a national publication with a 27,000 circulation, ran a story in their "Watching Government" feature. "Hoeven's labor shortage answer" was the headline. Columnist Nick Snow commented in the story, "Some politicians lead task forces by holding hearings and issuing reports that essentially restate the already identified problem. Then there's North Dakota Gov. John Hoeven." Snow comments that Hoeven helped develop a national plan and found the need to implement that plan (with a great degree of success) in his own state, sooner than he expected.

Lynn Leininger, of S & S Sales, says it all, "Filling these jobs is basically a communications deal. This spring we'll need more!"



Track

And back again!

Evaluation is essential to the success of any program. At intervals along the way, it is important to find out what is working and what is not; what's changed and what improvements can be made.

Collaborating, advocating, identifying and communicating are not isolated tasks, they are an ongoing process. To succeed, these functions must be adjusted, arranged and concurrently in play.

Job Service North Dakota continues to track progress of oil field job placement. # of Openings # Filled # still Open Date Nov 5 Nov 12 Nov 19 Nov 26 Dec 3 Dec 10 Dec 17 Dec 24 Dec 31 Jan 7 Jan 14 Jan 21 Jan 28 Feb 18 Feb 25 Apr 1 **A**

At some point, it's necessary to look back in order to move forward.



Cyclical in Nature

The Energy Cycle

When many North Dakotans reflect on the "oil boom," they are referring to the 1970's. The old-timers chuckle at this assessment. They remember when oil was first discovered in North Dakota; it was 1951. Those familiar with the oil industry will tell you the '70's was not the first "boom" and the oil industry is cyclical.

As with any cyclical industry there is good news and there is bad news. The bad news is the old-timers are retiring and there are very few replacement lined up to take their place. There is a need for oil and gas professionals, such as geologist and engineers, as well as, skilled workers such as welders, mechanics, roustabouts and truckers.

According to data found on the North Dakota Petroleum Web site, North Dakota is the ninth largest oil producing state in the nation. The state averaged 1,900 oil field workers in 2002. Peak oilfield employment was late in 1981, with more than 10,000 people employed.

The good news is that today, there are great opportunities for employment and advancement within the oil and gas industry. Moreover, the overall benefits offered by these jobs are increasing and schedules are becoming more flexible to better meet employee needs. In addition, the oil field is more safety conscious and has become technically advanced. These improvements and advancements help to make energy and the economic conditions surrounding the industry more secure.

Largely an agricultural state, North Dakota's economy has improved significantly over the last half a century with the development of the energy industry. Oil tax revenue, since 1951, exceeds \$2 billion. In the first 53 years since discovery, the State of North Dakota received \$460 million in leases, bonuses, royalties and rentals on state land. The energy industry is one of the five industries Governor John Hoeven has targeted for growth.

Lynn Helms, director of the North Dakota Oil and Gas Division says, "The return on investment for the resources devoted to developing oil and gas related jobs in this state has been tremendous-throughout our history, and most recently."

Employment

Industry employers saw an opportunity in the fall of 2004 to expand their businesses to take advantage of higher oil prices. Business expansion in the oil field means adding workers. In a state boasting a 3.3 percent unemployment rate that has been experiencing serious out-migration over the last decade, the response to traditional advertising was disappointing at best.

"We spent quite a bit of money adverting jobs on the Internet and blanketing newspapers in North Dakota, South Dakota and Montana," said Lynn Leininger of S & S Sales, a Williston company providing trucking services and selling wholesale chemicals to the oil field and power plants. "What the state and industry did before and after Christmas generated, by and far, a better response then we ever had on our previous job openings."

Good Workers

It took a concentrated collaborative effort to fill nearly 80 percent of the job openings in less than three months. Everyone from the Governor, to oil industry advocacy groups, to Job Service North Dakota, to the media helped in this effort.

"Job Service really beat the bushes to find workers for us," said Bob Mau, owner of Eagle Operating based in Kenmare. "We were able to hire good people, people who want to work."

Reaching North Dakota's under-employed and alerting them of the openings in the oil fields was part of the campaign initiated for the oil industry. Aware of the large need for positions in a short time, Job Service North Dakota sent postings to the workforce agencies in neighboring states and to America's Job Bank, a national employment service. This statewide, regional and national approach seems to have worked. "Half our welders came from out of state," said Mau. "We have new employees from South Carolina, Oklahoma and Wyoming. Most of our roustabouts came from within in the state."

And the cycle continues. "Now that one round of employees is trained and in place, these companies can accommodate more new workers," says Ron Ness, President of the North Dakota Petroleum Council.

Leininger and Mau agree. "We are pleased with the response they had the first go round," said Leininger. "Now we're ready to hire more employees."

The Educational Element

Kent Ellis is a guy with a foot in two worlds. He's an educator and a petroleum land man. These worlds don't collide for Ellis -- they are a natural blend. Whether he's in the classroom or in the field, he's a cheerleader for the energy industry.

His title is Special Projects Coordinator. Basically, Ellis is a school to work coordinator for North Dakota's energy industry.

"Five to ten years ago, the energy industry in North Dakota realized they would have an employment gap when the current work force retires. They wanted students to be aware of these technical positions," said Ellis. "North Dakota energy companies such as MDU Resources J, Basin Electric ^K, Tesoro ^L, through coordination of the North Dakota Petroleum Council, joined forces with the Bismarck Public School system, Career Technical Education, a statewide vocational program, and Job Service North Dakota to fund this position."

His office is in the Bismarck Public Schools administrative building, yet, Ellis is rarely there. Generally, he's on the road, talking to parents, teachers, students, executives and administrators about the opportunities available in North Dakota's oil, gas and mining industries. In the 2003-2004 school year, he talked to 5,000 kids. He'll reach more students in the 2004-2005 school year with over 30 scheduled energy education presentations throughout the state.

Ellis talks to high school students about the choices they will face after graduation. He suggests they consider areas of study needed in the energy industry: welding, computers and laser alignment.

He gives more than career advice "I tell kids, if you can't pass a drug test, you won't get a job in the energyindustry.

"Parents," he says "need to help their children think realistically about where the real work is. Positions within the energy industry will not get outsourced."

He often steers students to technical schools, rather than four year colleges and uses mathematical equations to illustrate the economic benefits of getting into the energy industry early on.

His ideas may be considered radical in academic circles. "School should be a means to the end, not an end to the means," he says. Ellis doesn't hesitate to ask vocational instructors and college professors to train their students to industry standards, not educational standards. He wonders if "getting a job" is included in the mission statement of any institute of higher education.

Every summer, Ellis and the North Dakota Petroleum Council, conduct a three-day energy education seminar for 40 teachers who will receive continuing education credit for attending. There is no charge for this seminar, although a \$25.00 refundable deposit is required wih the registration. As part of their instruction, these teachers tour an oil refinery and a producing oil rig. Every teacher leaves armed with teaching tools and real life examples of practical applications for geography, math, chemistry and geometry.



Kent Ellis at Tioga High School Photo courtesy of Gale Rauschenberger, <u>Tioga Tribune</u>

¹MDU Resources, headquartered in Bismarck, N.D. is an international energy and construction company.

^K Basin Electric is a regional wholesale elctric generation and transmission cooperative.

^L Tesoro, who owns the only refinery in North Dakota, is an independent refiner and marketer of petroleum products, based out of San Antonio, Texas.



The Educational Element

Ellis relishes tailoring his energy message to his audience. At Marketplace for Kids, an annual event attended by nearly 17,000 sixth graders, Ellis' presentations attract 500 kids at a time. The title of his 20 minute program? *We're Crude! We're Slippery and We've got Gas!*

Ellis traveled to Las Vegas to address the Association of Career and Technical Educators and to Minneapolis for the National Tech Prep Conference.

He presents at national reading conferences, counselors' conferences and before the Minnesota/North Dakota Science Teachers Association.

Outside of the school setting, you'll find Ellis giving presentations to the Western Utility Advisory Training Council, The Governor's Workforce Training Conference, the Energy Generation Conference and Rural Economic

Development meetings. He's a frequent guest speaker at legislative information sessions around North Dakota. The first year on the job, Ellis did in-service presentations at each Job Service North Dakota location. "So far, the reception has been really good," said Ellis. "I have the opportunity to be part of a vital industry and deliver a worthwhile message to young people. I'm fortunate to be able to do both. I'd hate to choose between education and energy."



The Interstate Oil and Gas Compact Commission provides seminars across the nation to provide science teachers with a better understanding of the issues surrounding development in the oil and gas industry. Teachers attending these seminars regularly use knowledge gained from the seminars to educate their students, often igniting interest in the energy industry. Energy education is the foundation on which solutions to the shortage of oil field workers should be based.

For more information contact: Keith Thomas Interstate Oil and Gas Compact Commission 405.525.3556, ext. 102 keith.thomas@iogcc.state.ok.us







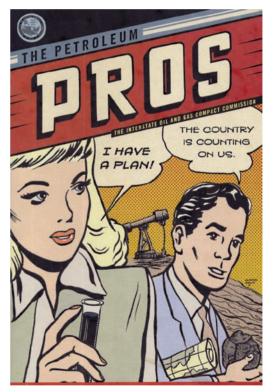
In December 2001, Governor John Hoeven assembled a Petroleum Professionals Blue Ribbon Task Force, within the Interstate Oil and Gas Compact Commission (IOGCC), to address the growing shortage of qualified workers in the oil and gas industry.

Results of this Blue Ribbon Task Force study indicate the lack of manpower is jeopardizing the country's energy security and that an ongoing, adequate pool of qualified individuals is essential to increased supplies of domestic and natural gas.

"This lack of qualified oil and gas workers is a dilemma requiring the combined efforts of the public and private sectors, "Hoeven said. "Many jobs in today's petroleum industry are on the cutting edge of technology, innovation and vitality. The perception that the domestic industry is dying must be countered by the reality of its vibrancy and growth as a technology – rich industry."

The IOGCC Blue Ribbon Task Force study and recommendations are available in a publication titled, *The Petroleum Pros*, which also documents the falling number of petroleum specific degrees being awarded by U.S. colleges and universities.

Robert Harms, who chaired the IOGCC Blue Ribbon Task Force on Hoeven's behalf said, "Today's manpower needs in the energy sector will continue in the coming decade. This shortage challenges the oil and natural gas industry, yet offers opportunities for good, well paying jobs in America. The IOGCC report offers some practical ways we all can address the issue."



For a copy of *The Petroleum Pros* contact: Interstate Oil and Gas Compact Commission 405.525.3556 www.iogcc.state.ok.us





IOGCC



The Interstate Oil and Gas Compact Commission (IOGCC) is the only organization of its kind. It represents the governors of states that produce more than 99 percent of the domestic onshore oil and natural gas. The organization also has longstanding relationships with state regulatory personnel, creating a natural pathway transfer of information, technology and improvements in regulatory streamlining and other matters that apply to the widely varying conditions and circumstances in the states.

The history of the organization, which is headquartered in Oklahoma City, also includes a 70–year tradition of serving as a forum where state, federal and industry officials can meet to develop sensible solutions to common problems. The organization's ability to find common ground is unmatched by any other entity dealing with petroleum issues.

The capabilities of the organization, with its national and international ties, are quite broad. Special skills, however, include the IOGCC's ability to develop regulatory guidance documents and model legislation to conduct studies related to resources, production, research, development and emerging environmental concerns and to provide training and education for the industry, the regulatory community, key leaders and the general public.

The IOGCC also enjoys an excellent reputation in Congress, thanks again to the long history of its involvement in providing information and advice to the country's top decisions makers. The organization also has forged successful relationships with a number of federal agencies.



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Member States

Alabama (1945) Alaska (1957) Arizona (1955) Arkansas (1941) California (1974) Colorado (1935) Florida (1945) Illinois (1935) Indiana (1947) Kansas (1935) Kentucky (1942) Louisiana (1941) Maryland (1959) Michigan (1939) Mississippi (1948) Montana (1945) Nebraska (1953) Nevada (1955) New Mexico (1935) New York (1941) North Dakota (1953) Ohio (1943) Oklahoma (1935) Pennsylvania (1941) South Dakota (1955) Texas (1935) Utah (1957) Virginia (1982) West Virginia (1945) Wyoming (1955)

Associate States

Georgia (1946) Idaho (1960) Missouri (1955) North Carolina (1971) Oregon (1954) South Carolina (1972) Washington (1957)

International Affiliates

Alberta (1996) British Columbia (2002) Egypt (1999) Newfoundland and Labrador (1997) Nova Scotia (1997) Republic of Georgia (2001) Venezuela (1997)



- State of North Dakota

John Hoeven Governor

October 1, 2004

Baker Oil Tools 1079 Broadway St W Dickinson, ND 58801-3030

Dear Oil and Gas Industry Leader:

In my discussions with the North Dakota Petroleum Council and many of you in the oil and gas business, it appears there is a need for workers in your industry. This is a win-win situation for our state and I want to help find and attract workers for your business. To accomplish that, I need your help in quantifying these jobs in one convenient place with access to employees nationwide. I am asking that you list your jobs with Job Service North Dakota at your local Job Service or through jobsnd.com.

After Job Service quantifies the workforce needs, we will go to work on finding available workers in our state or region, hold job fairs if desired by you, and create a public awareness campaign about these high paying job opportunities in our state to attract applicants for your business.

The North Dakota Petroleum Council, Job Service, and the Governor's Office will partner in these efforts and get the job done. Below is an outline of some steps that will help Job Service serve your needs more effectively.

• List Job Openings on jobsnd.com.

- Job Service will be able to gauge the scope of demand if all job openings are listed on jobsnd.com, the Job Service web site.
- It will create a central site for all job openings, making it easier for potential applicants to be aware of the jobs.
- Job Service will be able to identify suitable candidates if it is aware of all job openings.

• Recruiting Assistance

- Job Service will identify pockets of dislocated workers and other potential worker groups, both inside and outside the state.
- o Job Service is available to host job fairs, if that would be helpful.

600 E Boulevard Ave Bismarck, ND 58505-0001 Phone: 701.328.2200 Fax: 701.328.2205 www.discovernd.com Baker Oil Tools October 1, 2004 Page Two

- Relocation of Workers
 - Job Service may be able to provide Workforce Investment Act funds to help workers relocate.
- Job Fairs Across the State
 - If the job opportunities are posted with Job Service and there is a need for job fairs, we will hold them if companies will attend and support this method of recruiting.
- Public Awareness Campaign of the Oil and Gas Job Opportunities
 - We will hold a news conference with the North Dakota Petroleum Council and Job Service to work with the media and help get the word out.

Please contact Ron Rauschenberger in my office at 701-328-2222, Job Service, or the North Dakota Petroleum Council if you have any questions about these points or if you would like to discuss the workforce situation in the energy industry. Job Service and I are committed to doing all we can to help your industry thrive by working to ensure you have a viable, quality workforce.

Thank you again.

Sincerely, eren

John Hoeven Governor State of North Dakota

In cooperation with: Maren L. Daley, Executive Director of Job Service North Dakota Bob Mau, Chairman of the North Dakota Petroleum Council Ron Ness, Executive Director of the North Dakota Petroleum Council





North Dakota Petroleum Council E-News

December 2004

NDOGA Membership - Welcome and thanks to new NDPC member: Vogel Law Firm.

Legislative Briefings – NDPC members please join us at one of these meetings. Local legislators will be invited to each location.

Locations/Dates:

December 14 Kenmare (South of Border), 5:30 – 7:30 p.m. (dinner buffet)

December 15 Williston (El Rancho), 7:00 – 8:30 a.m. (breakfast buffet) Watford City (Dakotan), 11:30 – 1:00 p.m. (lunch) Dickinson (Elks, Sodbuster), 5:30 – 7:30 p.m. (dinner buffet) December 16 Bismarck (Apple Creek), 5:30 – 7:30 p.m. (dinner buffet)

Please RSVP to NDPC at 701-223-6380 if you can join us and where.

Discussion Starters:

- Get up to date on drilling activity and production in N.D.
- Job Opportunities in the Williston Basin Oilfield
- **b** Energy Education and Training Programs
- The Future of CO2 use in ND Oilfields
- Dil & Gas Research Council Projects
- Refining and Marketing Issues
- Discuss Oil and Gas Legislation

ND State Budget - North Dakota Governor John Hoeven presented his 2005 - 5007 budget during a legislative organization session in Bismarck. The \$5.5 billion budget provides pay increases for teachers and state employees, funding for colleges and universities to develop training centers, and \$5 million in bonuses for soldiers. The Governor is proposing a registration fee increase instead of a gas tax increase to raise the required highway matching funds. The state projects a \$130 million surplus in the current biennium and anticipates that \$41 million will be transferred into the oil tax trust fund at the end of June 2005. Total oil and gas tax collections for 05 - 07 are projected at \$157 million. These funds are divided amongst the state, oil producing counties and cities, and numerous other funds such as the water resources trust fund.

ND Legislature – The 2005 session will convene on January 4 in Bismarck. NDPC will be pursuing legislation to provide a sales tax exemption for CO_2 used for enhance oil recovery and will seek to make the ten-year extraction tax incentive permanent on all tertiary projects. During the session, NDPC will provide legislative reports via email every Friday and there will be Monday morning conference calls as needed to discuss hot issues.

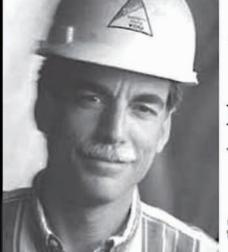
Oil Field Workers – NDPC and member companies, along with Job Service ND, continue to be successful in recruiting applicants for job openings in ND. To date, there have been 245 jobs posted on jobsnd.com and 167 positions filled. The radio ads will run again after the new year. Financial supporters of the campaign include ND Job Service/Governor Office, Eagle Operating, Key Energy Services, Nabors, and S & S Sales.



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Home > News > High-paying Energy jobs still available		
NEWS		
High -payi ng Energy jobs sti II avai lable Date: 01/12/2005		
The surge in North Dakota's energy industry continu- here at jobsnd.com.	's energy industry continues, as reflected in the dozens of job listings still open right	en right
The positions pay a starting wage of up to \$17 an hour. Here are some other charact eristics of the jobs:	our. Here are some other charact eristics of the job	
 Most positions are labor intensive and involve outdoor work in all weather conditions. Minimum age restrictions - 18 or 21 years old - may apply. Drug testing is required in the hiring process and randomly on the job for most positions. Most positions require a valid driver's license with a clean driving record. Some require a license (CDL) or the ability to acquire one. Drilling schedules may include the option to work 4 days on, 4 days off, with significant a available. Housing and meals may also be provided, in limited circumstances. Jobs are available in the drilling, well servicing, shop and office areas. Open positions all roustabout, mechanic, welder and truck driver. 	Most positions are labor intensive and involve outdoor work in all weather conditions. Minimum age restrictions - 18 or 21 years old - may apply. Drug testing is required in the hiring process and randomly on the job for most positions. Most positions require a valid driver's license with a clean driving record. Some require a commercial driver's license (CDL) or the ability to acquire one. Drilling schedules may include the option to work 4 days on, 4 days off, with significant overtime hours available. Housing and meals may also be provided, in limited circumstances. Jobs are available in the drilling, well servicing, shop and office areas. Open positions also include roustabout, mechanic, welder and truck driver.	rcial driver's hours de
Use the job seeking services available at jobsnd.com	available at jobsnd.com to find a job that works for you!	
Back		
Home Top of Page Accessibilit y Disclaimer Privacy Statement Equal Opportunity (© 2003 Job Service North Dakota, All Rights Reserved	› Statement Equal Opportunity	



100 +**Job Openings North Dakota's Oil Industry Up to \$17.25/hr** starting wage! **Open positions include** Most positions require a Drug testing is required in drilling, well servicing, valid drivers license with a the hiring process and roustabout, mechanic, clean driving record. randomly in a work Some require a CDL or the situation for most welding, trucking, shop and office positions. ability to acquire a CDL. positions. Drilling schedules may Most positions are labor **Different age restrictions** include the option to work 4 intensive and involve may apply - usually at days on, 4 days off, with outdoor work in all least 18 years old or at significant overtime hours available. Housing and meals weather conditions. least 21 years old. may also be provided. Get position details and application instructions at jobsnd.com or call Job Service North Dakota at 701-774-7900 or North Dakota 1-800-247-0989. jobsnd.com Job Service North Dakota is an equal opportunity employer/program provider. Auxiliary aids and services are available upon request to individuals with disabilities.



100-Plus Job Openings North Dakota's Oil Industry Up to \$17.25/hr starting wage!

Open positions include drilling, well servicing, roustabout, mechanic, welding, trucking, shop and office positions.

Most positions require a valid drivers license with a clean driving record. Some require a CDL or the ability to acquire a CDL.

Different age restrictions may apply — usually at least 18 years old or at least 21 years old.

Get position details and application instructions at *jobsnd.com* or call Job Service North Dakota at 701-774-7900 or 1-800-247-0989.



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Announcer Instructions

Visuals

VO SCRIPT for TV/Radio

CLIENT: North LENGTH: 1 (or TITLE: Oil J DATE PRODUCED: SCRIPT WRITER: PRODUCER:

North Dakota Petroleum Council / North Dakota Job Service 1 (one) 30 second radio Oil Jobs – 30 second (revised) CED: November 22 ER: J. Seigel, J. Olson, G. Wald Nakamoto Productions

SCRIPT

Music: (same as 60 second) Announcer: Marsh

"Some of the nation's biggest oilfield producers and suppliers are here in North Dakota – with hundreds of high paying jobs available - <u>right now</u>!

You'll make up to \$17 an hour starting – with great benefits! Job openings include drilling, well-servicing, mechanics, welders, truckers, and office personnel. And you'll start immediately, because we need you <u>now</u>!

Call Job Service North Dakota at eight-hundred, two-four-seven; zero, nine; eight, nine) or apply online at jobsnd.com. Apply now! What are you waiting for?"

Disclaimer: "An equal opportunity employer/program provider."



Route 94 Marketing & Advertising 311 N Washington St. P.O. Box 1734 Bismarck, ND 58501 e-mail: route94@route94.com 701.258.2885 Fax – 701.258.3161





100-Plus Job Openings North Dakota's Oil Industry

Up to \$17.25/hr starting wage!

Good Jobs. Great Pay. Great Benefits.

Open positions include drilling, well servicing, roustabout, mechanic, welding, trucking, shop and office positions. Most positions require a valid drivers license with a clean driving record. Some require a CDL or the ability to acquire a CDL. Drug testing is required in the hiring process and randomly in a work situation for most positions.

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Friday, November 19, 2004

industry ack of workers hinders oil

By JAMES MacPHERSON Associated Press Writer

patch these days may require little more than a heartbeat and a pledge to Landing a job at North Dakota's oil work hard

"If I had 25 to 30 people come through the door today with a good attitude. Id hire them," said Randy Bren, field service coordinator for Hal liburton Co. in Williston.

Companies are scrambling to find ore workers to boost activity and cash in on record prices for North Dakota sweet crude. more workers to

ager of Nabors Drilling USA in Willis-ton. "There should be zero unemploy-"If you want to work, there are jobs," said Robin Roll, human resource manment in North Dakota.

The price for a barrel of North Dakota sweet crude on Thursday was \$43.30. The price hit an all-time high of other industry officials say the lack of \$49.80 a barrel in October. But Roll and workers is hampering oil development the state. 9

ple on the job getting oil out of the ground," said Lynn Helms, director of "I think we'd see at least 20 percent more production if we had all the peo-

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sion's oil and gas division. Job Service North Dakota has filled the North Dakota Industrial Commis-

more than 100 oil industry jobs in the last few weeks, but still has 130 listed as open, said Gregory Wald, the agency's marketing and communications man-

ager. Wald said about 25 companies are using the agency to list positions. Starting pay for oil patch jobs is about \$17 an hour. Most of the jobs don't require experience, but they do

require drug screening, Wald said. Some of the jobs offer free housing and meals as part of the package, he said.

"We're not sugarcoating these jobs — they're hard work," Wald said. "But these are great jobs, whether for the

Wald said the jobs are ideal for farmers or construction workers who are idle during the winter months. short term or the long term."

"Most positions are very labor-intensive," he said. "A lot of people in North Dakota are suited for that kind of work."

Patricia Pung, of Lansford, said her husband, Jack, took a job in the oil patch about a year ago, after retiring from the Air Force.



Gregory Wald stands next to a sign advertising oil industry jobs at a Job record oil prices have spured production and left companies scrambling Service North Dakota branch office in Bismarck on Thursday. Near to find workers.

She said the job has made her 46-year-old husband more physically fit than he's been in years. "The pay is not too bad, but that's because they are always working," Pung said. "They go from one hole to the next hole, without any time off."

"He's definitely lost a few pounds,

and his arms are twice the size they

once were," Pung said. of Alexander in McKenzie County, Helms said. Many North Dakota companies also are active in oil exploration County northwest of Medora, and west in eastern Montana, he said.

There are 3,320 wells operating in North Dakota, compared to 3,270 a year ago, Helms said Thursday.

He said there are 24 drilling rigs working, compared to 19 at this time last year. Each rig is able to drill a new

ate at least two more rigs if it had the Roll said his company could operworkers. Other companies are hamwell every six weeks, he said.

Gov. John Hoeven said having the strung with similar problems.

"These are the challenges of growth and opportunity," he said. "This is a vacancies is not necessarily negative.

stopped short of calling the increase in Ron Ness, executive director of the North Dakota Petroleum Council activity at the state's oil patch a boom. "It's a significant increase and good thing."

uptake in activity," Ness said. "This is fantastic news for North Dakota.

OIL: Continued on Page 2B

Oil: State to launch ad campaign for workers

FROM 1B

Ness said the state and his organization will launch a campaign later this month to advertise the oil patch jobs in newspapers and on the radio. Don Canton, one Hoeven's advisers, said the state will spend at least \$10,000 on the

ad campaign. "We're starting our effort in North Dakota and will expand the effort as needed," Ness said. "We need every-thing from rig hands to office

workers." Some of North Dakota's work force may be leery of the boom-bust oil industry of the 1980s, Ness said. "The energy industry is cyclical, but there is a signifi-cant amount of new develop-ment going on," he said. "This is here to stay for a while." Helms agreed, saying "This cycle has all the signs of lasting for the better part of a decade."

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Contact Don Canton or Don Larson (701) 328-2200

JOB SERVICE NORTH DAKOTA HELPS MEET LABOR DEMANDS OF GROWING OIL AND GAS INDUSTRY

BISMARCK, N.D. - Gov. John Hoeven announced that the employment campaign launched last fall by the Governor's office, Job Service North Dakota, and the North Dakota Petroleum Council has made significant gains in filling the labor demand for oil field workers.

"Oil production is expanding rapidly in North Dakota, and that means more demand for workers and more good paying jobs for our citizens," Hoeven said. "Job Service, the Petroleum Council and industry leaders have partnered together and done an outstanding job of keeping pace with industry growth."

According to Job Service Executive Director Maren Daley, since October 2004 the agency has filled about 214 of 277 jobs listed on its Web site, some of which have paid more than \$50,000 a year. The recruitment campaign consisted of radio ads, advertisements in local Job Service offices and special outreach efforts to available workers, first in North Dakota and then in neighboring states. The industry received inquiries from as far away as Oklahoma and Texas.

"Job Service has been timely, flexible and highly adaptive in responding to the needs of the industry," said Bob Mau, president and owner of Eagle Operating of Williston and chairman of the North Dakota Petroleum Council. "North Dakota companies, and those considering a location here, can be confident that the state has an available workforce and that Job Service will be an effective partner in recruiting qualified workers."

The oil and gas industry in North Dakota employed 4,135 people in 2004, and demand for both short- and long-term employees is expected to continue. The industry experts estimate that between 50 and 70 percent of current employees will retire over the next two to 12 years, significantly challenging industry growth.

"The cooperation between Job Service, the North Dakota Petroleum Council, and the energy industry is a great example of the success we can achieve through public-sector, private-sector partnerships," Daley said. "Job Service has the tools and the services to respond quickly and effectively."

Resources

America's Job Bank www.ajb.org

Governor John Hoeven's Office **www.governor.state.nd.us**

Interstate Oil and Gas Compact Commission **www.iogcc.state.ok.us**

Job Service North Dakota **www.jobsnd.com**

North Dakota www.discovernd.com

North Dakota Industrial Commission **www.state.nd.us/ndic**

North Dakota Industrial Commission Oil and Gas Division **www.oilgasnd.gov**

North Dakota Petroleum Council **www.ndoil.org**

Route 94 www.Route94.com

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