



WESTERN DAKOTA ENERGY ASSOCIATION

March 24, 2017

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The Honorable Heidi Heitkamp
SH-516 Hart Senate Office Building
Washington, DC 20510

Dear Senator Heitkamp:

On behalf of the WDEA Executive Committee, I would urge your support of the Congressional Review Act resolution to disapprove BLM's Methane Venting and Flaring Rule.

The fact of the matter is, North Dakota addressed this issue long ago. In July 2014 state oil and gas regulators adopted a tough set of rules designed to reduce the volume of gas being flared. The Industrial Commission approved the rules which required operators in the Bakken and Three Forks plays to file plans to capture the gas produced in association with oil production. The rules also imposed production restrictions on operators who failed to meet those flaring reduction goals.

The rules have been effective in substantially reducing the amount of flared gas in the Bakken. Flaring rates have been as low as 8% in recent months, although that percentage recently increased to 14% due to winter weather related freezing problems. But overall the rate continues to drop from the historical high flaring rate of 36% in September 2011.

The BLM rules are yet another one-size-fits-all federal process that fails to address the specifics of each state, particularly North Dakota. These rules would apply not only to wells with federal leases, but also to any spacing unit that contains federal minerals. According to the ND Department of Mineral Resources, BLM's rule would impact nearly 3,000 private wells in Billings, Bottineau, Bowman, Burke, Divide, Dunn, Golden Valley, McKenzie, Mountrail, Slope, Stark, Renville, Ward and Williams counties. Producers would be forced to curtail production to meet BLM's misguided flaring thresholds.

Since 2006, North Dakota oil and gas producers have invested \$11 billion in natural gas pipeline and processing infrastructure and another \$2 billion will be invested within the next year to capture even more gas. Additional pipelines are necessary to move natural gas. Yet ironically, it is BLM itself that has prevented pipeline construction projects from happening because companies are unable to get easements or permits from the federal government. The best way to quickly and easily reduce flaring would be approving permits in a timely manner, rather than imposing new regulations that will reduce production and discourage investment.

On behalf of member cities, counties and school districts in the oil-producing region of western North Dakota, I urge you to strongly support the CRA resolution to reject BLM's methane rule.

Respectfully submitted,

Daryl Dukart
President

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"The Western Dakota Energy Association is the trusted and unified voice for the betterment of the citizens of North Dakota and the WDEA membership."