

Director's Cut

July 2020 Production

Oil Production

June 26,807,731 barrels = 893,591 barrels/day (Final)
July 32,252,017 barrels = 1,040,388 barrels/day (All-time high 1,519,037 BOPD Nov 2019)
 998,084 barrels/day or 96% from Bakken and Three Forks
 42,304 barrels/day or 4% from legacy pools

Revenue Forecast = 1,400,000 barrels/day

Crude Price¹ (\$/barrel)

	North Dakota Light Sweet	WTI	ND Market estimate
June	32.35	38.31	31.49
July	31.69	40.75	33.45
August	32.91	42.39	37.65
Today	29.25	37.26	33.25
<i>All-time high</i>	<i>\$136.29/barrel (7/3/2008)</i>	<i>\$145.29/barrel (7/3/2008)</i>	

Revenue Forecast = \$48.50

Gas Production & Capture

June Production 59,154,486 MCF = 1,971,816 MCF/day
 Gas Captured: 89% 52,748,655 MCF = 1,758,289 MCF/day

July Production 71,222,816 MCF = 2,297,510 MCF/day (All-time high 3,145,172 MCFD Nov 2019)
 Gas Captured: 91% 64,942,139 MCF = 2,094,908 MCF/day (All-time high 2,899,998 MCFD Mar 2020)

Rig Count

June	12
July	11
August	12
Today	10 (+1 CCUS and +1 SFI)
Federal Surface	2
<i>All-time high</i>	<i>218 (5/29/2012)</i>

¹ Pricing References: WTI: [EIA](#) and [CME Group](#); ND Light Sweet: [Flint Hills Resources](#)

Wells

	May	June	July	August	Revenue Forecast
Permitted	-	72 drilling 0 seismic	92 drilling 0 seismic	47 drilling 2 seismic <small>(All-time high was 370 – Oct. 2012)</small>	-
Completed	12 (Final)	37 (Revised)	59 (Preliminary)	-	90
Inactive²	-	4,214	3,762	-	-
Waiting on Completion³	-	899	878	-	-
Producing	-	13,188	14,406 (Preliminary) (All-time high was March 2020 – 16,280) <i>12,389 (86%) from unconventional Bakken – Three Forks</i> <i>2,017 (14%) from legacy conventional pools</i>	-	-

Fort Berthold Reservation Activity

	Total	Fee Land	Trust Land
Oil Production	251,216	63,998	187,218
Drilling Rigs	4	2	2
Active Wells	2,453	622	1,831
Waiting on completion	163		
Approved Drilling Permits	243	52	191
Potential Future Wells	4,093	1,142	2,957

Drilling and Completions Activity

The drilling rig count was stable in the mid 50's second half of 2019 through March 2020. Drilling rig count is down 82% January to July of 2020.

The number of well completions has been very volatile since March as the number of active completion crews decreased from 25 to 1-5.

Lower crude oil price has put extreme downward pressure on rig and completion crew counts. Unemployment claims are published every Thursday at <https://www.ndlmi.com/gsipub/index.asp?docid=687> indicating approximately 11,000 layoffs as of 9/05/20 with more jobs at risk due to oil price volatility.

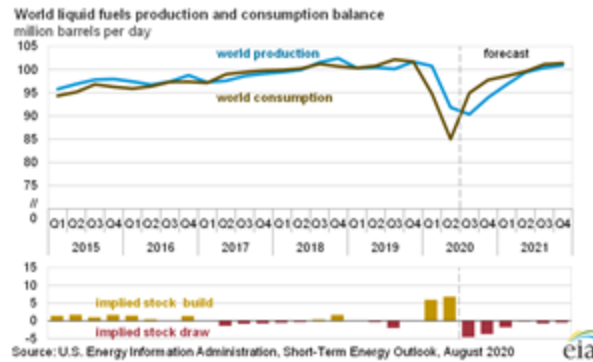
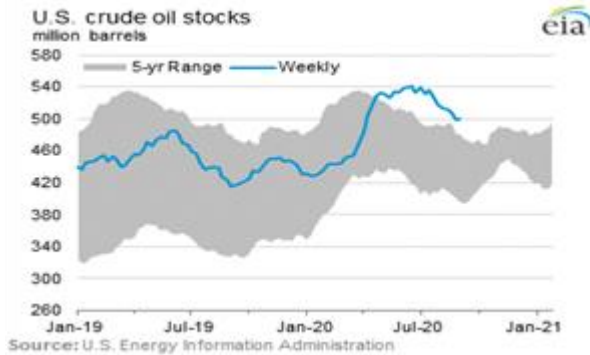
Drilling permit activity is slower and more volatile with oil price volatility. Operators are still attempting to maintain a permit inventory of approximately 12 months and some experienced drilling rig and completion crews.

² Includes all well types on IA and AB statuses: **IA** = Inactive shut in >3 months and <12 months;
AB = Abandoned (Shut in >12 months)

³ The number of wells waiting on completions is an estimate on the part of the director based on idle well count and a typical five-year average. Neither the State of North Dakota, nor any agency officer, or employee of the State of North Dakota warrants the accuracy or reliability of this product and shall not be held responsible for any losses caused by this product. Portions of the information may be incorrect or out of date. Any person or entity that relies on any information obtained from this product does so at his or her own risk.

Crude Oil Markets

The OPEC+ agreement to cut 9.7 million barrels per day expired August 1st. Liquid fuel demand bottomed out in July, is recovering slowly and is not expected to reach full recovery until second quarter 2021.



Crude oil transportation capacity including rail deliveries to coastal refineries is adequate, but could be disrupted due to:

- US Appeals Court for the ninth circuit upholding of a lower court ruling protecting the Swinomish Indian Tribal Community's right to sue to enforce an agreement that restricts the number of trains that can cross its reservation in northwest Washington state.
- A possible shut down of DAPL in Civil Action No. 16-1534

Seismic

Seismic activity has picked up again with carbon capture projects.

Active Surveys	Recording	NDIC Reclamation Projects	Remediating	Suspended	Permitted
2	0	0	1	1	0

Gas Capture

US natural gas storage has decreased to 13% above the five-year average due to summer power demand for air conditioning. Crude oil inventories fell last week but remain well above the long-term average. Both indicate little potential for significant price increases in the near future. North Dakota shallow gas exploration could be economic at future gas prices but is not at the current price.

The price of natural gas delivered to Northern Border at Watford City has increased \$0.17 to \$1.91/MCF. This results in a current oil to gas price ratio of 17 to 1. The statewide gas flared volume from June to July decreased 10,925 MCFD to 202,603 MCF per day and percent flared decreased to 8.6% while Bakken capture percentage increased to 92%.

The historical high flared percent was 36% in 09/2011

Gas Capture Details:

Statewide.....	91%
Statewide Bakken.....	92%
Non-FBIR Bakken.....	93%
FBIR Bakken.....	88%
Trust FBIR Bakken...	88%
Fee FBIR.....	87%

The Commission established the following gas capture goals:

74%	October 1, 2014 - December 31, 2014
77%	January 1, 2015 - March 31, 2016
80%	April 1, 2016 - October 31, 2016
85%	November 1, 2016 - October 31, 2018
88%	November 1, 2018 - October 31, 2020
91%	November 1, 2020

Agency Updates

Bureau of Indian Affairs

BIA has published a new final rule to update the process for obtaining rights of way on Indian land. The rule was published 11/19/15 and became effective 12/21/15. The final rule can be found at <https://www.federalregister.gov/articles/2015/11/19/2015-28548/rights-of-way-on-indian-land>. On 3/11/16, the Western Energy Alliance filed a complaint and motion for a temporary restraining order and/or a preliminary injunction. On 04/19/16, the US District court for the District of North Dakota issued an order denying the motion for a preliminary injunction. The new valuation requirements were resulting in increased delays so BIA provided a waiver that expires 04/05/2020. On 03/09/2020 the NDIC submitted comments supporting an extension of that waiver through 04/05/2021 to allow infrastructure development to continue while BIA develops and implements the new process. NDIC comments can be found at <http://www.nd.gov/ndic/ic-press/Sweeney%20letter%20200309.pdf>

Bureau of Land Management

BLM published a new final rule 43 CFR Parts 3100, 3160 and 3170 to update and replace its regulations on venting and flaring of natural gas effective 1/17/16. The final rule can be viewed online at <https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/operations-and-production/methane-and-waste-prevention-rule>. North Dakota, Wyoming, Montana, Western Energy Alliance, and IPAA filed for a preliminary injunction to prevent the rule going into effect until the case is settled. A hearing in Casper, Wyoming was held 1/6/17. On 1/16/17 the court denied all of the petitioners' motions for preliminary injunctions. **On 2/3/17 the US House of Representatives voted 221-191 to approve a Congressional Review Act resolution against the rule.** On 3/28/17 President Trump issued an executive order which in part directs "The Secretary of the Interior shall review the following final rules, and any rules and guidance issued pursuant to them, for consistency with the policy set forth in section 1 of this order and, if appropriate, shall, as soon as practicable, suspend, revise, or rescind the guidance, or publish for notice and comment proposed rules suspending, revising, or rescinding those rules:". This rule is included in the list as item (iv). North Dakota plans to continue active participation in the litigation of this rule until the BLM takes final action eliminating the rule. **On 5/10/17 the Senate voted 51 to 49 against the CRA, allowing the rule to remain in effect.** On 6/27/17 U.S. D. Ct. Judge Skavdahl granted BLM's motion to extend the merits briefing schedule by 90 days, based on BLM's APA 705 stay and BLM's representations regarding its plans to reconsider the VF Rule. Opening briefs were filed 7/3/17. On 7/5/17 California and New Mexico sued BLM in the U.S. District Court for the Northern District of California, seeking a declaratory judgement that BLM's APA 705 stay was illegal and vacating the stay. The relief they request would vacate the stay of the January 2018 compliance et al deadlines, bringing them all back into force. BLM officials encouraged North Dakota to intervene. On 7/12/17 a group of NGOs including the Fort Berthold Protectors of Water and Earth Rights filed a separate suit against the BLM in federal court in the U.S. District Court for the Northern District of California, seeking a declaratory judgement that BLM's APA 705 stay was illegal and vacating the stay. California and New Mexico, along with various environmental groups, have challenged BLM's stay in the Northern District of California, and filed a motion for summary judgment on 7/26/17. On 8/24/17 North Dakota filed a response supporting BLM's motion, a motion to intervene, and a motion to change venue to Wyoming in an attempt to prevent all of the litigation regarding the timing of the Flaring Rule, including the future rulemakings further extending compliance deadlines that BLM has stated that it intends to publish, could end up in front of the magistrate judge in the Northern District of California instead of Judge Skavdahl in Wyoming. On 10/04/17 the federal magistrate judge in the Northern District of California granted the summary judgement motion by California, New Mexico, and several NGOs throwing out BLM's administrative and temporary postponement of several of the future rules compliance dates/obligations. On 10/05/17 the BLM issued a Federal Register Notice for a proposed rule that if finalized will delay certain requirements of the BLM Rule until January 17, 2019. North Dakota submitted comments to (1) support BLM's decision to delay certain compliance requirements and (2) continue to make the record that BLM exceeded its authority to promulgate the rule in the first place with particular emphasis on the specific/unique North Dakota considerations at issue. NDIC comments are available at <http://www.nd.gov/ndic/ic-press/dmr-blm-comments17-11.pdf>. BLM, the states of CA & NM, and the NGOs supporting the current final rule were granted an extension to file response briefs to December 11th in the WY court. On 11/29/17 North Dakota filed a response to industry petitioner's motion for a preliminary injunction supporting a preliminary or permanent injunction. On 12/4/17 USDOJ petitioned the 9th US Judicial Circuit Court in San Francisco to review and overturn the Northern District of California court's November decision

ordering the US Bureau of Land Management to make oil and gas producers comply with the methane emissions requirements while the rules are being reviewed. On 12/7/17 BLM published a rule in the Federal Register delaying the methane regulation until January 2019, saying the previous rule is overly burdensome to industry. Officials said the delay will allow the federal Bureau of Land Management time to review the earlier rule while avoiding tens of millions of dollars in compliance costs to industry that may turn out to be unnecessary. On 12/19/17 BLM was sued by California, New Mexico, and a large group of NGOs in the Northern District of California federal court over the 12/7/17 rule extending certain compliance dates in BLM's 2016 Rule. The complaint requests that BLM's extension rule be set aside and the provisions it relates to reinstated. On 12/26/17 BLM filed a motion seeking to stay the litigation in the U.S. District Court case in WY and to vacate the January 5 briefing deadline, a motion in which the industry trade associations and Montana and Wyoming joined. North Dakota and Texas filed a short response on 12/27/17 asking the Court to deny the motion or allow until 1/12/18 to fully respond to BLM's holiday week motion. On 12/29/17 the Wyoming district court granted BLM's motion to stay the 2016 Rule challenge litigation. On 2/22/18 BLM published a new rule proposal to revise the 2016 final Waste Prevention Rule (also known as the venting and flaring rule). The proposed rule would eliminate duplicative regulatory requirements and re-establish long-standing requirements that the 2016 final rule sought to replace. The Federal Register notice specifically requested comment on ways that the BLM can reduce the waste of gas by incentivizing the capture, reinjection, or beneficial use of the gas. NDIC comments can be viewed at <http://www.nd.gov/ndic/ic-press/blm%20comments%20180417.pdf>. On 2/22/18 Judge Orrick in the Northern District of California entered a preliminary injunction against the BLM's "Suspension Rule" which suspended for one year certain compliance deadlines in BLM's Venting and Flaring Rule. Judge Orrick also denied North Dakota's motion to transfer the case to the District of Wyoming where Judge Skavdahl had stayed the original rule on the grounds that parties were protected by the Suspension Rule. The immediate effect of this decision was to reinstate the BLM Venting and Flaring Rule in full, along with compliance deadlines that became effective January 17, 2018, and remove the protections relied upon by Judge Skavdahl the District of Wyoming case. On 3/7/18 U.S. District Court Judge Skavdahl granted the North Dakota/Texas Motion to lift the stay in the challenge to the BLM's Venting & Flaring Rule. The California Court explicitly adopted North Dakota's central position in intervention - stating that "I express no judgment whatsoever in this opinion on the merits of the [V&F] Rule," showing great deference to Judge Skavdahl and the existing case in his Court and rejecting the California, NM, and NGOs request to uphold the V&F Rule. On 4/4/18 U.S. District Judge Skavdahl issued an order granting Wyoming's request for a partial stay of the Rule under Section 705 of the APA. The Court's limited Stay Order provides immediate relief to industry, but the balance of the Rule, including BLM's unlawful exercise of authority over State and private mineral interests through an over-inclusive application of communitization remains. The Court denied the North Dakota/Texas motion to move forward to complete briefing on the merits, and also denied industry's motion for a preliminary injunction. The Court expressed frustration with "the administrative dysfunction" reflected by this case as it ping-pongs between the District Courts of Wyoming and California and BLM's various attempts to delay, rescind or replace the Rule, concluding that "going forward on the merits at this point remains a waste of judicial resources and disregards prudential ripeness concerns." On 4/5/18 15 NGOs filed a Notice of Appeal with the 10th Circuit. California & New Mexico followed suit on 4/5/18 and have now also filed an appeal with the 10th Circuit. On 9/12/18 North Dakota filed a brief in the 10th Circuit Court of Appeals urging the Court, if it chooses to reverse the Wyoming district court's Stay Order, to remand the case back to the Wyoming district court with direction to finish this protracted legal process by promptly proceeding to a ruling on the merits. On 9/18/18 BLM issued their final rule revising the Obama-era Waste Prevention Rule, also referred to as the venting and flaring rule. The new rule will better align venting and flaring regulations with President Trump's priorities on energy development, job creation, and reduced compliance costs. These changes will also allow BLM to recognize existing state regulatory efforts and avoid duplicative requirements. In response to comments and after further consideration, the BLM made the following modifications to the proposed rule in this final rule: (1) Clarification that the 24-hour limit on royalty-free flaring during downhole well maintenance and liquids unloading in § 3179.104 applies "per event"; (2) Addition of a standard for "applicable rules, regulations, or orders" of a State regulatory agency or tribe in § 3179.201(a); and (3) Addition of a provision allowing for tribes to seek BLM approval to have tribal rules apply in place of any or all of the provisions of subpart 3179. The revised rule goes into effect on 11/27/18. On 9/28/18 a coalition of 17 conservation and tribal citizen groups filed a lawsuit challenging the decision to revise the Bureau of Land Management's Waste Prevention Rule, stating that the rule violates a number of existing federal policies. The states of New Mexico and California also filed a lawsuit challenging BLM's action. The BLM and NDIC have reached an impasse on negotiations for an agreement to implement section 3179.201, but continue to

communicate regarding possible ways to resolve the disagreement. On 08/15/20 the U.S. District Court for the Northern District of California invalidated the 2018 revisions to the 2016 Waste Prevention Rule. This ruling means that the Waste Prevention Rule goes back in effect in 90 days, and the oil and gas industry will have to comply with the Rule's requirements. U.S. District Judge Yvonne Gonzalez Rogers found that the 2018 rescission violated federal law because it ignored the federal government's statutory duty to prevent waste, instead relying almost entirely on "inadequate or nonexistent state regulations". On 08/25/20 the citizen groups and state respondents filed a supplemental response brief in the US District Court District of Wyoming. On 09/04/20 North Dakota and Texas filed a reply brief of petitioner-intervenors in the US District Court District of Wyoming.

BLM revised final regulations for hydraulic fracturing on federal and Indian lands were published in the CFR on 3/26/15 and they were scheduled to go into effect 6/24/15. North Dakota, Colorado, Utah, Wyoming, Western Energy Alliance, and IPAA filed for a preliminary injunction to prevent the rules going into effect until the case is settled. Following a lengthy hearing in Casper, Wyoming on 6/23/15, the court issued a stay on the rules. On 9/30/15 the court granted a preliminary injunction, preventing the rules from being enforced until litigation on the rule is final. The 10th Circuit Court of Appeals issued an order 3/10/16 denying the industry alternative motion for a stay. On 6/21/16 the court found the rule to be unlawful and ordered it set aside. The plaintiffs filed a motion with the US Court of Appeals for the Tenth Circuit to dismiss the appeal of the preliminary injunction. The Department of Justice on behalf of the BLM and the intervening environmental groups filed an appeal of the decision on the rule and oppose the motion to dismiss the appeal of the preliminary injunction. The North Dakota Response Brief to the US Court of Appeals for the Tenth Circuit was filed 9/15/16. NDIC comments on the rule can be found at <http://www.nd.gov/ndic/ic-press/BLM-comments-120625.pdf>. On 3/28/17 President Trump issued an executive order which in part directs "The Secretary of the Interior shall review the following final rules, and any rules and guidance issued pursuant to them, for consistency with the policy set forth in section 1 of this order and, if appropriate, shall, as soon as practicable, suspend, revise, or rescind the guidance, or publish for notice and comment proposed rules suspending, revising, or rescinding those rules". This rule is included in the list as item (i). On 5/4/2017 BLM filed a request asking the court to hold the appeal in abeyance as it will "soon" initiate a rulemaking process to revise or rescind the 2015 Rule, that it had the authority to issue the Rule, but conceding that the Rule does not reflect BLM's current priorities or policies, as reflected in certain recent Presidential Executive Orders. After the BLM submitted its filings the 10th Circuit Court Appeals immediately directed the petitioners (including North Dakota) and the intervenors to file briefs by 6/5/17 to respond to BLM's position. Two amicus groups that submitted merits briefs (the law school professors and former DOI officials) filed supplemental amicus briefs on the questions posed by the Court following the change of Administrations. The Court's Supplemental Order authorized the filing of these additional amicus briefs. Both briefs seek to capitalize on the BLM's continued insistence that it had the authority to issue the Rule (but concede that the 2015 HF Rule does not reflect BLM's current priorities or policies as reflected in certain recent Presidential Executive Orders). The two amicus groups solicit the Court to rule on the merits of the BLM and NGO appeals and to overturn the District Court decision, actually asking the Court to issue an advisory opinion on the BLM's authority. In addition to addressing the NGO arguments, North Dakota will respond to these two briefs in the context that all three parties are asking the Court to do what it is prohibited from doing by Article III of the U.S. Constitution. North Dakota filed a response brief 6/20/17 in support of the BLM action to put the rule in abeyance and take final action vacating the rule. Oral arguments before the 10th Circuit took place 7/27/17. A recording of the oral arguments is now available on the home page of the court's website <http://www.ca10.uscourts.gov>. NDIC filed comments supporting BLM's rescission of the rule that can be found at <http://www.nd.gov/ndic/ic-press/dmr-blm-comment17-9.pdf>. On 09/21/17 the 10th Circuit issued a split (2-1) decision to dismiss the appeals as prudentially unripe, vacate the district court's judgment invalidating the rule, and remand with instructions to dismiss the underlying action without prejudice. Appellees State of North Dakota, State of Colorado, State of Utah, and State of Wyoming's filed a Petition for Panel Rehearing And/Or Request for En Banc Determination on 11/03/17. On 11/06/17 the court ordered the appellants to file a response to the Petition on or before 11/20/2017. The En Banc rehearing request was denied. The 10th circuit court has not yet issued its mandate ending the current round of litigation in the Wyoming District court. The Ute tribe filed a motion on 1/12/18 asking the court to dismiss the appeals as moot based on the publication of the rescission rule and leave the WY court decision to vacate the rule in place. The court ordered the DOJ and BLM to file a response by 1/22/18. On 12/29/17 BLM published a final rule rescinding the 2015 Hydraulic Fracturing rules with 2 exceptions 1) the rule does not restore language requiring pre-approval of non-routine hydraulic fracturing

operations and 2) the rule does not rescind changes to 43 CFR 3160 due to other rules published between 3/26/15 and 12/29/17 (electronic filing and venting & flaring rules). On 2/7/18 North Dakota filed a reply in support of its motion to dismiss the original rule appeal as moot pursuant to Federal Rule of Appellate Procedure 27(a)(4), and request that the Court should not issue the mandate, nor vacate the District Court's judgment based on two new and important developments: (1) on December 29, 2017, the Bureau of Land Management (BLM) promulgated a final rule rescinding the Hydraulic Fracturing Rule ("HF Rule"), and (2) on January 24, 2018, the Citizen Group Intervenors challenged the repeal of the HF Rule ("HF Repeal Rule") in the U.S. District Court for the Northern District of California.

Council on Environmental Quality

CEC On 02/25/2020 the Council on Environmental Quality published a proposal to modernize its National Environmental Policy Act (NEPA) regulations. On 03/09/2020 the NDIC submitted comments in support of the CEQ proposal. NDIC comments can be found at <http://www.nd.gov/ndic/ic-press/Council%20of%20Environmental%20Quality%20200309.pdf>. On July 15, 2020 the Trump administration issued an executive order to reduce the types and number of projects that will be subject to review under the NEPA, shorten the timeline for reviews, and drop a requirement that agencies consider the cumulative environmental effects of projects, such as their contribution to climate change. On 7/29/20 a coalition of 20 environmental justice, outdoor recreation and conservation groups — led by the Western Environmental Law Center (WELC) and Earthjustice — filed a lawsuit over CEQ's regulations in the U.S. District Court for the District of Northern California.

Environmental Protection Agency

EPA On 08/21/2018 the U.S. Environmental Protection Agency (EPA) proposed a new rule to reduce greenhouse gas (GHG) emissions from existing coal-fired electric utility generating units and power plants across the country. This proposal, entitled the Affordable Clean Energy (ACE) Rule, establishes emission guidelines for states to use when developing plans to limit GHGs at their power plants. The ACE Rule replaced the prior administration's Clean Power Plan (CPP) and instead empowers states, promotes energy independence, and facilitates economic growth and job creation. Pursuant to President Trump's Executive Order 13873, which directed Federal agencies to review burdensome regulations, the EPA undertook a review of the CPP. Many believed the CPP exceeded EPA's authority under the Clean Air Act, which is why 27 states, 24 trade associations, 37 rural electric co-ops, and three labor unions challenged the rule. The Supreme Court issued an unprecedented stay of the rule. The proposal was published in the Federal Register on 8/31/18 and EPA took comment on the proposal for 60 days and held a public hearing. More information is available at <https://www.epa.gov/stationary-sources-air-pollution/proposal-affordable-clean-energy-ace-rule>. On July 8, 2019, EPA issued the final Affordable Clean Energy rule (ACE) and repealed the Clean Power Plan. On the same day the American Lung Association and the American Public Health Association filed a challenge to the rules in the U.S. Court of Appeals for the District of Columbia. Since then, 22 states, the District of Columbia and six municipalities led by the state of New York lodged a challenge to the rules in the D.C. Circuit, followed closely by a third challenge brought by environmental groups. Numerous industry groups and power providers are seeking to intervene in the litigation in support of the ACE rule. The EPA has asked the court to expedite review of the challenges in the hope of achieving a resolution in the D.C. Circuit by summer of 2020.

EPA On 08/24/18 Trump administration officials at EPA announced they are phasing out the agency's enforcement focus on animal waste pollution and the oil and gas industry. Enforcement chief Susan Bodine said she wants to shift the focus away from oil and gas as a sector deserving of extra scrutiny and toward prioritizing broad environmental problems, such as air pollution.

Pipeline and Hazardous Materials Safety Administration

PHMSA Advance notice of proposed rulemaking (ANPRM) was announced 1/10/17.

SUMMARY: PHMSA is considering revising the Hazardous Materials Regulations (HMR) to establish vapor pressure limits for unrefined petroleum-based products and potentially all Class 3 flammable liquid hazardous materials that would apply during the transportation of the products or materials by any mode. PHMSA is currently assessing the merits of a petition for rulemaking submitted by the Attorney General of the State of New York regarding vapor pressure standards for the transportation of crude oil. The petition requests that PHMSA

implement a Reid Vapor Pressure (RVP) limit less than 9.0 pounds per square inch (psi) for crude oil transported by rail. This rule making could substantially interfere with NDIC oil conditioning regulations. You can read about the NDIC regulations at [https://www.dmr.nd.gov/oilgas/2014Permitting\(2\).asp](https://www.dmr.nd.gov/oilgas/2014Permitting(2).asp). NDIC submitted comments on 3/20/17 and the comment period closed on 5/19/17. On 6/6/2018 Senator Schumer wrote urging DOE and PHMSA to propose and quickly finalize a rule establishing federal volatility standards for the shipment of crude oil by rail in the United States. The NDIC submitted a letter on 6/28/18 to proactively correct several conclusions and statements in Senator Schumer's letter about NDIC oil conditioning regulations and provide the background and a better understanding of the state's oil conditioning standards for Bakken, Three Forks, and/or Sanish crude oil prior to market transport. On 5/11/20 PHMSA published notice of withdrawal of this proposed rulemaking.

PHMSA On 5/9/19 Governor Inslee signed into law Washington State Engrossed Substitute Senate Bill 5579 "Crude Oil by Rail – Vapor Pressure" which became effective on 7/28/19. On 7/17/19 the North Dakota Attorney General and Montana Attorney General filed an application for preemption of the Washington Volatility Restrictions on Crude Oil Transported by Rail. The state of Washington requested a 30 day extension of the comment period to 9/23/19 which PHMSA granted. Response to comments deadline was 10/23/19. On 5/11/20 PHMSA published notice of Administrative Determination of Preemption of the WA statute and rules. No petition for reconsideration or petition for judicial review was filed.

US Forest Service

USFS published for comment on 11/2/18 draft supplemental environmental impact statement for oil and gas leasing on the Dakota Prairie Grasslands. The proposal documents can be found at <https://www.fs.usda.gov/project/?project=40652> and clicking on Analysis. The recommended alternative increases "No surface occupancy" 32,700 acres, decreases "Timing limitations or controlled surface use" 20,100 acres, and decreases "No added stipulations" 12,600 acres. On 2/1/19 the USFS extended the comment period to 2/20/19. The FR NOA for 8-14 is available to preview at: <https://s3.amazonaws.com/public-inspection.federalregister.gov/2020-17812.pdf>. The FSEIS and DROD are located at the end of page 1 into page 2. The Final Record of Decision is expected to be signed in the Fall of 2020. Individuals or organizations who submitted specific written or oral comments during the designated opportunity for public participation (30-day public scoping comment period and DSEIS 45-day comment period) may have standing to object (36 CFR 218.2 and 36 CFR 218.5). Objections must meet the requirement of 36 CFR 218.8(d). Objections can be submitted in writing, either electronically or in hard copy, and must be filed with the Reviewing Officer within 45 days from the date of the publication of the notice of the opportunity to object (published in the Bismarck Tribune, Bismarck, North Dakota) 10/8/20. The publication date in the newspaper of record is the exclusive means for calculating the time to file an objection. Those wishing to object should not rely on dates provided by any other source. The regulations prohibit extending the time to file an objection.

USFS published for comment on 8/31/20 a proposed rule to revise its regulations governing Federal oil and gas resources on National Forest System lands (36 CFR part 214, 228, and 261). The proposal documents can be found at <https://beta.regulations.gov/document/FS-2020-007-001>. Comments may be submitted electronically via the Federal eRulemaking Portal: <http://www.regulations.gov>. In the Search box enter 0596-AD33, which is the RIN for this rulemaking. In the Search panel on the left under the Document Type heading click on the Proposed Rule link to locate this document. You may submit a comment by clicking on "Comment Now!" by 11/2/20. Comments may be submitted by mail to USDA-Forest Service, Attn: Director-MGM Staff, 1617 Cole Boulevard, Building 17, Lakewood, CO 80401.