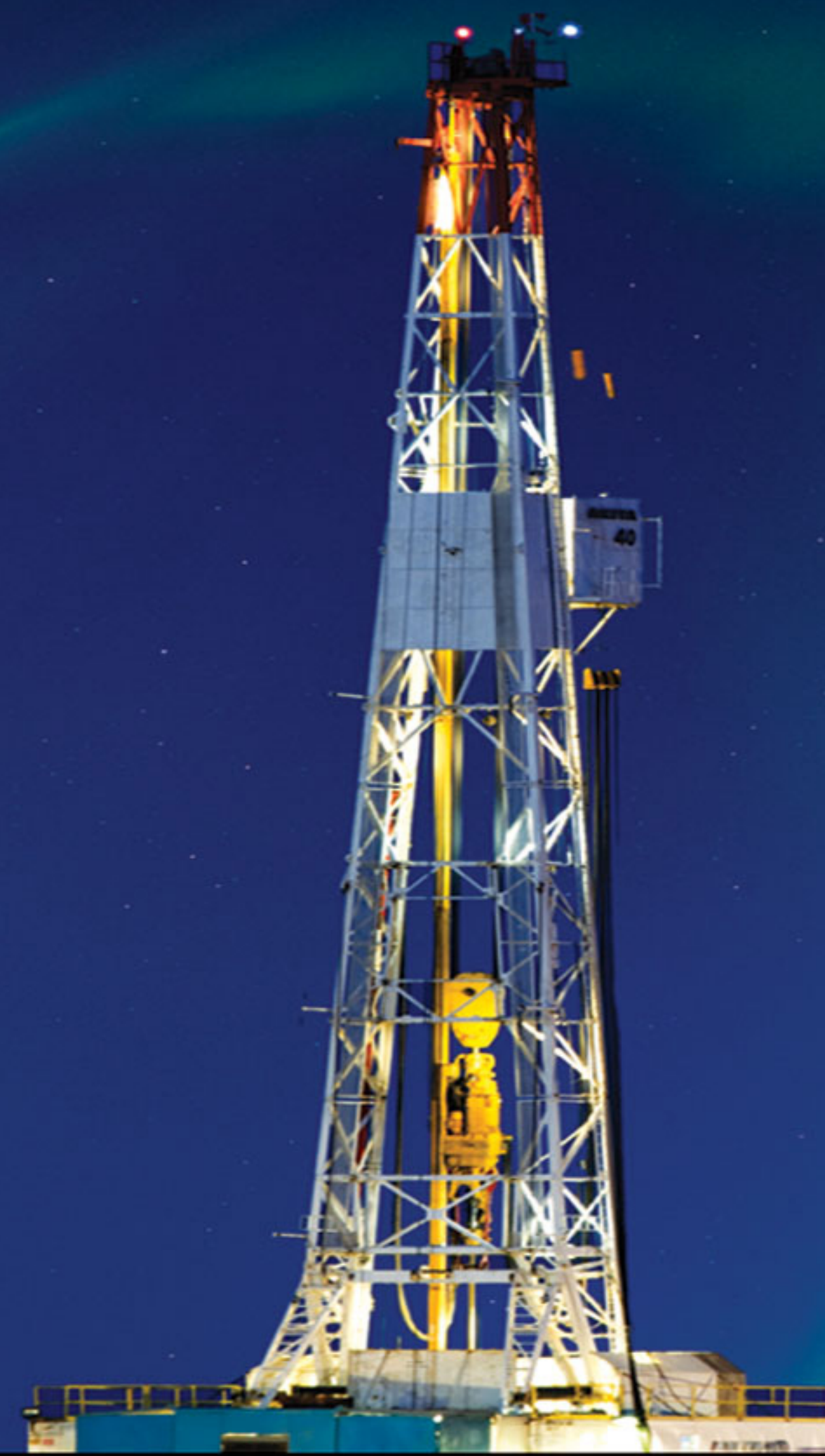


“They are now in the rebounding phase and the only question is how quickly that happens. Is that going to be a year roughly, like happened in 2008 or 2009? Or is it going to be three years like it happened in the late 90’s or is it ten years like it happened in the 1980’s?” Helms asked. “No one really knows, although this has more the characteristics of 08’-09’ than it does of either of those earlier collapses and rebounds. We are beginning to rebound now from a significant collapse that followed almost four years of high stable oil prices.”



The Bakken has centralized the rigs to primarily four counties - McKenzie, Williams, Dunn and Mountrail, which are often referred to as the Bakken hot zones. According to Helms, 123 of the 126 rigs are in those four hot zone counties.

“If you look at the map you can really start to grasp the concentration of rigs that has occurred,” Helms said. “When we started all of this about 150 out of 190 rigs were in that circle. Still today 123 out of a 126 are in that circle. So almost all of the rigs that have been parked have been outside that circle.”

The value-added industry was on record for over \$5 billion dollars in infrastructure announcement in 2014. Helms said Cenex Harvest Stations (CHS), Badlands NGL and the other major announcements last year are still committed to the Bakken.

“We are still on track for those guys, I guess you can call them the value-added industries, well, those industries are still on track to generate that next generation of value-added for North Dakota,” Helms said.

So it would appear the canary in the Bakken is not dead, just resting. In fact one could even argue the canary is resting on a clutch of eggs. Eggs of economic opportunity ready to hatch into new jobs and infrastructure.

“And the reason we are excited about those companies still committed is that raises what we call our job multiplier,” Helms said. “The traditional job multiplier for oil and gas activity in North Dakota has been a 2.0. If you can bring in the value added like the MDU diesel refinery and the Badlands and CHS with their fertilizer, that goes to 3.5. So you add another 1.5 jobs for every direct oil and gas industry job, and the economic impacts of that. So we are really happy those things are still on track.”