

# **August 2018 Monthly Update**

## **North Dakota Pipeline Authority**

### **Justin J. Kringstad**

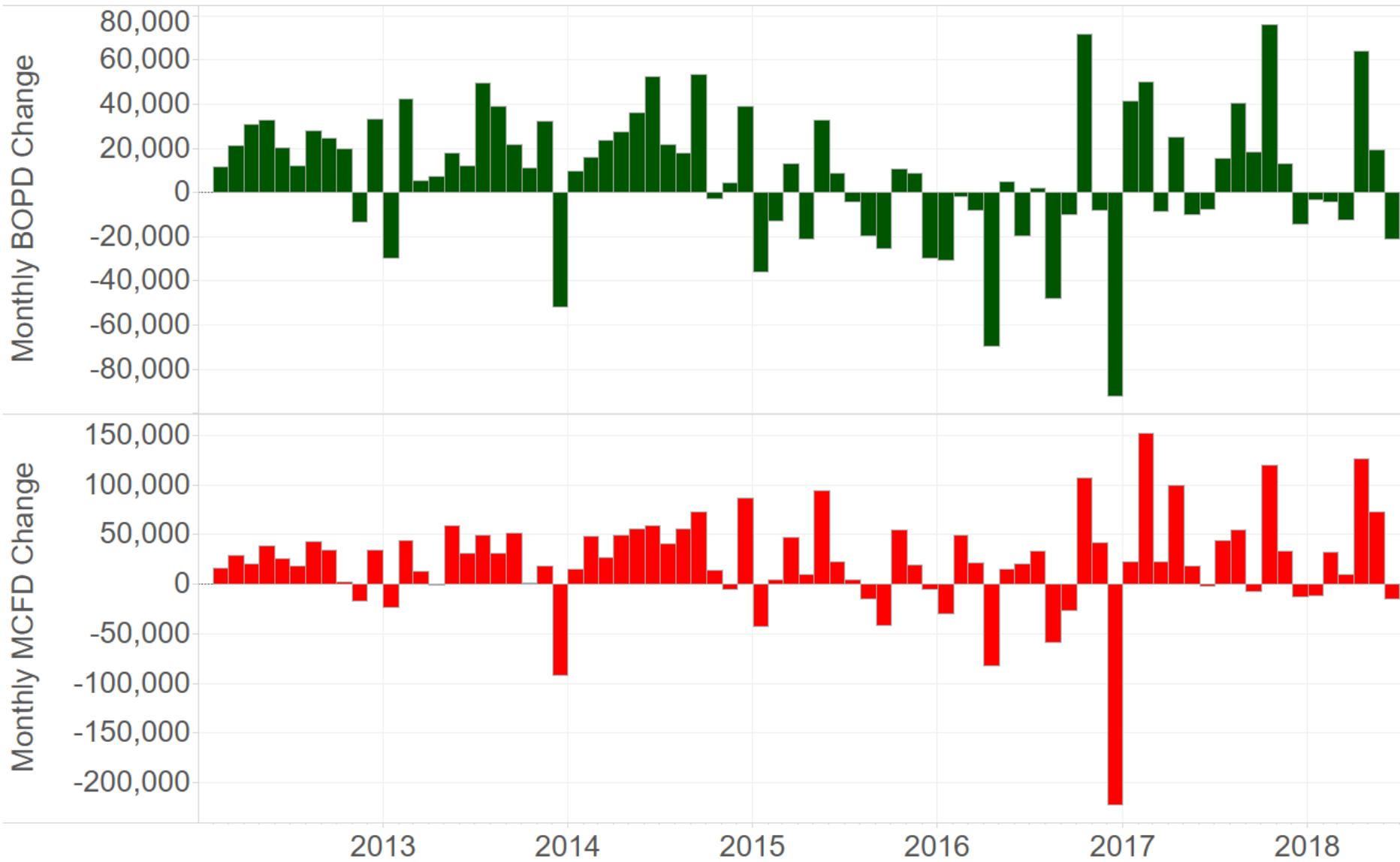
**August 16, 2018**

# US Williston Basin Oil Production - 2018

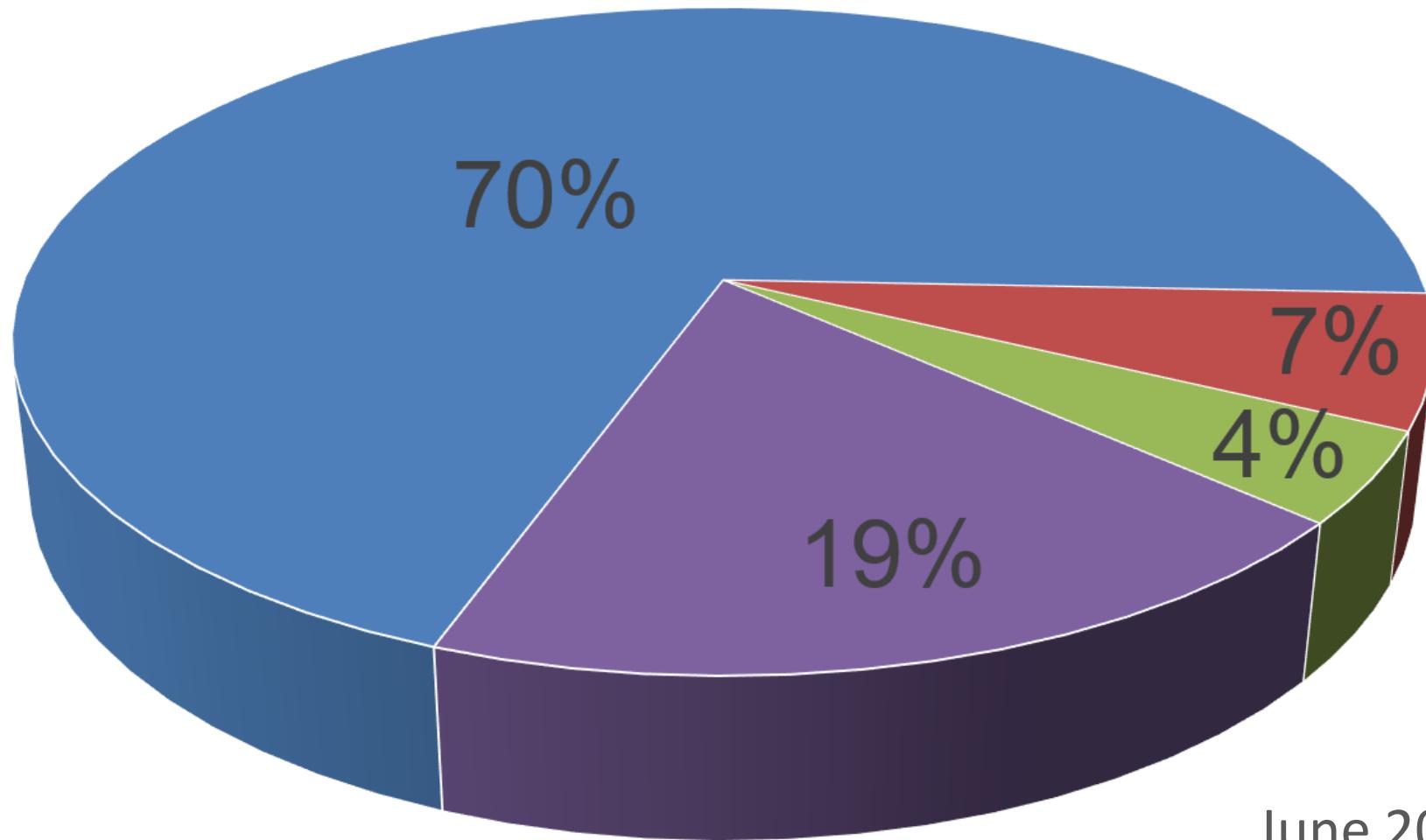
MONTH	ND	Eastern MT*	SD	TOTAL
January	1,179,712	50,122	3,555	1,233,389
February	1,175,284	49,568	3,628	1,228,480
March	1,162,722	48,168	3,502	1,214,392
April	1,226,995	48,512	3,515	1,279,022
May	1,246,355	47,762	3,471	1,297,588
June	1,225,510			
July				
August				
September				
October				
November				
December				



# Monthly Production Change



# Estimated Williston Basin Oil Transportation

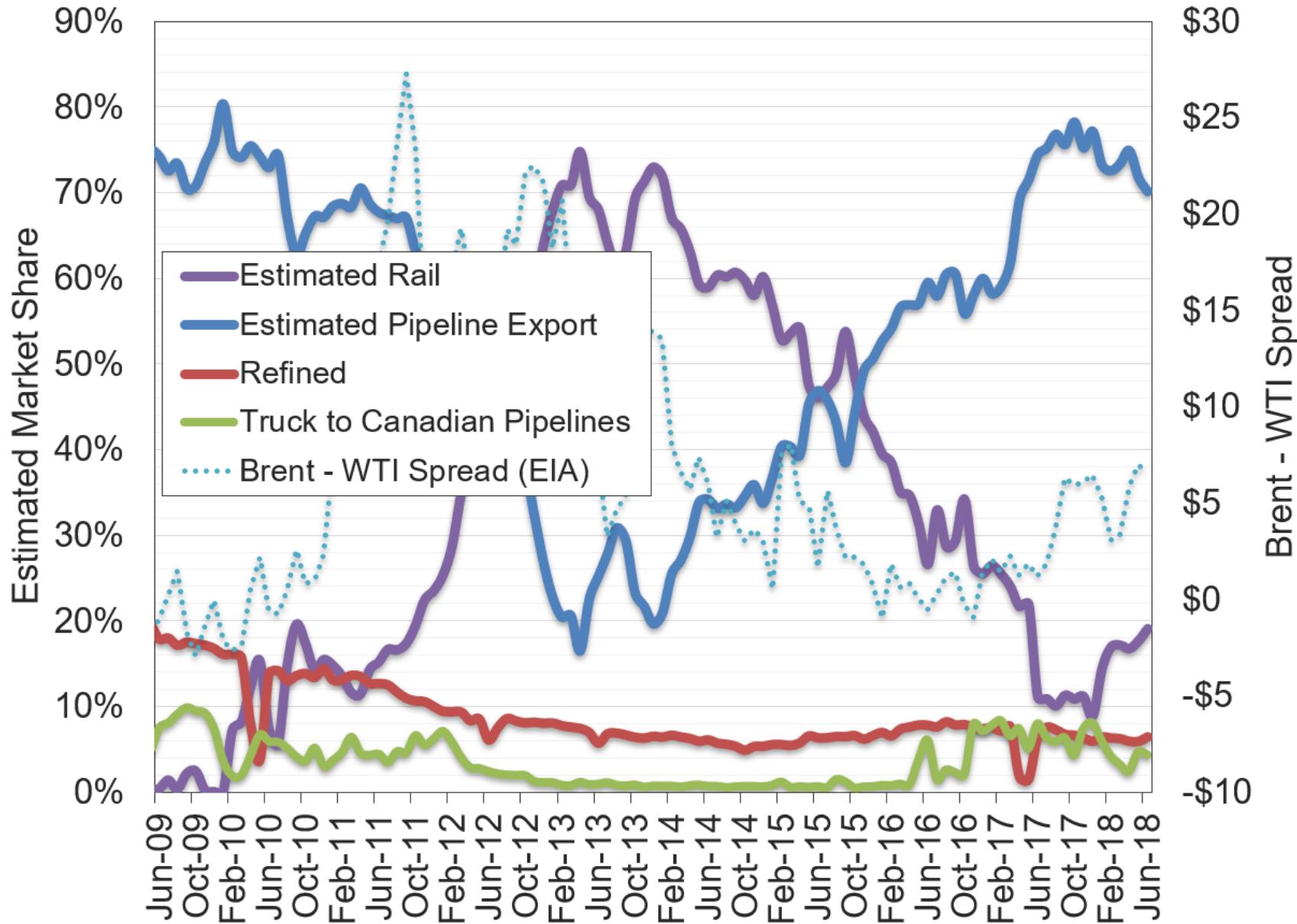


June 2018

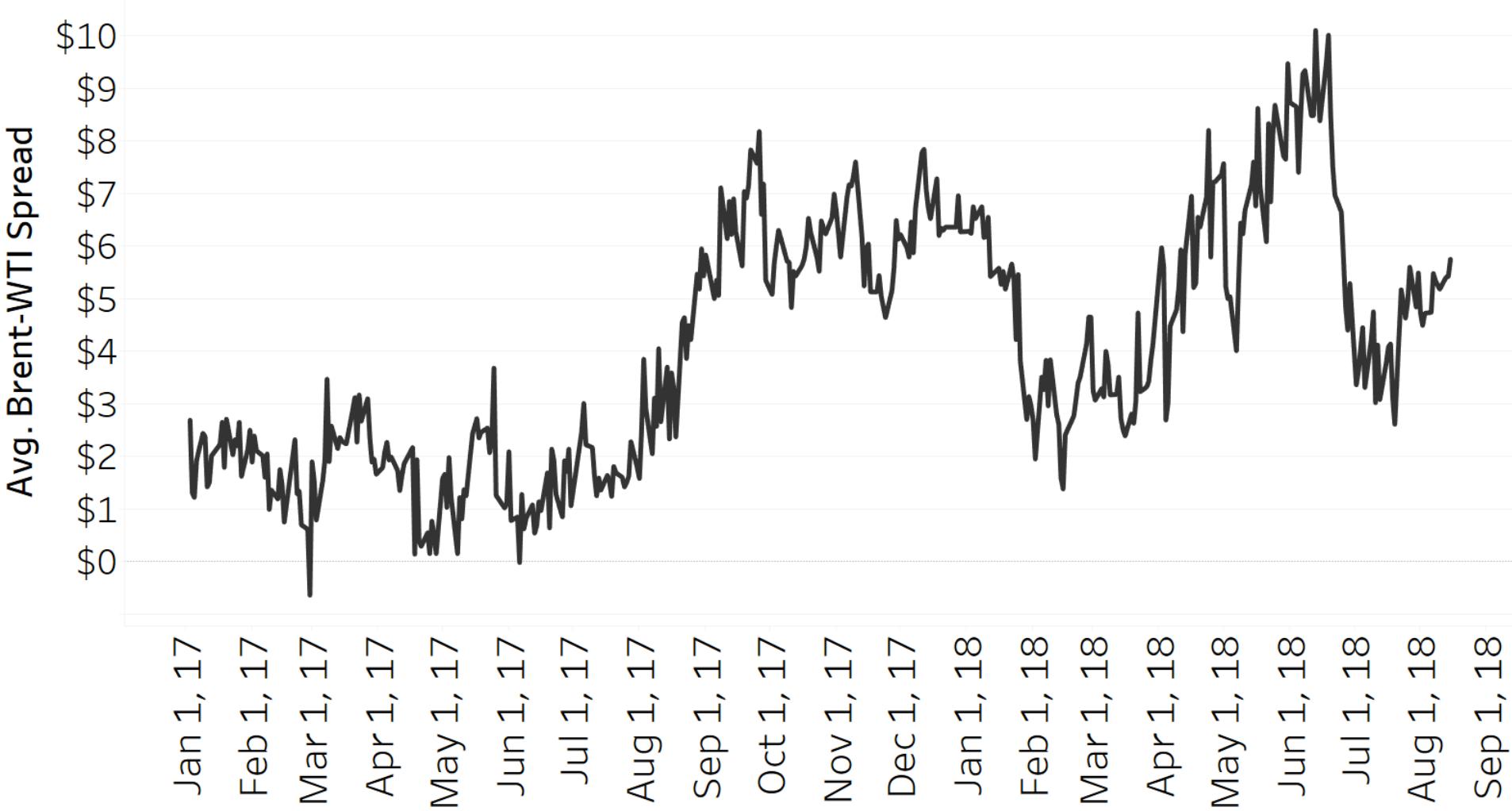
- Pipeline Export
- Truck to Canadian Pipelines
- Refined
- Estimated Rail



# Estimated Williston Basin Oil Transportation



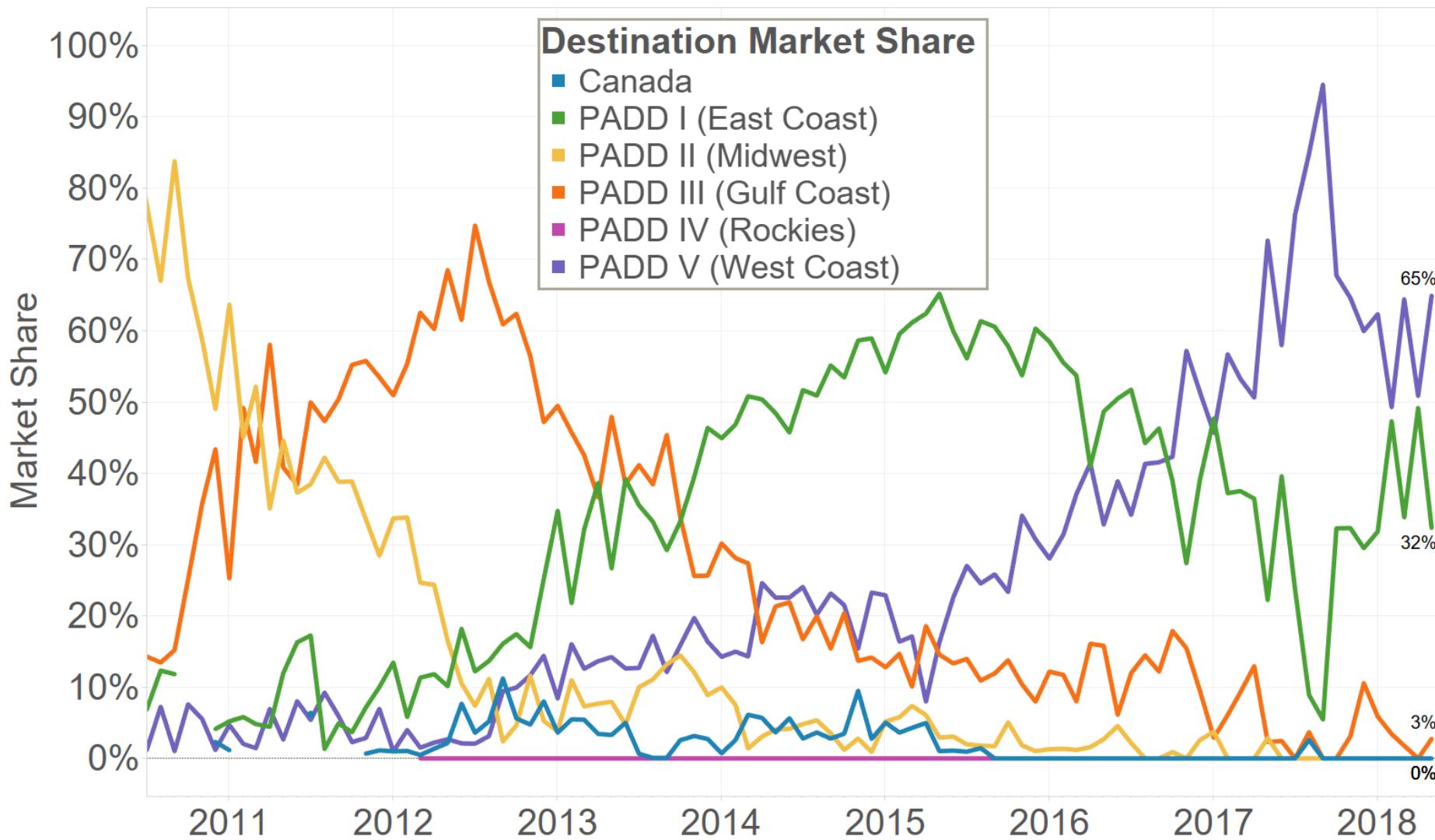
# Brent – WTI Price Spread



# Estimated ND Rail Export Volumes



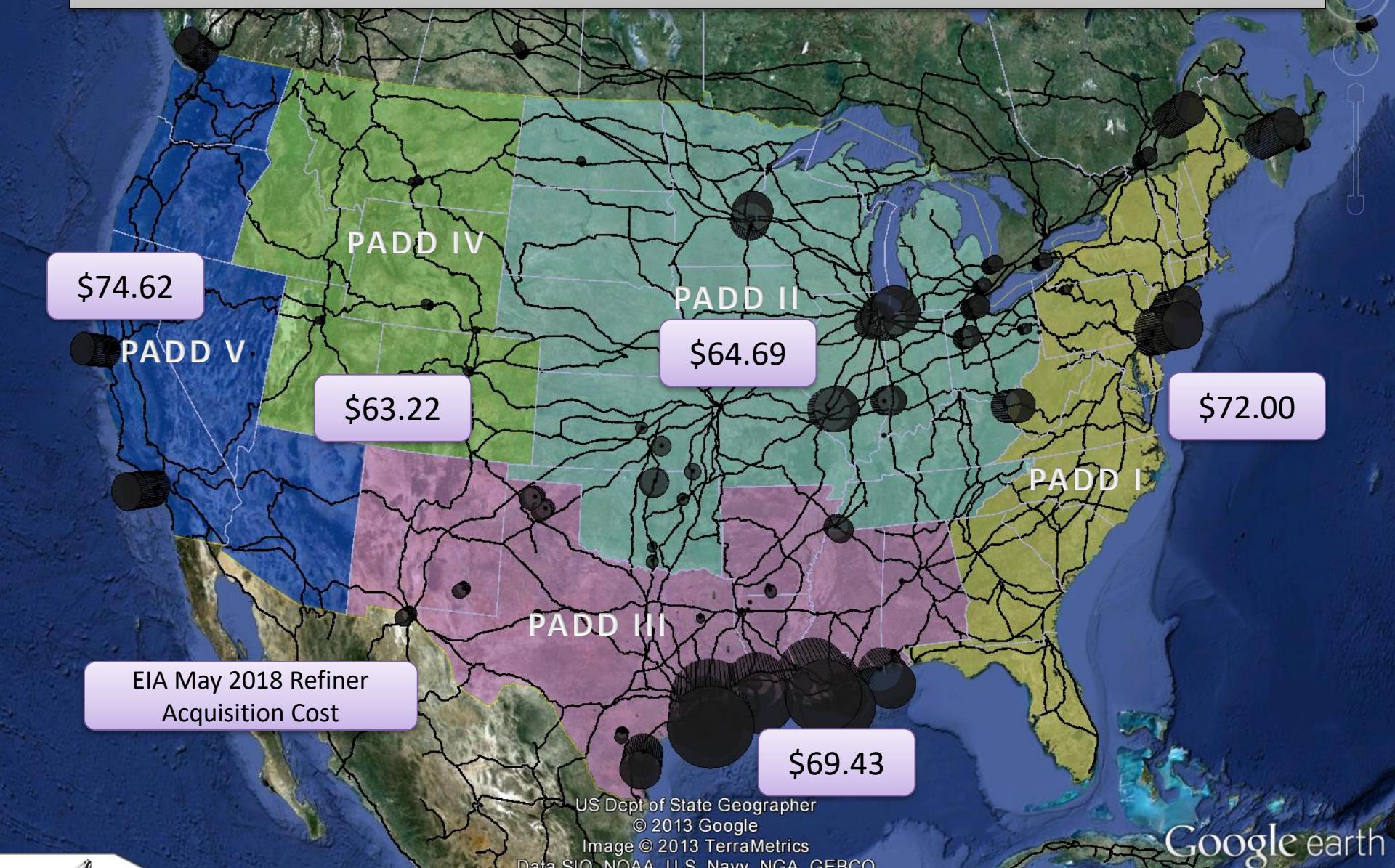
# Rail Destinations Market Share (May 2018)



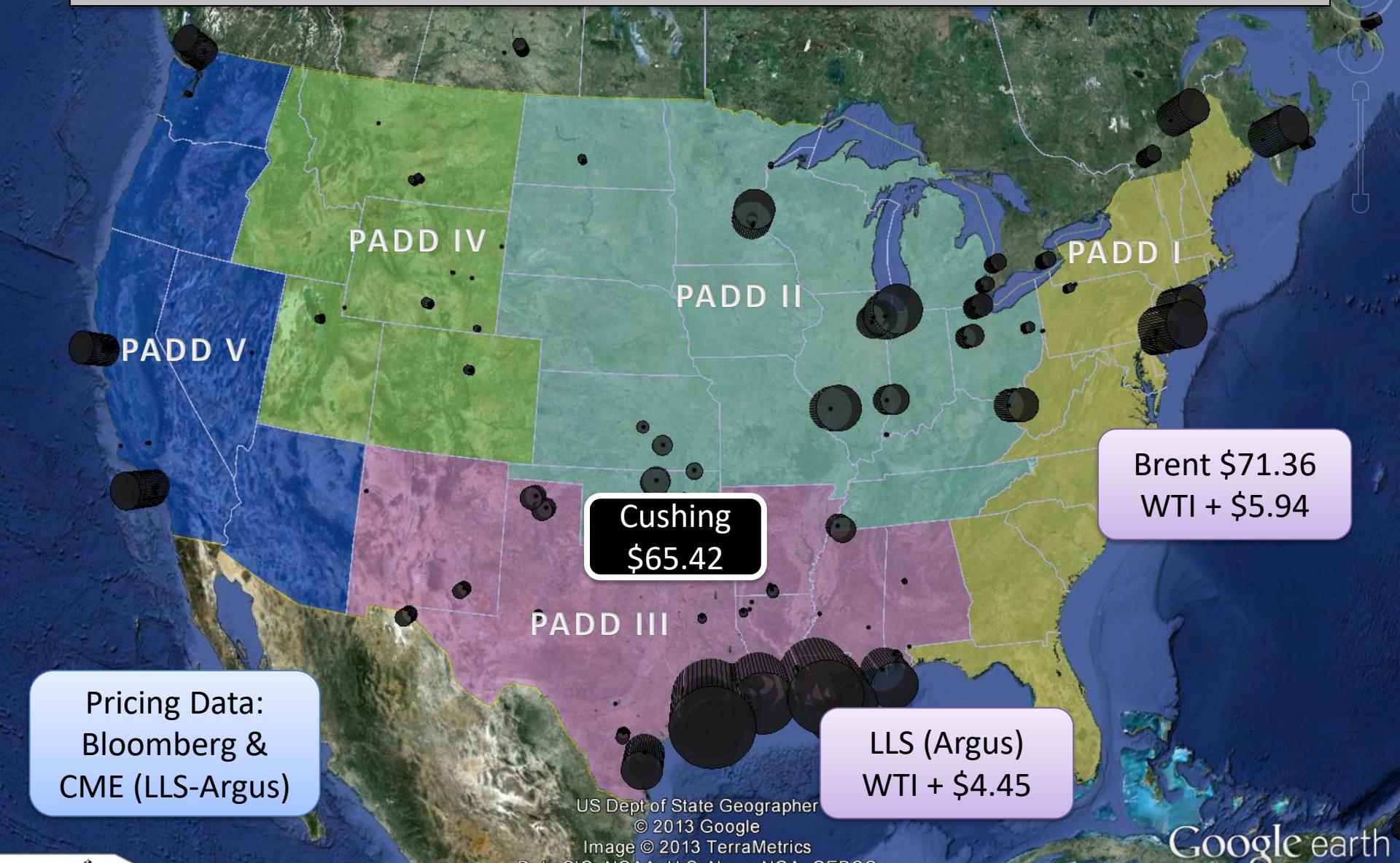
*Data for Rail Destination Market Share Provided by the US Energy Information Administration*



# Major Rail Lines and Refineries



# Crude Oil Prices – August 16, 2018



# North Dakota Impact of Smaller Discount

- 2016 Weighted Average Discount: \$7.71
- June 2017 - June 2018 Wt. Average Discount: \$4.77
- \$2.94/BBL Improvement Post DAPL Commercial In-Service
- 451,712,138 Taxable Barrels In June 2017 - June 2018
- Wt. Avg. Tax Rate in June 2017 - June 2018: 9.74%

## Thirteen Month Revenue Impact

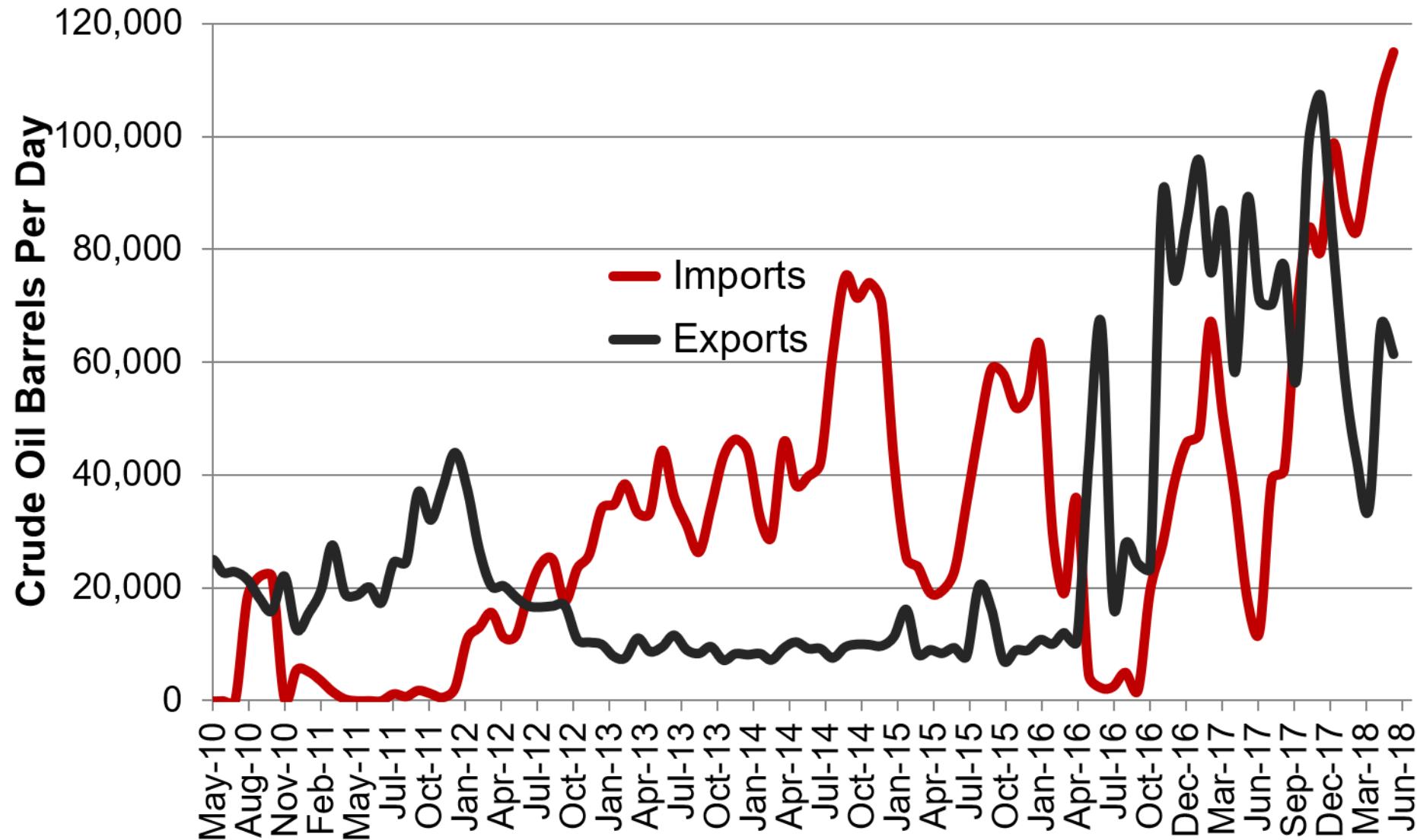
- $9.74\% \times 451,712,138 \times \$2.94 =$

**\$129+ Million Additional State Revenue  
When Compared to Avg. 2016 Discount**

**Does Not Include Royalty Owner  
and Industry Revenue Impact**



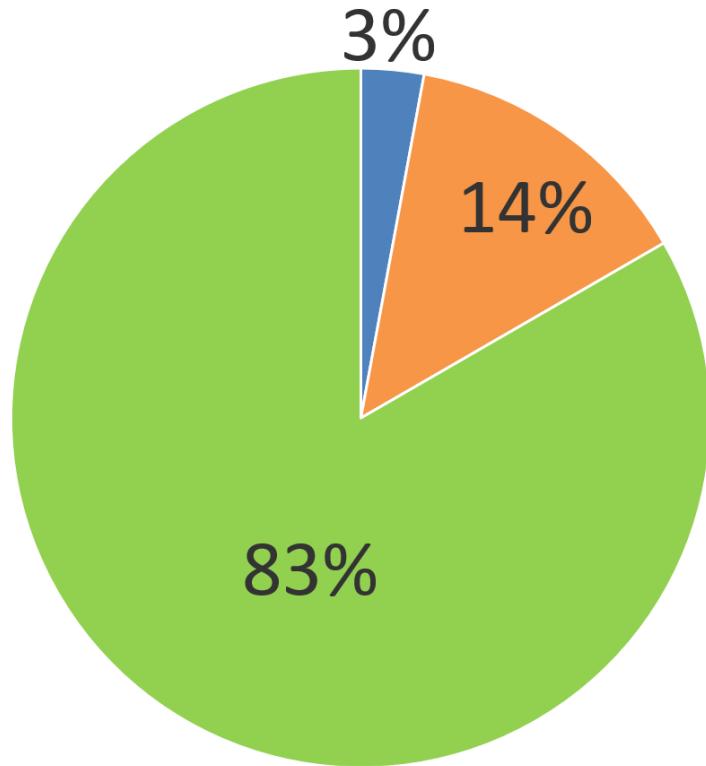
# Williston Basin Truck Imports and Exports with Canada



*Data for truck imports/exports chart is provided by the US International Trade Commission*



# Solving the Flaring Challenge



**GREEN** – % of gas captured and sold  
**Blue** – % flared from zero sales wells  
**Orange** – % flared from wells with at least one mcf sold.

## Simple Terms

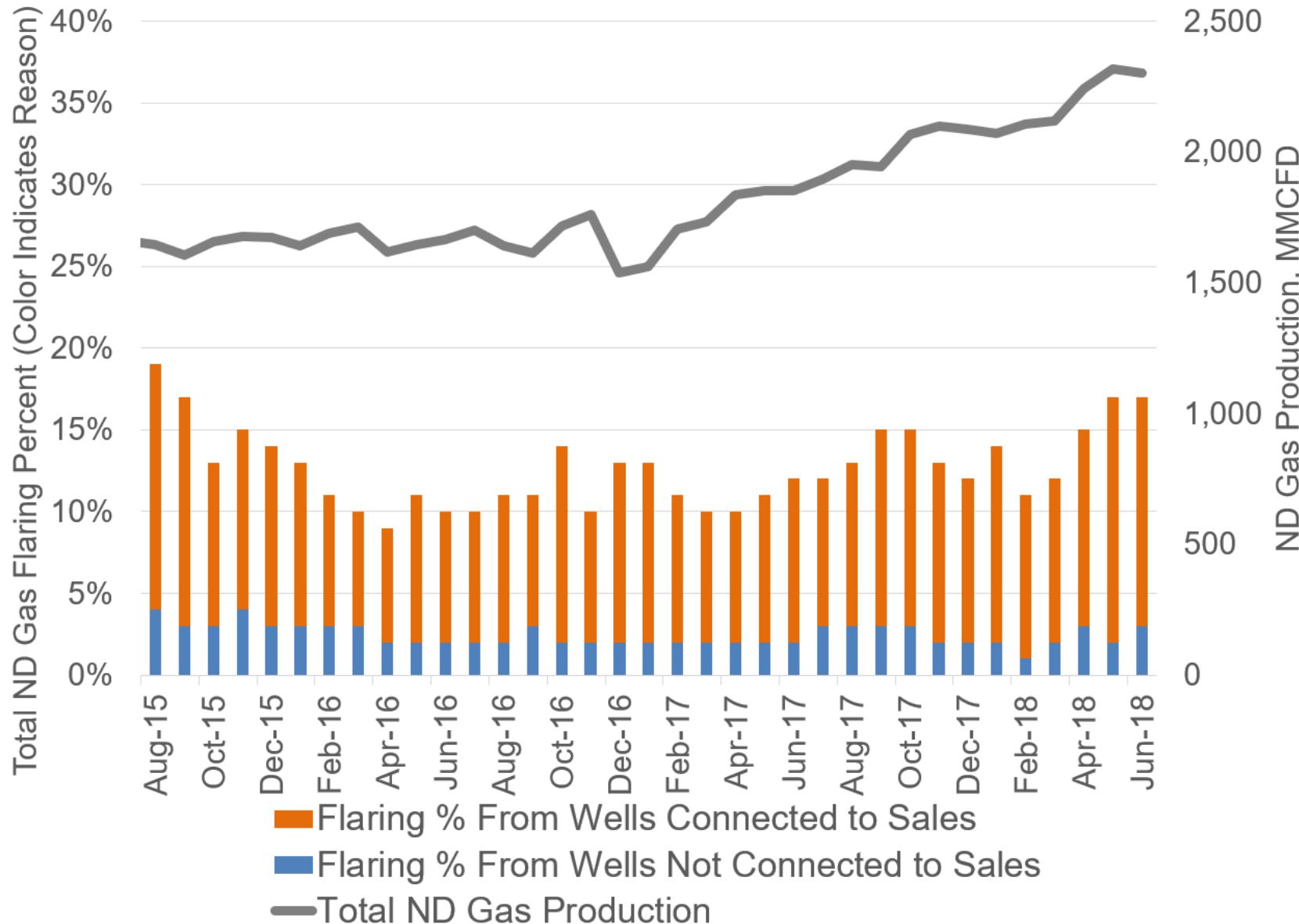
**Blue** – Lack of pipelines  
**Orange** – Challenges on existing infrastructure

Statewide

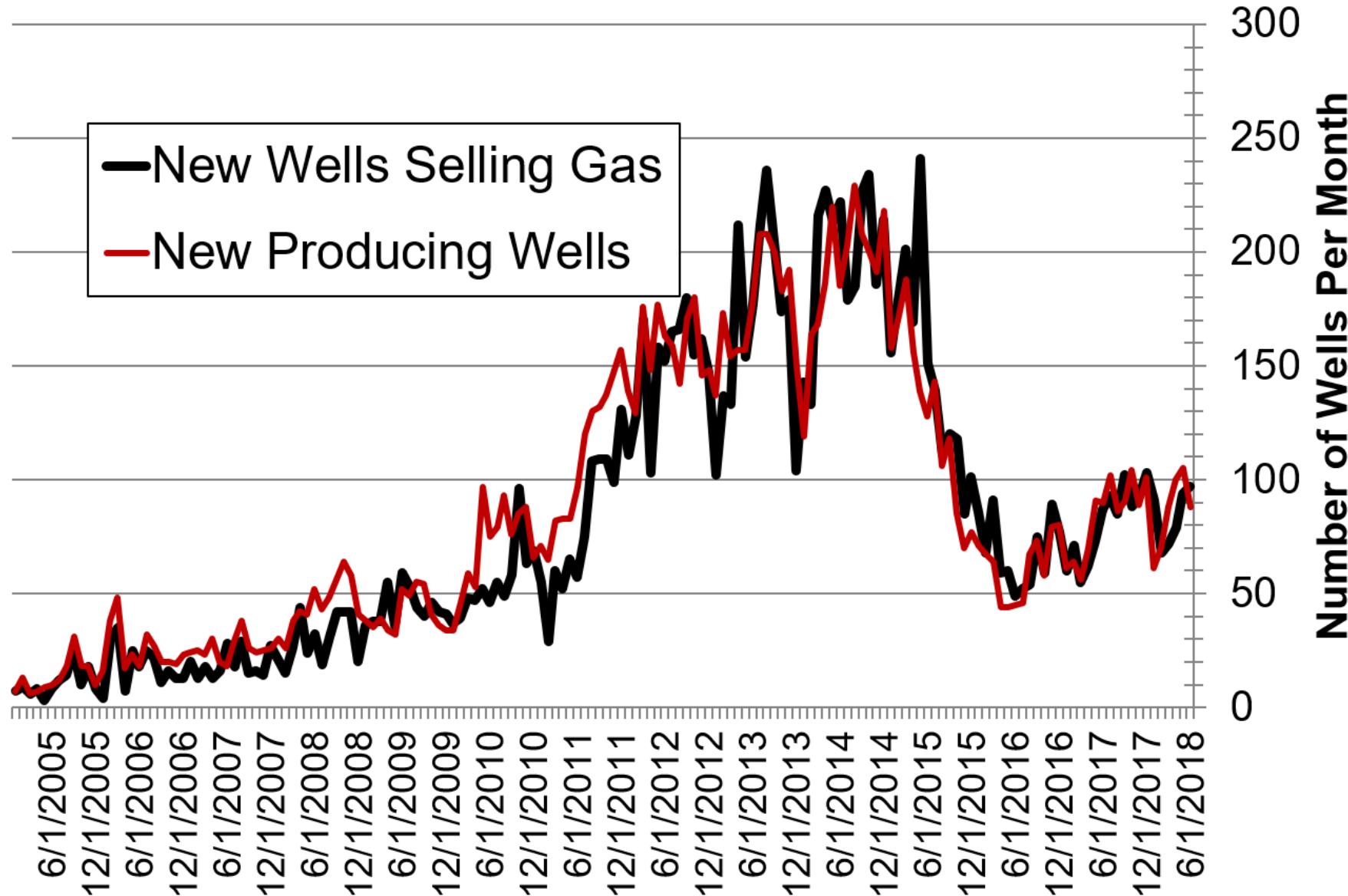
June 2018 Data – Non-Confidential Wells



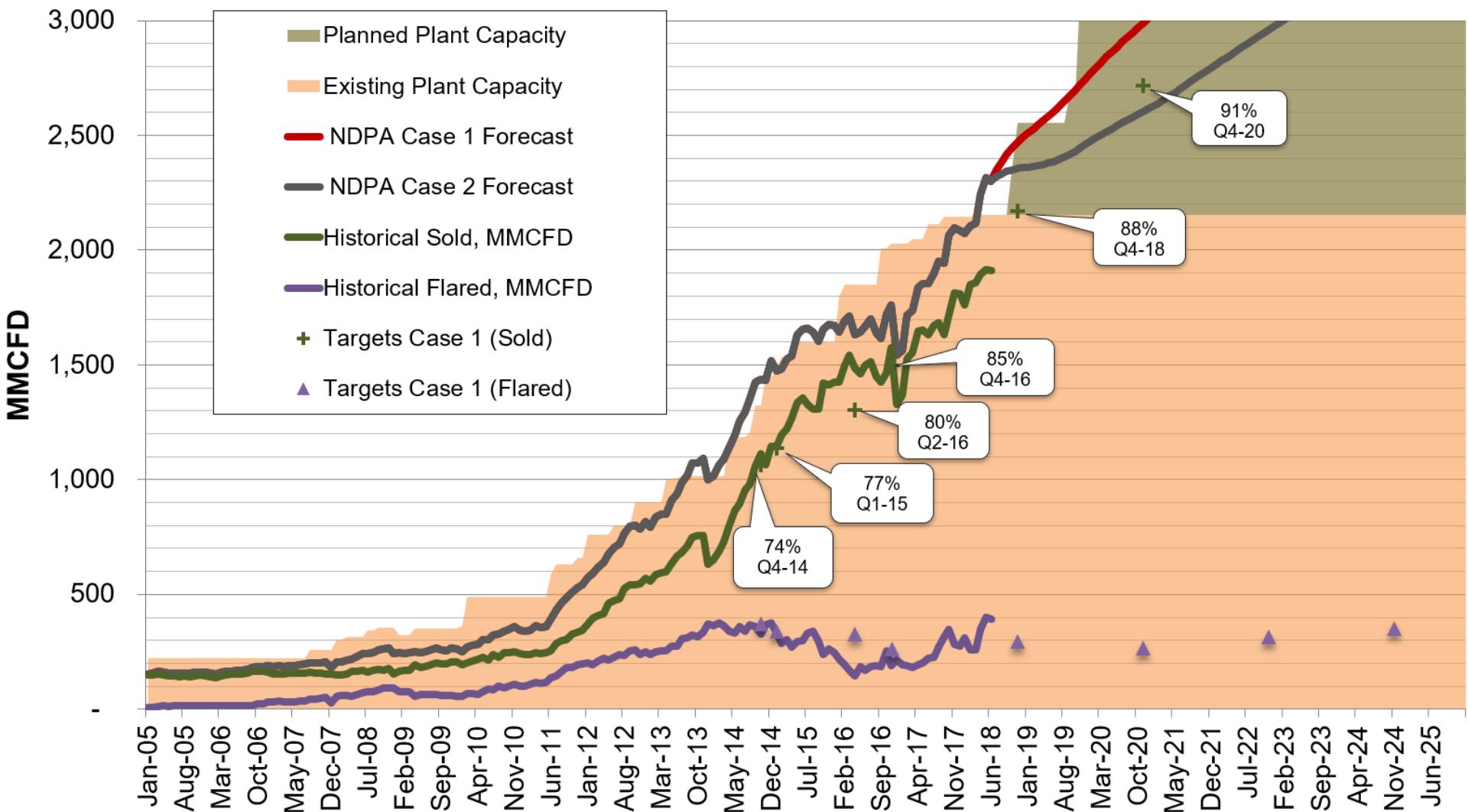
# Solving the Flaring Challenge



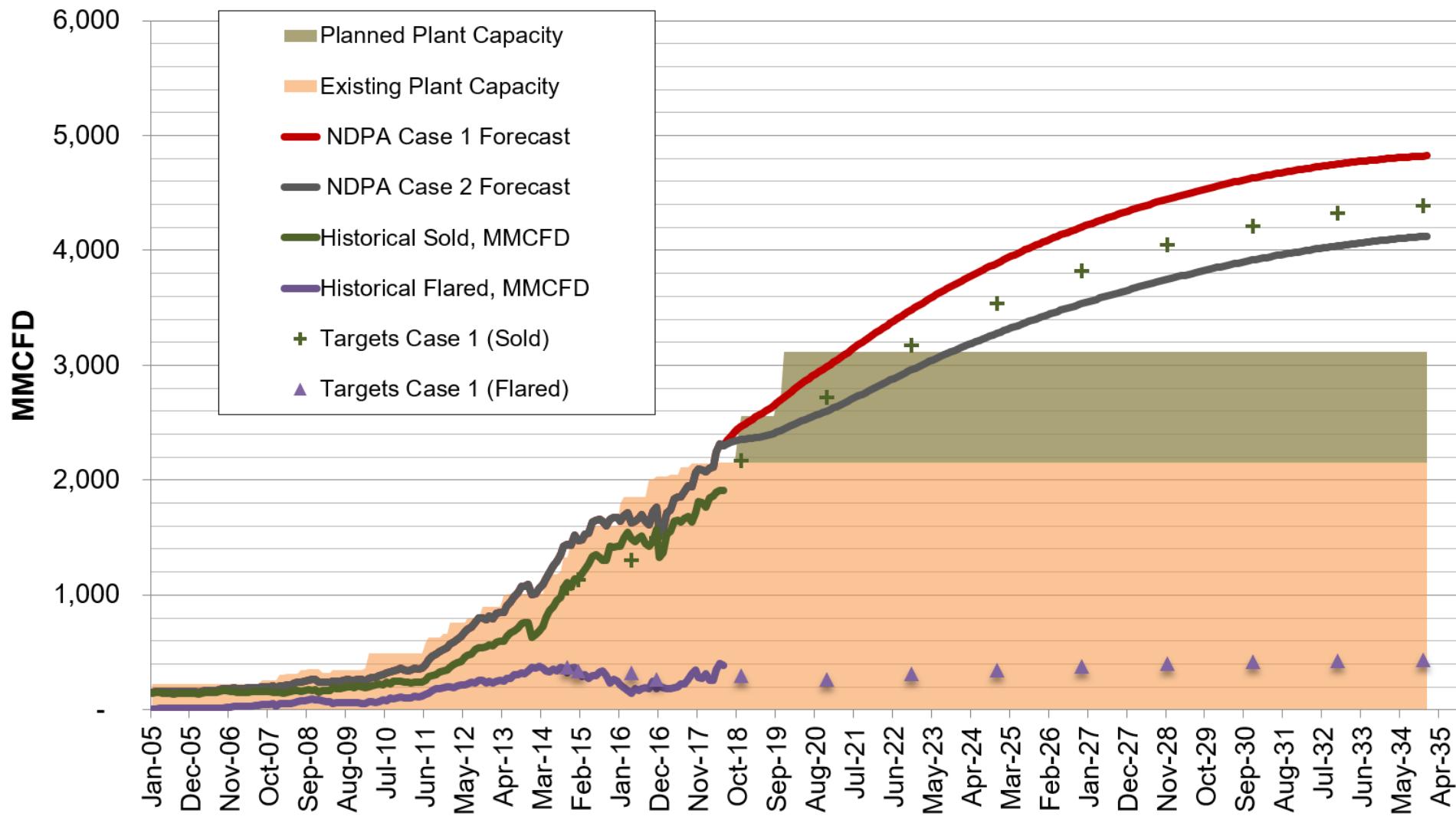
# Solving the Flaring Challenge



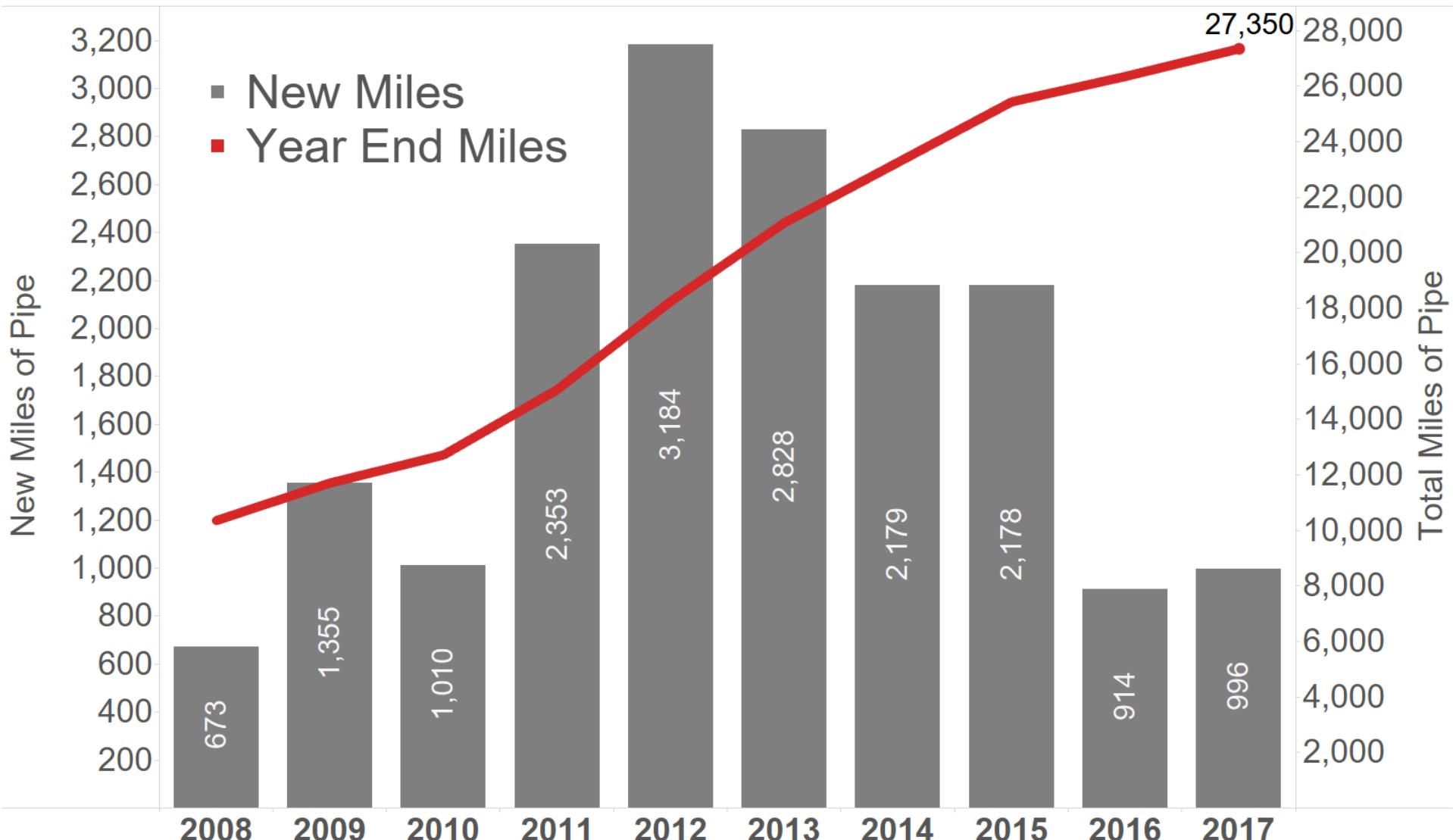
# Solving the Flaring Challenge



# Solving the Flaring Challenge



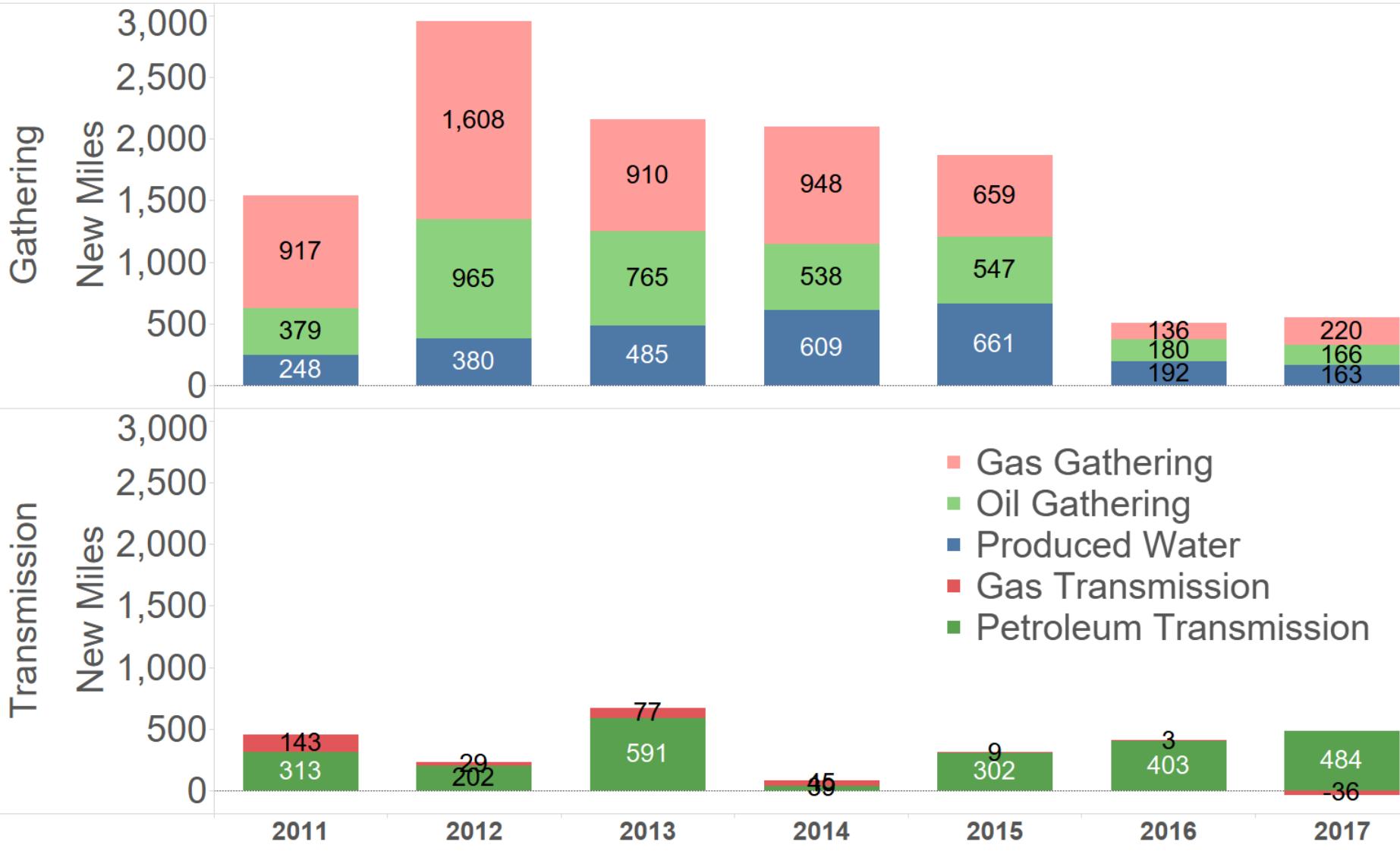
# North Dakota Pipeline Construction



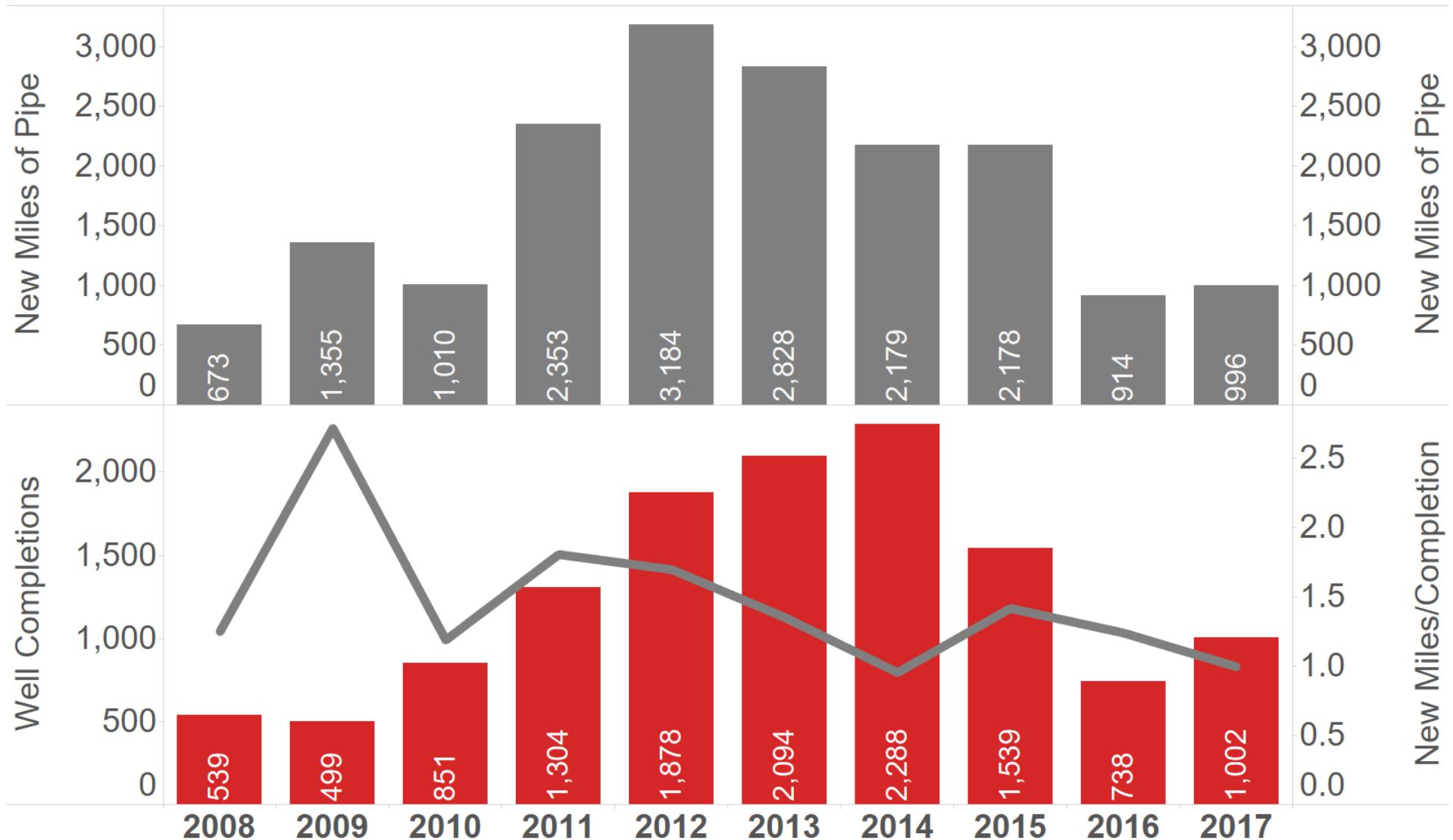
Sources: NDIC & PHMSA



# North Dakota Pipeline Construction



# New Miles and Well Completions



# Contact Information

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**Know what's below.  
Call before you dig.**



JJ Kringstad - North Dakota Pipeline Authority

Websites:

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

[www.northdakotapipelines.com](http://www.northdakotapipelines.com)

