North Dakota Industrial Commission Docket for Hearing

Tuesday, November 13, 2018 @ 9:00 a.m.

N.D. Oil and Gas Division 1000 East Calgary Avenue Bismarck, North Dakota

Case No. 27125: In the matter of a hearing called on a motion of the Commission to amend NDIC Order No. 25417 paragraphs 2(d) and 5 in Case No. 23084 regarding oil conditioning standards for the Bakken, Bakken/Three Forks, Three Forks, and Sanish Pool Field Rules. A full description of the amendments the Commission will consider adopting and the supporting documentation for the proposed amendments can be found at: https://www.dmr.nd.gov/oilgas/ or by request from the Commission. The Commission will accept and consider written comments on this motion if received no later than 5:00 pm CDT November 9, 2018. Submit written comments to the Oil and Gas Division, 1016 E Calgary Ave, Bismarck, ND 58503-5512 or brkadrmas@nd.gov.

Persons interested in testifying should be prepared to provide testimony of a technical nature.

Proposed amendments to ICO 25417:

Paragraph (2) (d): Production facilities utilizing gas-liquid separator(s) and/or emulsion heater-treater(s) operating at pressures and temperatures other than those provided in (b) or (c) above shall be allowed only upon the operator demonstrating that the operating pressures and temperatures of the separator(s) and/or emulsion heater-treater(s) are producing crude oil with a Vapor Pressure of Crude Oil (VPCRx) no greater than 13.7 psi or 1 psi less than the vapor pressure of stabilized crude oil as defined in the latest version of ANSI/API RP3000 whichever is lower. Such test must be performed by a person sufficiently trained to perform the test. All VPCRx tests shall be performed in accordance with the latest version of ASTM D6377 the most current ASTM testing standard and shall be conducted quarterly pursuant to Commission approved oil conditioning policy/guidance. Samples for testing must be collected in accordance with ASTM D3700 or ASTM D5842 the most current ASTM or API sampling standard at the point of custody transfer. A Sundry Notice (Form 4) shall be submitted to the Director within 15 days of the test date which includes a screen shot and/or printout of the VPCRx test conducted and details the operating capacities, pressures, and temperatures of all well site conditioning equipment at the time of the test required information pursuant to Commission approved oil conditioning policy/guidance; or

Paragraph (5) The Commission shall have continuing jurisdiction in this matter and specifically reserves the authority, upon its own motion or the motion of any interested party, to: (a) review such requirements outlined herein; (b) determine whether additional requirements are warranted;(c) <u>issue crude oil conditioning policy/guidance as necessary;</u> and (d) make such further amendments or modifications as the Commission deems appropriate.

Hearing Testimony Procedure

- No telephonic testimony will be accepted
- Sign up will begin at 8 a.m. in the hearing room parties will be called in order signed up and must appear or be moved to end of list (at the discretion of the Hearing Officer)
- 15-minute limit on testimony
- Testimony will only be accepted on the Commission's proposed amendments