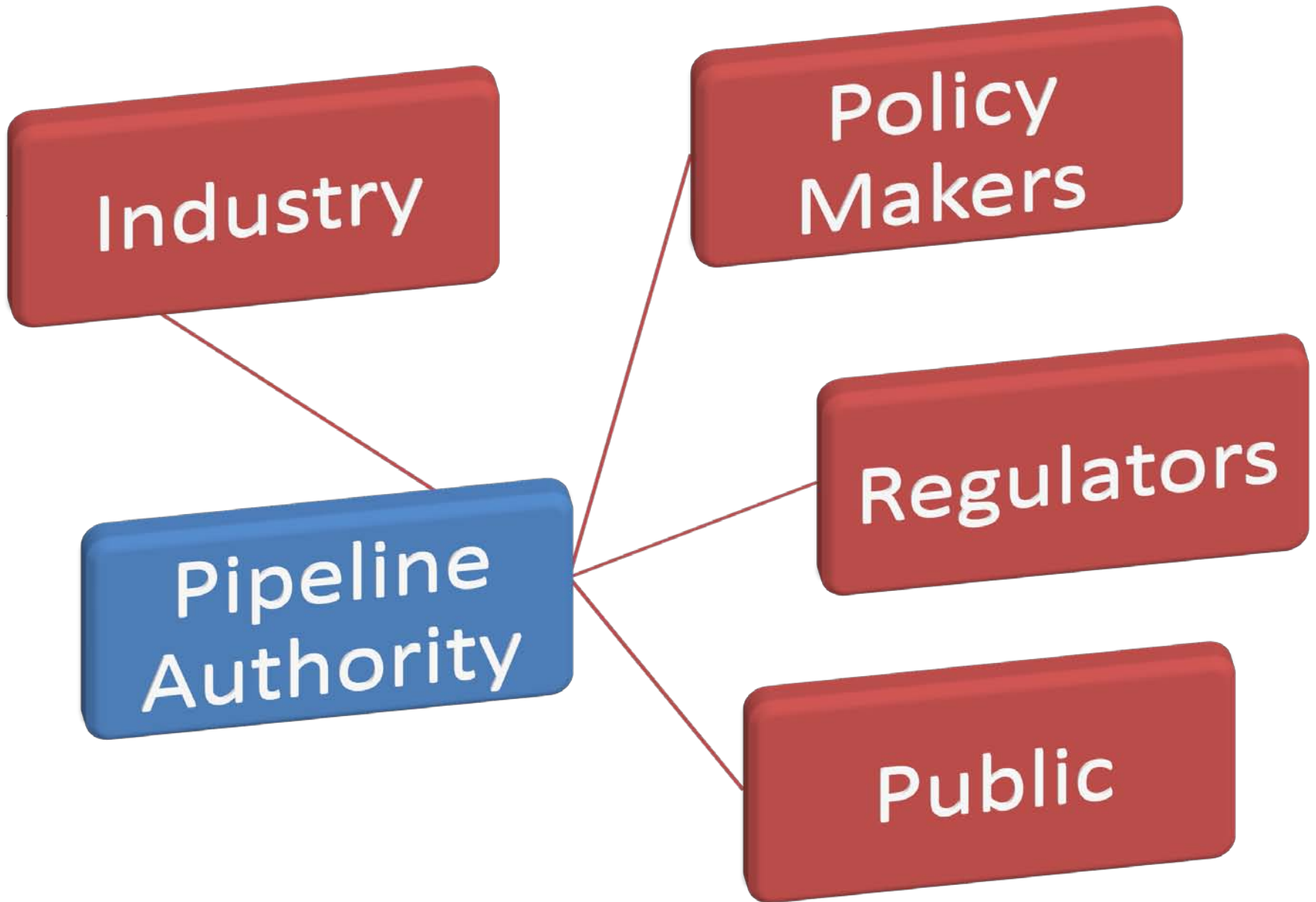




North Dakota Pipeline Authority



Industry

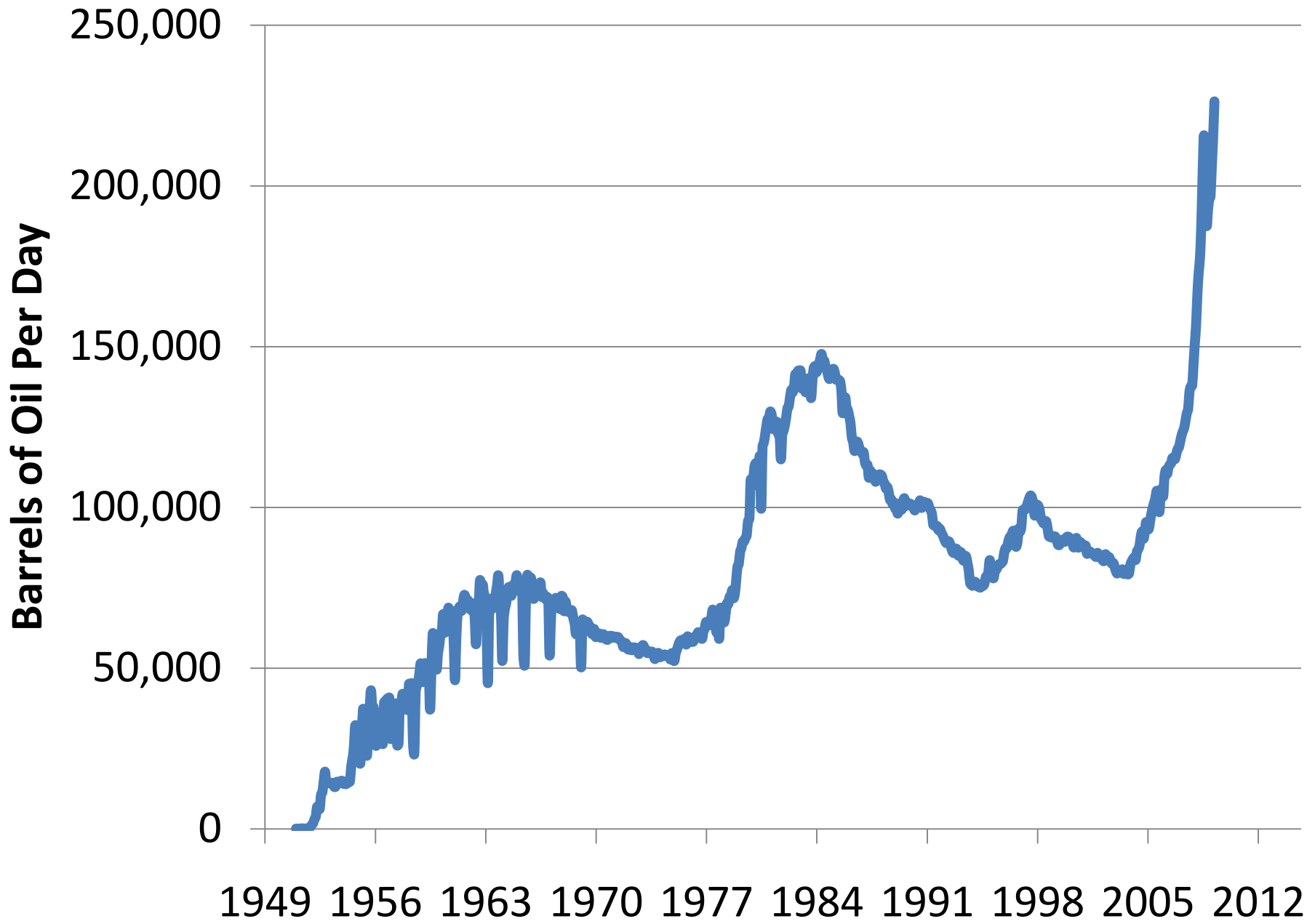
Policy Makers

Pipeline Authority

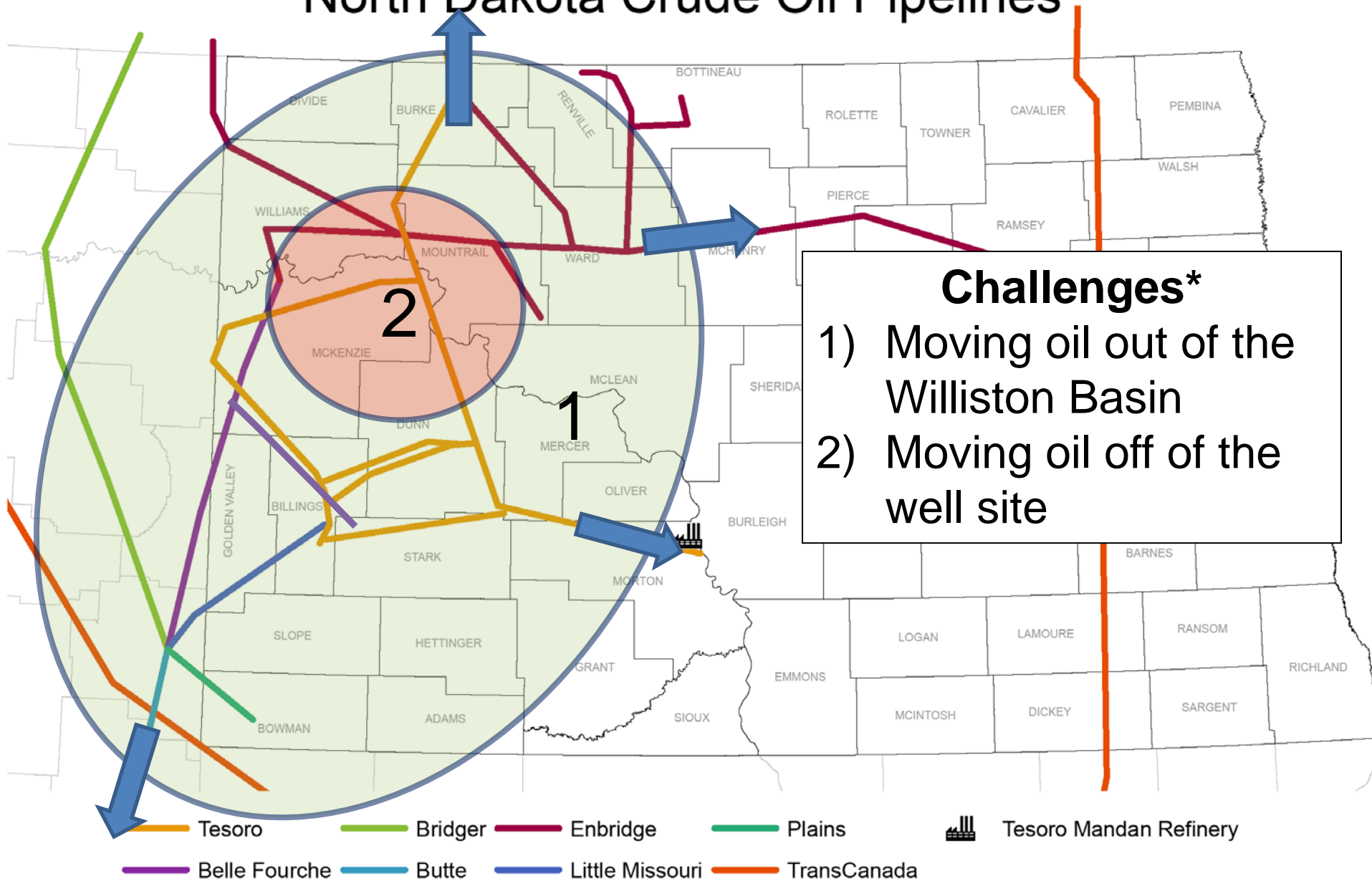
Regulators

Public

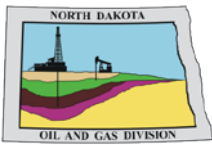
North Dakota Oil Production



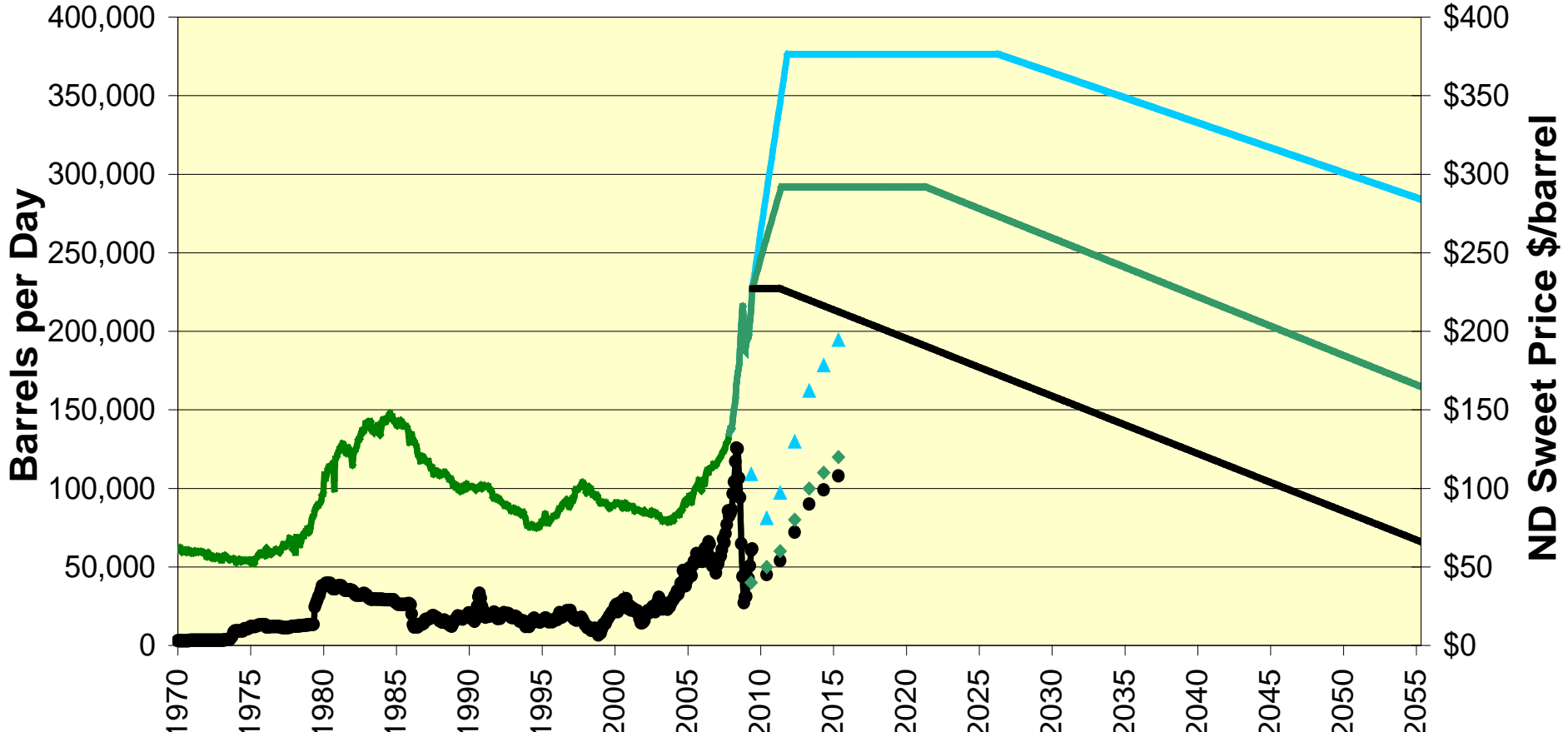
North Dakota Crude Oil Pipelines



*Modified from Bridger and Belle Fourche Pipelines



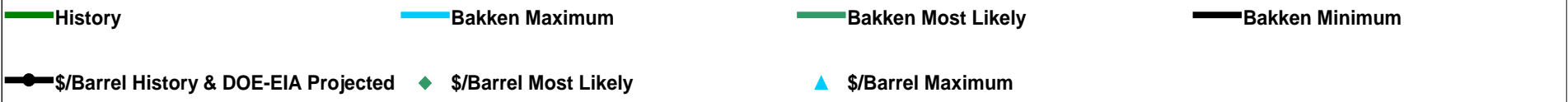
North Dakota Oil Production and Price



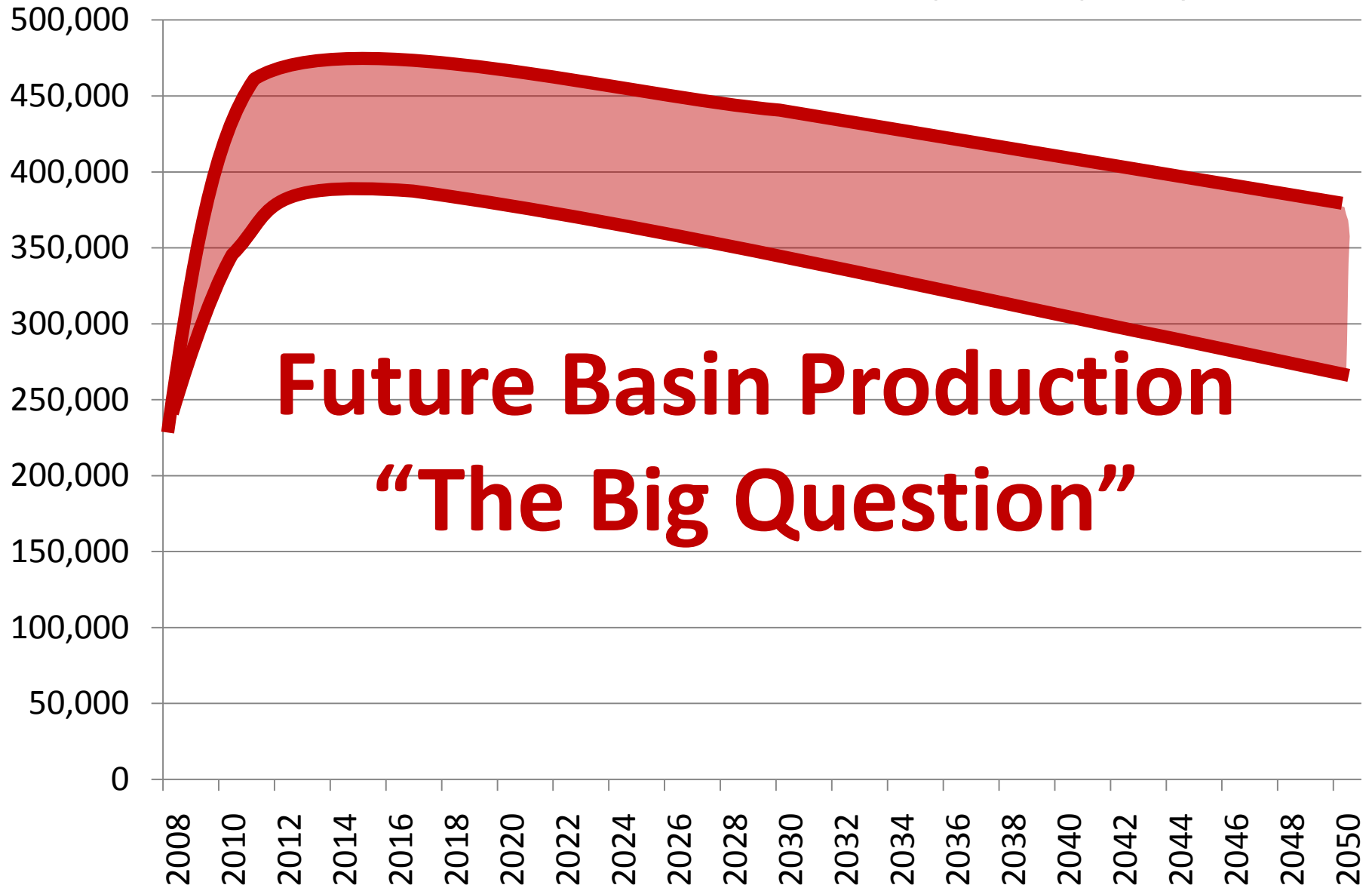
1,057 Bakken and Three Forks wells drilled and completed

3,422 drilling and spacing units approved to date

10,159 drilling and spacing units possible in thermal mature area

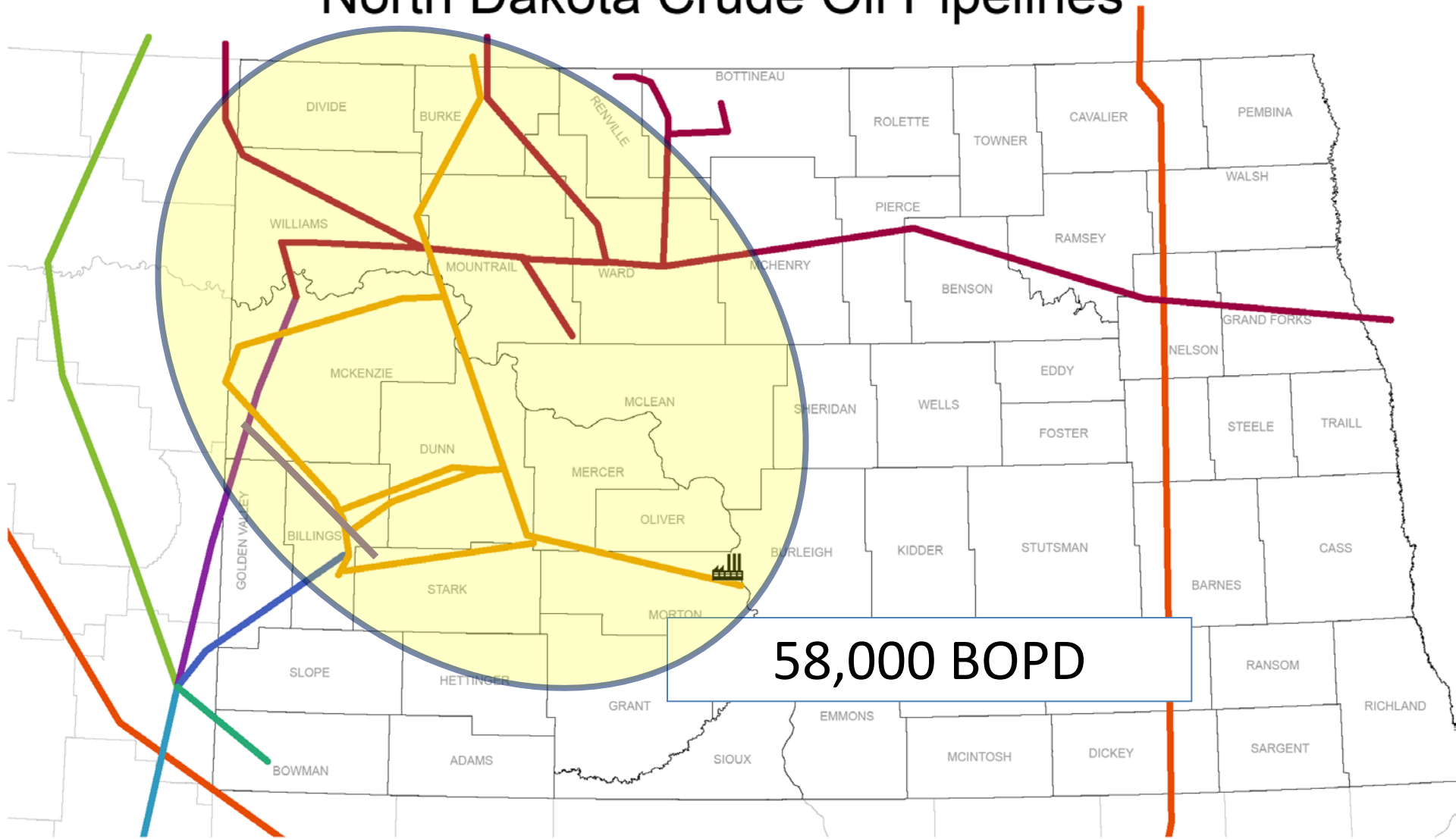


Williston Basin Production* & Export Capacity



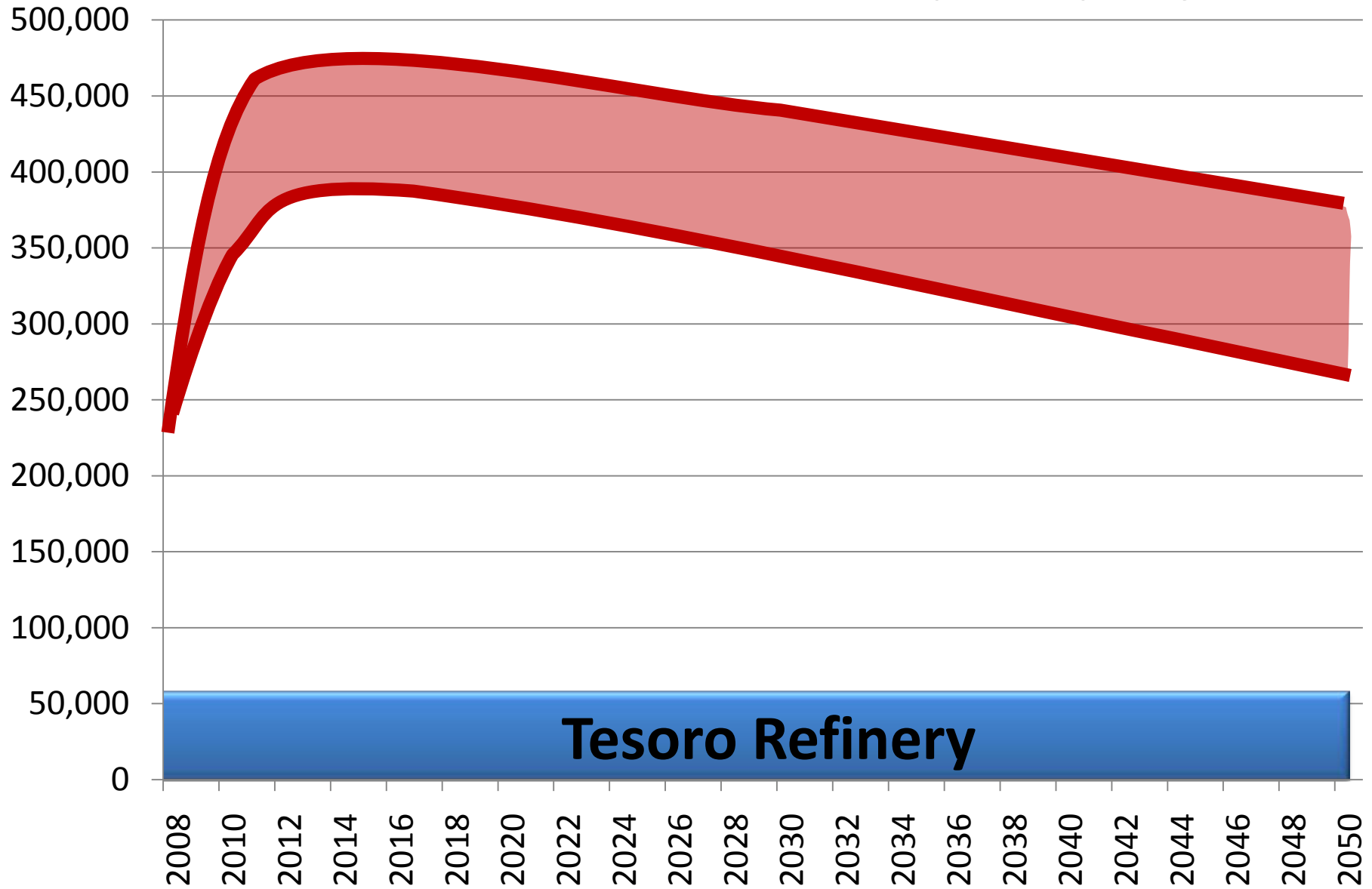
*Production forecast is for visual demonstration purposes only and should not be considered accurate for any near or long term planning.

North Dakota Crude Oil Pipelines



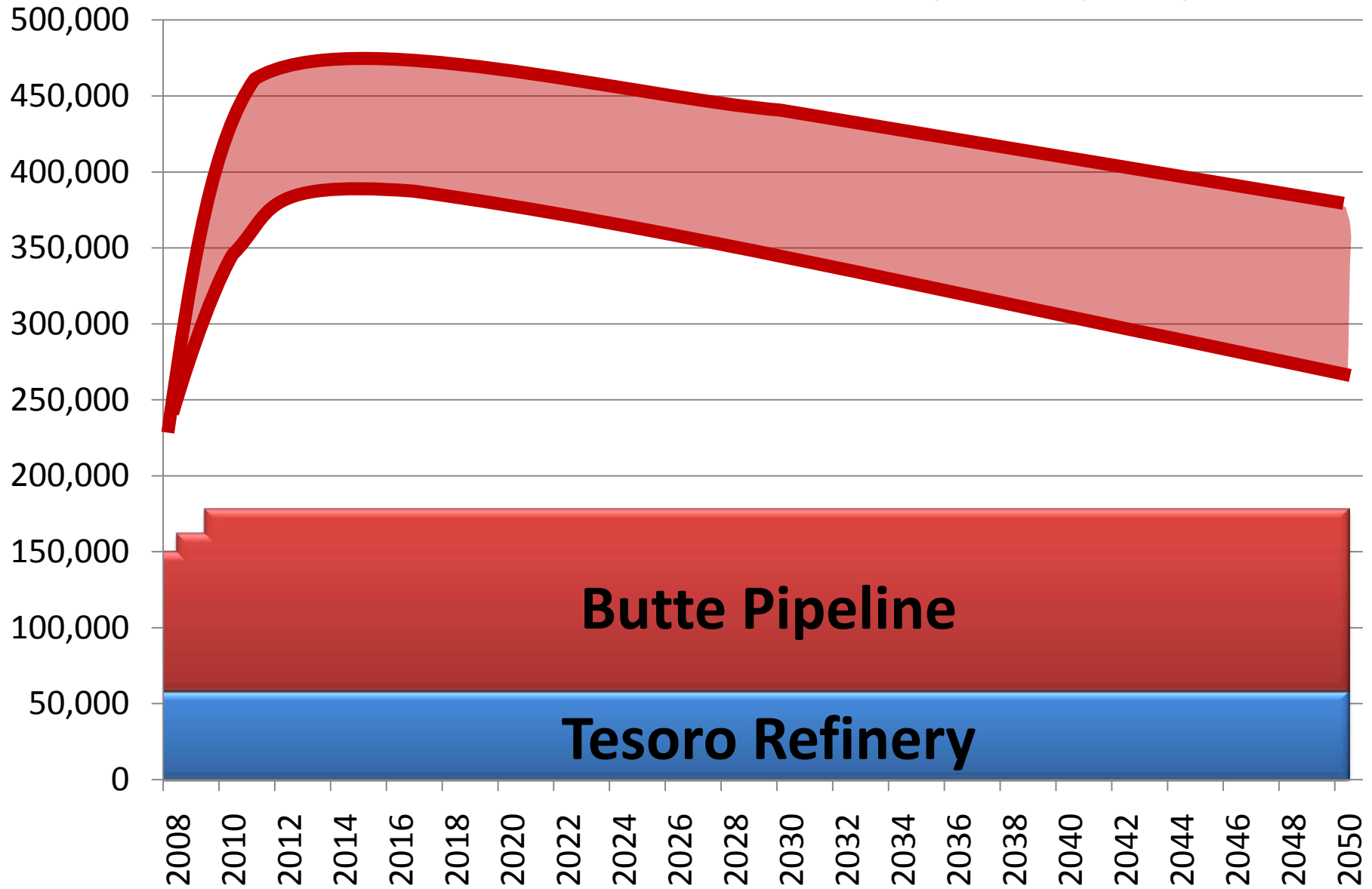
- Tesoro
- Bridger
- Enbridge
- Plains
- Tesoro Mandan Refinery
- Belle Fourche
- Butte
- Little Missouri
- TransCanada

Williston Basin Production* & Export Capacity



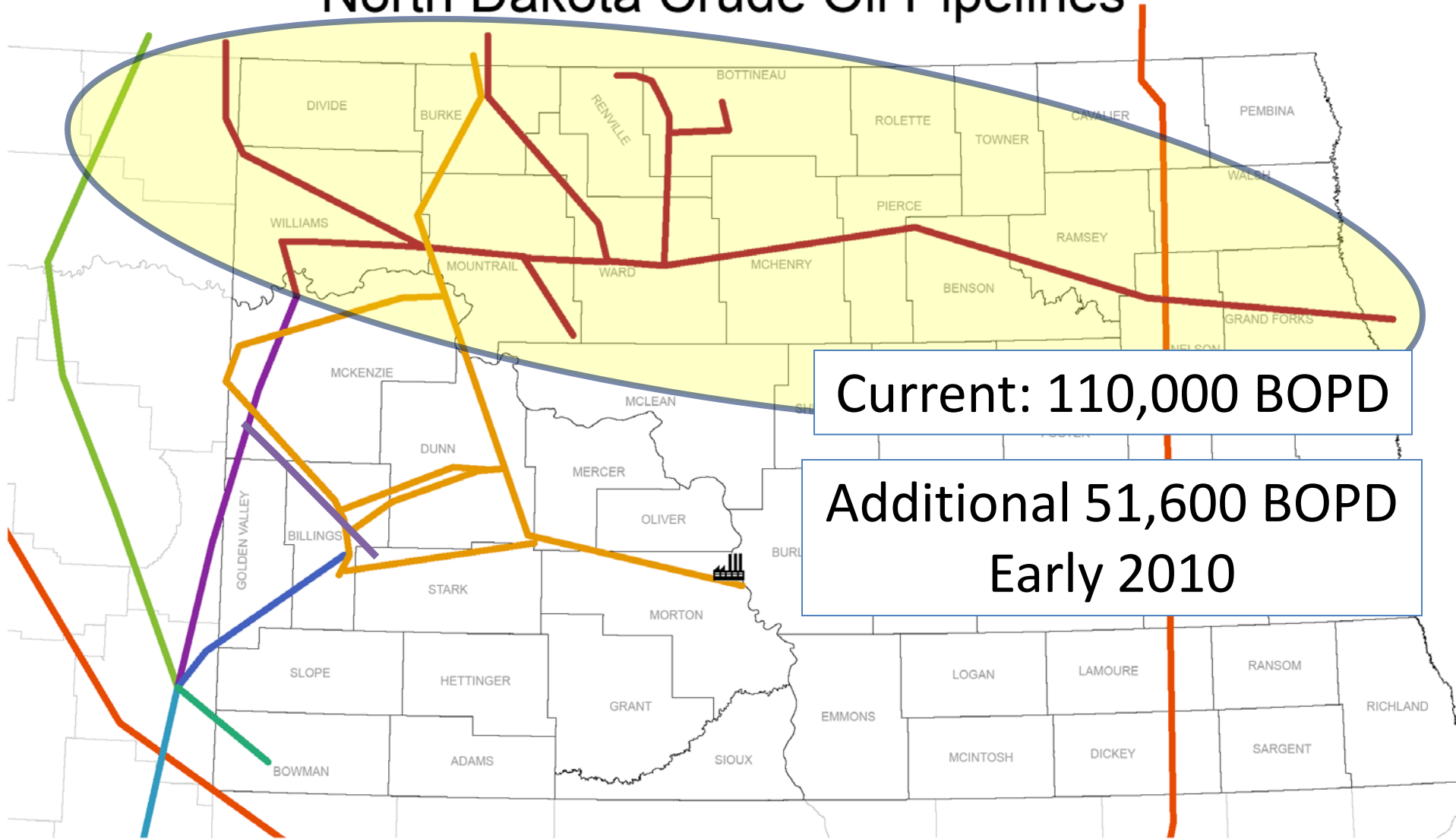
*Production forecast is for visual demonstration purposes only and should not be considered accurate for any near or long term planning.

Williston Basin Production* & Export Capacity



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

North Dakota Crude Oil Pipelines



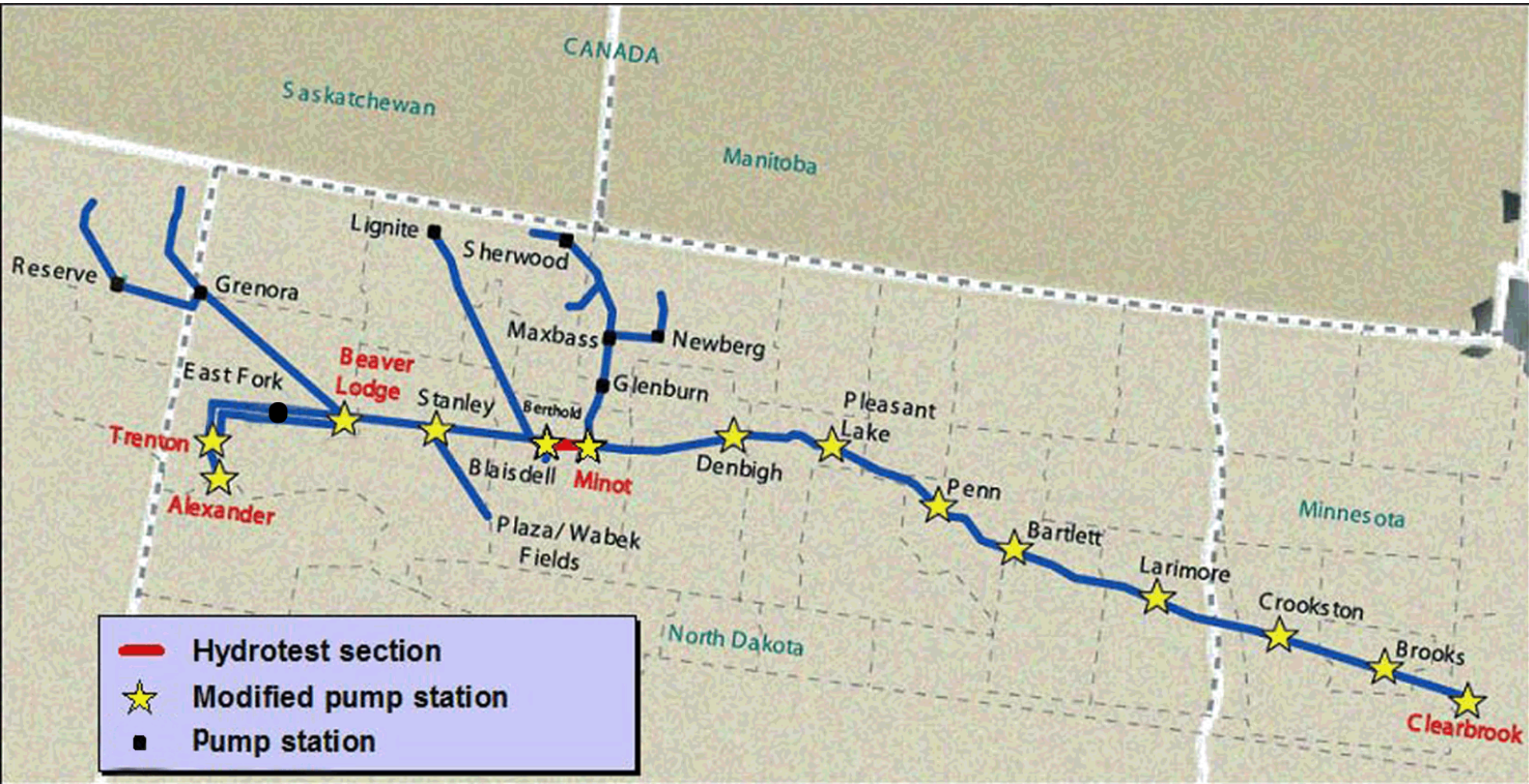
Current: 110,000 BOPD

Additional 51,600 BOPD
Early 2010

- Tesoro
- Bridger
- Enbridge
- Plains
- Tesoro Mandan Refinery
- Belle Fourche
- Butte
- Little Missouri
- TransCanada

Enbridge Phase VI Expansion- Q1-2010

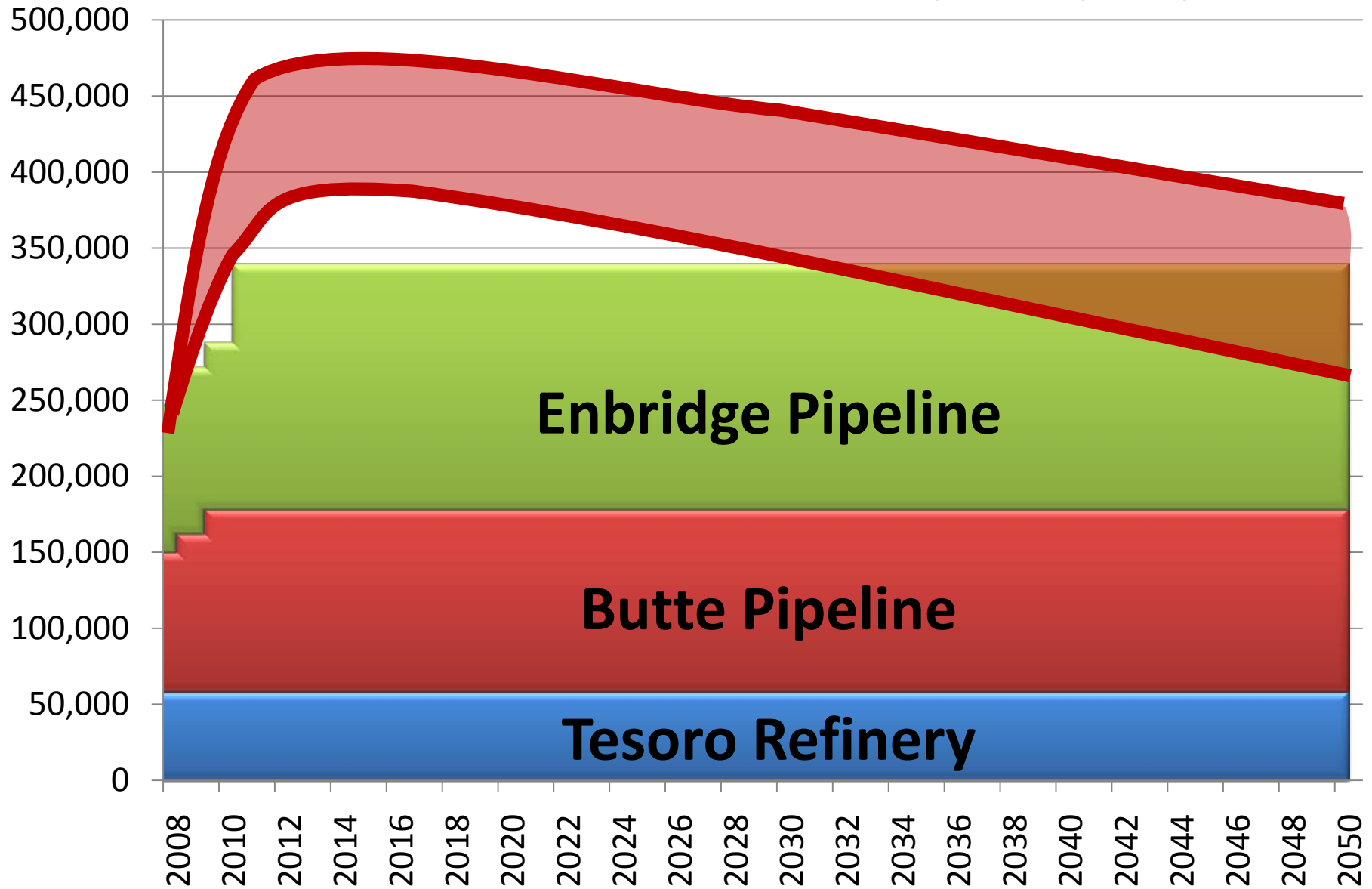
Capacity will have doubled since 2007



Enbridge Pipelines LLC Image:

<http://www.enbridge-expansion.com/expansion/main.aspx?id=6576&tmi=408&tmt=4>

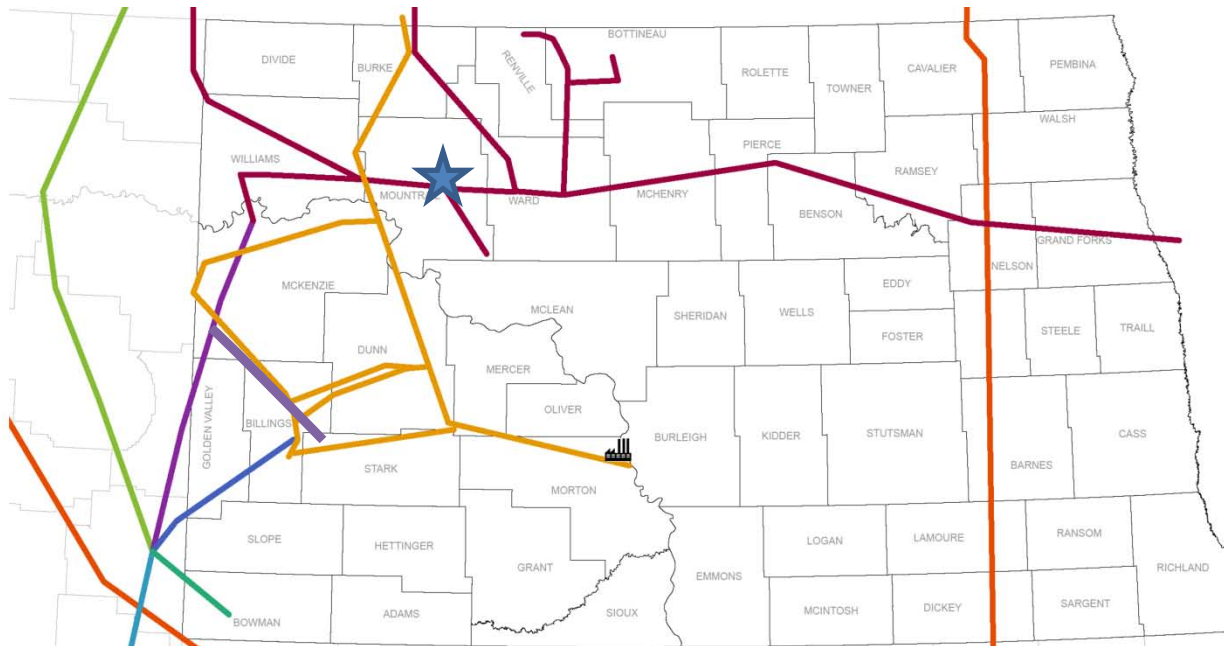
Williston Basin Production* & Export Capacity



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

EOG Rail Facility Details

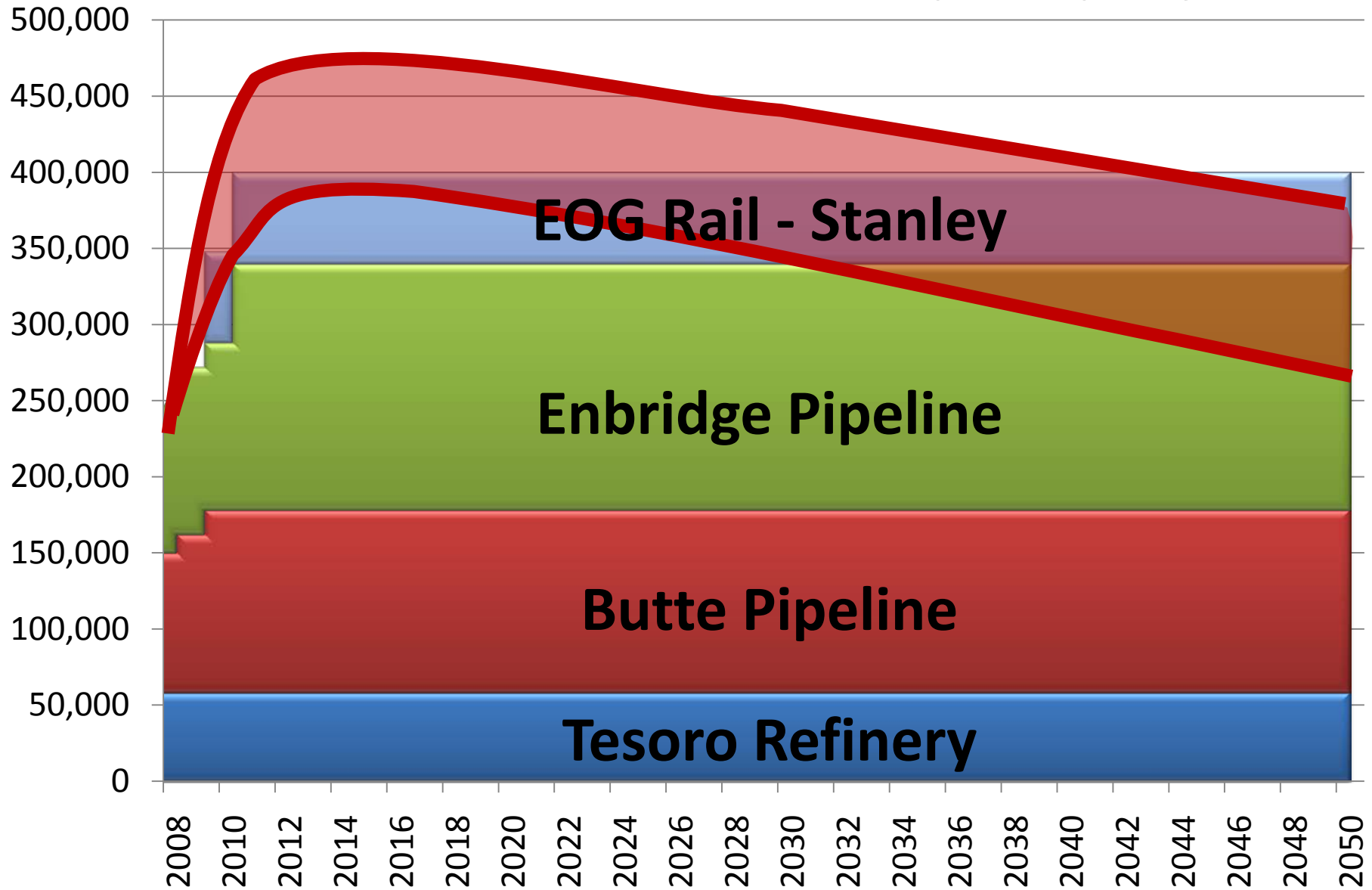
- New facility at Stanley, ND
- Two 60,000 bbl tanks under construction
- Facility should be operational Q1 - 2010





Images Provided By: EOG Resources

Williston Basin Production* & Export Capacity



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

Several Exciting Developments For Post 2010 Crude Oil Transport

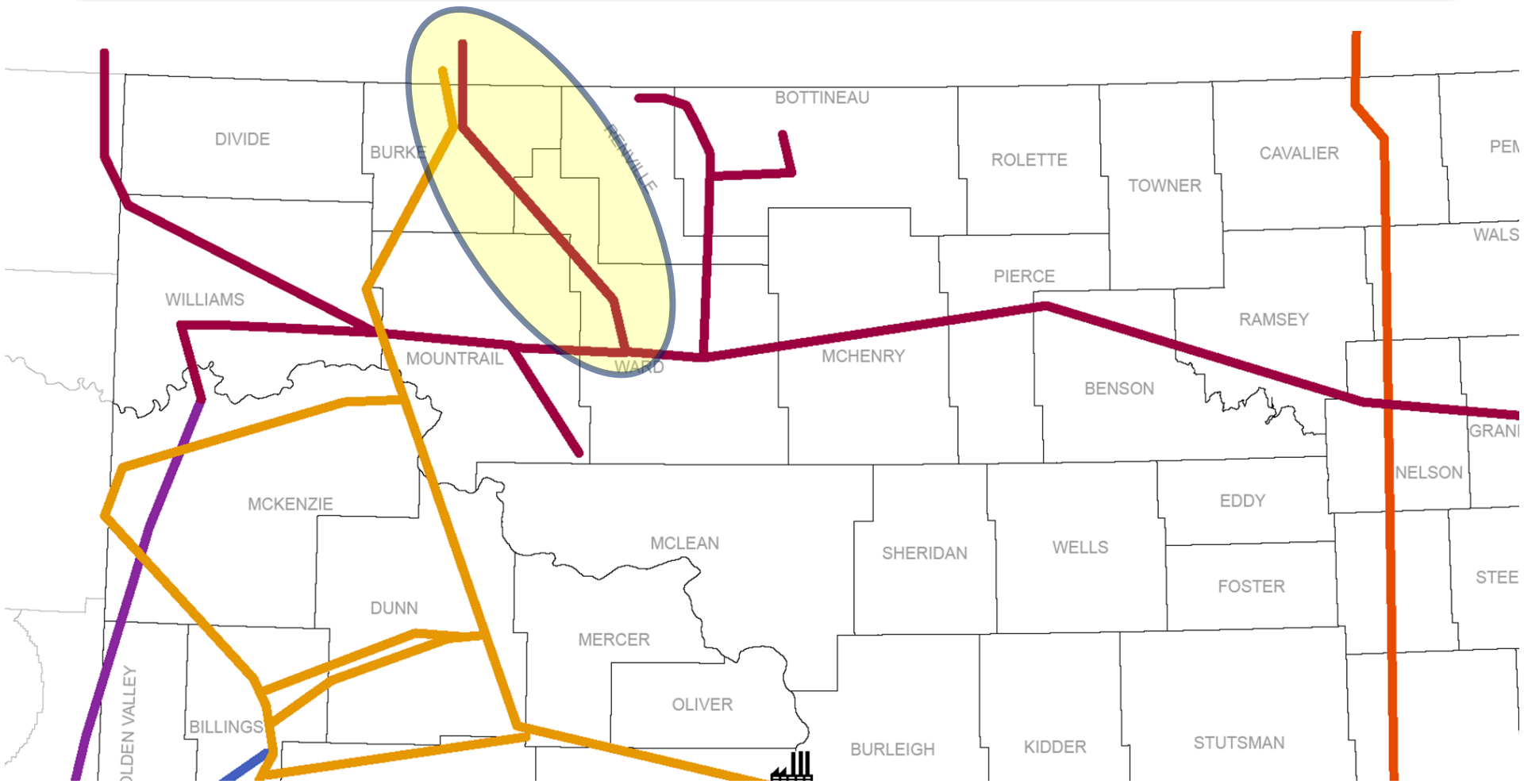
Enbridge PREP

Kinder Morgan Bakken Crude Project

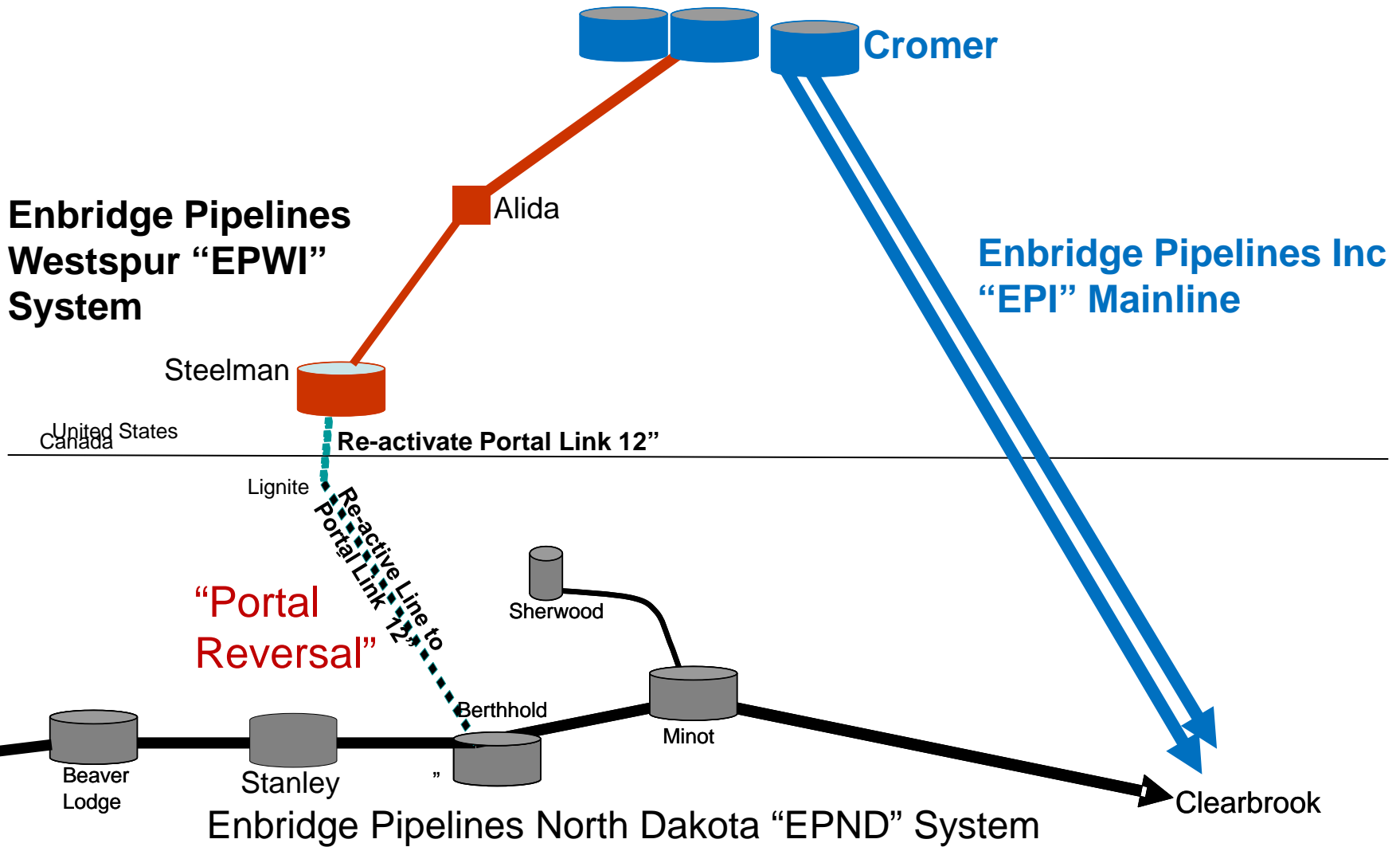
Keystone Interconnect Feasibility Study

Others Still Looking at Opportunities

Enbridge PREP (Portal Reversal Expansion Project)



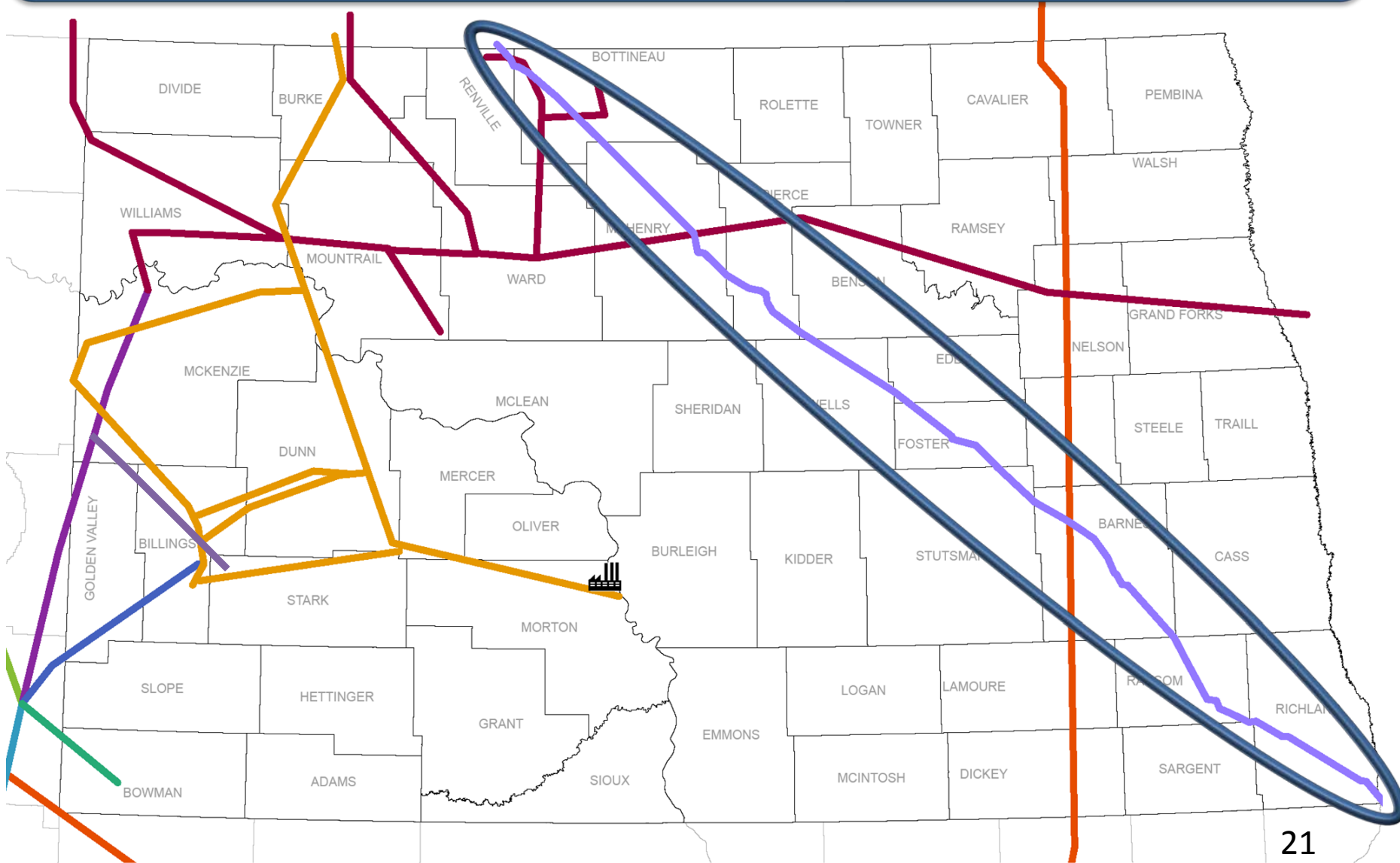
Potential Portal Reversal Expansion



Enbridge PREP Details

- Project still under internal review process
- First phase (30,000 BOPD) could be complete by summer 2011
- Subsequent expansions could provide up to 115,000 BOPD into Cromer, MB by 2013

Kinder Morgan Bakken Crude Project



Kinder Morgan Bakken Crude Project

Propane

Lt. Sweet
Bakken
Crude

Propane

Natural
Gasoline

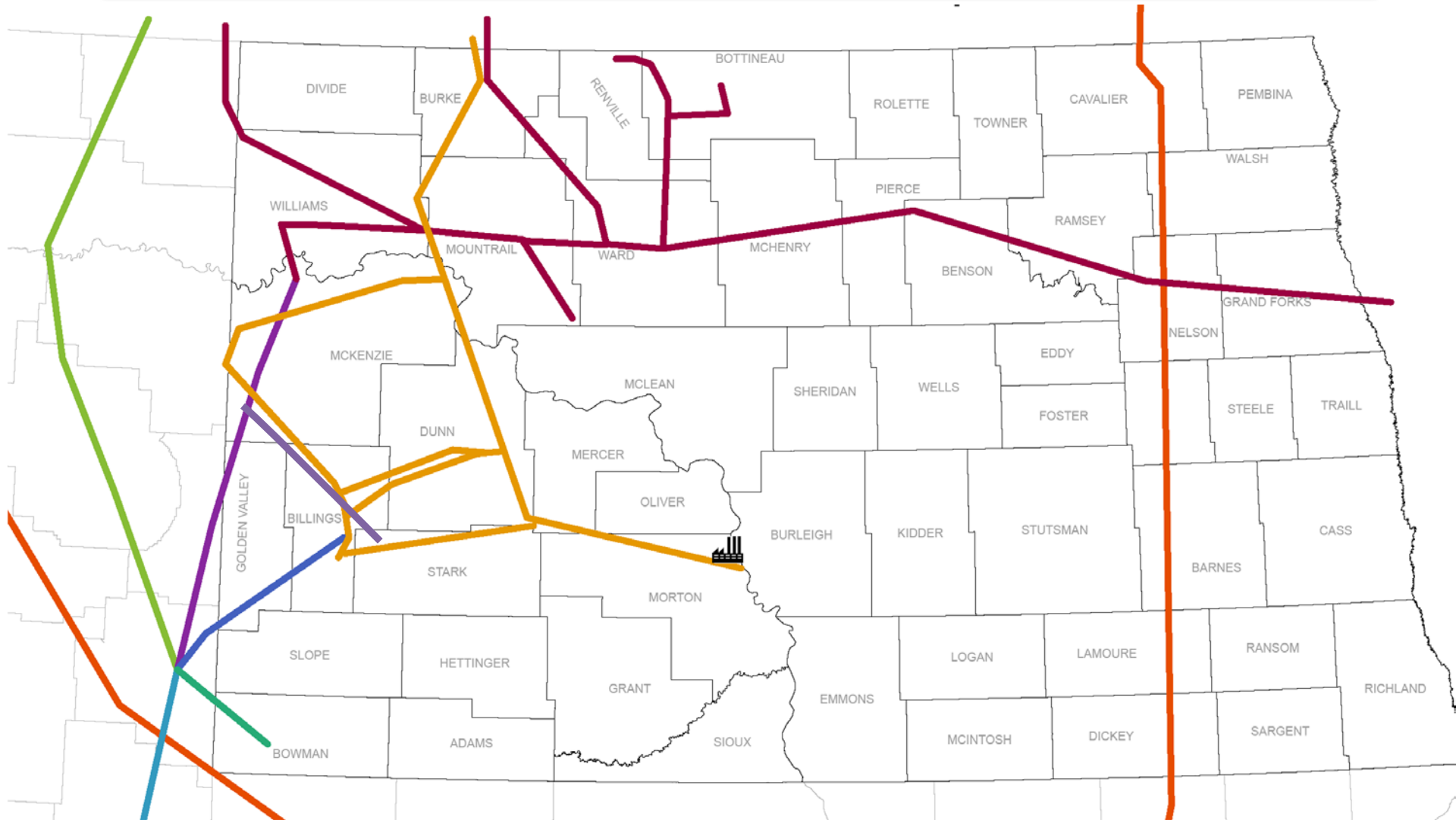
Kinder Morgan Bakken Crude Project



Kinder Morgan Details

- Open season held May 29-July 17, 2009
- Open season results and feedback under internal evaluation
- Up to 30,000 BOPD batched in existing propane line
- Proposed in-service date: February 1, 2011
- Seeking 80% commitment, 3 or 5 year terms

Keystone Interconnect Study

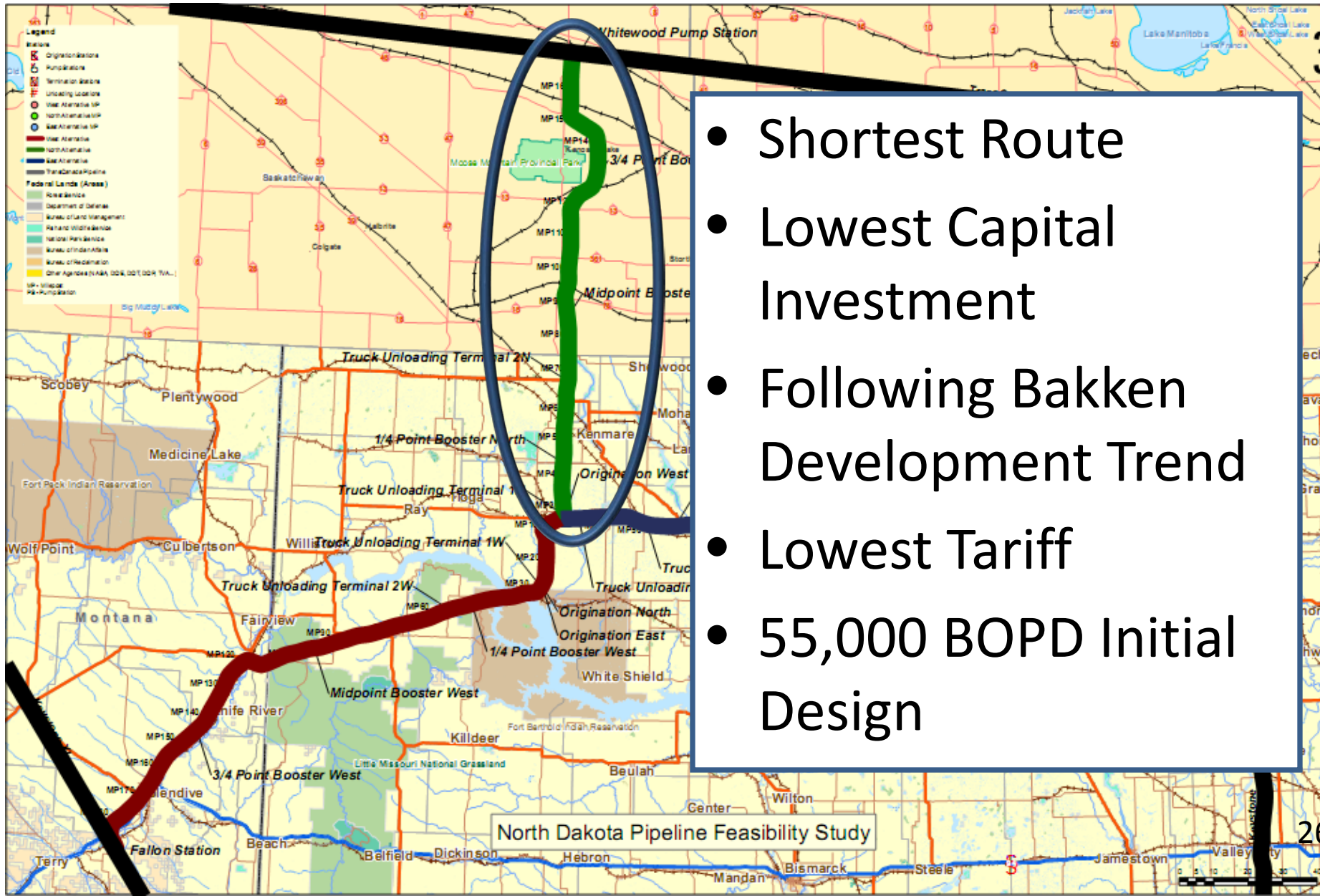


- Tesoro
- Bridger
- Enbridge
- Plains
- Belle Fourche
- Butte
- Little Missouri
- TransCanada



Tesoro Mandan Refinery

Keystone Interconnect Study



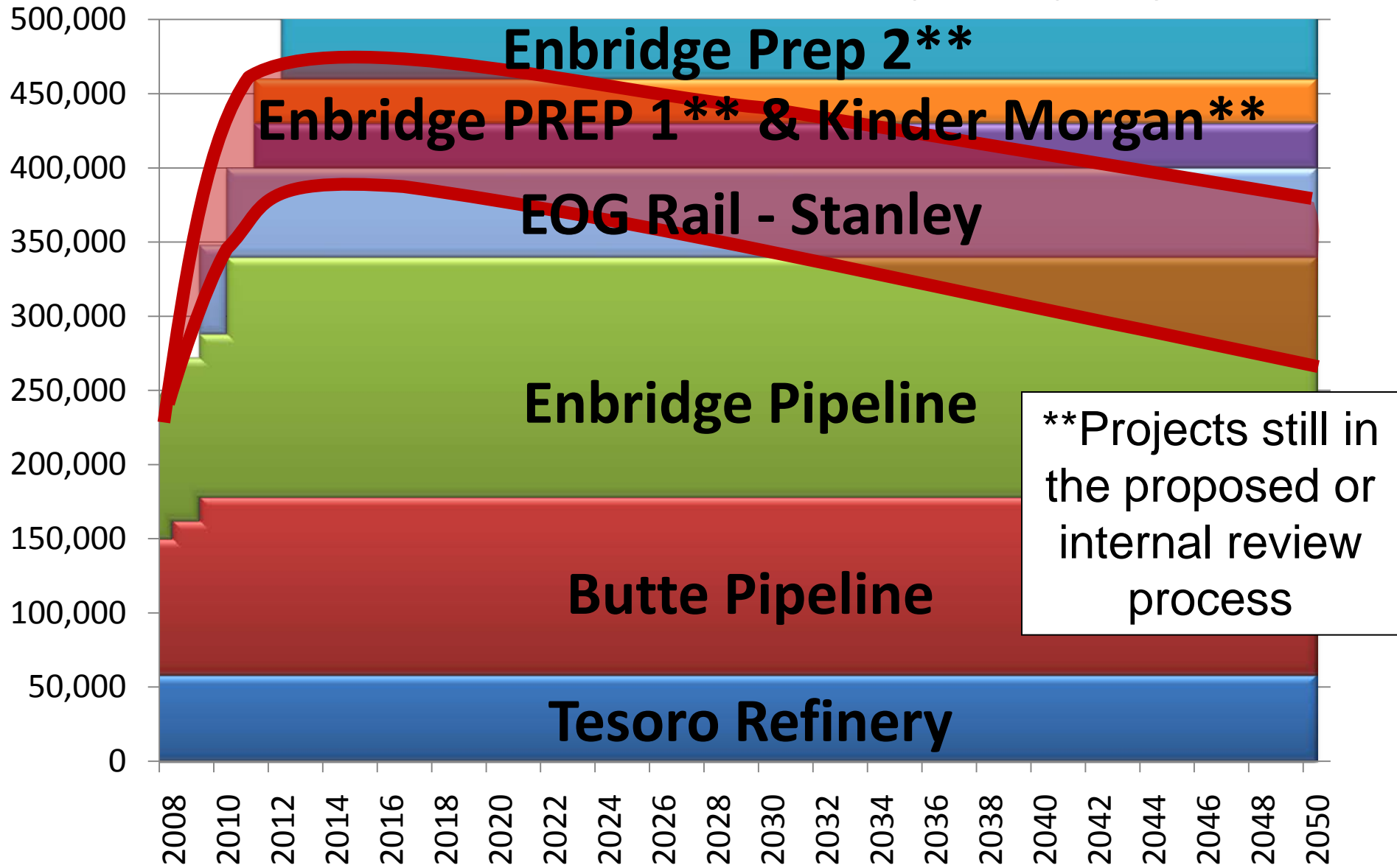
- Shortest Route
- Lowest Capital Investment
- Following Bakken Development Trend
- Lowest Tariff
- 55,000 BOPD Initial Design

Study Overview

Route	North		East		West	
Pipeline Length	169 Miles		240 Miles		188 Miles	
System	10"	12"	10"	12"	10"	12"
System Capital Cost (Millions)	\$195	\$199	\$242	\$252	\$210	\$215
Pipeline Cost/Mi	\$602M	\$698M	\$621M	\$715M	\$615M	\$707M
Ops Cost (\$/bbl)	\$0.26	\$0.19	\$0.31	\$0.21	\$0.26	\$0.21
Tariff @ 15% IRR (\$/BBL)	\$4.24	\$4.22	\$5.25	\$5.32	\$4.59	\$4.57
Interface Volume*	18.5MBBL		10.9MBBL		20.8MBBL	

*Interface Volume per Batch Shipped on TransCanada/Keystone Pipelines

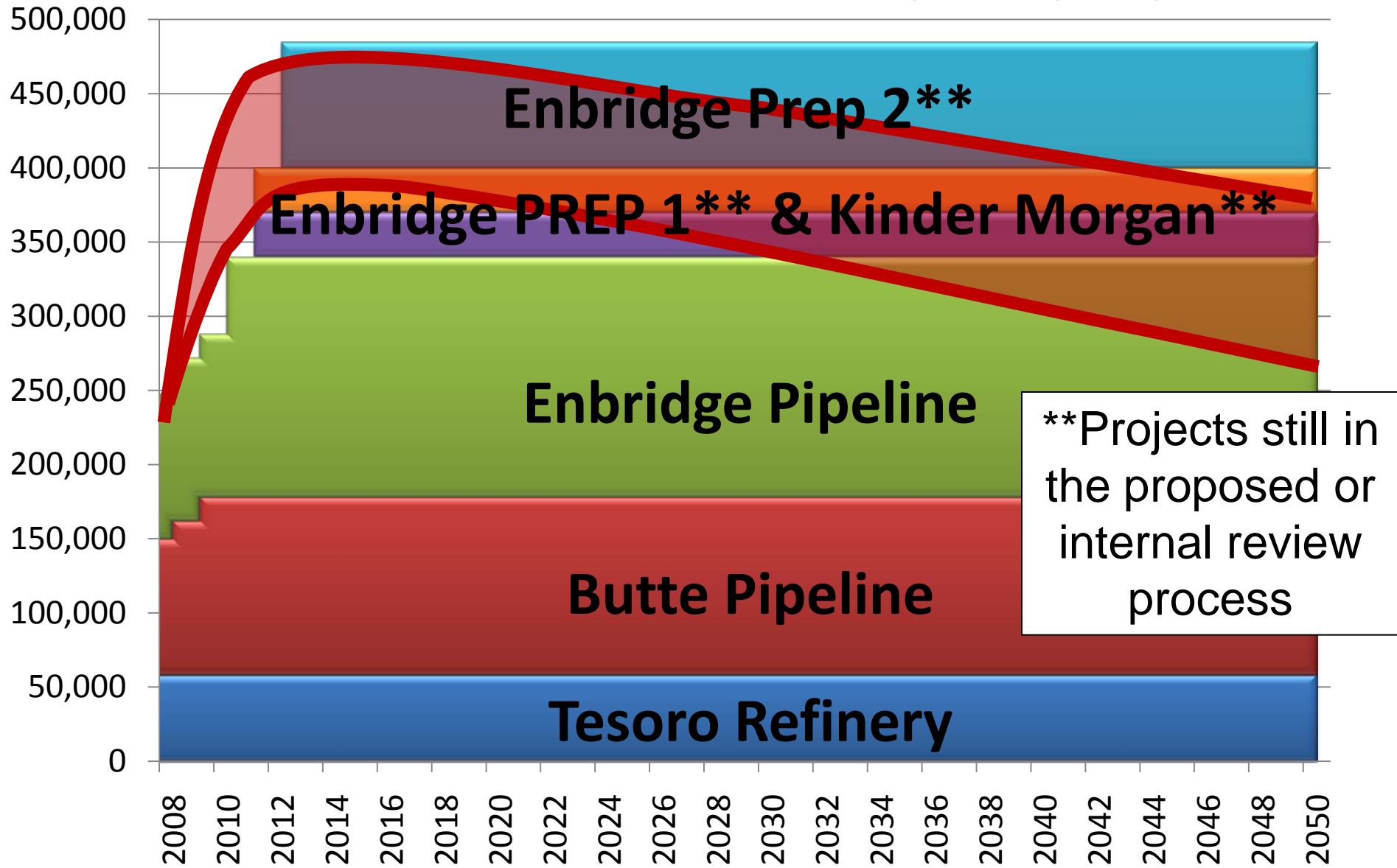
Williston Basin Production* & Export Capacity



**Projects still in the proposed or internal review process

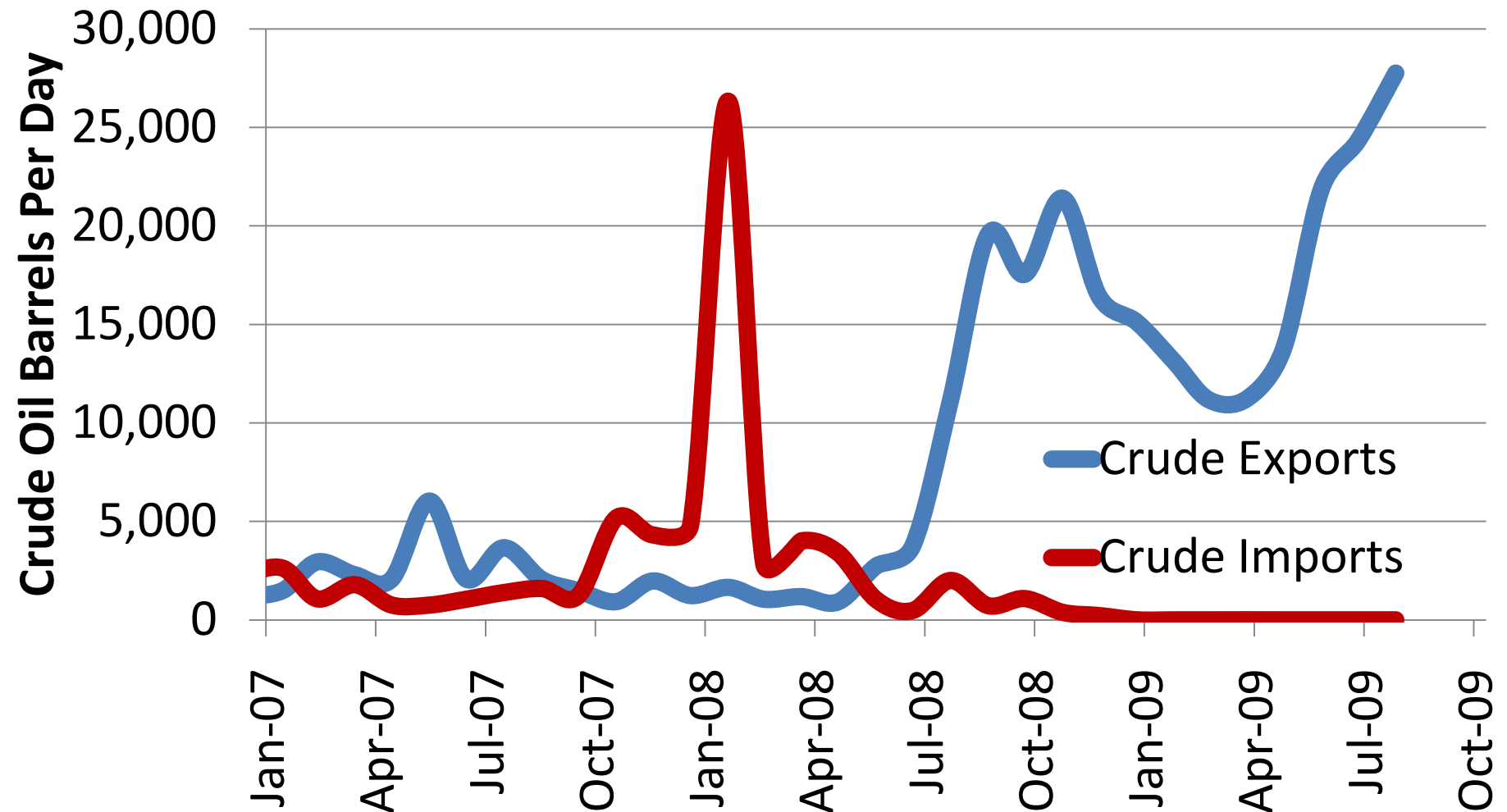
*Production forecast is for visual demonstration purposes only and should not be considered accurate for any near or long term planning.

Williston Basin Production* & Export Capacity



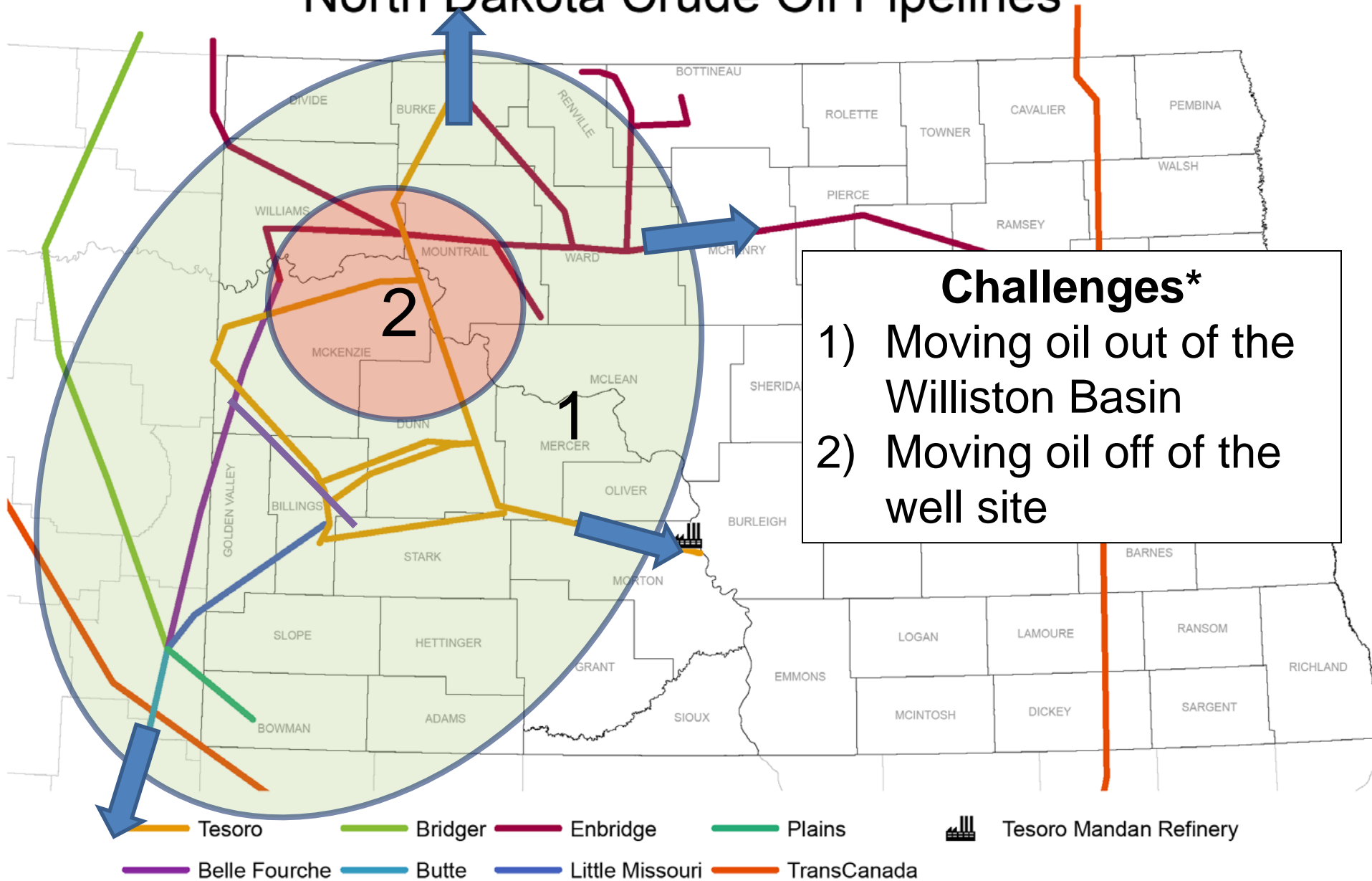
*Production forecast is for visual demonstration purposes only and should not be considered accurate for any near or long term planning.

North Dakota Truck Imports/Exports



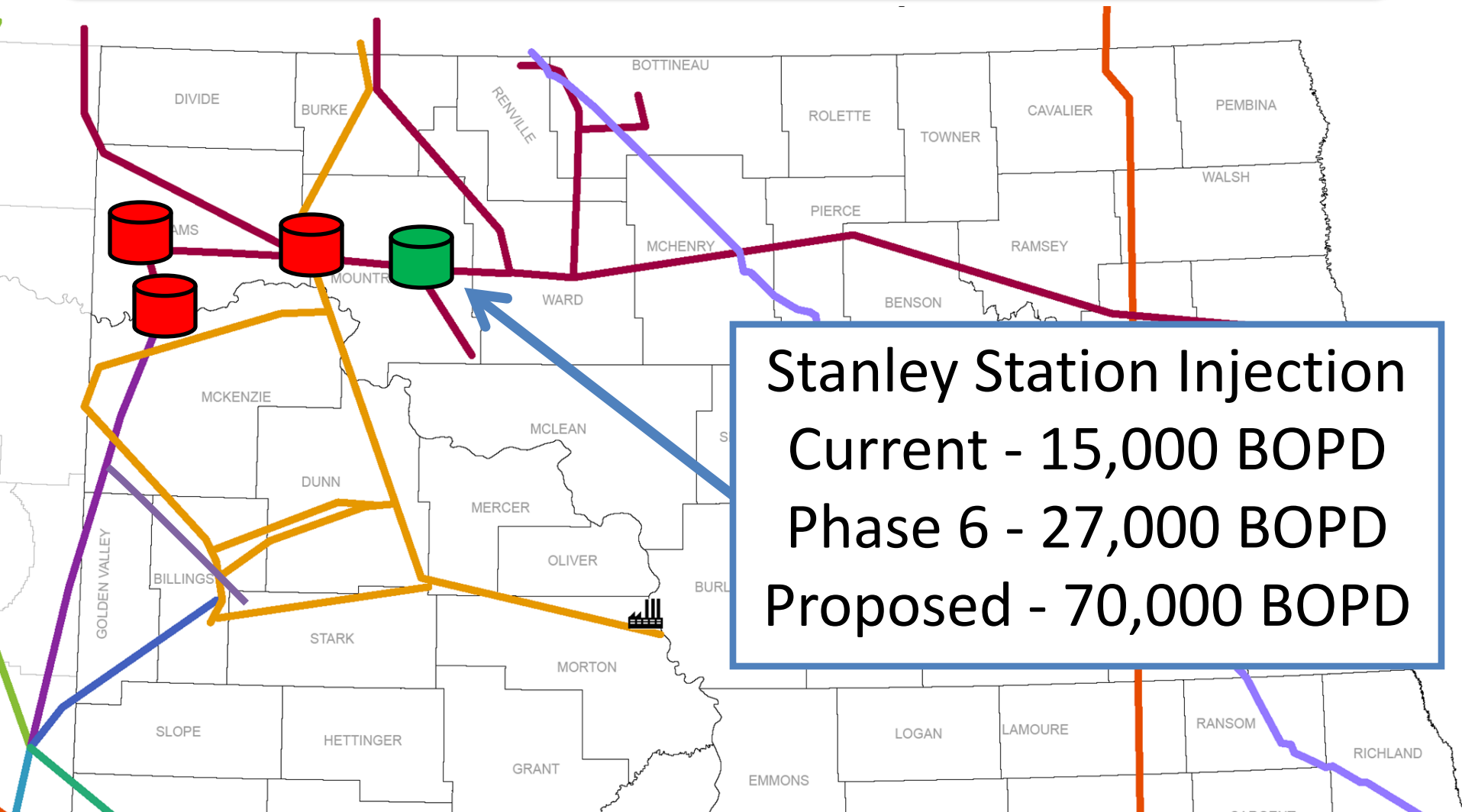
Information collected through the United States International Trade Commission's *Interactive Tariff and Trade DataWeb*

North Dakota Crude Oil Pipelines

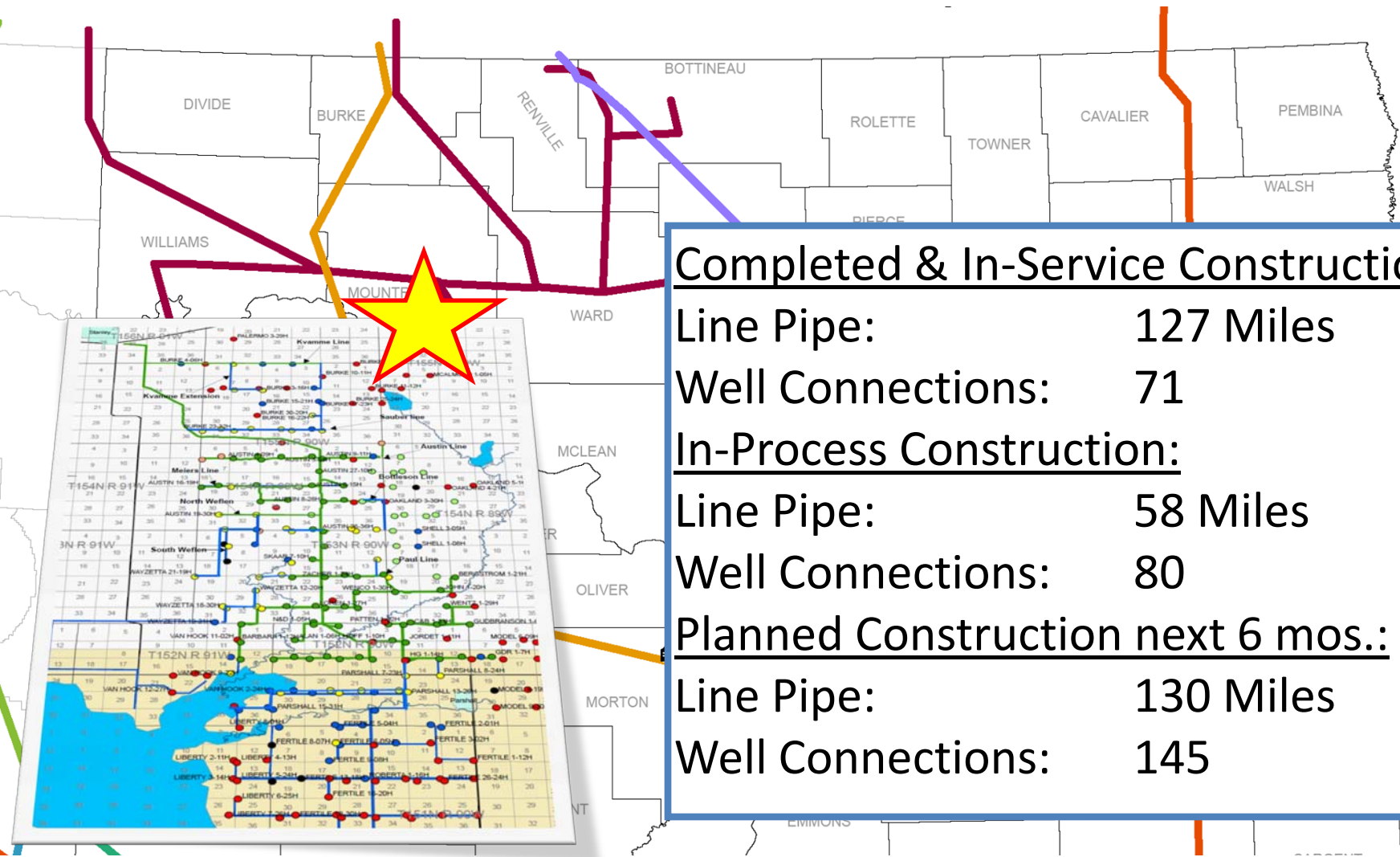


*Modified from Bridger and Belle Fourche Pipelines

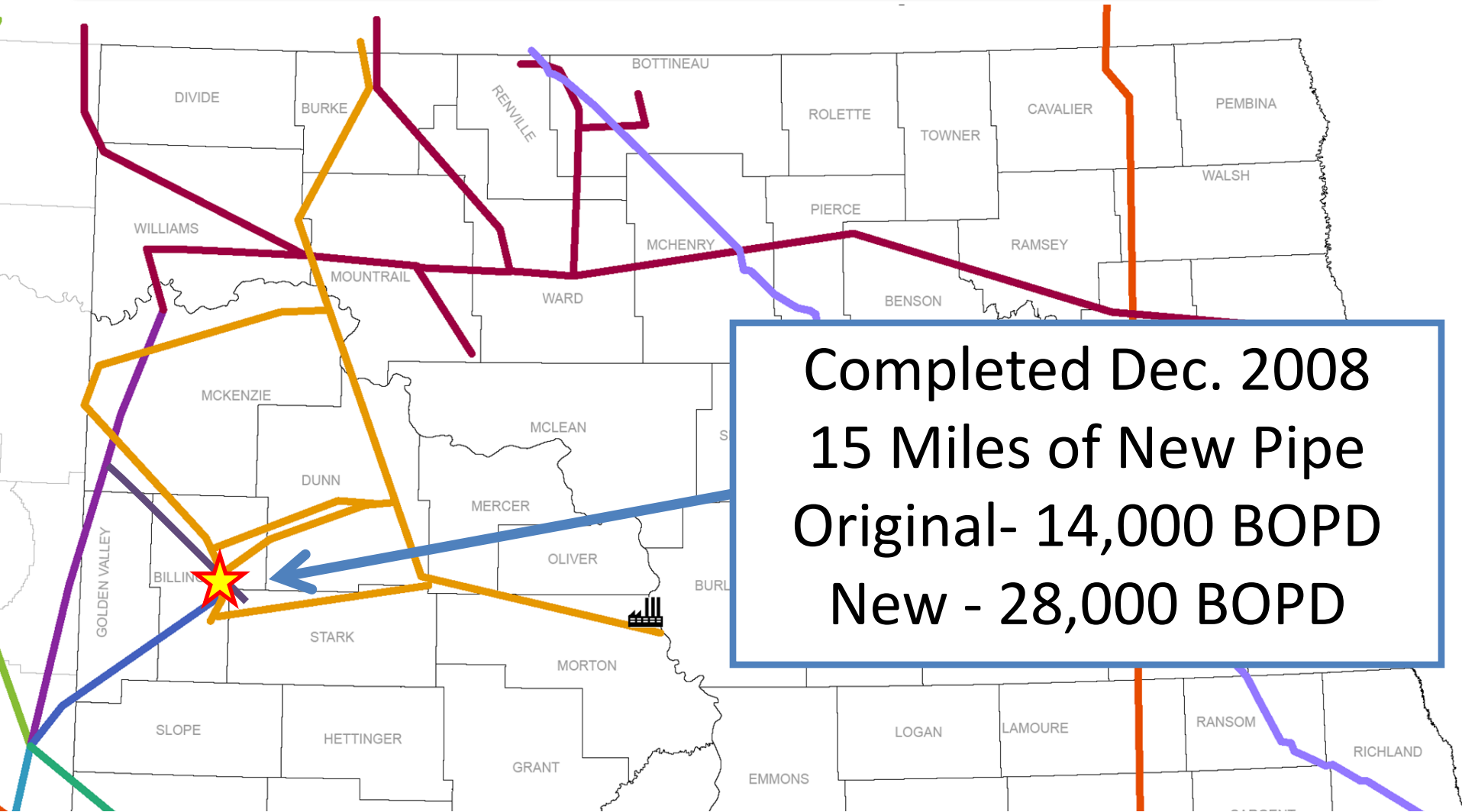
Enbridge Stanley Injection Project



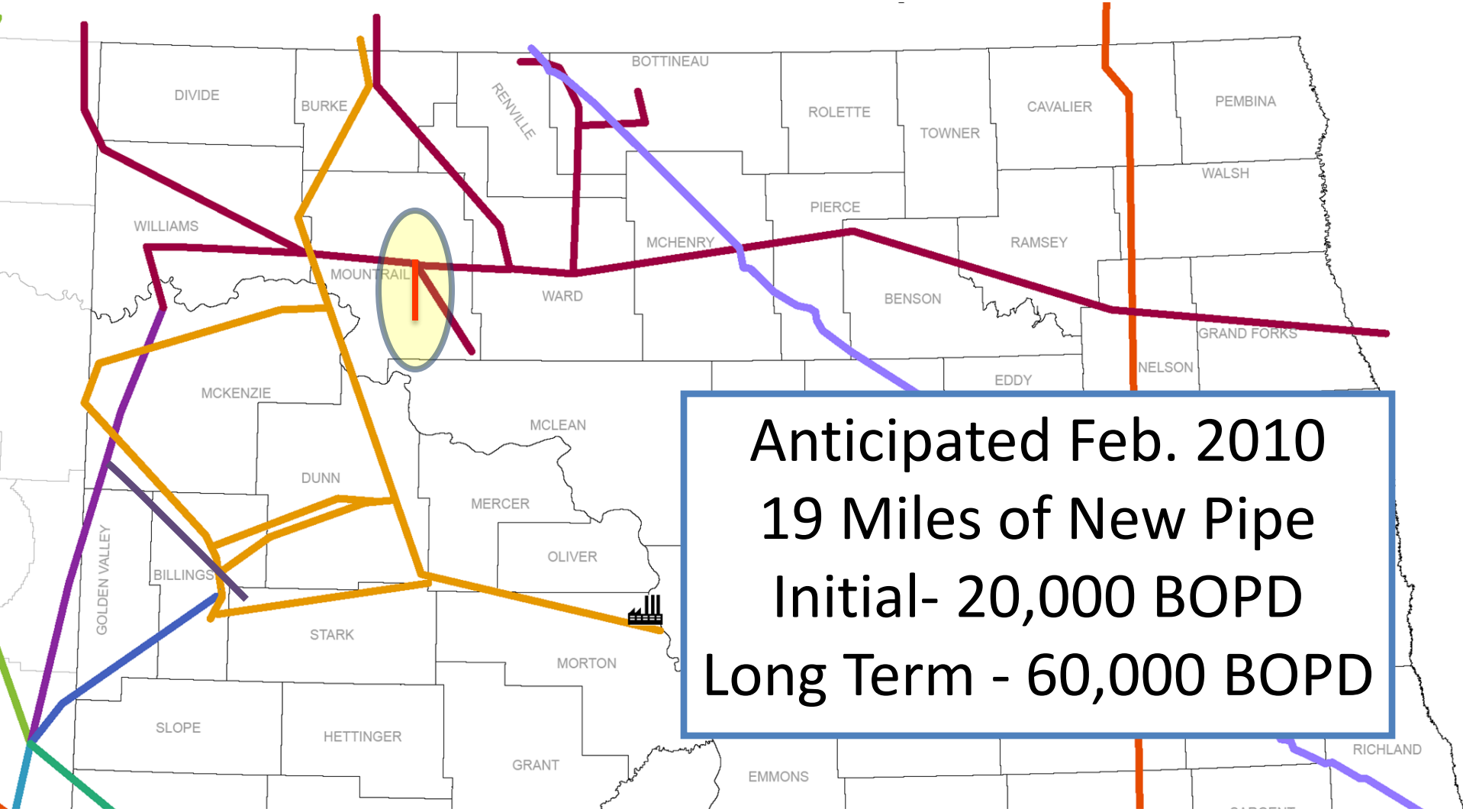
Bridger Pipeline's Parshall Gathering Expansions



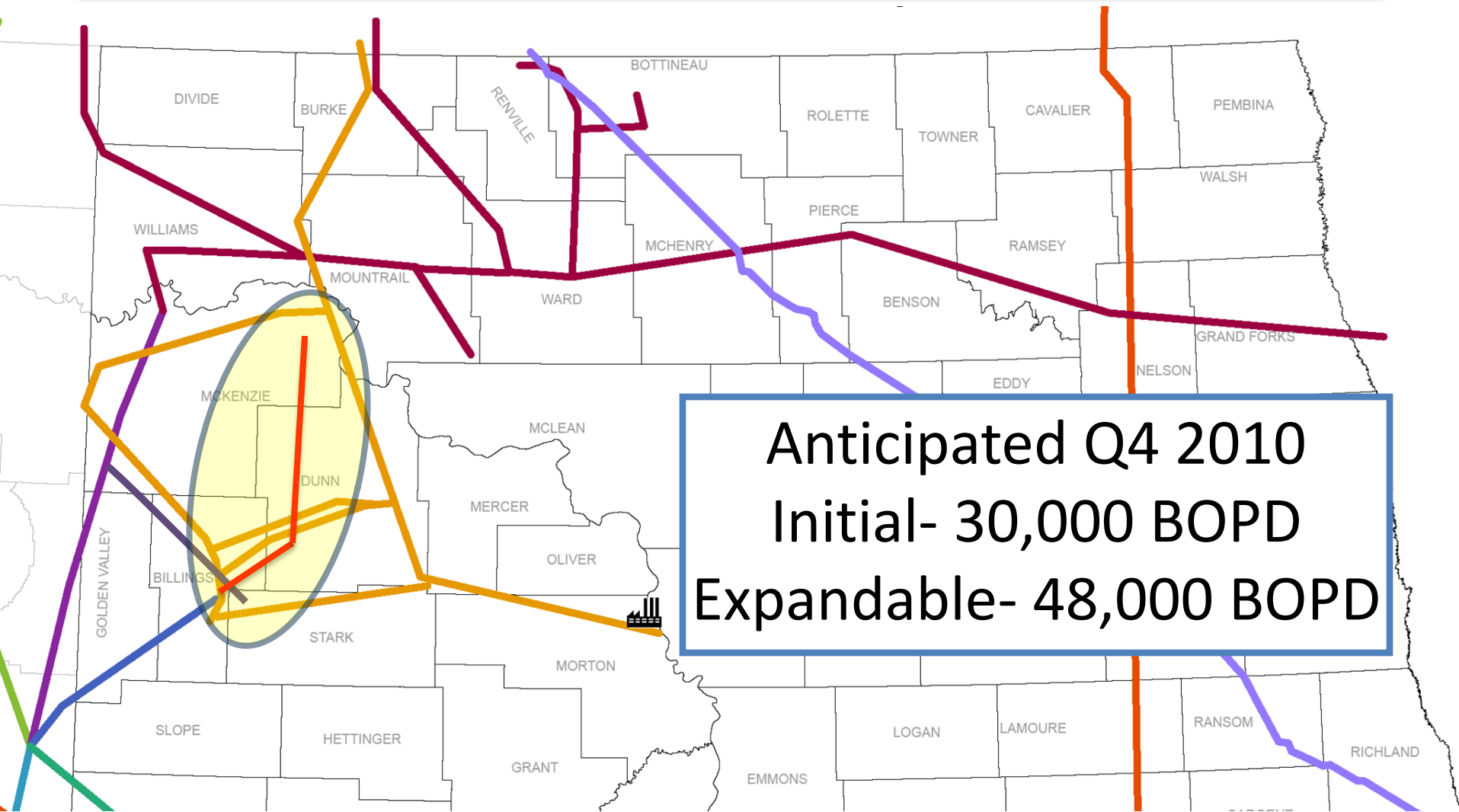
Little Missouri Expansion



Nexen Pipeline



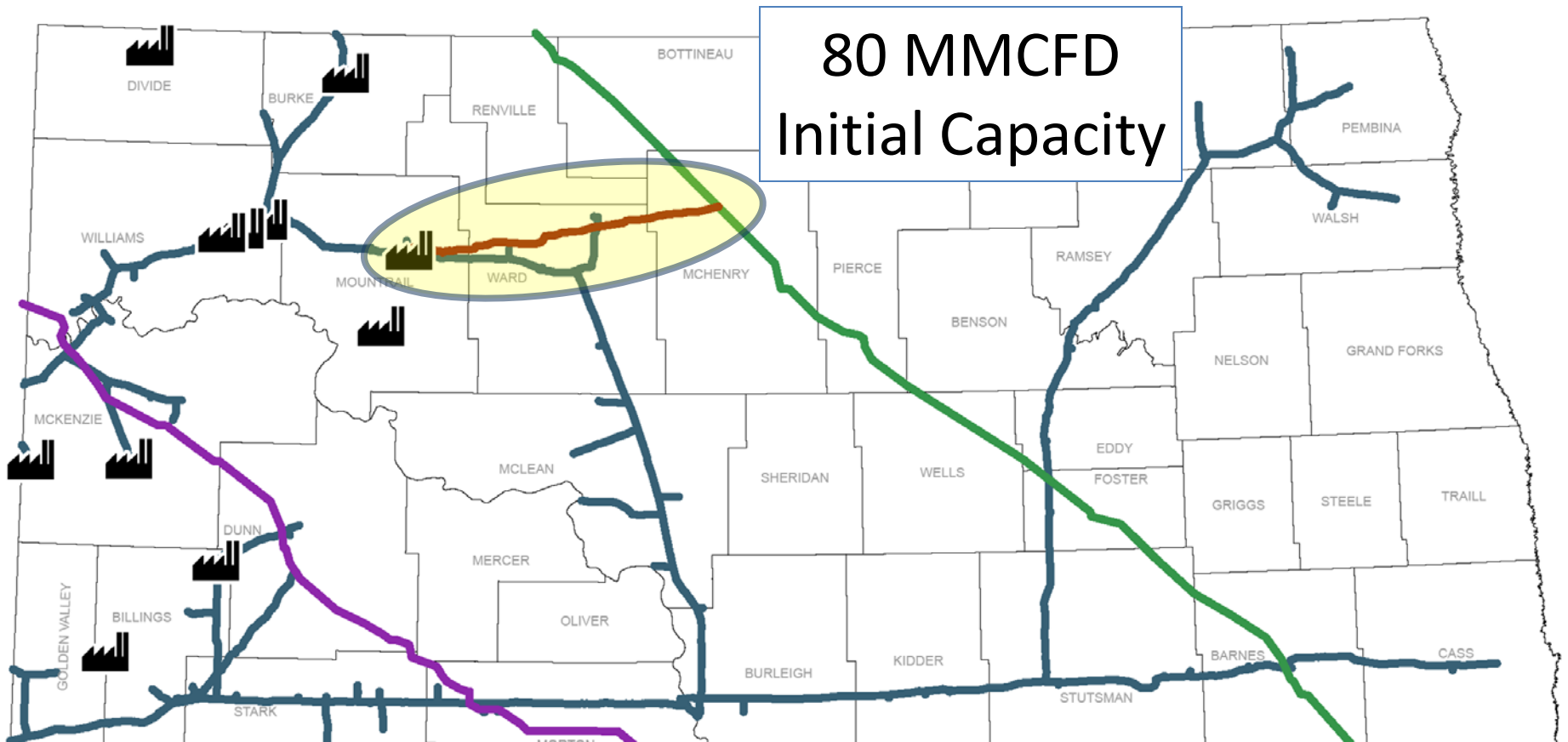
Four Bears Pipeline



Natural Gas Projects



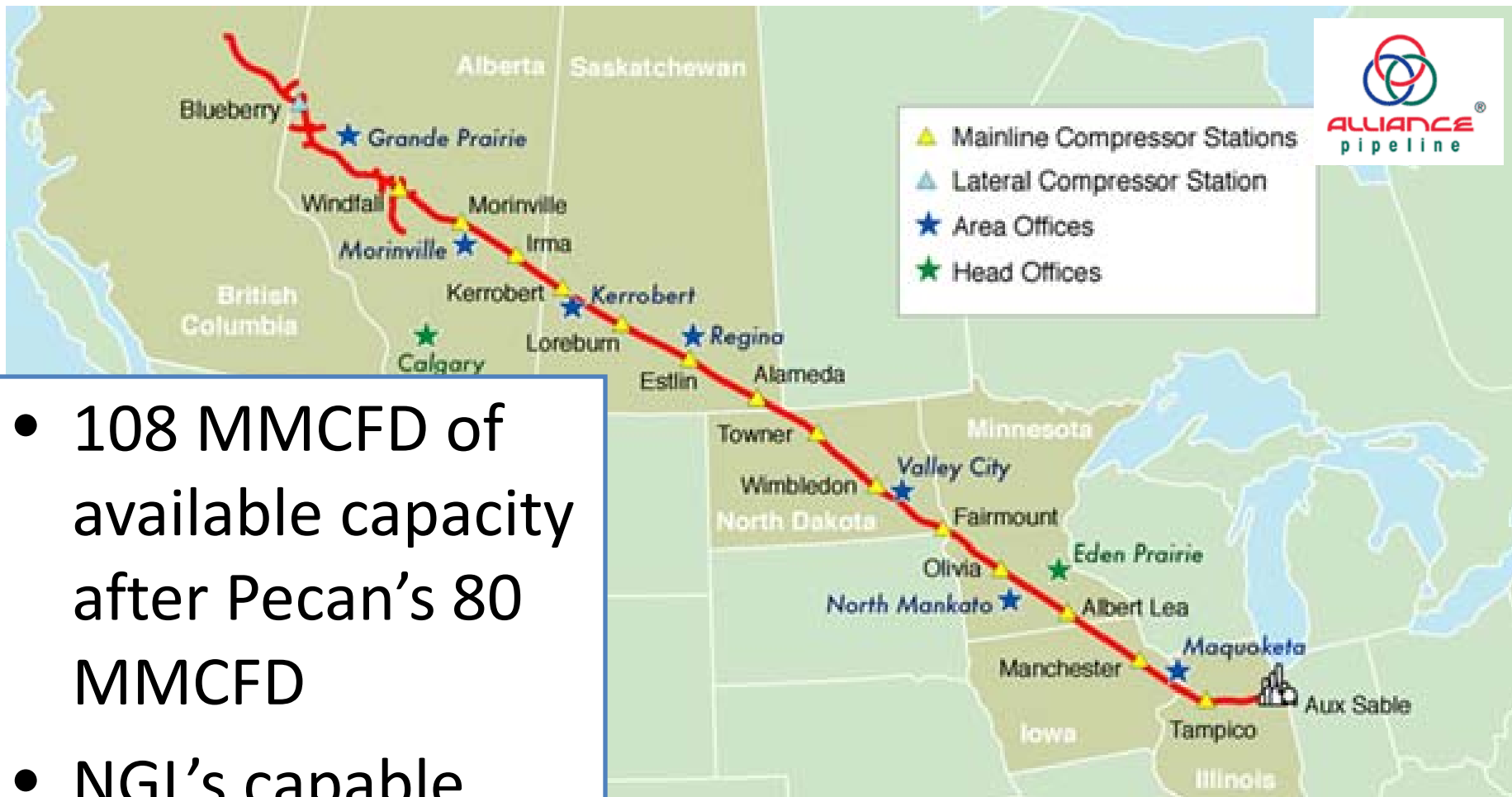
Pecan's Prairie Rose Pipeline







Alliance Pipeline

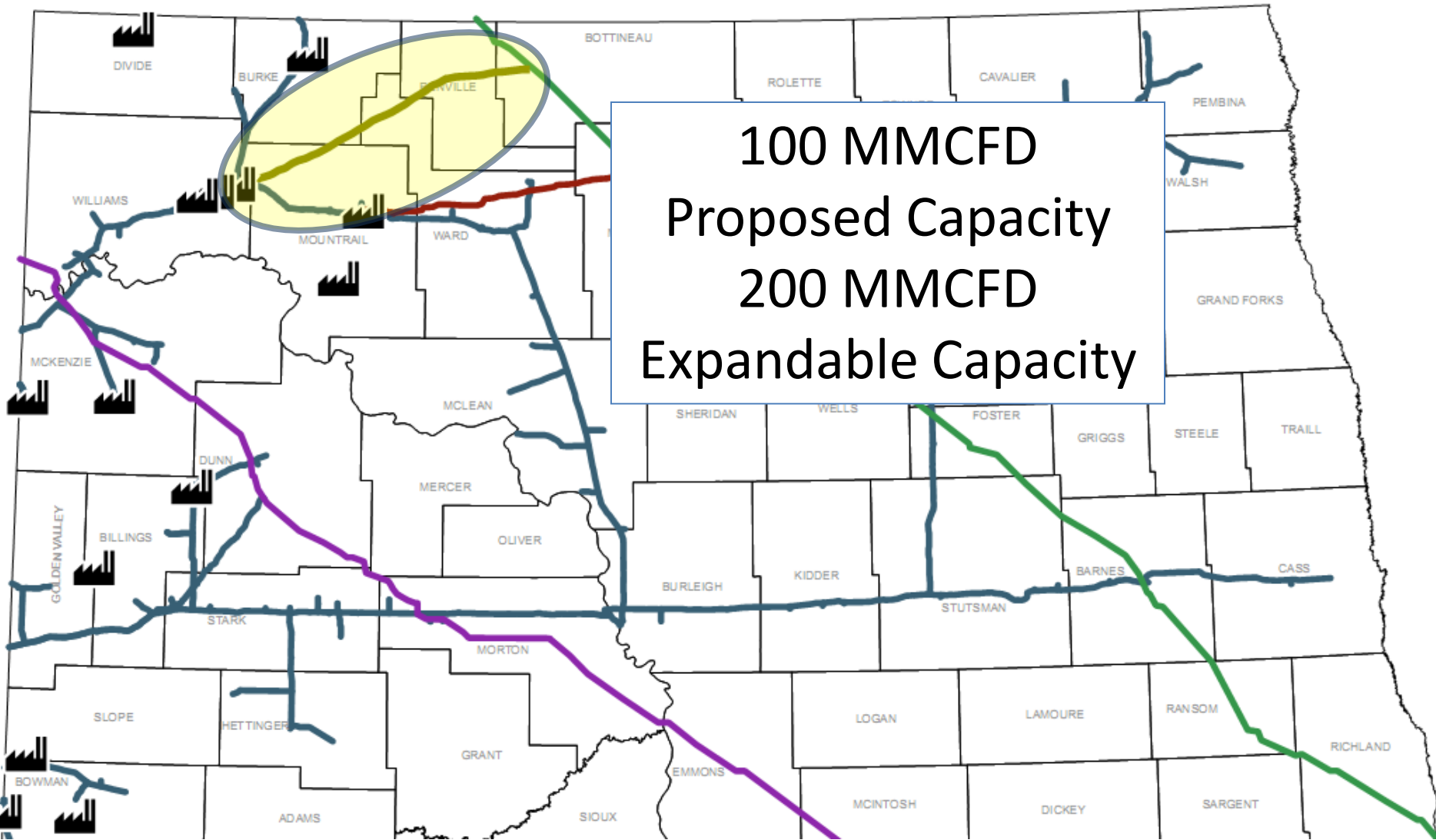


- 108 MMCFD of available capacity after Pecan's 80 MMCFD
- NGL's capable

Aux Sable Liquid Products

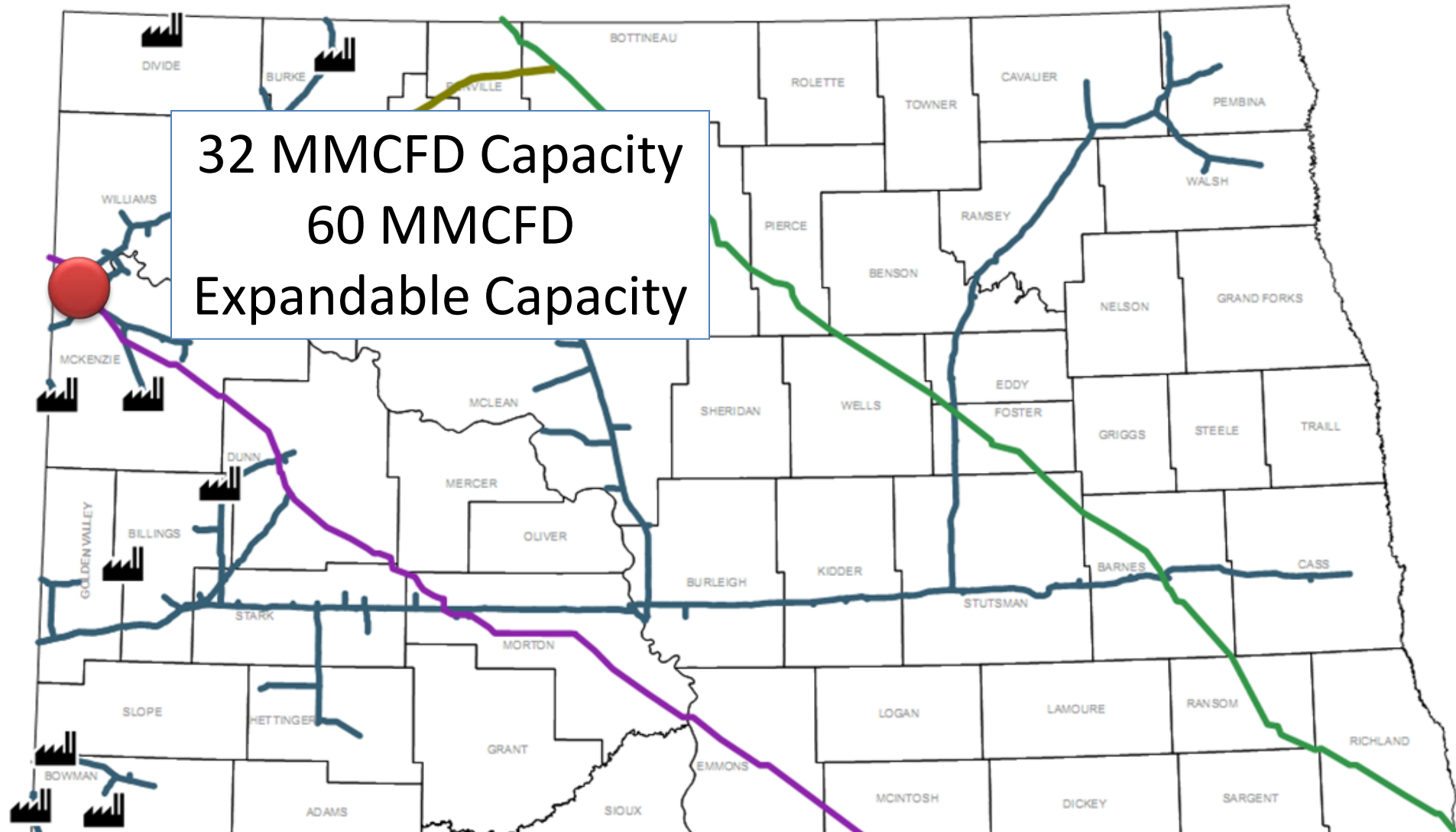


WBI's Proposed Bakken Pipeline

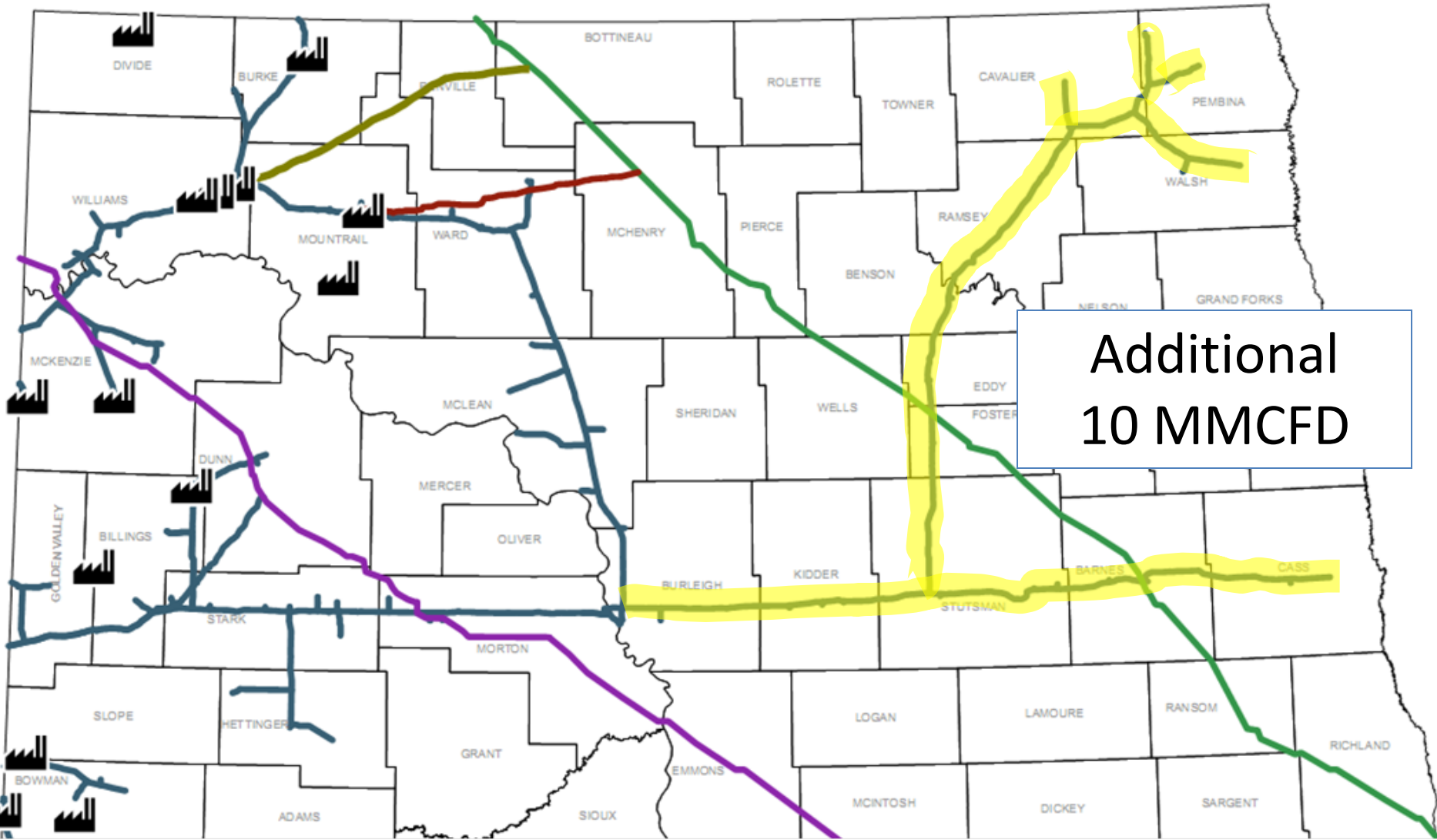


WBI's Bakken Expansion – Dec 08

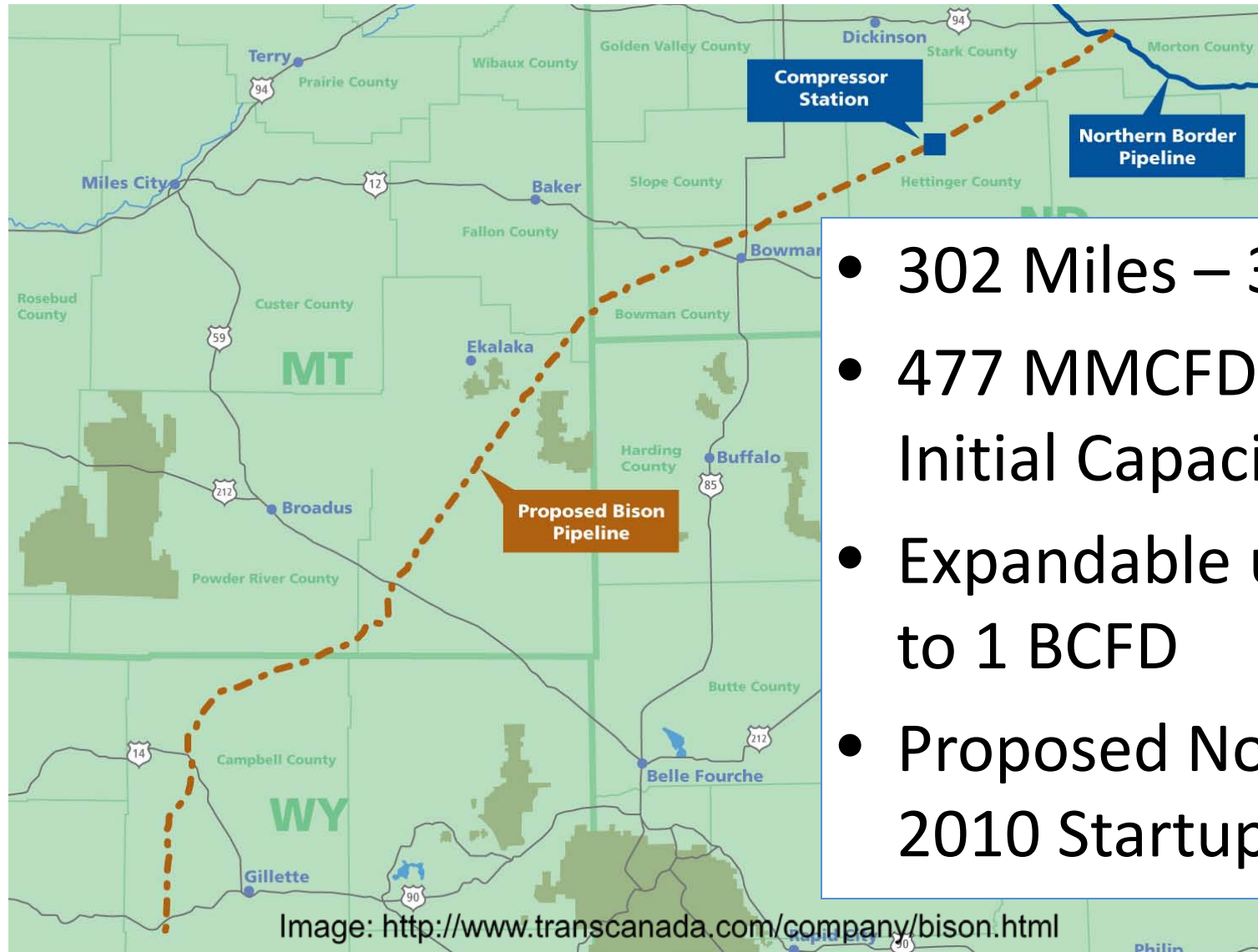
32 MMCFD Capacity
60 MMCFD
Expandable Capacity



WBI's Sheyenne Expansion – Dec 08



TransCanada's Bison Pipeline



- 302 Miles – 30”
- 477 MMCFD Initial Capacity
- Expandable up to 1 BCFD
- Proposed Nov. 2010 Startup



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

The Pipeline Publication

Keeping North Dakota Connected

Volume 1 Issue 2

Greetings

Greetings from the North Dakota Pipeline Authority! This newsletter is the second in a series of quarterly publications designed to keep North Dakota policy makers and involved parties informed on current issues in the pipeline industry.

Pipeline Authority Recommends Keystone Study

The NDPA is currently receiving proposals for a study that will investigate the feasibility of a third party pipeline company interconnecting with either TransCanada's Keystone or Keystone XL pipelines. The goals of the study are to determine whether the pipeline system can be economically constructed and operated, the timeline of such a project, and a proposed route. The study is scheduled to be completed by the end of March 2009.

Pipeline Authority Participates in Town Hall Meetings

The NDPA recently spoke to approximately 450 people in a series of town hall meetings throughout Western North Dakota. The meetings were part of the North Dakota Petroleum Council's "Oil Can!" initiative and were designed to allow for open communication between industry representatives and interested parties, such as landowners, policy makers, media, and the general public. Meeting presentations can be found on the ND Petroleum Council website www.ndoil.org.

Pecan Pipeline Plans to Carry Bakken Gas to Alliance Pipeline

For the first time, Alliance Pipeline will move North Dakota's Bakken gas to markets in the Chicago, IL area. Pecan Pipeline has proposed the Prairie Rose Pipeline, a 12 inch, 75 mile pipeline that will run from Mountrail County to a connection point with Alliance near Towner, ND. What makes this project unique is that the Bakken gas will not have to undergo the traditional gas processing before being injected into the Alliance system. The natural gas liquids (NGL), such as propane and butane, will be removed from the gas stream at a processing facility near Chicago, IL and then sold to area markets.

In order for Alliance to accept the Bakken gas with its NGL, the Federal Energy Regulatory Commission (FERC) had to approve a revision to Alliance's gas specifications that would waive previous restrictions to such shipments. The NDPA intervened by submitting a letter of support to FERC for Alliance's gas specifications waiver. President of Pecan North Dakota, Ray L. Ingle said the following in an Alliance news release, "We appreciate the support of the FERC, the State of North Dakota and other entities in helping to advance this important project."

Additionally, Pecan Pipeline has filed with FERC and the North Dakota Public Service Commission to be considered a gas gathering system and not a transmission pipeline. The NDPA has also intervened in this matter by submitting a letter of support to FERC, and at the time of publication, no rulings have been made by either FERC or the Public Service Commission.

The Prairie Rose Pipeline is scheduled to be completed during the summer of 2009. Plans are to transport 20-40 million cubic feet per day (MMCFD) in 2009 and increase to 80 MMCFD in 2010.

Williston Basin Plans Two Expansions for December

Williston Basin Interstate Pipeline Co. has two pipeline expansion projects scheduled to be completed this month. The first project to be completed is the "Sheyenne Expansion," which will increase natural gas deliveries by 10 million cubic feet per day (MMCFD) to Eastern ND. The second expansion, scheduled to be completed this month, is the "Bakken Expansion." The "Bakken Expansion" will occur by making a connection to the Northern Border Pipeline at Ft. Buford, ND. The expansion has an initial design capacity of 32 MMCFD and could be expanded further to 60 MMCFD. Additionally, Williston Basin is actively marketing to obtain shipper support for their "Bakken Pipeline." The proposed pipeline would deliver Bakken gas containing natural gas liquids to Alliance Pipeline with an initial capacity of 100 MMCFD and could be expanded to 200 MMCFD.

New Website Under Construction

The NDPA is currently constructing a new and improved website in order to better provide for industry and public needs. The new site will include current news, projects, maps, publications, production and capacity information, as well as a new GIS based information map service.

The new site, www.pipeline.nd.gov, is scheduled to be launched early 2009.

Crude Oil Expansion to the South

In September, True Co.'s Butte Pipeline system added an estimated 12,000 barrels per day (BOPD) of capacity to its existing 92,000 BOPD system. The Butte Pipeline carries crude oil from Eastern Montana and Western North Dakota to Guernsey, WY for further transportation to regional refiners. The system expansion was obtained by implementing drag reducing chemicals into the pipelines in order to reduce friction and increase product flow.

North Dakota Statistics

September Average Daily Oil Production	188,246 BOPD
September Average Daily Gas Production	257.8 MMCFD
September Wells Producing	4,193
September Wells Spudded	73
Active ND Rig Count – Dec. 5, 2008	91



ND Pipeline Authority
State Capitol 14th Floor • 600 E. Boulevard Ave. Dept. 405 • Bismarck, ND 58505-0840
Phone: (701) 220-6227 • Fax: (701) 328-2820
E-mail: jjkringstad@gmail.com • www.nd.gov/ndic/pipeline.htm

North Dakota Pipeline Authority
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600 E. Boulevard Ave. Dept. 405
Bismarck, ND 58505-0840





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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:



Supply Line Video



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



Thank You!

North Dakota Pipeline Authority

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