

North Dakota. Currently, Schafer is involved with a number of energy projects and endeavors, including a seat on the board of directors for the largest Bakken producer, Oklahoma-based Continental Resources.

“I think we are in better shape than in the late ‘70s,” Schafer said.

“In 1979, the price of oil peaked and the oil production in North Dakota virtually stopped. And when that happened a lot of communities got stuck with developments and projects they couldn’t pay for.”

Schafer said as we push closer to a million barrels a day, the state is more tempered and even if the price of oil goes down, activity will continue in the Bakken.

“You might see the drilling go down, but not the production,” Schafer said. “They are not going to go in and cap a well like they did in the ‘70s. This play is different and I think we have learned our lesson.”

Now

Joseph D. Mahon, Economic Analyst, Federal Reserve Bank of Minneapolis, has been following the Bakken for some time and said it is like nothing he has ever seen before.

“The boom we are seeing in the Bakken is historically unprecedented.

Not only in the 9th district of the Federal Reserve, but nationally as well,” Mahon said. “It really ranks up there with some of the historical resource booms and along with that, you can see some of the development patterns you expect to see a resource boom.”

Mahan believes the energy industry breaks down into two dimensions — the drilling and the investments.

“There is the actual drilling and exploration of the oil and gas.”

Mahan said, “The other side of it is all the economic activity and investment that goes towards supporting that from materials to labor to all the other services that go into the support system.”

Mahan also said the manic phase of



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1966: Amerada, Harold Schafer no. 1



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