

# **Summary: Investigation of Statoil Well Trespass into Federal Minerals**

**Report Date: October 17, 2014**

OIG's Energy Investigations Unit and the Bureau of Land Management's (BLM) Special Investigations Group conducted a joint investigation to determine if Statoil Oil and Gas, L.P. (Statoil) drilled a well through three unleased parcels of federally owned minerals and extracted and sold significant volumes of oil and gas.

BLM's North Dakota Field Office routinely reviews data regarding existing oil wells to assess whether they are impacting federally owned minerals. In October 2013, BLM's review indicated that an oil well operated by Statoil drilled into unleased federally owned minerals located in McKenzie County, North Dakota. Our investigation confirmed that Statoil began drilling a well that later entered into unleased federally owned minerals. Statoil later produced and sold federally owned oil and natural gas from the well, valued at nearly \$2,000,000. Statoil fully cooperated with the United States in its investigation of this incident.

As a result of our investigation, Statoil reached a negotiated settlement with the U.S. Attorney's Office for the District of North Dakota to resolve mineral trespass claims. Statoil agreed to pay the Government \$1,989,560.72, the full value of the oil and gas produced.

*This is a summary of an investigative report that was issued internally to the U.S. Department of the Interior. This summary was posted to the web on October 19, 2015.*

