



INDUSTRIAL COMMISSION OF NORTH DAKOTA

NORTH DAKOTA PIPELINE AUTHORITY

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High Prairie Pipeline

In response to continued oil production growth, High Prairie Pipeline made public its proposal to build a new 450 mile, 16" pipeline from McKenzie County to Clearbrook, MN. High Prairie Pipeline, a wholly owned subsidiary of Saddle Butte Pipeline, is holding a binding open-season to gauge interest in the project. The open-season closes March 16, 2012 and if sufficient interest is secured, the proposed pipeline could be in service by late-2013, with an initial capacity of 150,000 barrels of oil per day (BOPD).

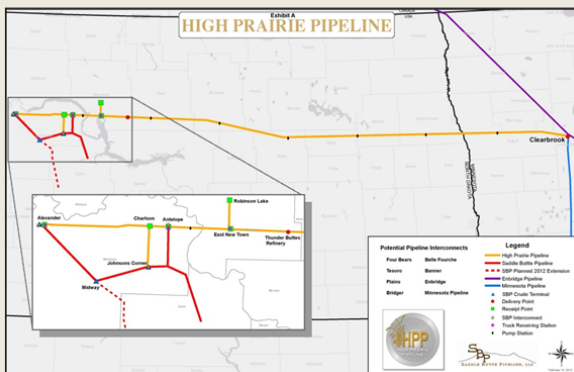


Image Source: Saddle Butte Pipeline

Sanish Pipeline/BEP Open Season

On February 28, Enbridge launched two binding open seasons for oil transportation service in the Williston Basin. The first open season is for the proposed "Sanish" pipeline. The 36 mile, 12 inch, Sanish pipeline would run directly north from Johnsons Corner to the existing Enbridge Beaver Lodge facilities. The second open season taking place is for the remaining 15,000 BOPD of capacity in the Bakken Expansion Program (BEP) and will transport oil from Berthold to an interconnect with the Enbridge Mainline at Cromer, MB. A previous BEP open season secured adequate commitments to move the project forward, with an expected in service time of Q1 2013. Both open seasons close March 16, 2012.



Image Source: Enbridge

North Dakota
Production Numbers

	Nov-11	Dec-11	Jan-12
Average Daily Oil Production, BOPD	510,391	535,048	546,047
Average Daily Gas Production, MMCFD	522.8	544.9	571.5
Average Rig Count	199	200	200

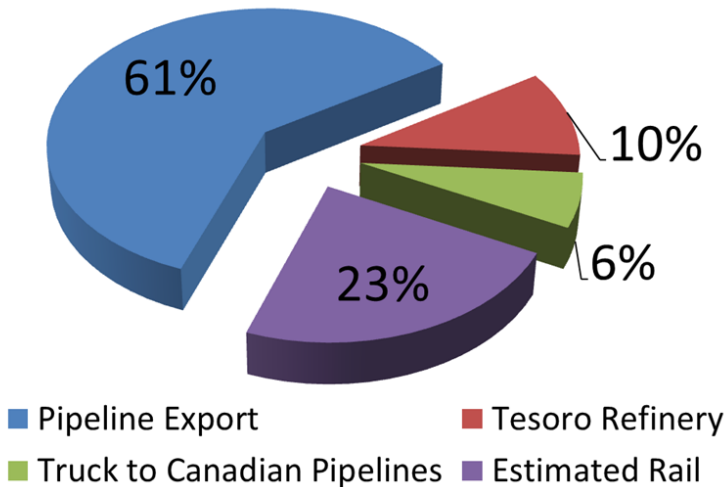
As of March 6, 2012, there are 206 active rigs in North Dakota.

www.pipeline.nd.gov

Plains Ross Gas Plant

In late January, Plains Gas Solutions (a subsidiary of Plains All American Pipeline) announced plans to construct a new cryogenic natural gas processing plant as part of Plains' new "Ross Complex". The plant is slated to begin operation in the spring of 2013, with an initial capacity of 50-75 million cubic feet per day (MMCFD). The natural gas processing plant will neighbor a recently constructed rail shipping facility. The Plains rail facility currently has the ability to transport 20,000 BOPD of crude oil, with a planned expansion up to 65,000 BOPD scheduled for late 2012.

Williston Basin Crude Oil Transportation



*Williston Basin Crude Oil Transportation –
December 2011 Data*

Natural Gas Study

Throughout February, the Pipeline Authority was soliciting proposals for a natural gas production and transportation study. The proposals are currently being reviewed and a recommendation will be made to the Industrial Commission in mid-March. The study is scheduled to be complete July 15, 2012. The Request for Proposals and study details can be found on the Pipeline Authority website.



Pipeline Factoid

The recently completed Four Bears Pipeline will play a large role in reducing oil truck traffic on Highways 85 and 22. The 77 mile, 12 inch, pipeline is estimated to remove 50,000-75,000 truck miles every day off these major highways. That's roughly 18-27 million truck miles each year for just this one project!



North Dakota Pipeline Authority

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