

**From:** [efilingmail@tylerhost.net](mailto:efilingmail@tylerhost.net)  
**To:** [Hamre, John G.](#)  
**Subject:** Filing Accepted for Case: 08-2018-CV-02937; Environmental Law and Policy Center, et al. vs. North Dakota Public Service Commission, et al.; Envelope Number: 3293186  
**Date:** Friday, February 01, 2019 8:50:16 AM

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## Filing Accepted

Envelope Number: 3293186

Case Number: 08-2018-CV-02937

Case Style: Environmental Law and  
Policy Center, et al. vs. North Dakota  
Public Service Commission, et al.



The filing below was reviewed and has been accepted by the clerk's office. You may access the file stamped copy of the document filed by clicking on the below link.

Filing Details	
<b>Court</b>	Burleigh County - South Central District
<b>Case Number</b>	08-2018-CV-02937
<b>Case Style</b>	Environmental Law and Policy Center, et al. vs. North Dakota Public Service Commission, et al.
<b>Date/Time Submitted</b>	1/31/2019 5:54 PM CST
<b>Date/Time Accepted</b>	2/1/2019 8:49 AM CST
<b>Accepted Comments</b>	
<b>Filing Type</b>	Exhibit
<b>Filing Description</b>	CR Exhibit 25 Record Addition 3 County Permit Application part 2 of 10
<b>Activity Requested</b>	EFileAndServe
<b>Filed By</b>	John Hamre
<b>Filing Attorney</b>	Illona Jeffcoat-Sacco

Document Details	
<b>Lead Document</b>	CR Exhibit 25 Record Addition 3 County Permit Application part 2 of 10.pdf
<b>Lead Document Page Count</b>	13

**File Stamped Copy**

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<https://northdakota.tylerhost.net/ViewDocuments.aspx?FID=0f33ef03-241c-4042-91e0-24f6973aa0c9>

For technical assistance, contact your service provider or  
North Dakota Court's Information Technology Department 701-328-4218  
Please do not reply to this email. It was automatically generated.

**PLOT PLAN**

LOT REAR

See Exhibit I and  
attached maps,  
surveys, and reports.

LOT FRONT

**Information Needed on the Plot Plan:** In order to help your permit process go as quickly as possible, the following information must be clearly shown on your Plot Plan, even if it is not to scale:

- North Arrow
- Adjacent Streets & Approach
- Setbacks
- Easements
- Proposed Structure(s), with Dimensions
- Existing Structure(s), with Dimensions
- Septic tank, drainfield, & distance from structures
- Water well or SW water line
- Show the distance from the proposed structure to your property line in all four directions.
- Also include photocopies of all existing floor plans, site plans, surveys, etc with the application.

**BILLINGS COUNTY**

APPLICATION: \_\_\_\_\_

**APPLICATION FOR CONDITIONAL USE PERMIT** ISSUED: \_\_\_\_\_ EXPIRES: \_\_\_\_\_

REQUIREMENTS OF ORDINANCE 7.3

REVISED 07/2015

Applications will be reviewed by the Zoning Director, followed by a public hearing before the Zoning Board and final action will be made by the Billings County Board of Commissioners. Fee: \$ \_\_\_\_\_ Paid: \_\_\_\_\_

**APPLICANT\*:** Name: Meridian Energy Group, Inc. - Executive Vice President Tom Williams  
Mailing Address: 151 Kalmus Drive Suite E-140  
City, State Zip: Costa Mesa, CA 92626  
Phone: 949-207-3814 Cell: 707-299-0182 Email: twilliams@meridianenergygro

\*If applicant is not the owner of record, enclose a letter from the owner stating concurrence of this action for the proposed use of the property.

**OWNER:**  Same as above Name: Greg Kessel ; Bonnie L. and Donald Heiser

**LEGAL DESCRIPTION OF PROPERTY:** \* See attached Exhibit F

Lot: \* \_\_\_\_\_ Block: \* \_\_\_\_\_ Subdivision: \* \_\_\_\_\_  
Qtr/Qtr: \* \_\_\_\_\_ Section: \* \_\_\_\_\_ Township: \* \_\_\_\_\_ Range: \* \_\_\_\_\_  
Parcel Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Acreage: \* \_\_\_\_\_

**CURRENT ZONING:**

Agricultural  Residential  Recreational  Commercial  Industrial

Current Use: Existing Farmstead

Proposed Use: Crude oil refinery and associated structures.

The proposed use is Conditionally Permitted in the following Zoning District under Section \_\_\_\_\_

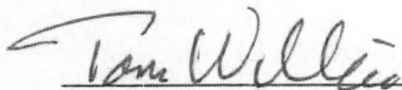
Agricultural  Residential  Recreational  Commercial  Industrial

Please state in detail the reason for applying for this Conditional Use Permit (attach additional sheets if needed):

See attached documents.  
\_\_\_\_\_  
\_\_\_\_\_

I the undersigned applicant for a permit do hereby attest that the information contained in this application is truthful and correct to the best of my ability. I further agree to comply with all building codes and standards as regulated by the State of North Dakota, and the requirements and conditions of this permit, and the zoning ordinance of Billings County.

I understand that any inappropriate use of this permit may cause me to be required to pay a penalty.



Tom Williams  
Printed Name of Applicant

March 22, 2010  
Date

Signature of Applicant

Date

March 22<sup>nd</sup>, 2013

Stacy Swanson  
Director, Tax & Zoning  
**Billings County Planning and Zoning Department**  
Billings County Courthouse  
495 4<sup>th</sup> Street, P.O. Box 247  
Medora, North Dakota 58645

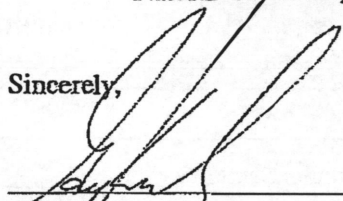
Dear Ms. Swanson:

I hereby give my authorization and concurrence to Billings County Planning and Zoning Department for any re-zoning, conditional use permits or building permits applied for by my land optionee, Middletown Farm & Cattle, Co., LLC, or its nominees or assignees.

This authorization and concurrence extends to the parcels of my land currently under option for any of the following projects or uses applied for and ultimately permitted by Billings County Planning and Zoning, and by any of the various State of North Dakota governmental agencies having jurisdiction;

- Oil Field Services & Storage
- Oil Field Transportation Facility
- Railway Transload Facility
- Crude Oil Refinery
- Natural Gas-to-Liquids Refinery

Sincerely,



---

Greg Kessel

March ~~23~~, 2016

Stacey Swanson  
Director, Tax & Zoning  
**Billings County Planning and Zoning Department**  
Billings County Courthouse  
495 4<sup>th</sup> Street, P.O. Box 247  
Medora, North Dakota 58645


Dear Ms. Swanson:

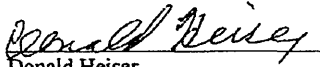
I hereby give my authorization and concurrence to Billings County Planning and Zoning Department for any re-zoning, conditional use permits or building permits applied for by my land optionee, Meridian Energy Group, LLP., or its nominees or assignees.

This authorization and concurrence extends to the parcels of my land currently under option for any of the following projects or uses applied for and ultimately permitted by Billings County Planning and Zoning, and by any of the various State of North Dakota governmental agencies having jurisdiction;

- Oil Field Services & Storage
- Oil Field Transportation Facility
- Railway Crude-by-Rail Transload Facility
- Rail Car and Truck Maintenance & Repair
- Crude Oil Refinery
- Natural Gas-to-Liquids Refinery

Sincerely,

  
Bonnie L. Heiser

  
Donald Heiser

### CONDITIONAL USE PERMIT REVIEW

**BILLINGS COUNTY ORDINANCE DEFINITION OF CONDITIONAL USE:** The development and administration of this Ordinance is based on the division of the County into districts within which the uses as land and buildings are mutually compatible. However, there are certain uses which, because of their unique characteristics cannot be classified as unrestricted permitted uses in any particular district or districts without consideration in each particular case of the impact of those uses upon adjoining lands or public facilities. Such uses nevertheless, may be necessary or desirable in a particular district provided that due consideration is given to location, development and operation of such uses.

No conditional use permit shall be recommended by the Planning and Zoning Board or approved by the Commission unless the applicant shall have met all the following criteria:

1. Is proposed conditional use detrimental to or does it endanger the public health, safety, comfort or general welfare? \_\_\_\_\_ If yes, please explain.

\_\_\_\_\_

2. Does the proposed conditional use substantially impair or diminish the value and enjoyment of other property in the area? \_\_\_\_\_ If yes, please explain why and who opposes.

\_\_\_\_\_

3. Does the proposed conditional use impede the normal orderly development of the surrounding property? \_\_\_\_\_ If yes, please explain.

\_\_\_\_\_

4. Are adequate utilities, access roads, drainage or other necessary site improvements being provided? \_\_\_\_\_ If no, please explain.

\_\_\_\_\_

5. Have adequate measures been taken to provide ingress and egress to the property without adverse effects on the adjoining properties and traffic congestion in the public street? \_\_\_\_\_ If no, please explain.

\_\_\_\_\_

6. Does the proposed conditional use conform to all applicable regulations of the district within which it is located? \_\_\_\_\_ If no, please explain.

\_\_\_\_\_

**RECOMMENDATION TO THE PLANNING & ZONING BOARD FROM THE ZONING DIRECTOR**

Approve    Deny    Modify    Conditions Imposed   Date of Public Hearing: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

APPLICATION: \_\_\_\_\_

**ACTION AND RECOMMENDATION BY THE COUNTY PLANNING & ZONING BOARD**

Approve    Deny    Modify    Conditions Imposed   Date of Public Hearing: \_\_\_\_\_

**Modifications:**

1. \* \_\_\_\_\_
2. \* \_\_\_\_\_
3. \_\_\_\_\_

**Conditions:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**ACTION BY THE BOARD OF COUNTY COMMISSIONERS**

Approve    Deny    Modify    Conditions Imposed   Date: \_\_\_\_\_

**Modifications:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**Conditions:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

**WEED CONTROL PLAN**

TO BE SUBMITTED WITH ZONING APPLICATION: \_\_\_\_\_

BILLINGS COUNTY WEED CONTROL BOARD  
 PO BOX 168 - MEDORA, ND 58645-0168  
 PHONE: (701) 575.2215  
 Website: [www.bcwcb.com](http://www.bcwcb.com) Email: [bcweed09@live.com](mailto:bcweed09@live.com)

**INSTRUCTIONS:**  
 Include photos or a map of the property  
 Contact the BCWCB for approval of plan

**APPLICANT:** Name: Meridian Energy Group, Inc. - Executive Vice President Tom Williams  
 Phone: 949-207-3814 Cell: 707-299-0182 Email: twilliams@meridianenergygroupinc.com

**OWNER:**  Same as above Name: Greg Kessel ; Bonnie L. and Donald Heiser

**LEGAL DESCRIPTION OF PROPERTY:** Parcel Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
 Lot: \* \_\_\_\_\_ Block: \* \_\_\_\_\_ Subdivision: \* \_\_\_\_\_ Acreage: \* \_\_\_\_\_  
 Qtr/Qtr: \* \_\_\_\_\_ Section: \* \_\_\_\_\_ Township: \* \_\_\_\_\_ Range: \* \_\_\_\_\_  
 Existing Land Use: \_\_\_\_\_ Proposed Land Use: \_\_\_\_\_ \* See attached Exhibit F

**The applicant and all interested parties will cooperate to monitor and control the following invasive and noxious weeds as prescribed by the ND Century Code and Billings County:**

- Canada Thistle
- Diffuse Knapweed
- Leafy Spurge
- Musk Thistle
- Purple Loosestrife (Lythrum)
- Russian Knapweed
- Spotted Knapweed
- Yellow Toadflax
- Absinth Wormwood (American or common wormwood, mugwort, madderwort, or wormwood sage)
- Dalmatian Toadflax
- Salt Cedar
- Hoary Cress (white top)
- Field Bindweed (creeping jenny)
- Houndstongue
- Black Henbane
- Common Burdock (wild rhubarb)

**Method of Control:**  Mechanical  Chemical \_\_\_\_\_  Biological  Other \_\_\_\_\_  
 (Check all that apply) (Herbicide)

Area(s) of Concern & Type of Weeds:	Acreage	Method of Control	Date Treated

Tom Williams  
 Signature of Applicant

March 22, 2016  
 Date

\_\_\_\_\_  
 Signature of BCWCB Officer

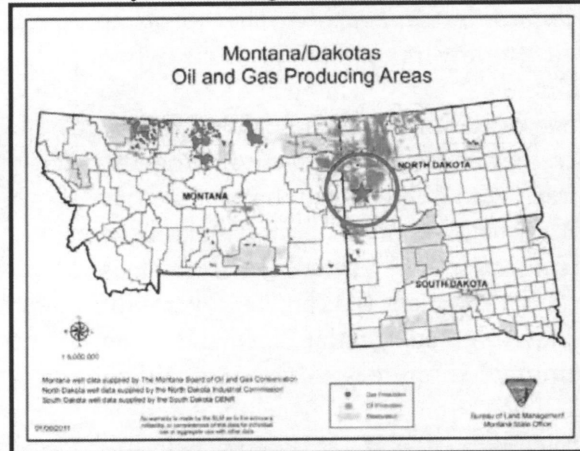
\_\_\_\_\_  
 Date



## Exhibit B – Overall Project Description

### The Davis Refinery Project

Meridian Energy Group, Inc. ("*Meridian*" or the "*Company*") is a closely-held South Dakota corporation formed to build and operate the Davis Refinery ("*Davis*" or the "*Refinery*"), a phased approximately 55,000 bpd high conversion crude oil refinery, in Billings County, North Dakota, in the heart of the Bakken Formation (see maps below). The majority of the oil being produced in the Bakken is transported to distant refineries, and products consumed in the area are imported all the way back. By building the Refinery near the source of crude oil, the Company can take advantage of low-cost sources of crude oil as feedstock and natural gas as refinery fuel. The Refinery will also benefit from a transportation cost advantage for its refined products.



Meridian will build and operate the Refinery on a 708-acre site in Billings County, North Dakota, just west of the town of Belfield (*the "Site"*). The Site was selected because it is close to the major oil and gas producing operations of the Bakken, is in close proximity to major north-south and east-west highways, adjacent to oil and gas pipeline gathering systems and to the Burlington Northern Santa Fe ("*BNSF*") primary rail line that runs through the property.

Meridian is designing and building the Refinery in two phases. Phase 1 will be an approximately 27,500 bpd facility focusing on the production of Jet Fuel and Auto Diesel using a combination of local crudes as feedstock. In Phase 2, Meridian will increase the capacity of the Refinery to 55,000 bpd at a higher complexity, producing a full slate of refined products including LPG, Gasoline, Jet Fuel, Auto Diesel and Fuel Oil.

### Project Impacts

As expected in the case of any substantial industrial facility, the Refinery will have a number of impacts on the surrounding community and environment. These impacts, the Company's planned mitigation measures, and the relevant documents included herein, can be summarized as follows:

**Air Emissions** – Phase 1 of the Refinery will be a Minor Source of air emissions. The Company is preparing its application for a Permit to Construct for submittal to the State of North Dakota, Department of Health, and expects to submit that application during April 2016. A copy of that permit application will be provided to Billings County when submitted.

**Water Consumption** – The Facility is expected to utilize less than 100 gallons per minute of water, and is exploring a number of different sources, including the use of local municipal wastewater for process makeup water. Once the design of the Refinery and the discussions with various potential



sources of water have been completed, Meridian may be submitting a water allocation application with the appropriate Agency.

**Wastewater Discharge** – The Refinery will treat its wastewater and will be complying with all applicable regulations regarding discharge. The Refinery will be applying for the appropriate wastewater permits from the State of North Dakota Department of Health.

**Community Impacts** – The Refinery will employ up to 200 persons when completed. As indicated in the documentation included as Exhibit K hereto, a multiple of total employment to direct employment can be as high as 12:1, meaning total employment as a result of the Refinery will be as much as 2,400 (see also Exhibit J). This will result in substantial demands on community services in the area. When Meridian first began working on this project, the oil and gas boom was in full swing, and housing and community services were sorely pressed. Meridian has been informed, and believes it to be true, that since drilling activity has been reduced over the past two years this situation has been reversed, and in fact additional employment and fuller use of community services would be welcome in the area.



**Construction Period Impacts** – During construction, approximately 400 to 500 workers will be employed at the site, and will require local housing, but current hotel and apartment vacancies in the area indicate that there is sufficient availability to accommodate the work force. Other construction impacts include those associated with activities at the site, including dust and noise. The construction impact mitigation measures that will be implemented at the Refinery are typically addressed in detail as specific construction permits are obtained, but have been outlined in general in Exhibit J hereto.

**Visual Impacts** – Meridian is aware of the sensitive nature of the area in which the proposed Project is to be located, including the proximity of the Theodore Roosevelt National Park, and has taken steps to reduce visual impact to a minor level. This includes the use of minimal plant lighting at night (but within applicable safety standards), and the proposed installation of an agricultural buffer consisting of berms and trees placed around the North and West sides of the Project process areas. With respect to this Buffer, Meridian has requested that North Dakota State University develop a plan for developing detail plans for the buffer and assistance in implementing and



maintaining this feature of the Project. As shown in Exhibit G hereto, the Project will not be visible from the Park.

***Public Health, Safety, Comfort, General Welfare*** – Meridian has taken steps, as described herein, to substantially mitigate the adverse impacts of the Project on the surrounding area, including air quality (permit application for Permit to Construct from North Dakota Department of Health will be submitted within 30 days), typical construction period impacts (dust, noise, weed control, traffic), water quality and visual impacts. In addition, the overall socioeconomic impact of the Project should be a positive one, with substantial job creation to promote the general welfare of the surrounding community.

***Value and Enjoyment of Other Property in the Area*** – The Project can be expected to increase the value of other property in the area by providing more general rail, power and other utility access to other commercial and industrial uses, and by attracting compatible industrial process units. For example, Meridian has received inquiries from agricultural chemicals firms, brewing companies, and others interested in locating facilities nearby once the Project is in operation.

***Impede Orderly Development of Surrounding Property*** – As described above, the Project should promote the value of surrounding properties and promote additional development in specialty agricultural, commercial and industrial uses.

***Adequacy of Utilities, Access Roads, Drainage, Other Site Improvements*** – The Project will be entering into a tariff arrangement with Roughrider Electric Cooperative, Inc. for the supply of electric power to the Project, with Montana-Dakota Utilities for the supply of natural gas to the Project, and will be entering into other arrangements (including wastewater treatment arrangements with local communities) for the supply of water. Drainage from the site will be fully contained and controlled and will be established early during on-site activities, and local access roads will be improved and maintained to avoid road damage and traffic problems during construction and operations.

***Ingress and Egress to Property Without Adverse Impact to Surrounding Properties*** – The Project is planning on paving and otherwise improving the surrounding roads that provide access to the Property, and to collaborate with Billings County, Stark County, and the City of Belfield on traffic studies and requirements for employee ingress and egress. Truck traffic associated with the supply of crude oil and transportation of refined products will be minimized in favor of rail and pipeline transportation.

***Conditional Use Conformance to Applicable Regulations of District*** – The Project complies with the relevant regulations of the district, including, but not limited to, the following: (a) as a refinery, it is a permitted use in an industrial district; (b) the Project complies with such regulations as parking regulations, and such performance standards as incorporating a buffer strip, and having no open storage within 100 feet of residential units; (c) the lot area is well over five (5) acres; (d) the Project complies with all setbacks and other layout requirements; and, (e) the property boundary enclosing the Project is well over 1,250 feet away from any residential districts (Belfield city limits).



## **Exhibit C – Refinery Process and Operations Description**

Once it is fully constructed and operational, the Refinery will utilize conventional distillation and high-conversion technology to process feedstock crude oils into a full slate of refined products. Meridian intends to install and operate the Refinery in phases, with the initial phase designed to process up to 27,500 bpd of crude oil feedstock to produce primarily Jet Fuel and Auto Diesel. The Refinery will be brought to full capacity in the second phase, at which time it will process up to 55,000 bpd of crude feedstock into a full slate of refined products including LPG, Gasoline, Jet Fuel, Auto Diesel, and Fuel Oil. The process for the full 55,000 bpd Refinery is described below.

Feedstock to the refinery will be delivered via a combination of pipeline and rail and pumped into storage tanks. From the storage tanks crude oil will be fed to Crude Atmospheric Distillation Units to separate feedstock into Naphtha, Kerosene and Diesel which will be sent to other units for further processing. From the overhead hydrocarbon liquid product of the atmospheric units Fuel Gas, Propane and Butane will be obtained. Butanes from the atmospheric distillation units will undergo further processing in the Isomerization and Alkylation units to obtain alkylate for the gasoline blending stock. Crude residues from the atmospheric distillation units will be sent to a vacuum distillation unit for further fractionation.

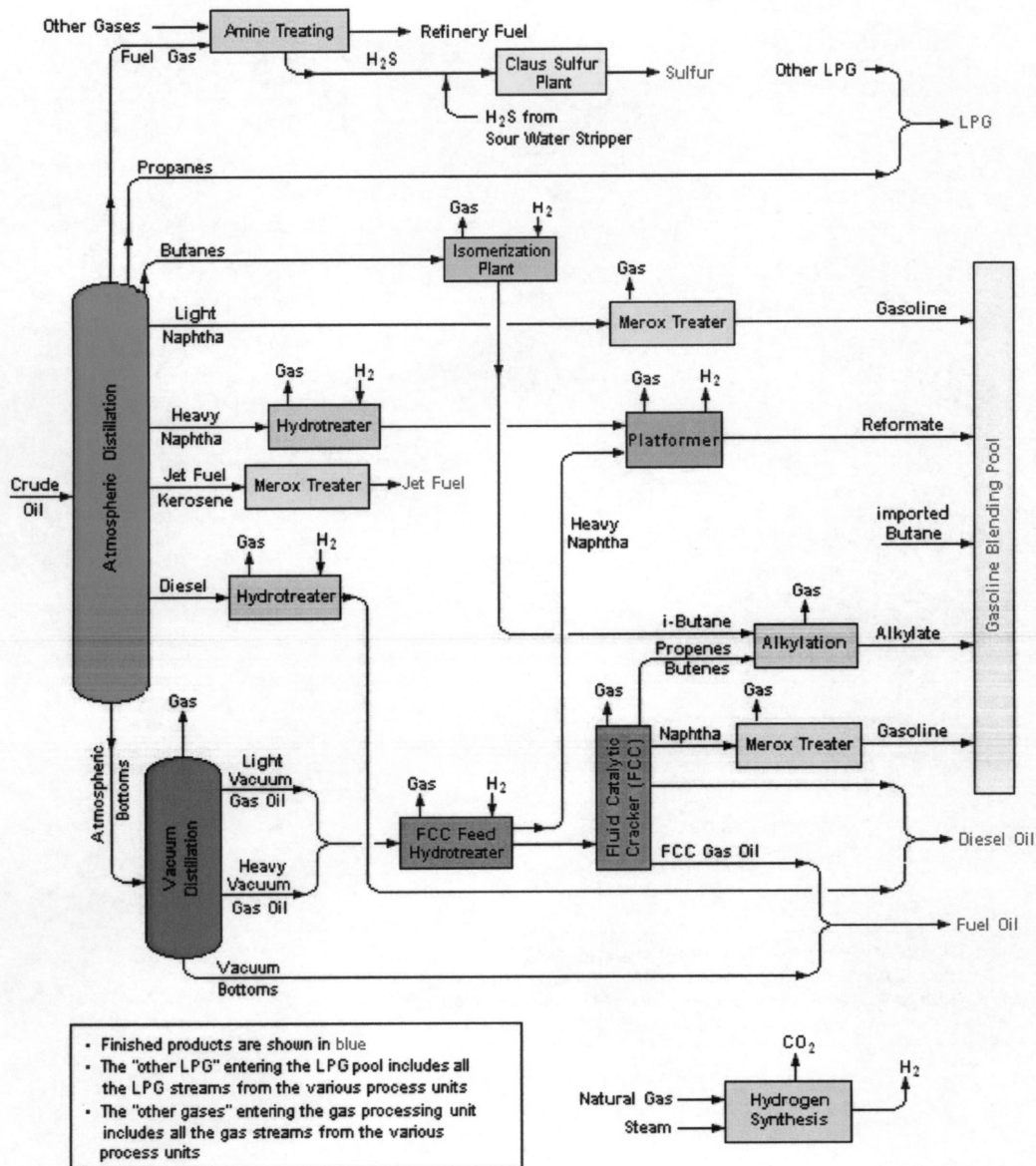
Intermediates from the vacuum distillation are sent to a Hydrotreating and a Fluid Catalytic Cracking (FCC) Units for conversion into lighter products such as LPG, gasolines, light cycle oil, and decant oil. Gasoline from the FCC Unit will be further treated in a Merox Unit prior to being sent to the gasoline blending stock.

Light Naphtha from the atmospheric distillation units will undergo further processing through a Merox unit to meet gasoline blending specifications. Heavy Naphtha from the atmospheric distillation units will pass through a Hydrotreater prior to being combined with heavy naphthas produced in the FCC Hydrotreater. The combined naphtha streams will be fed to two Platformer Units that will process the low-octane components to obtain higher octane reformat to be used in gasoline blending. The Kerosene cut from the atmospheric distillation unit will be further processed in the Jet/Kerosene Merox Unit to meet Jet Fuel product specifications. The Diesel cut will be sent through a middle distillate Hydrotreating Unit where sulfur and nitrogen are removed to produce finished product.

To support the plant's main processes an amine unit will remove H<sub>2</sub>S from plant offgas streams, a hydrogen unit will process amine-treated offgases to generate high purity hydrogen, and a sulfur recovery unit will convert removed H<sub>2</sub>S to elemental sulfur. Ancillary equipment for the refinery will include utilities such as Fresh Water, Fire Water, Cooling Water, Demineralized Water, Steam Generation, Condensate, Plant Air, Instrument Air, Electrical Distribution and Emergency Power Generation, Stormwater and Waste Water Treatment. A tank farm will include incoming feedstock tankage as well as refined product storage. Loading facilities will include accommodations for both truck and rail transportation. Refinery buildings will include the main control room, administrative offices, and maintenance shop and warehousing.



## Simplified Block Diagram for Full Refinery Buildout



## Simplified Block Diagram for Phase 1 Davis Refinery

