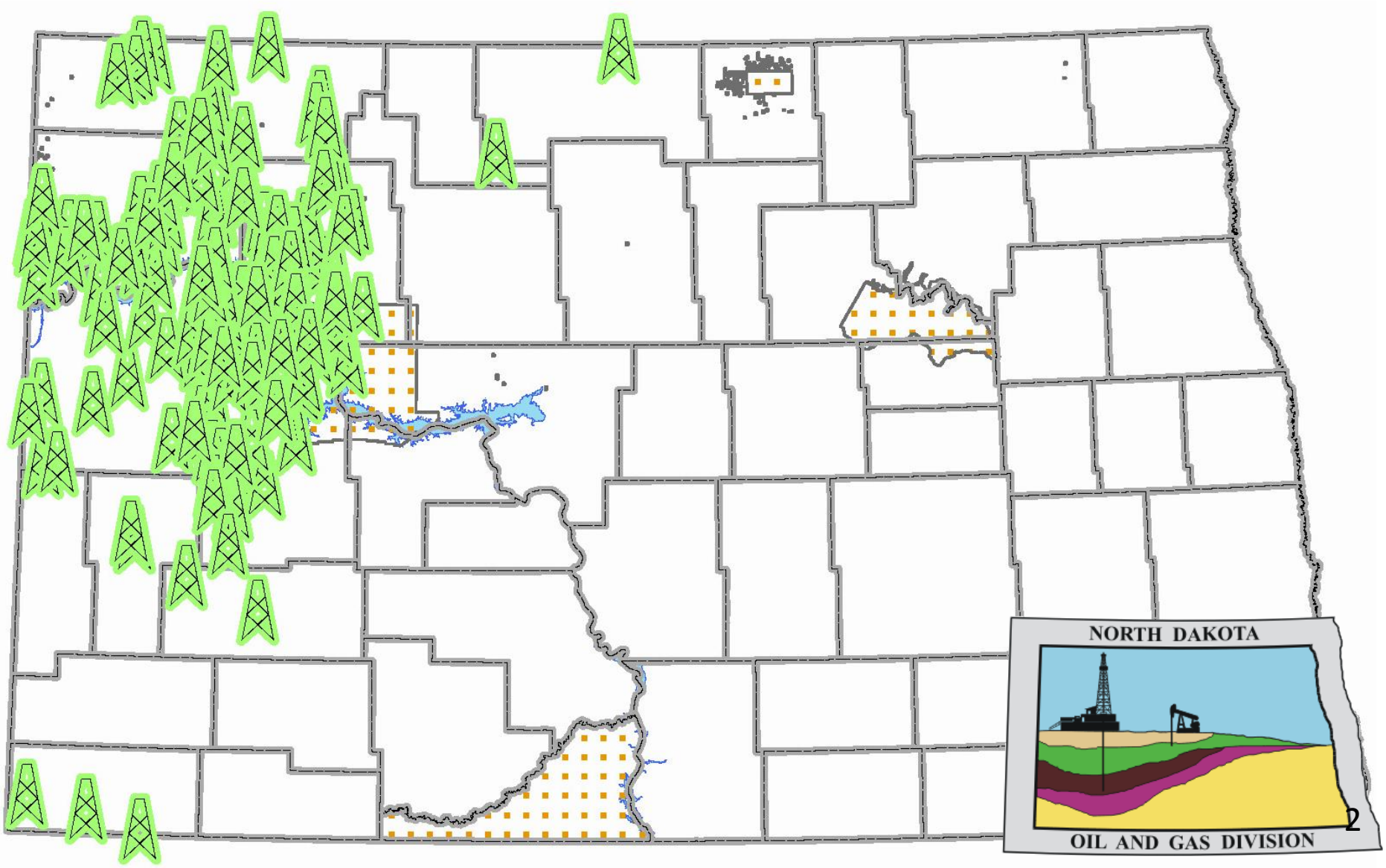
North Dakota Pipeline Authority

North Dakota Petroleum Council Annual Meeting

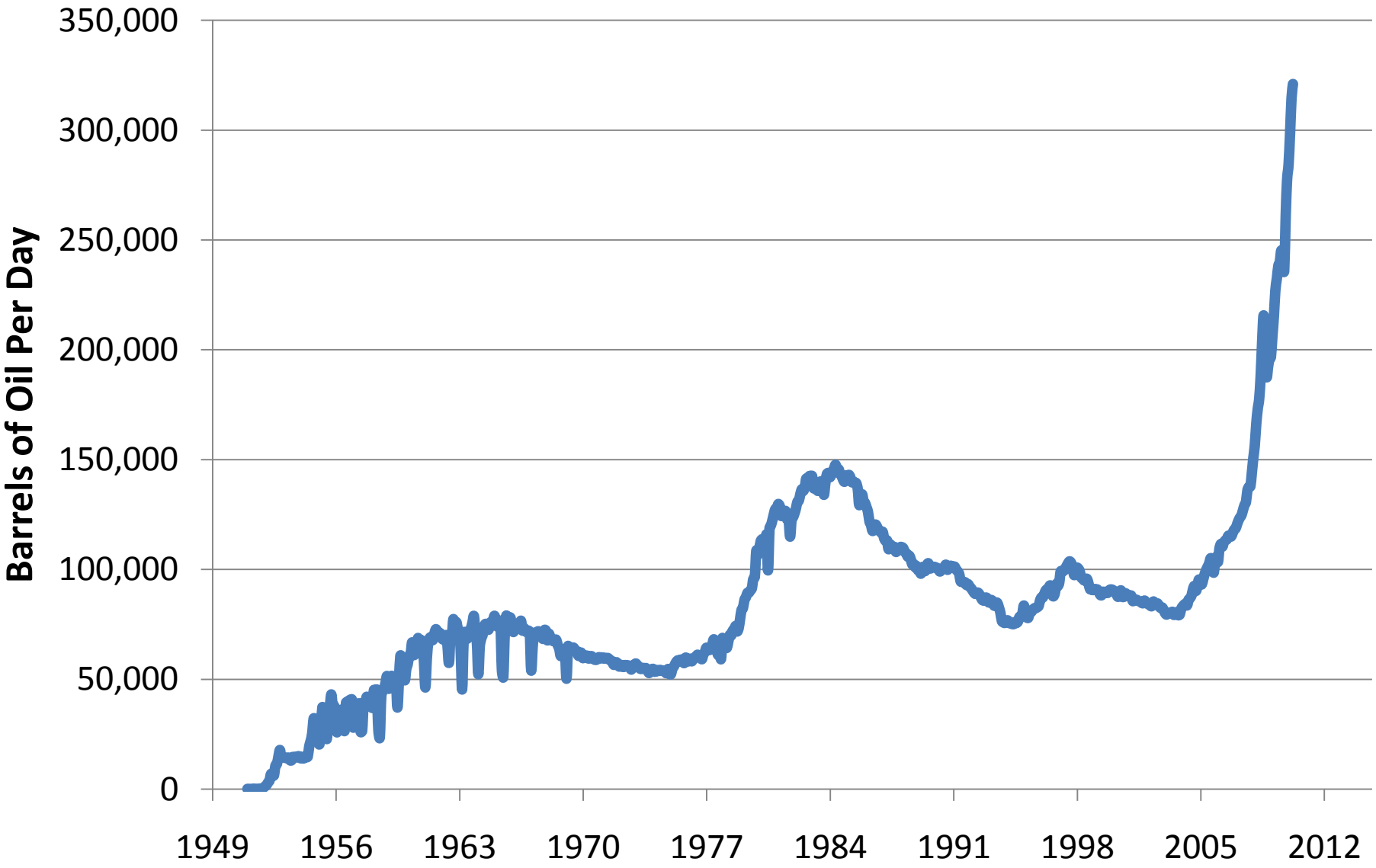
Justin J. Kringstad

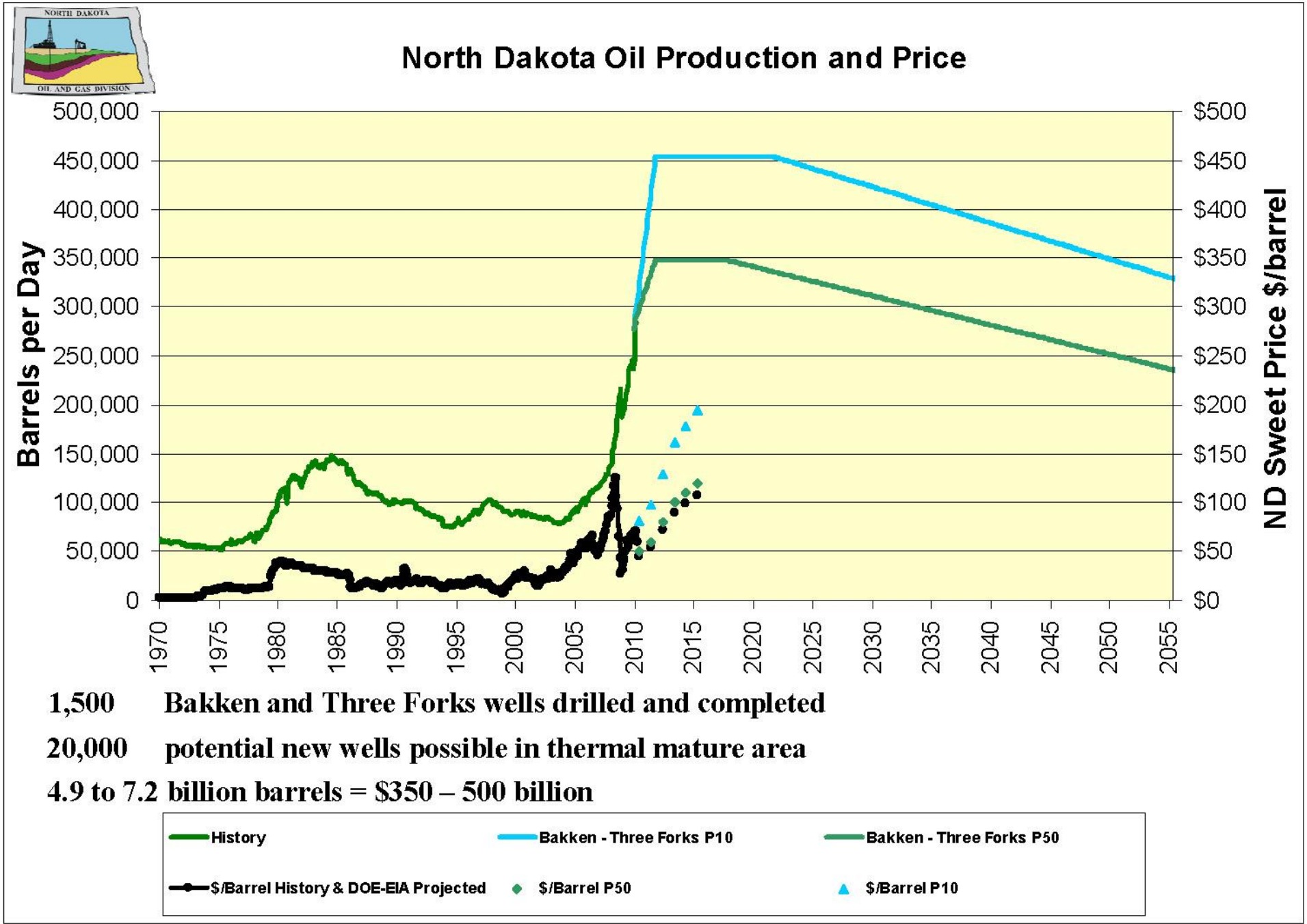
September 23, 2010 – Minot, ND

September 22, 2010: 144 Active Drilling Rigs



North Dakota Crude Oil



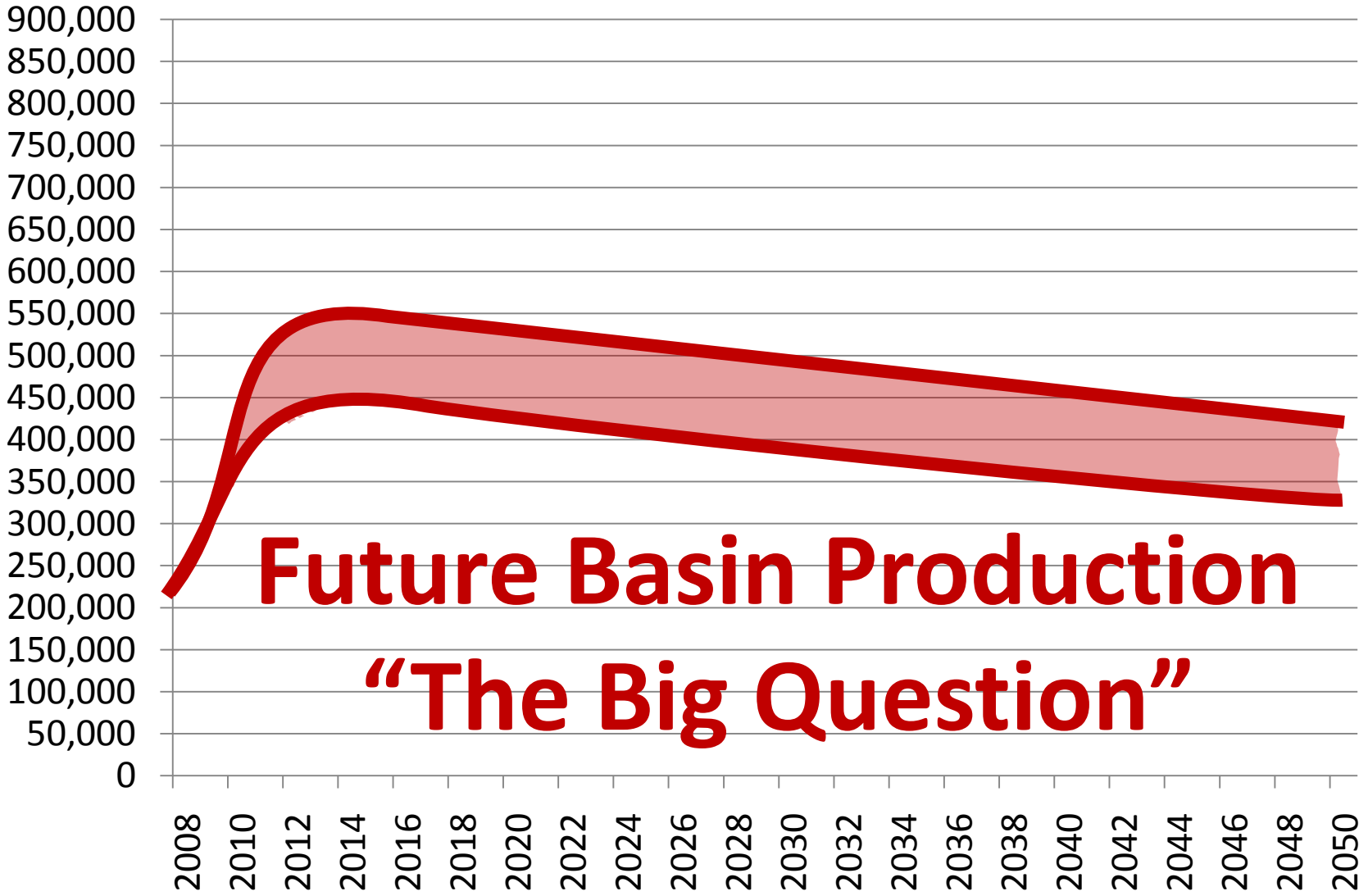


1,500 Bakken and Three Forks wells drilled and completed

20,000 potential new wells possible in thermal mature area

4.9 to 7.2 billion barrels = $350 – 500 billion

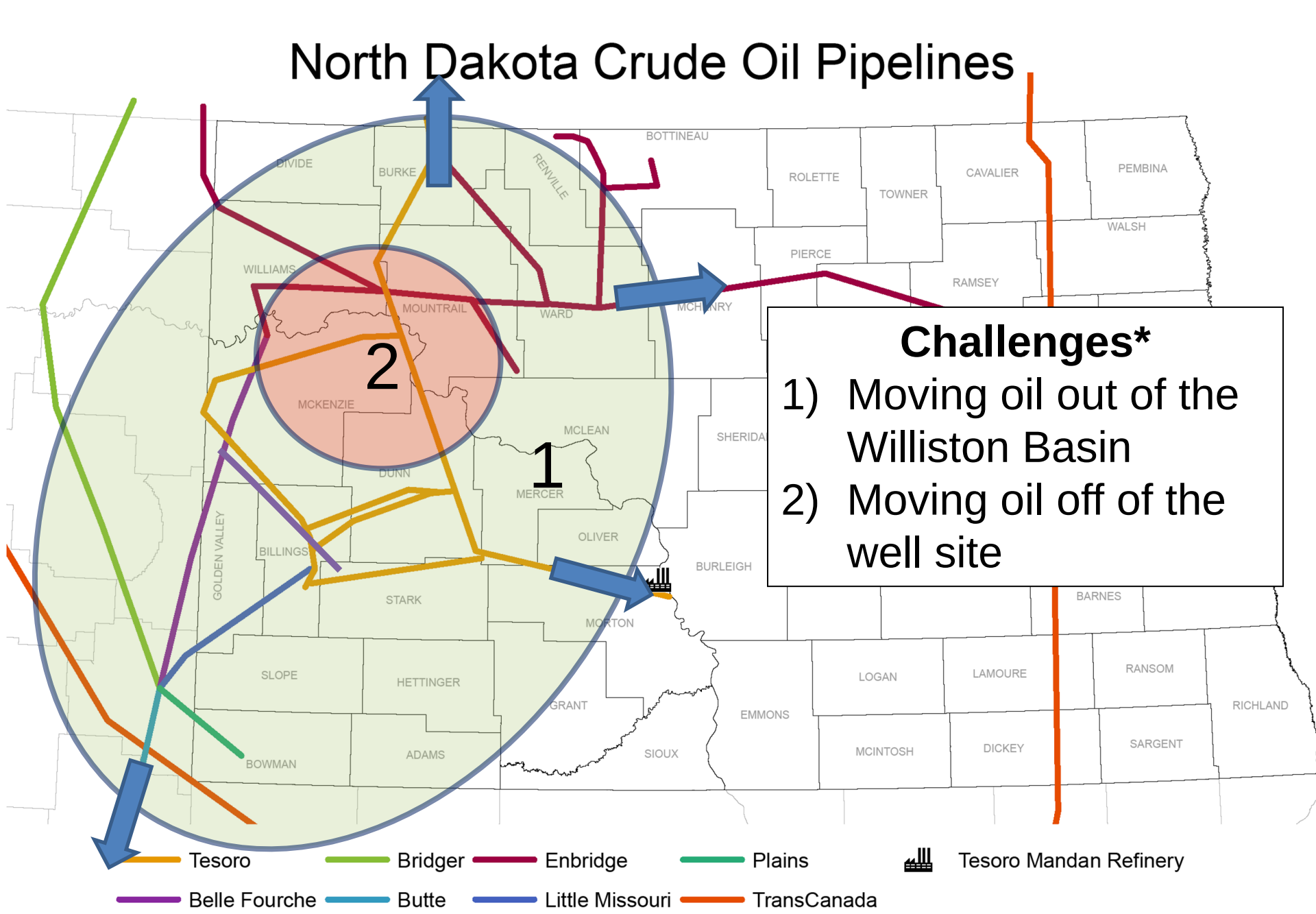
Williston Basin Oil Production* & Export Capacity, BOPD



*Production forecast is for visual demonstration purposes only and should not be considered accurate for any near or long term planning.

**Projects still in the proposed or internal review process

North Dakota Crude Oil Pipelines

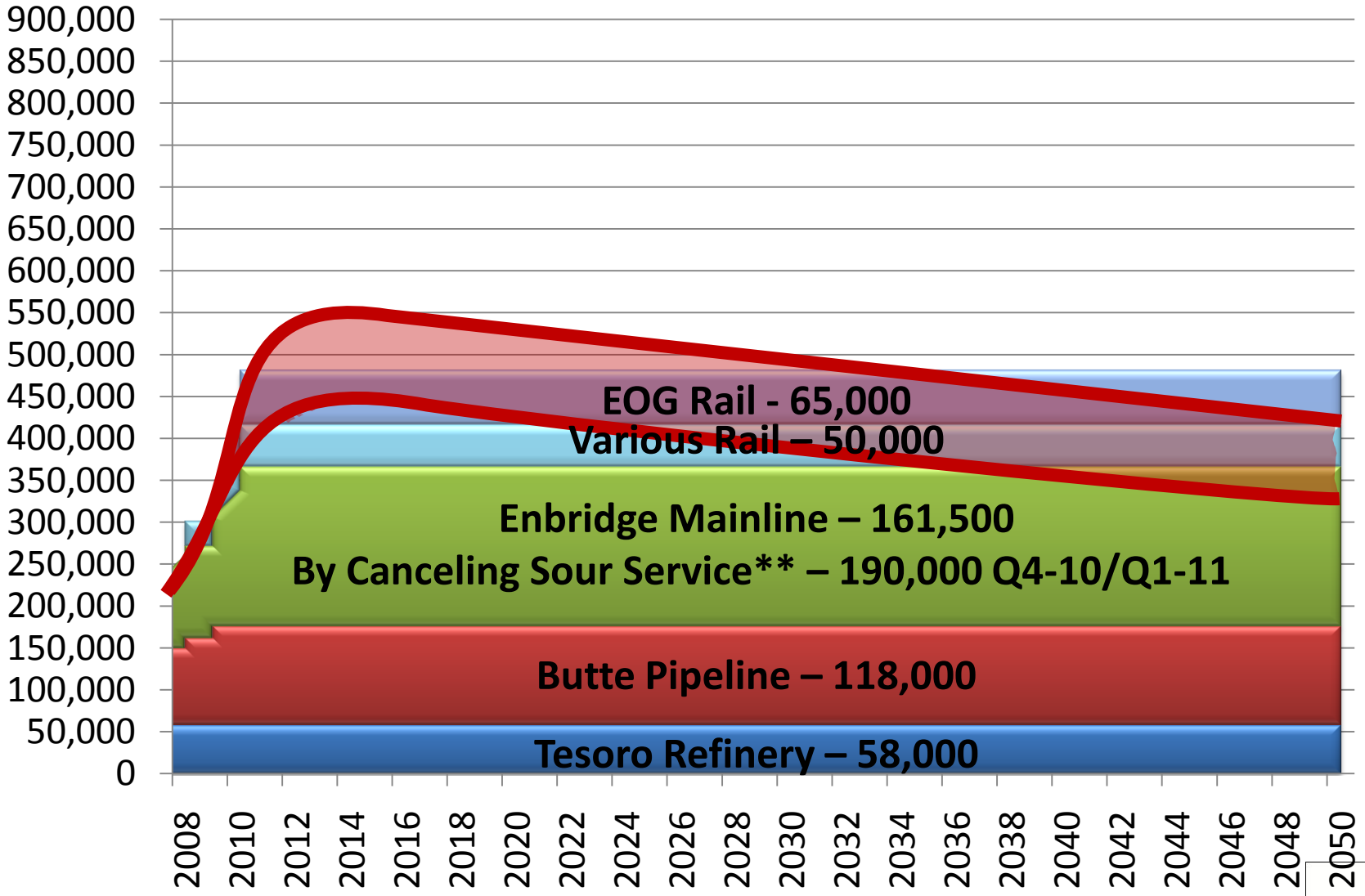


Challenges*

1) Moving oil out of the Williston Basin
2) Moving oil off of the well site

*Modified from Bridger and Belle Fourche Pipelines

Williston Basin Oil Production* & Export Capacity, BOPD



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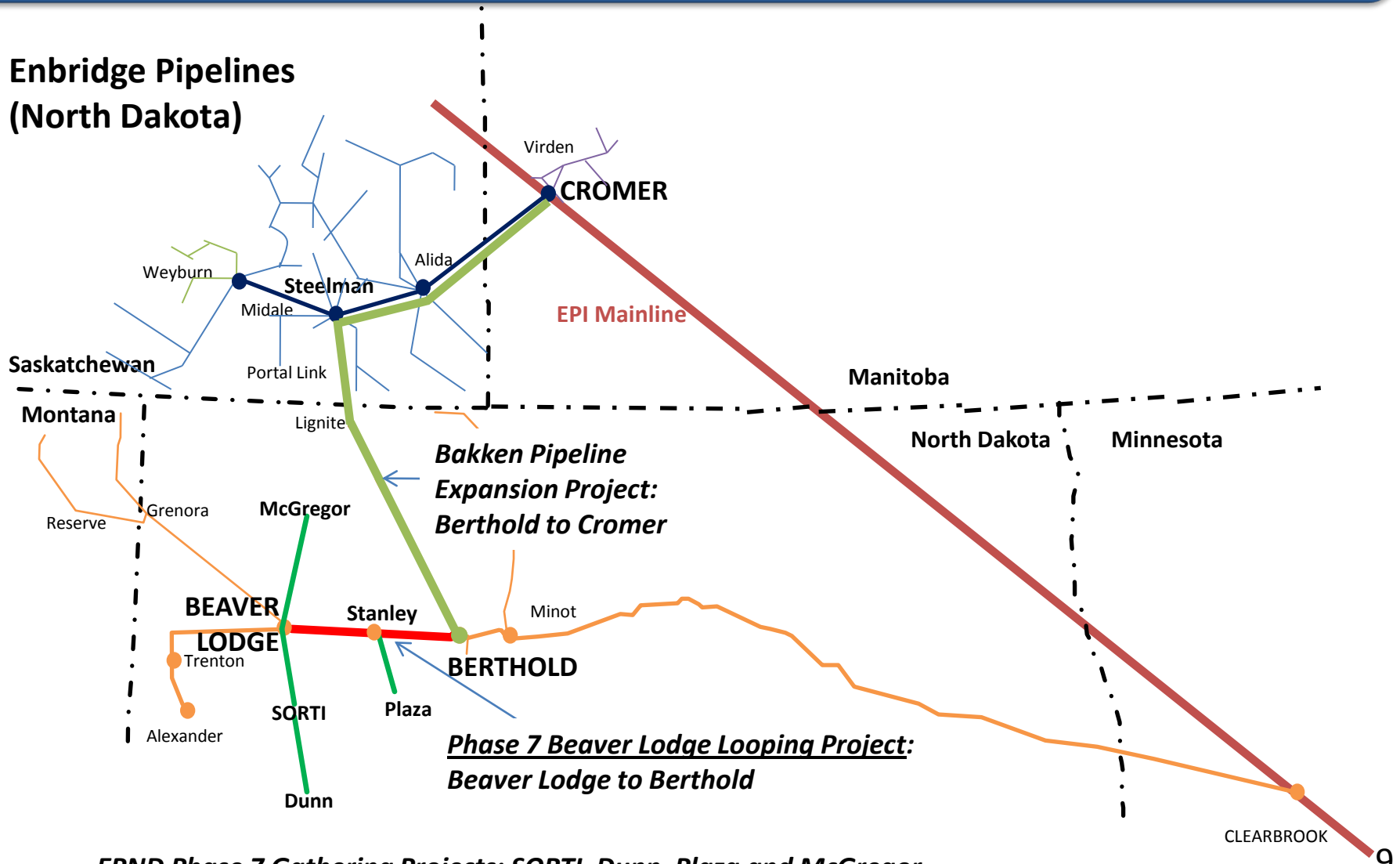
**Projects still in the proposed or internal review process

Several Exciting Developments For Post 2010 Crude Oil Transport

- Enbridge Bakken Expansion Program
- Quintana BakkenLink
- True Co.’s Baker 300
- Unit Train Development
- Others Still Looking at Opportunities

Bakken Pipeline Expansion

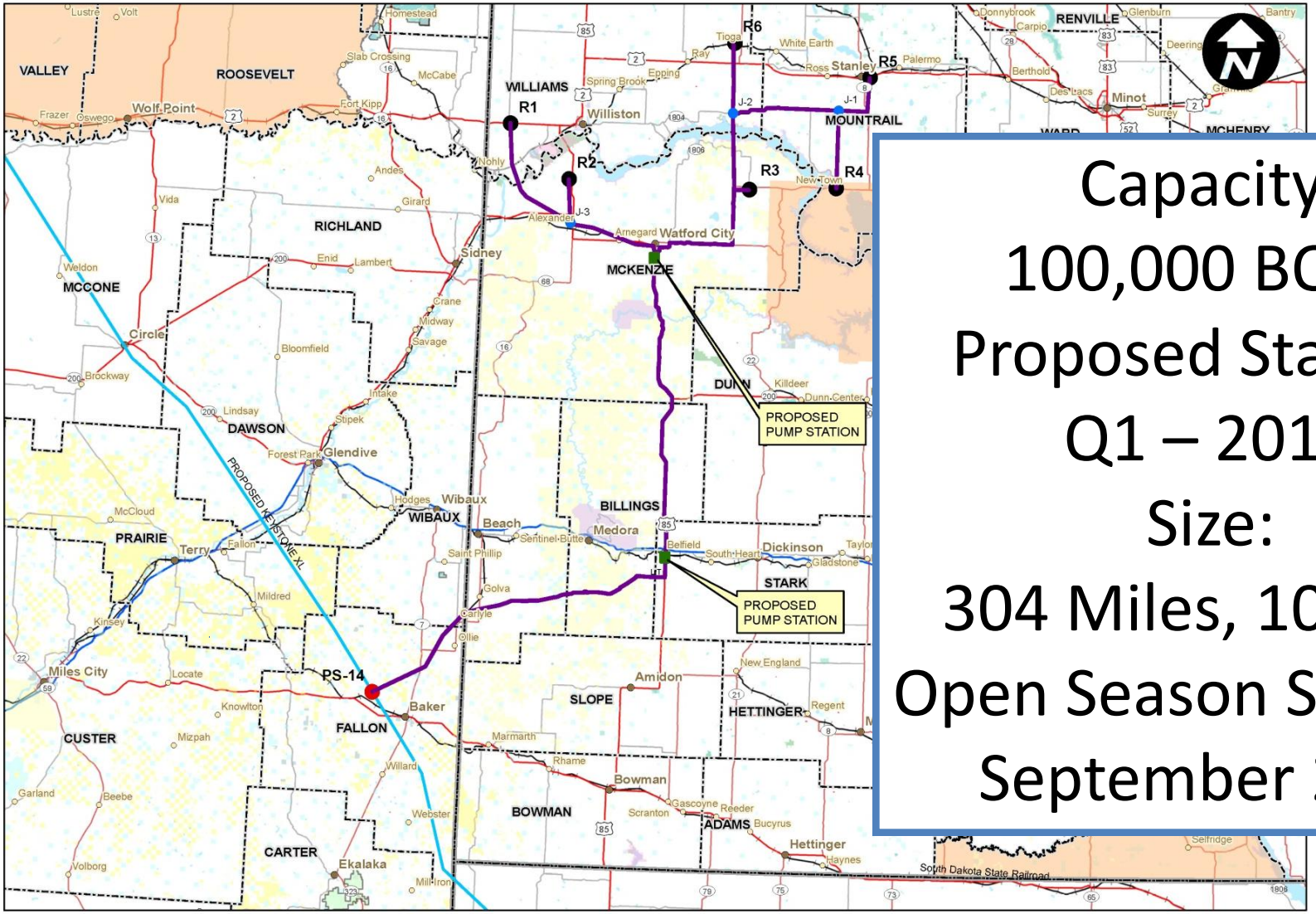


EPND Phase 7 Gathering Projects: SORTI, Dunn, Plaza and McGregor

Enbridge BPEP Details

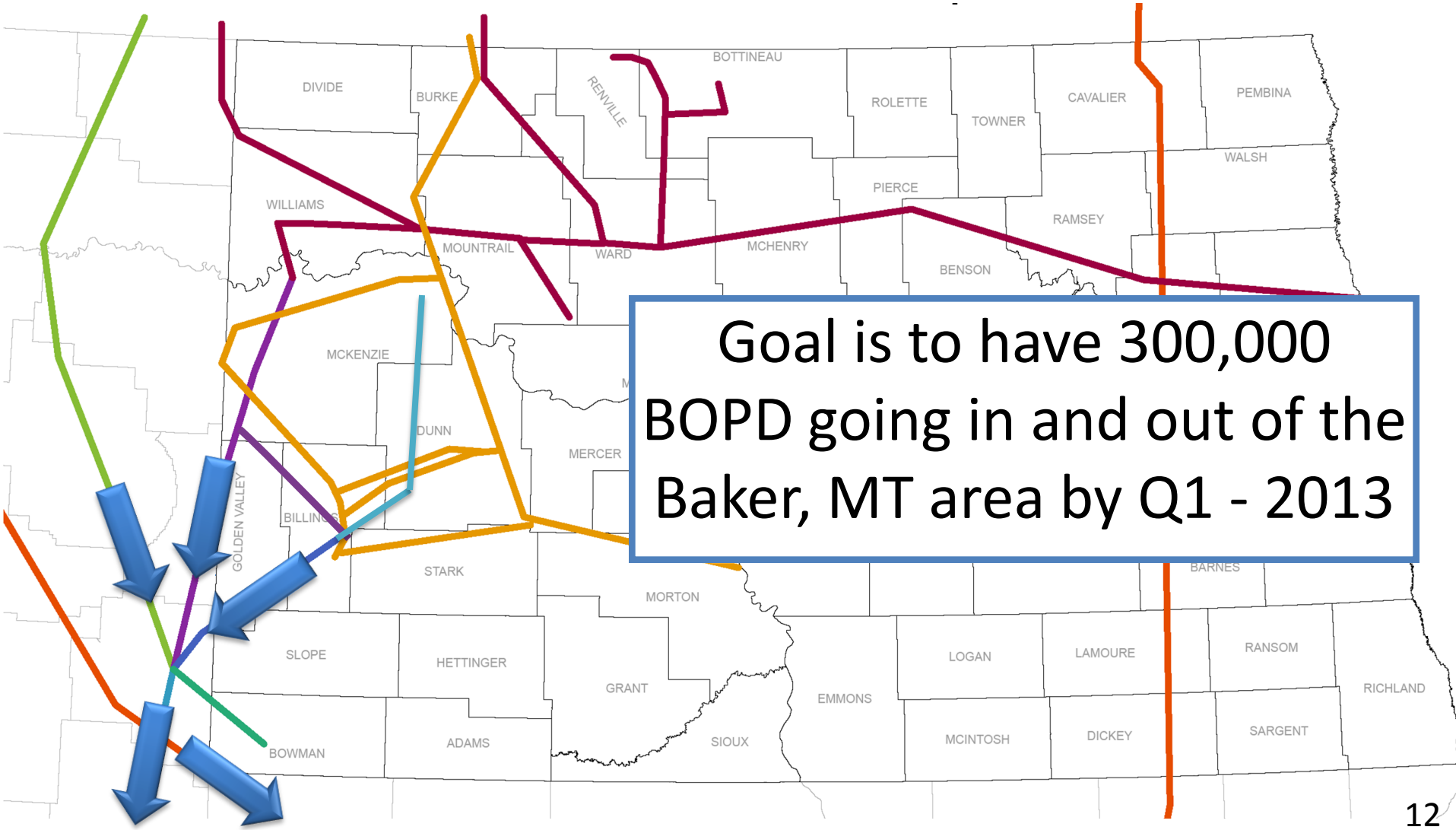
- On August 24th, Enbridge announced that a 145,000 BOPD expansion will take place.
- Gathering pipelines could be in-service Q2 2012
- 25,000 BOPD Portal Reversal – Q1 2011
- Additional shipper commitments could provide up to 325,000 BOPD into Cromer, MB

Proposed Quintana BakkenLink



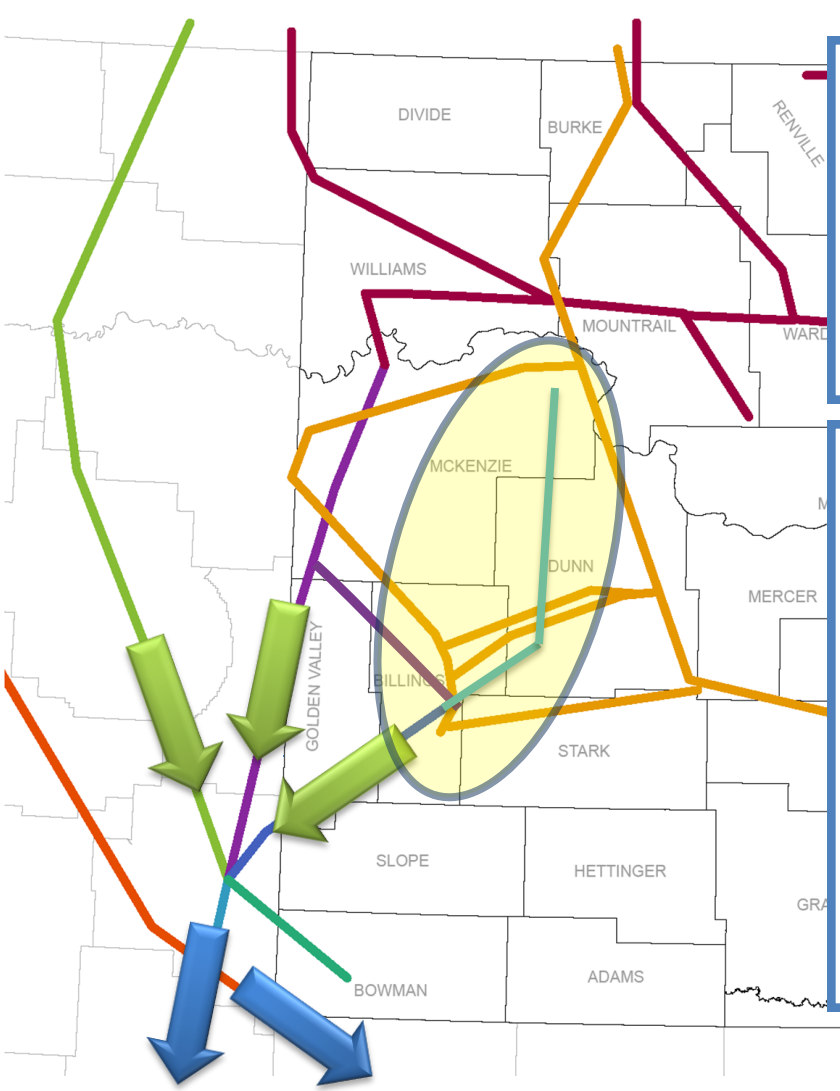
Capacity:
100,000 BOPD
Proposed Startup:
Q1 – 2013
Size:
304 Miles, 10”-16”
Open Season Starting:
September 27th

True Co.'s Proposed "Baker 300"



Goal is to have 300,000 BOPD going in and out of the Baker, MT area by Q1 - 2013

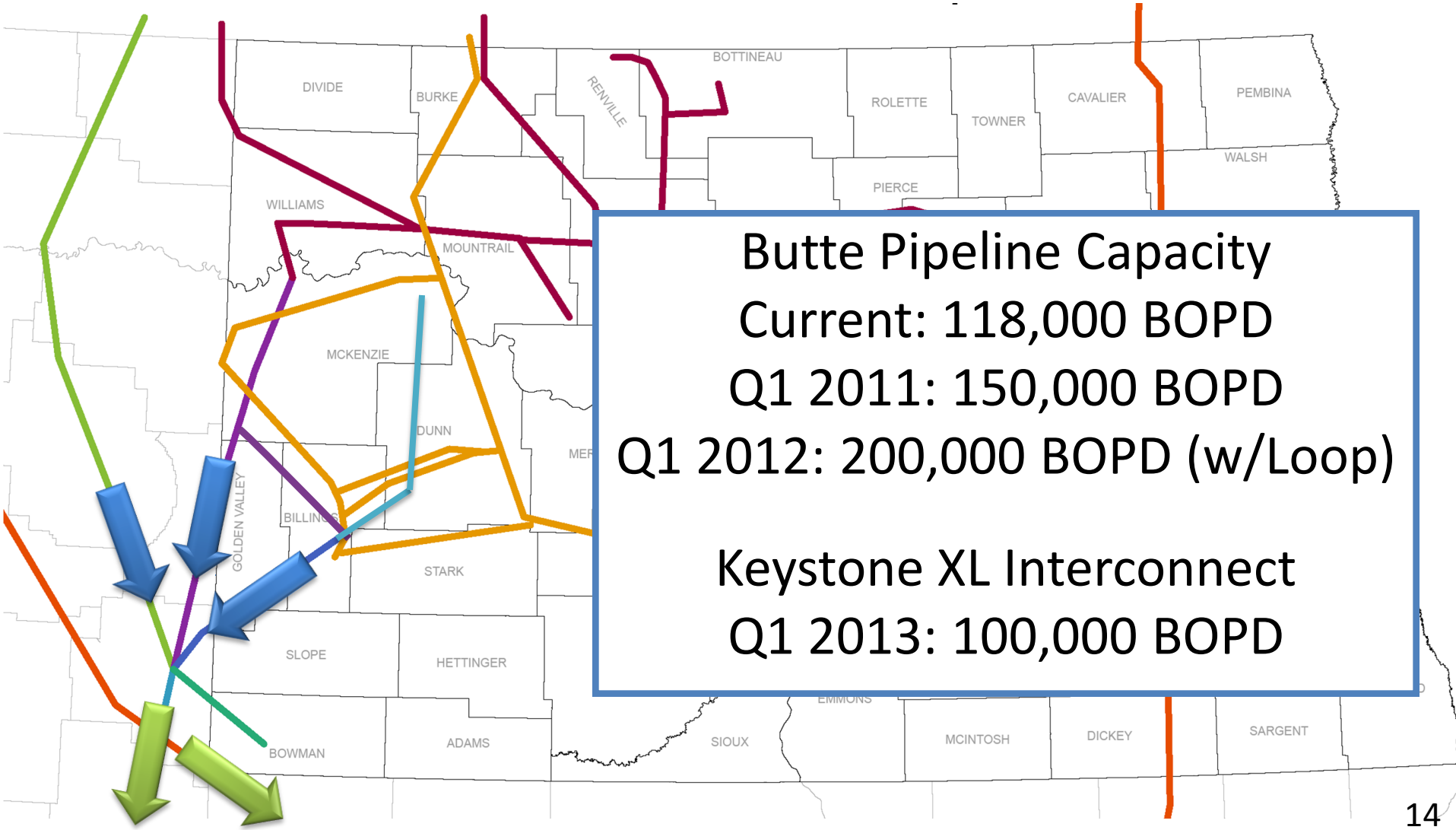
True Co.'s Proposed "Baker 300"



Four Bears Pipeline
Anticipated Q1 2011
12 inch – 80 Miles
Initial - 60,000 BOPD

Little Missouri:
28,000 → 60,000 BOPD
Belle Fourche Reversal:
60,000 BOPD
Poplar (Bridger) Expansion:
28,000 → 60,000 BOPD

True Co.’s Proposed “Baker 300”



Butte Pipeline Capacity

Current: 118,000 BOPD

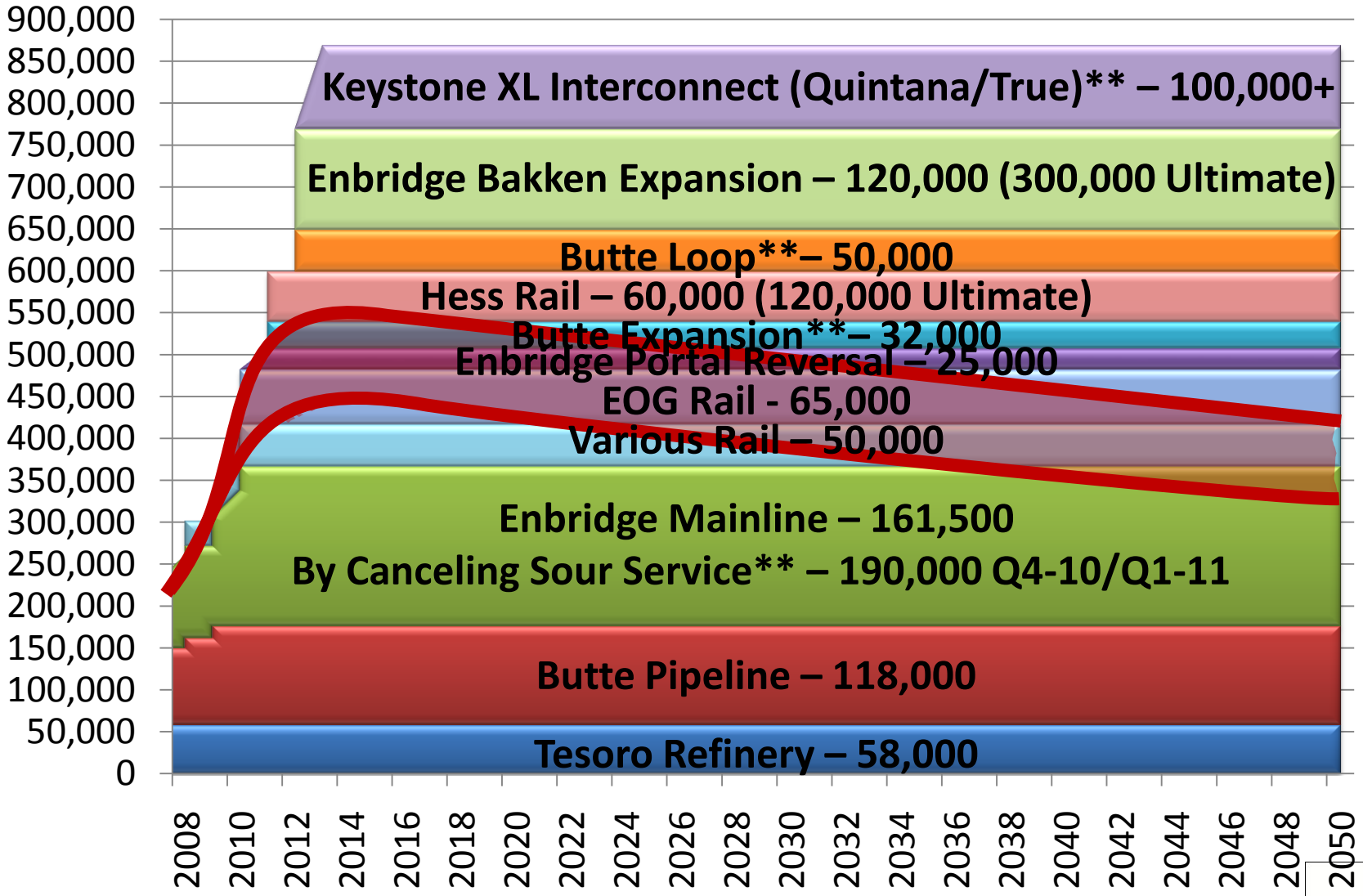
Q1 2011: 150,000 BOPD

Q1 2012: 200,000 BOPD (w/Loop)

Keystone XL Interconnect

Q1 2013: 100,000 BOPD

Williston Basin Oil Production* & Export Capacity, BOPD



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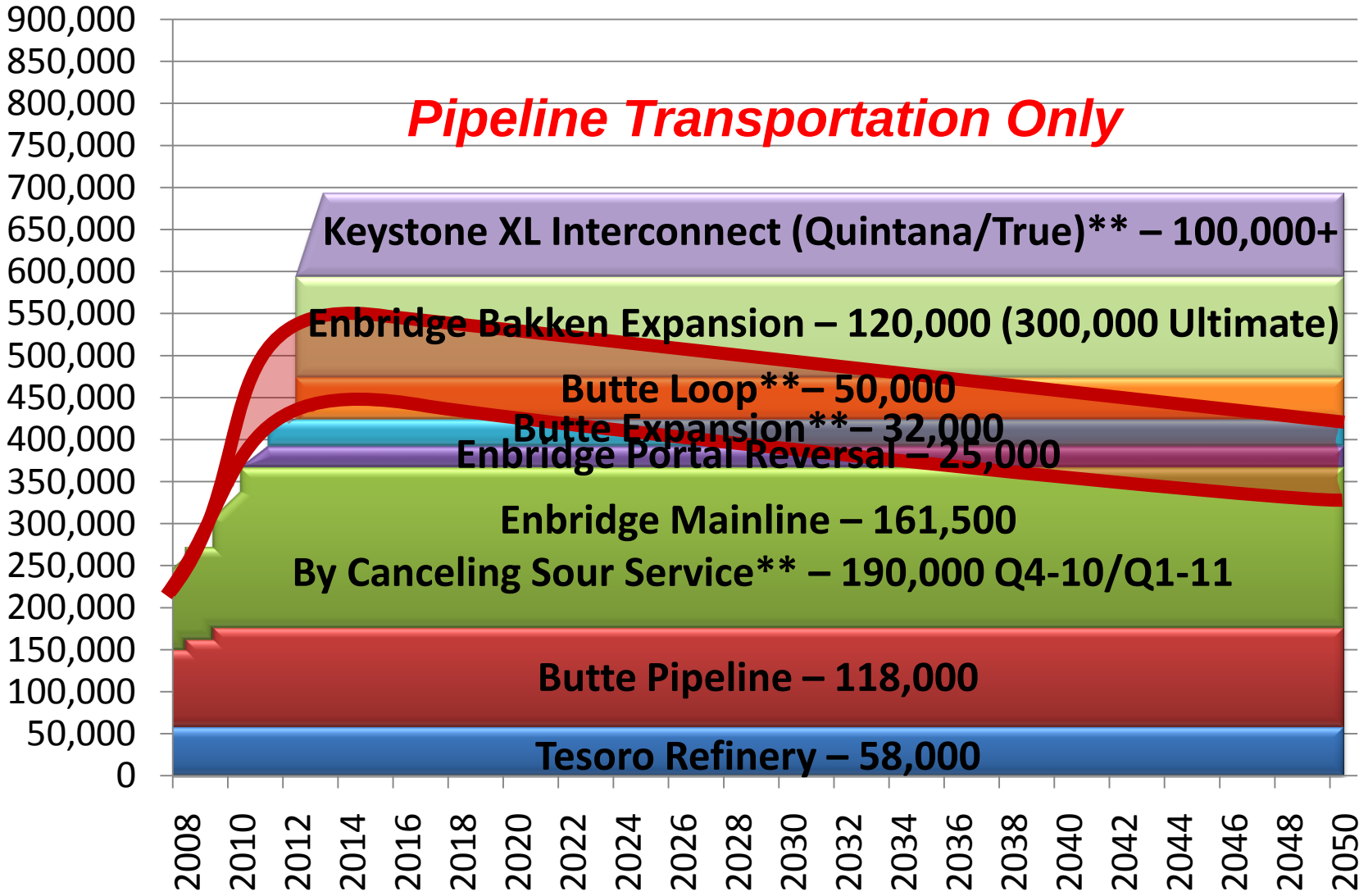
**Projects still in the proposed or internal review process

Williston Basin Oil Production* & Export Capacity, BOPD



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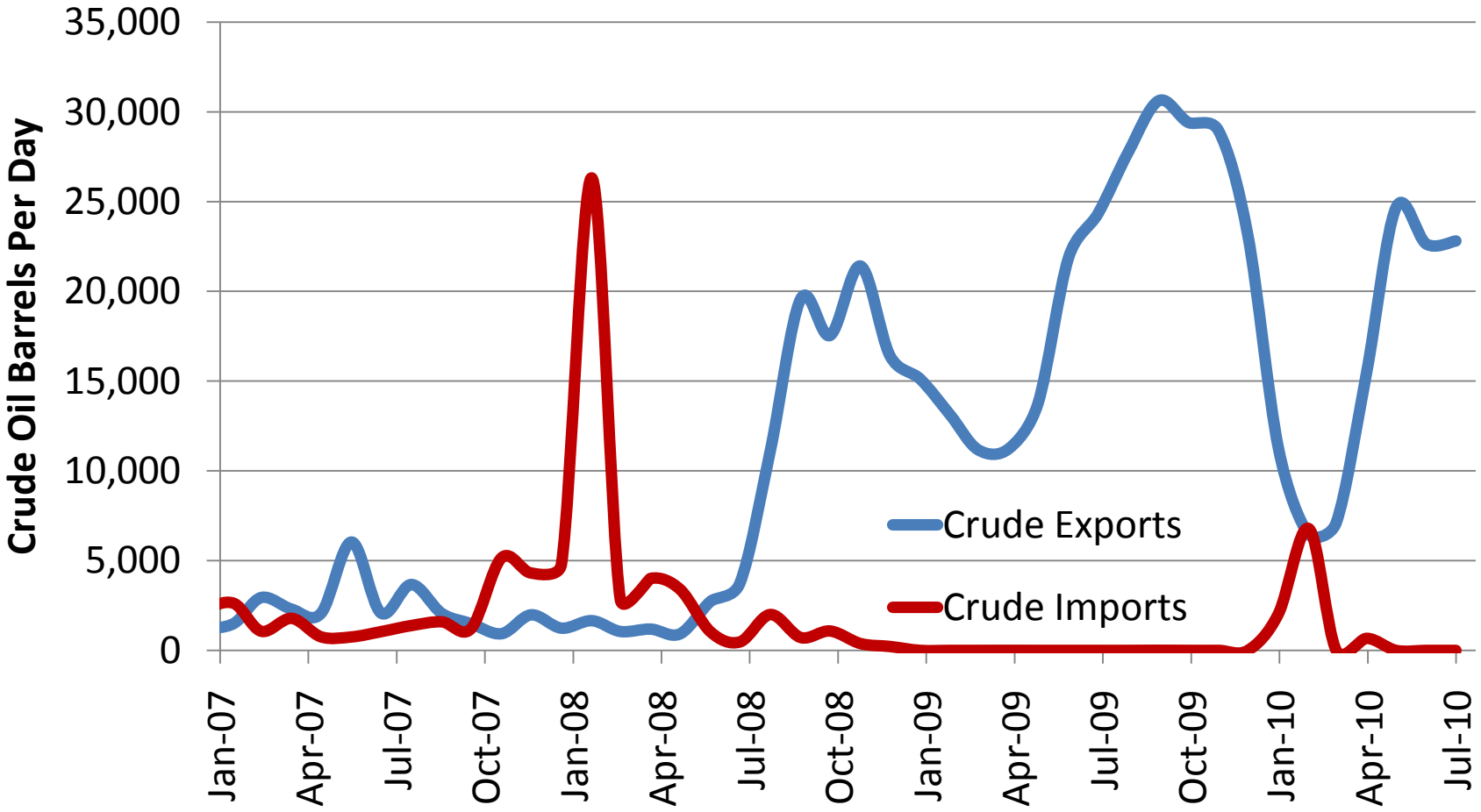
**Projects still in the proposed or internal review process

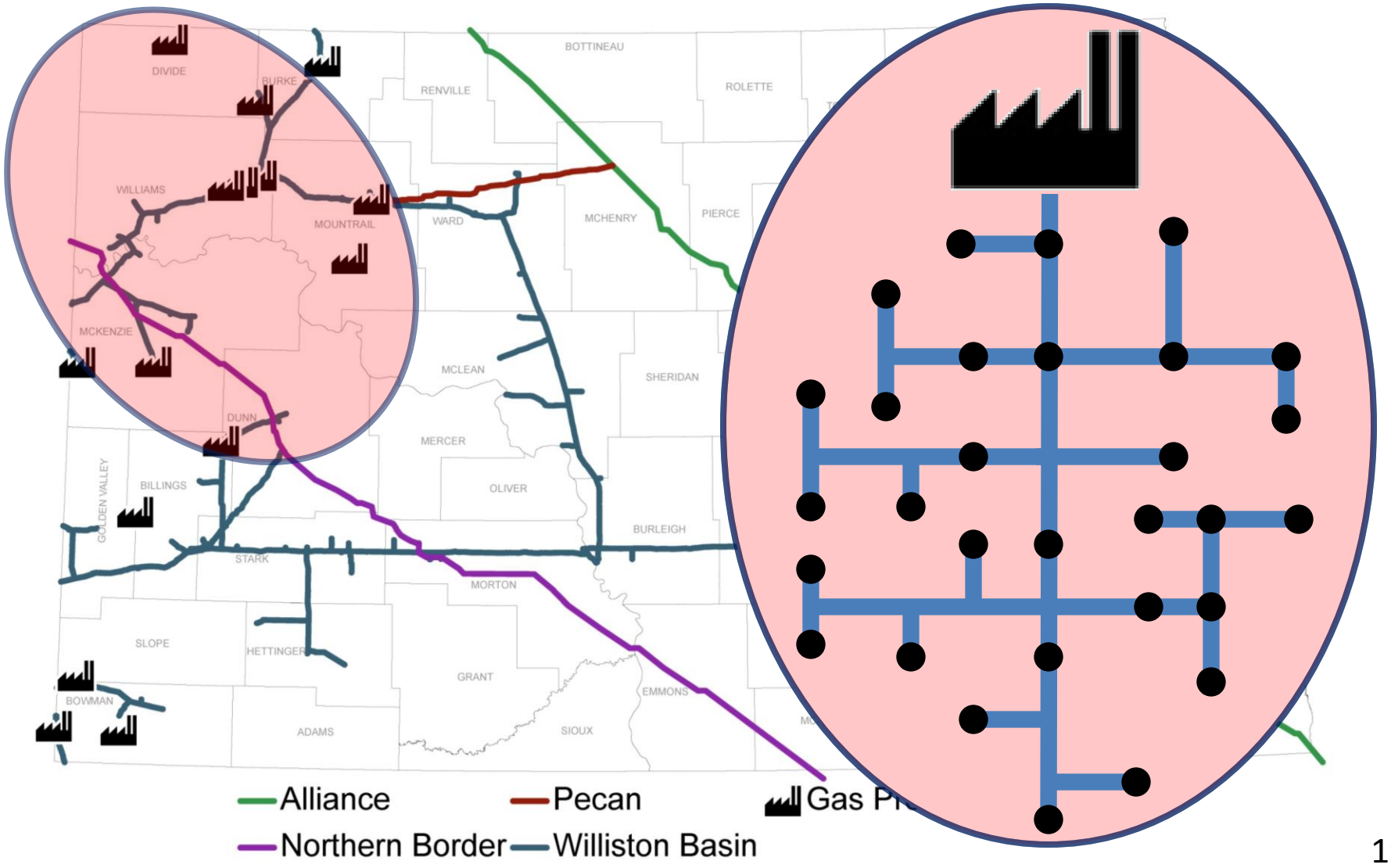
North Dakota Truck Imports/Exports



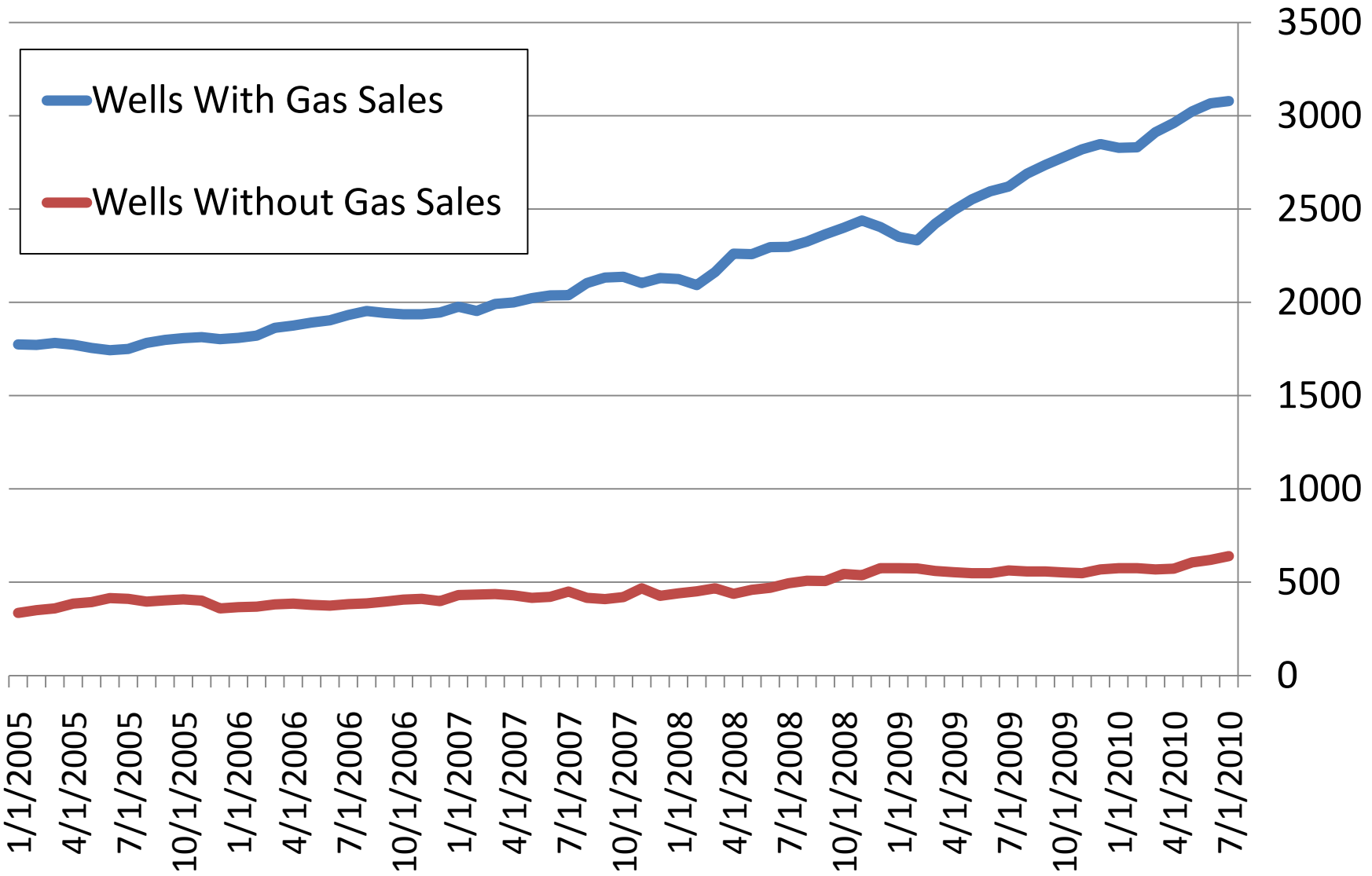
Information collected through the United States International Trade Commission's *Interactive Tariff and Trade DataWeb*

Natural Gas Projects

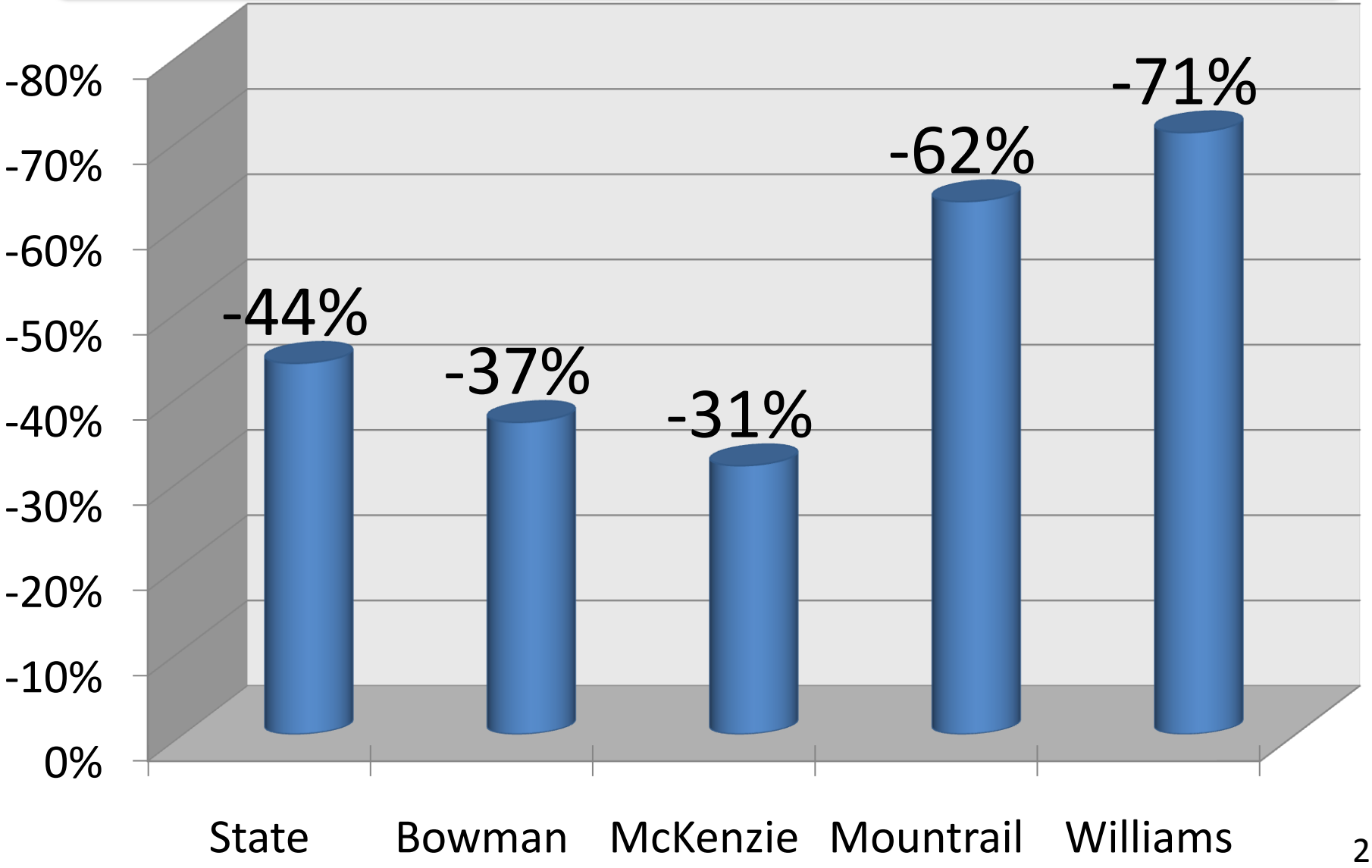
Natural Gas Challenges

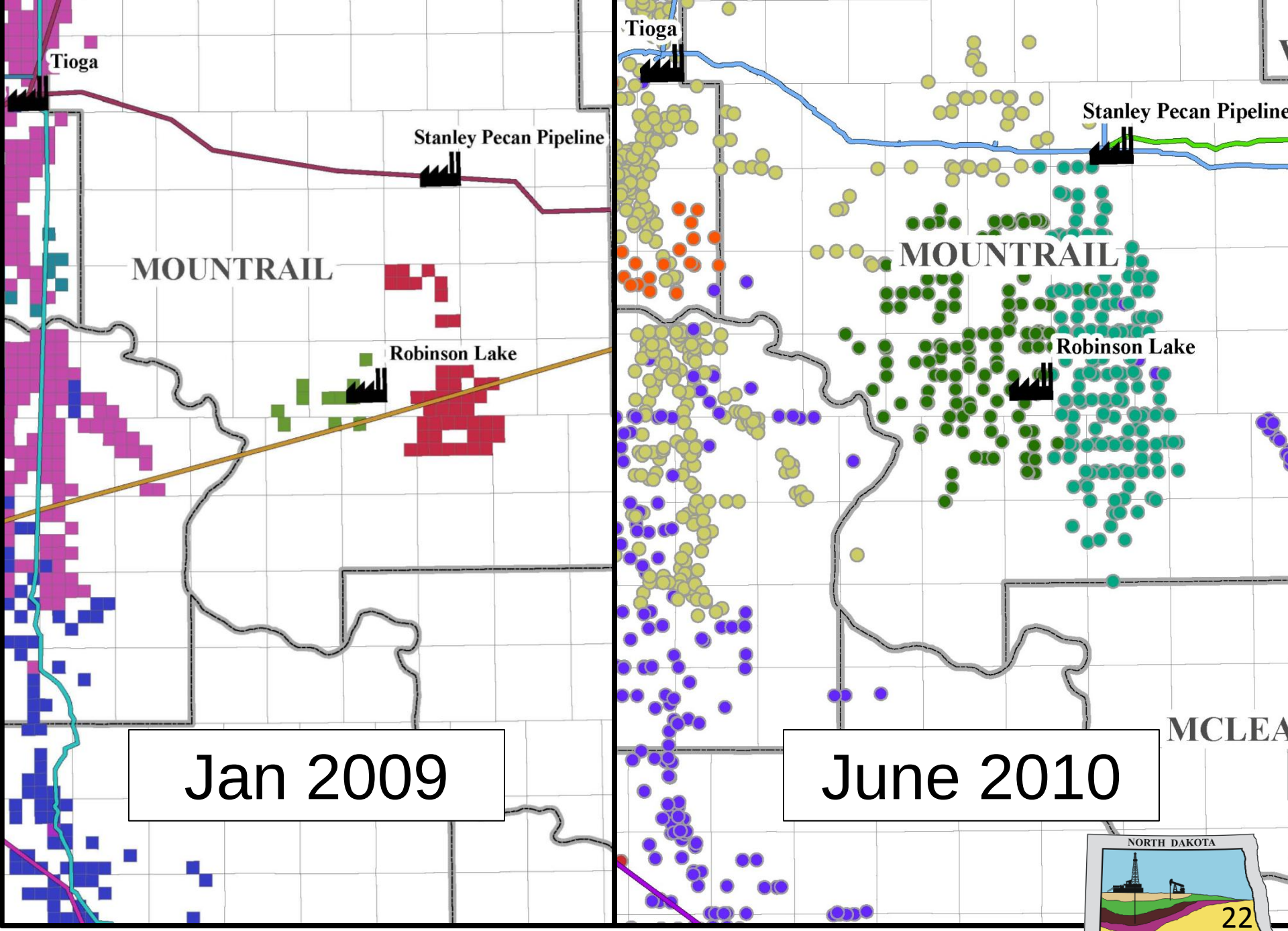


ND Gas Gathering Statistics

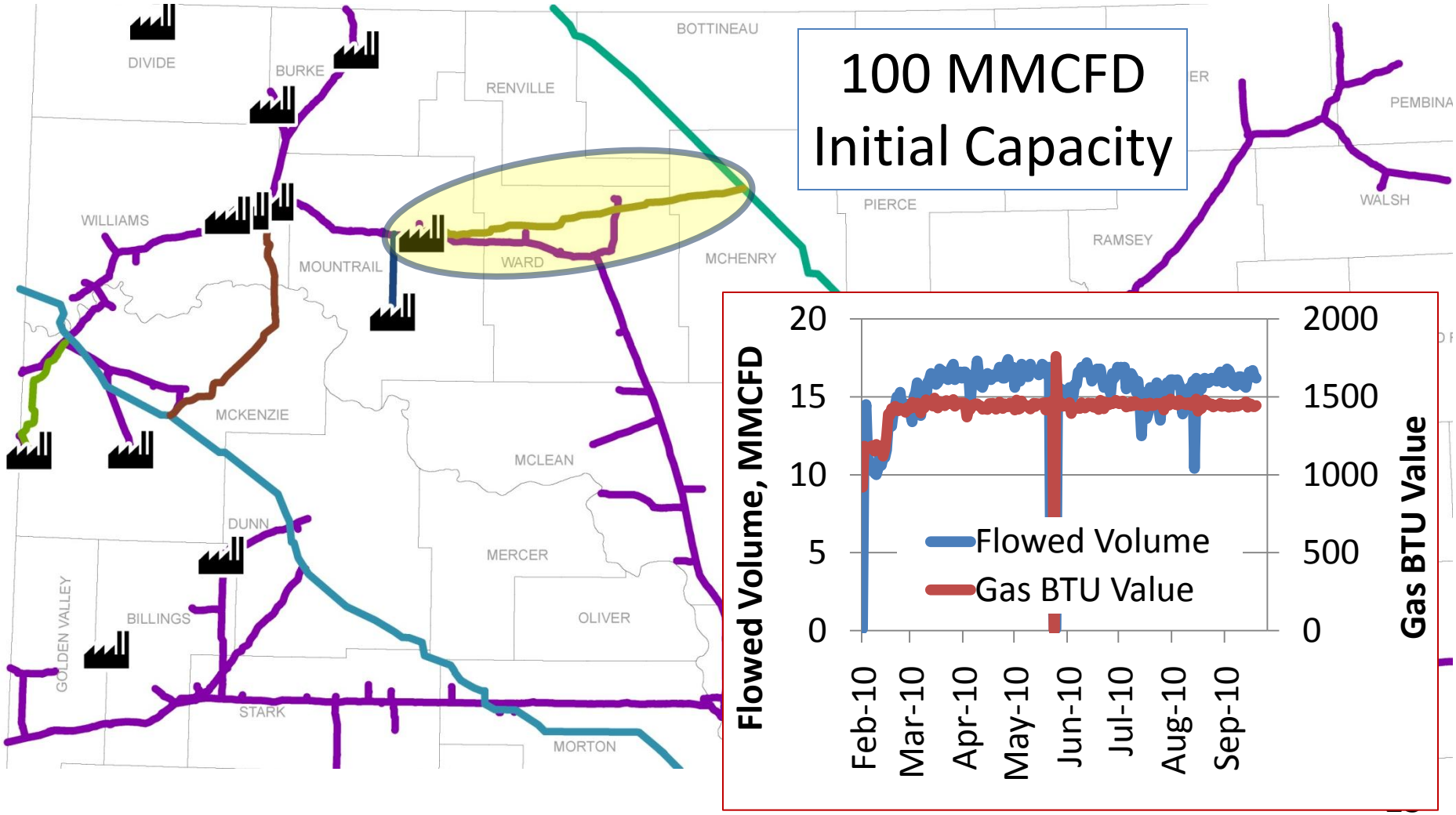


Flaring Reduction Dec. 08- Dec. 09

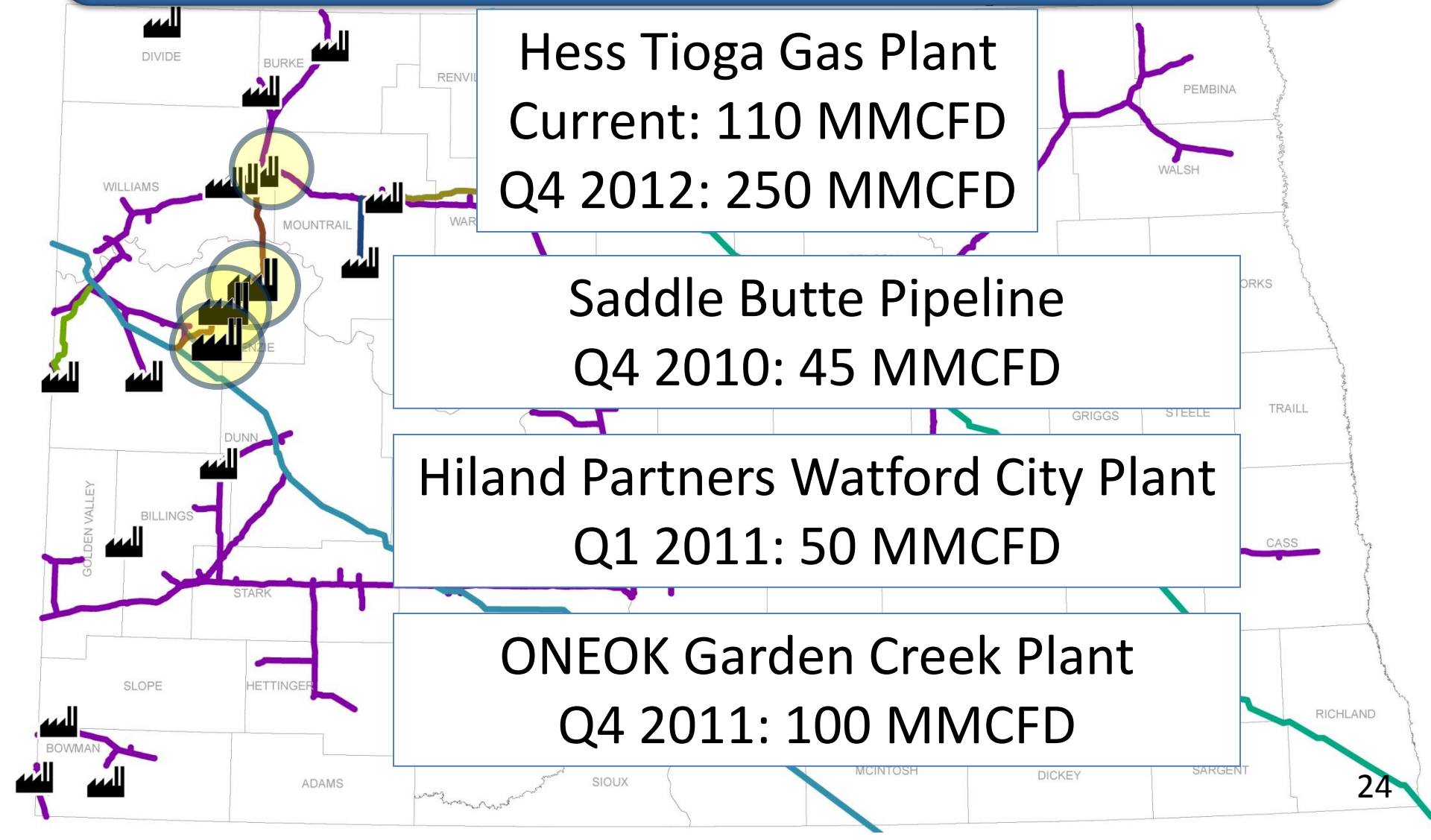



Tioga
Stanley Pecan Pipeline
MOUNTRAIL
Robinson Lake
Jan 2009
Tioga
Stanley Pecan Pipeline
MOUNTRAIL
Robinson Lake
June 2010
MCLEA

Pecan's Prairie Rose Pipeline



New or Expanding Gas Plants



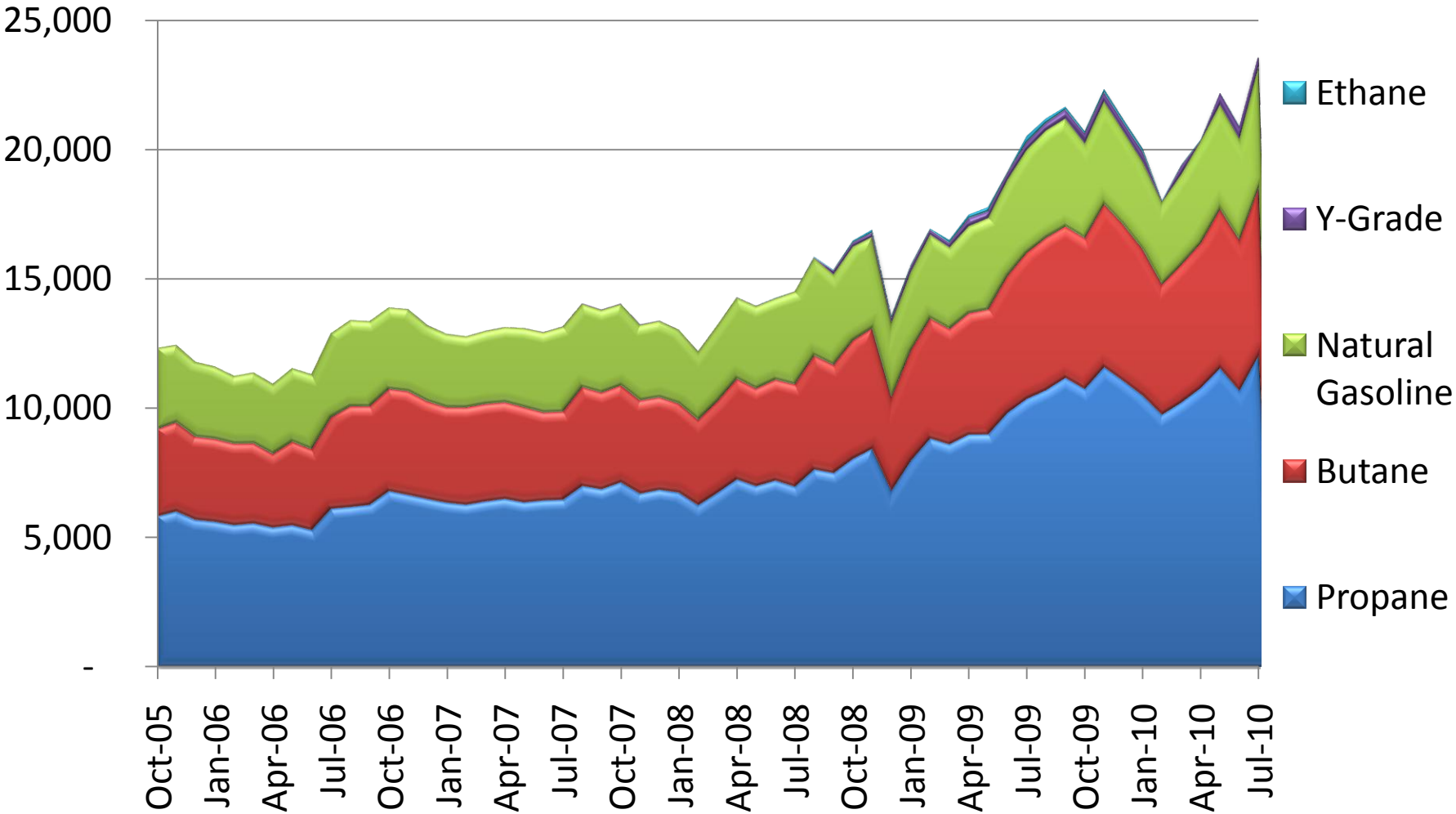
Hess Tioga Gas Plant
Current: 110 MMCFD
Q4 2012: 250 MMCFD

Saddle Butte Pipeline
Q4 2010: 45 MMCFD

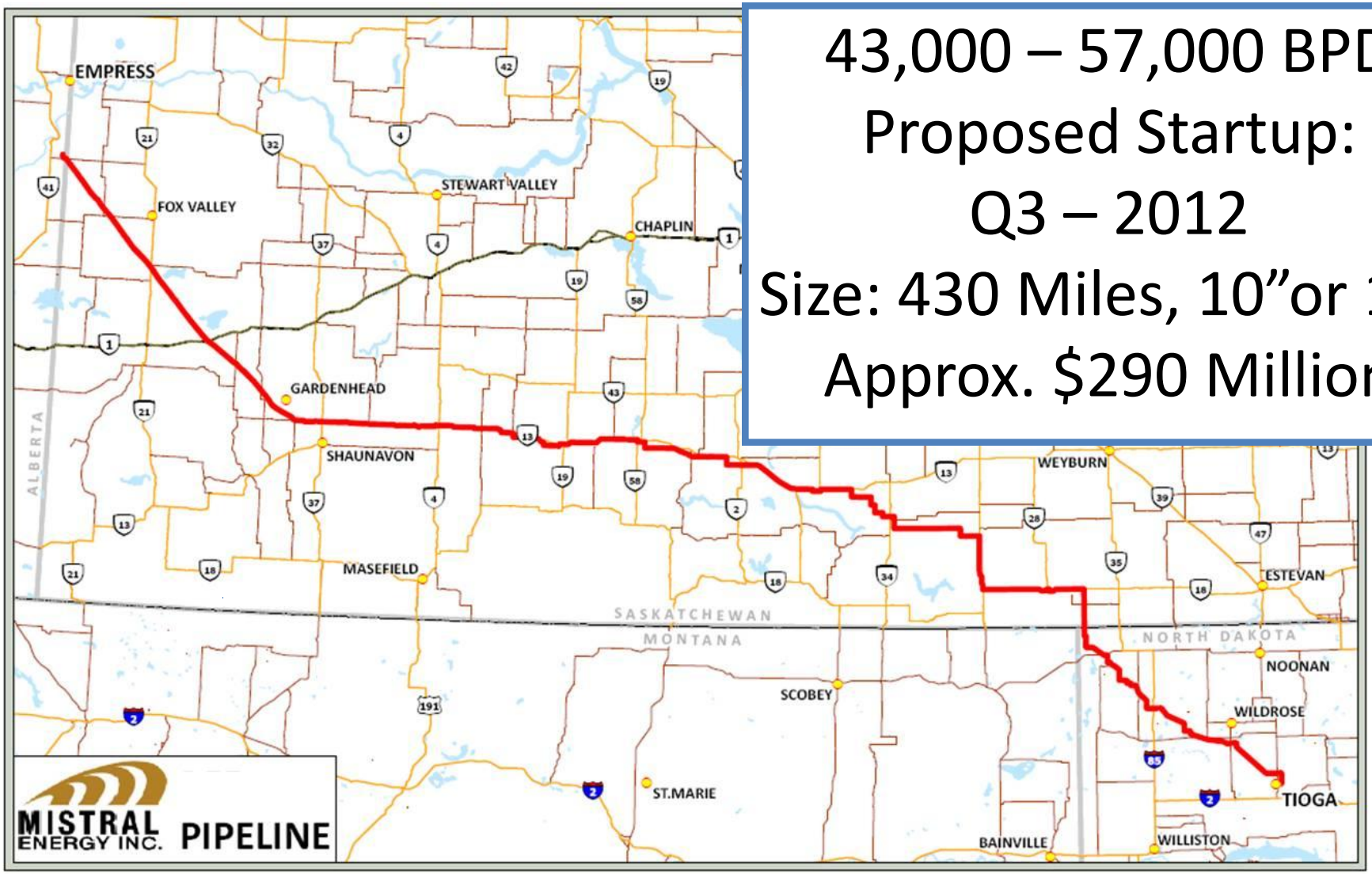
Hiland Partners Watford City Plant
Q1 2011: 50 MMCFD

ONEOK Garden Creek Plant
Q4 2011: 100 MMCFD

North Dakota Natural Gas Liquids

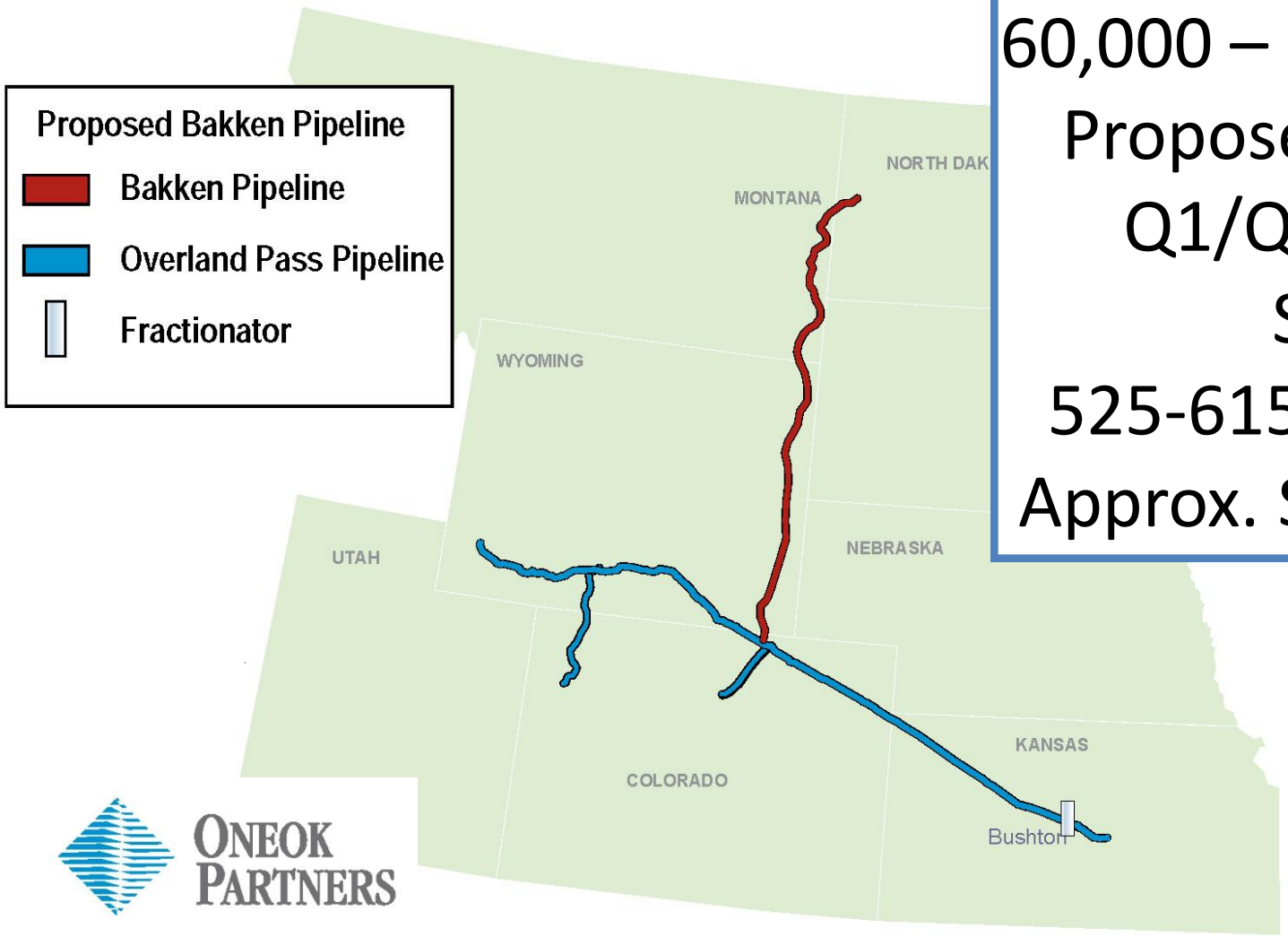


Vantage Pipeline: Ethane



43,000 – 57,000 BPD
Proposed Startup:
Q3 – 2012
Size: 430 Miles, 10”or 12”
Approx. $290 Million

ONEOK Bakken Pipeline: Y-Grade



60,000 – 110,000 BPD

Proposed Startup:

Q1/Q2 – 2013

Size:

525-615 Miles, 12”

Approx. $700 Million

ONEOK PARTNERS

Navigating North Dakota's Regulatory Requirements Webinar

Planned for Mid-October

Details to be on the NDPA Website Shortly

North Dakota Public Service Commission

Federal Energy Regulatory Commission

North Dakota Health Department

DOT - PHMSA

INDUSTRIAL COMMISSION OF NORTH DAKOTA
NORTH DAKOTA PIPELINE AUTHORITY
Governor **John Hoeven**
Attorney General **Wayne Stenehjem**
Agriculture Commissioner **Doug Goehring**
Director **Justin J. Kringstad**

The Pipeline Publication

Keeping North Dakota Connected

Volume II Issue IV - December 2009

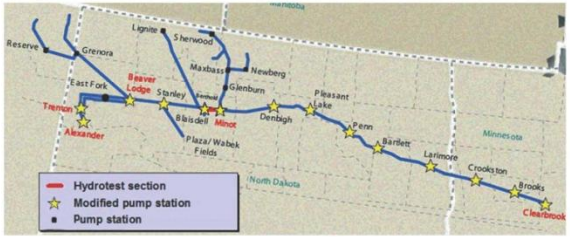
Greetings

Season's Greetings from the North Dakota Pipeline Authority! While the temperature in North Dakota is dropping fast, the activity in North Dakota's oilfields is heating up. With more rigs moving into the basin, improved well completion techniques, and quicker spud to spud times, North Dakota petroleum production is expected to grow for many years to come. Along with the growing crude oil production, several exciting transportation expansion projects are very near completion, with many more in the works. For additional project information, past newsletters, maps, reports, and more please visit the Pipeline Authority website, **www.pipeline.nd.gov.**

Enbridge Phase VI Expansion Update

The much anticipated Enbridge Phase VI Expansion is nearly complete. Scheduled to be in service on January 1, 2010, the expansion will increase Enbridge's mainline capacity to Clearbrook, MN from 110,000 barrels per day (BOPD) to 161,600 BOPD. Once complete, Enbridge North Dakota will have more than doubled its 2007 system capacity of 80,000 BOPD.

More good news is that Enbridge has no intentions of stopping at 161,600 BOPD and is actively working to gain support from interested shippers for the proposed Portal Reversal Expansion Project or PREP. As proposed, PREP would allow Enbridge to transport an additional 30,000 BOPD by 2011 and up to an additional 115,000 BOPD by 2013.



Details of Enbridge's Phase VI Expansion.
Source: Enbridge Pipelines LLC - www.enbridge-expansion.com

North Dakota Statistics

	Aug-09	Sept-09	Oct-09
Average Daily Oil Production, BOPD	232,355	238,265	239,067
Average Daily Gas Production, MMCFD	266.66	259.76	253.04
Wells Producing	4,545	4,579	4,606
Average Rig Count	45	51	56

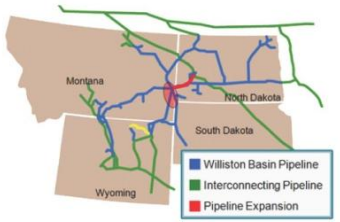
As of December 16, 2009, there are 77 active rigs in North Dakota.

Prairie Rose Pipeline Nears Completion

An unexpected construction specification change has delayed the startup of the Pecan Prairie Rose Pipeline until Mid-January, 2010. The new 75 mile, 12 inch pipeline is designed to transport up to 80 million cubic feet of unprocessed natural gas per day from Mountrail County to an interconnect with the Alliance Pipeline near Towner, ND.

Proposed Baker Storage Enhancement

Williston Basin Interstate Pipeline Company is developing a project to increase firm deliverability from its Baker gas storage field in eastern Montana. With current firm storage withdrawal rates of 115 million cubic feet per day (MMCFD), Williston Basin sees an opportunity to add an additional 125 MMCFD of firm withdrawal capacity, which would more than double the firm withdrawal rate from Baker. Along with the gas storage field upgrades, Williston Basin is planning a pipeline expansion to transport the increased, firm storage volumes to an interconnect with the Northern Border Pipeline in North Dakota. The project has a proposed in-service date of 2012 and an open season is expected in January 2010.



Source: Williston Basin Interstate Pipeline Co.

Natural Gas Storage Explained

During the mid 1900's, natural gas grew in popularity as a winter heating fuel. As a result, natural gas markets began experiencing seasonal demand swings that needed be managed using underground storage operations. Depleted natural gas fields are most often targeted for storage due to existing infrastructure and reservoir knowledge. During the summer months when demand is low, natural gas is injected into storage and when demand increases in the winter months, natural gas is withdrawn for consumer use.

ND Pipeline Authority
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INDUSTRIAL COMMISSION OF NORTH DAKOTA
NORTH DAKOTA PIPELINE AUTHORITY

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» ABOUT PIPELINES

"**Pipelines are really the energy lifelines of almost every daily activity.** Pipelines play a role in everyone's lives and are essential to the nation's industries. Yet few people are aware of the work done by the country's 200,000-mile petroleum pipeline network that delivers the products that are integral parts of America's economy. It is a network that delivers the nation's crude oil and petroleum products (such as gasoline, jet fuel, home heating oil) reliably, safely, efficiently, and economically." ~ Pipeline 101

To learn more about pipeline operations, safety, construction, and more, please visit:

pipeline 101

Supply Line Video

• Video provided by **AOPL** » www.aopl.org

AOPL Association of Oil Pipe Lines

Thank You!

North Dakota Pipeline Authority

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