



# the PIPELINE publication

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## INDUSTRIAL COMMISSION OF NORTH DAKOTA PIPELINE AUTHORITY

### Governor

Jack Dalrymple

### Attorney General

Wayne Stenehjem

### Agriculture Commissioner

Doug Goehring

### Director

Justin J. Kringstad

### LNG Plant Being Constructed

On May 7, 2014, officials from North Dakota LNG announced plans to construct North Dakota's first liquefied natural gas (LNG) processing facility in Tioga, ND. Construction is underway with operations expected to begin this summer at a capacity of 10,000 gallons per day. Further expansion of the facility will allow production to reach 76,000 gallons per day by early 2015.

Initial plans are for the LNG to be consumed by oilfield drilling and pressure pumping services. Longer term options for LNG in North Dakota include agricultural demand and communities currently not connected to natural gas.

### Tesoro Gathering Pipeline

On May 12, 2014, Tesoro Logistics announced its subsidiary, Tesoro High Plains Pipeline Company, had received sufficient shipper support to construct a 60,000 BOPD gathering system in Dunn County. The "Connolly Gathering System" will collect oil from various points in Dunn County for

delivery at the existing Connolly pipeline station in central Dunn County. Construction on the \$150 million dollar project is expected to begin in July 2014, with a completion target of late 2015.

### Hess Gas Plant Online

After being shut down throughout the winter, the newly expanded Hess Tioga natural gas processing plant was placed back into service on March 23, 2014. The expansion increased the facility's daily capacity to 250 million cubic feet per day, making it North Dakota's largest gas processing plant.

## NORTH DAKOTA — Production Numbers

⌘ [www.pipeline.nd.gov](http://www.pipeline.nd.gov)

Average Daily Oil Production, BOPD			Average Daily Gas Production, MMCFD			Average Rig Count		
Jan. 2014	Feb. 2014	Mar. 2014	Jan. 2014	Feb. 2014	Mar. 2014	Jan. 2014	Feb. 2014	Mar. 2014
935,422	952,010	977,061	1,015.8	1,064.1	1,086.2	188	189	193

As of May 14, 2014, there are 189 active rigs in North Dakota.

## ND Gas Capture Plans

As part of the Industrial Commission's newly-adopted policy on reducing natural gas flaring, all drilling permit applications to the NDIC Oil & Gas Division must be accompanied by a gas capture plan.

Further information regarding gas capture plans should be directed to the ND Oil & Gas Division.

A summary of the items to be contained in the gas capture plan include:

1. An affidavit signed by a company representative indicating who the gas gathering company will be and that they have provided the gathering company with drilling and production plans
2. A detailed gas gathering pipeline map
3. Capacity and throughput information for the pipeline to which the operator proposes to connect
4. A detailed flowback strategy including dates and expected production levels
5. Amount of gas applicant is currently flaring
6. Alternatives to flaring

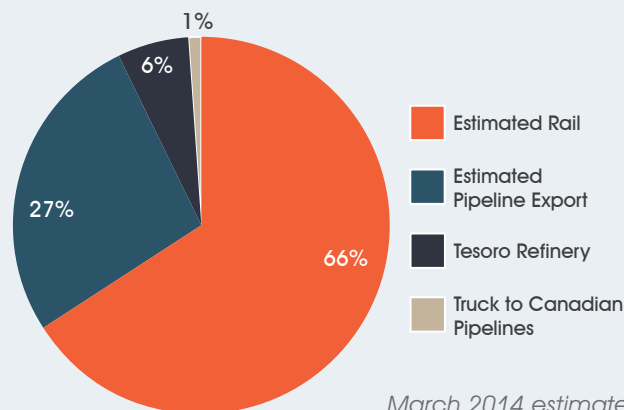
## North Dakota Pipeline Authority

State Capitol, 14<sup>th</sup> Floor  
600 E. Boulevard Ave. Dept. 405  
Bismarck, ND 58505-0840

## PIPELINE FACTOID

In September 2013, the most recent data available, it is estimated that 44% of ND's crude oil was gathered at the wellhead by pipeline. This is up from 36% just a year earlier. Mountrail County saw the largest increase in crude oil pipeline gathering, followed by Dunn and McKenzie.

## Estimated Williston Basin Oil Transportation



March 2014 estimates



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## North Dakota Pipeline Authority

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