



### Snaking through the railhead



VERN WHITTEN PHOTOGRAPHY

A BNSF unit train approaches the loading racks at Hess Corp.'s rail loading terminal at Tioga, North Dakota in mid-December. As part of a plan to monetize its Bakken midstream assets, Hess announced in July intentions for an initial purchase offering for its wholly-owned subsidiary Hess Midstream Partners, which will inherit a 50 percent interest in the facility. The terminal went into service in April 2012.

### South Dakota holding hearings on ETP Bakken Crude pipeline

The South Dakota Public Utilities Commission has scheduled three public hearings on Energy Transfer Partners' Bakken Crude Oil pipeline, sometimes referred to as the Dakota Access pipeline, a line proposed to run from the Bakken in northwest North Dakota to a Midcontinent hub at Patoka, Illinois.

The proposed route traverses 13 counties, entering the state at Campbell County in north-central South Dakota and running approximately 272 miles southeast to exit the state in Lincoln County in far southeast South Dakota. The pipeline would have one pump station in South Dakota.

Two of the hearings will be held on Jan. 21, one in Bowdle beginning at noon and the other in Redfield beginning at 6 p.m. The other two hearings are scheduled for Jan. 22 at Iroquois beginning at 10:30 a.m. and in Sioux Falls beginning at 5:30 p.m. All four towns are on the proposed

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### 2015 global oil demand growth estimates get revised downward

As a new year begins amid a depressed global crude oil market, the International Energy Agency, the Organization for Petroleum Exporting Countries and the U.S. Energy Information Agency have all revised downward their estimates for global oil demand growth in 2015.

In its December oil market report, the International Energy Agency now projects global oil demand to grow by 900,000 barrels per day, a downward revision of 230,000 bpd from its November projection, based on lower production expectations from former Soviet Union states as well as other oil exporting countries. "A strong dollar and the lifting of subsidies have so far limited supportive price effects on demand." IEA estimates global crude oil demand to average 92.4 million bpd in 2014 and 93.3 million bpd in 2015.

OPEC's estimated 2015 oil demand growth is slightly higher at 930,000 bpd "mainly as a result of lower-than-expected consumption in the OECD region," the cartel said in its December Monthly Oil Market Report. That is a downward revision of 120,000 bpd from OPEC's previous projection in November. However, OPEC's estimated average 2015 global demand is lower than IEAs at approximately 91.13 million bpd.

The U.S. EIA's December Oil Market Report projects 2015

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### HISTORY

# One year ago

PNB looks back at year-end 2013 issues and what has and hasn't changed

By MIKE ELLERD

Petroleum News Bakken

As 2014 drew to a close, Petroleum News Bakken paused to look back at the last two editions of 2013 to compare the important Bakken industry-related issues making the news then with those making the news at the end of 2014.

Obvious to anyone who follows the industry, 2014 was fraught with change, including the major issue that wasn't even on anyone's radar at the end of 2013 — the plummeting global crude oil market and its ripple effects in the Williston Basin. But there were also a number of other key

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### LAND & LEASING

# MT lease interest rises

Nominated acres for March auction up 8-fold and focused on Williston Basin

By MIKE ELLERD

Petroleum News Bakken

Activity picked up considerably for Montana's next oil and gas lease auction scheduled for March with nominated acres up eight-fold over the acres leased in the December auction and most of the activity focuses on Montana's portion of the Williston Basin.

A total of 35,292 acres in 78 tracts have been nominated for the March Montana Department of Natural Resources and Conservation oil and gas lease auction, an increase of 31,000 acres over the 4,292 acres leased in December and marking the

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### January BLM auction limited to 7 ND tracts

In contrast to the more than 35,000 acres nominated for the Montana Department of Natural Resources and Conservation's March oil and gas lease auction, only 1,742 acres will be offered in the Montana/Dakota Bureau of Land Management office's January lease auction. Those acres, all in North Dakota, are spread among seven tracts in Dunn, McKenzie and Williams counties

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### MOVING HYDROCARBONS

# Bumbling and stumbling

Keystone XL gained little in 2014 and the case for approval weakens in Washington

By GARY PARK

For Petroleum News Bakken

It's time for the annual stocktaking on the Keystone XL, the sixth since the project that has no parallel in the history of energy pipelines that extend for hundreds of thousands of miles across North America.

And the bottom line is virtually indisputable.

The outlook is bleak, certainly bleaker than a year ago and unimaginably bleaker than when TransCanada formally launched the venture in 2008.

The shadow over the plan to ship about

### Commentary

As the year progressed Obama sounded progressively more negative, shrinking the chances that he will issue a Presidential Permit during his final two years in office.

700,000 barrels per day of mostly heavy crude from the Alberta oil sands and perhaps 100,000 bpd from the Bakken to refineries on the Gulf Coast extends from the Oval Office.

Entering 2014, there was a reasonable degree of hope that President Barack Obama might give a green light to XL, given that the State

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