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Dear Mr. Kalil:

I write today to address some of my concerns about the rapid development we are seeing in the western part of North Dakota and to bring them to your attention in your role as Chairman of the Williams County Commission – most of, if not all, you are aware of but I wanted to get my two cents in anyway.

The working meeting tomorrow between state and local officials as well as a soon to occur planning and zoning meeting regarding industrial water wells prompted the timing. Unfortunately prior scheduled surgery will not let me attend these meetings so I felt the need to write my comments.

I know there are many issues on your table and theirs so I will limit this letter to industrial water wells. I had discussions with the Governor and with some of our legislators during the regular and special session regarding the costs and dangers that result from these facilities but my concerns and suggestions fell on deaf ears. Apparently they felt building the new water pipeline to supply various parts of northwestern North Dakota was a cure all – the problem with that solution is that there is a need to provide and move a large quantity of water before that project will be complete. That need has resulted in various areas of the county being inundated with a high level of semi truck traffic that is destroying county roads, resulting in a high level of nuisance dust and in too many situations providing dangerous driving conditions.

It appears to me that the activity in the west is providing more than sufficient funds sent to Bismarck but too much of this money is either being held in Bismarck or being funneled to various other parts of the state to handle shortfalls and disasters there. I realize the government must share its resources to help victims of natural disasters (Grand Forks, and more recently Minot and Bismarck) but we must realize that we have a disaster here as well. Our disaster may be slower moving than a swelling river and our disaster may be man-made but it is still a disaster. The main difference is that our disaster could be mollified if either growth in our region were slowed, so that the proper planning could be done and time was given for us to put in place the proper infrastructure, or more resources were marshaled for the project so that the planning and building could be done in a more rapid manner.

At present, the growth is coming too fast for our local “volunteer city and county commissions” to handle. I don’t expect our commissioners and local staffs to be able to handle the sheer

volume of construction that is taking place – we need money to do the work but we also need the full-time planners and engineers to direct and oversee the growth. If the state doesn't see that they need to provide both more money and skilled manpower the only solution I see is for the local city and county commissions to slow growth through moratoriums or other restrictions – if we don't I believe we will look back and say to ourselves “what a mess we have made of a once wonderful place”.

Back to industrial water providers. I have no problem with not metering water wells that are truly used for agricultural purposes – but once that agricultural permit is turned into an industrial use permit metering should and must be provided (unfortunately the majority of our legislators don't agree). I pointed out during the legislative sessions that it did not seem right to me that the state taxes fee oil and gas interests at a fairly high rate (11.5%) and, in addition, receives a royalty (normally 16 2/3rds% on state owned mineral interests) but provides state owned water for free. This is fine with me when the water is used for agricultural purposes on the property – but when the water is removed in vast quantities the removal process results in a great stress on county roads and in many cases a fair amount of disturbance to the neighbors. It's a great business plan – get a free product and have the county and townships provide your maintenance. I can't blame those who take advantage of it but I don't think it is fair. I doubt the county has the power to levy a tax on the water but hopefully it can figure out a way to insure that those who are profiting in a large way from this resource be responsible for the maintenance of the roads they deteriorate and the neighbors they disturb.

I had hoped we had the problem to The Links solved years ago when the State sent out a letter to the various counties asking for demonstration projects – the year was 2003 when the Federal Highway Bill ended in September (federal highway bills run in six year increments). During the re-authorization process we were fortunate to have the Williams county commission list the Little Egypt Centennial Park Access Road and the Little Beaver Bay Access Road as the number one and two priority projects for the county. Unfortunately, all \$54 million ended up in Bismarck to fund the building of a new bridge and no counties saw any of the federal dollars. As I mentioned above – money has a way of finding Bismarck – some things apparently are hard to change.

I hope you can see fit to tell some of the state officials that we are more than an industrial oil field – that we want a quality of life here. I wonder if Little Egypt and a top 100 golf course were in the Bismarck/ Mandan area if we wouldn't see a little money being made available to provide a safe paved road to the area.

As I understand it, the state plans on repairing the bridge that sits two miles north of the Red Mike turn-off this summer. A possible re-route of traffic would bring the cars and trucks two miles east then two miles north on the gravel (county road 17A) – all I can say is with the water hauling traffic that is a tragic accident waiting to happen. If the state needs to repair the bridge I am all for it but let them be responsible for paving a safe passage through an area that should have been paved back in 2004 before the commencement of the bridge rebuild.

As I expressed before I am concerned about the increased traffic around The Links of North Dakota golf course. I am not in favor of shutting it down -- provided the water can be provided and moved in a safe and relatively non-disruptive manner. As expressed above, I believe the state should be a part of the solution -- they are able and hopefully will be willing to assist in the cost, labor and materials to provide a solution. If not, I would hope that the county would require the beneficiaries of the water projects be responsible for the solution.

The majority, if not all, of these water depot facilities in the county are operating under an agricultural permit -- if you have driven around these facilities, or looked at some of the pictures I have provided, I find it hard to believe that you, or anyone views these, would consider them as "agricultural" -- they are industrial or commercial and to operate as if they are agricultural is nothing but a farce.

So what do we do. I met with several of the water depot owners as well as Russ Atkins from Continental Resources (the owner of the 47,000 barrel Poseidon tank now situated just east of the golf course) and Dennis Nelson from the county. As you probably know we have several "industrial" water wells and numerous water semi loading stations located near and on the way to the course -- and more irrigation requests by area landowners in the wings. It is my understanding that much, if not most, of the additional water request will be used to fill a new 16 inch water line moving that water to the north across 1804 to a new loading station -- but in the unregulated "wild west" who knows where the loading stations may pop up.

In many ways this is a good thing -- private individuals are taking water from the lake (it is my understanding that the aquifers close to the lake are recharged from the lake) and circumventing the ignorant Corp. of Engineers that won't allow the state or others to take water from the lake in an organized manner at strategic locations that would make sense in a reasonable world. The result is that we have a concentration of providers that are impacting a relatively small area.

Although I have not seen a plan in writing, the parties at the meeting proposed a potential solution that appears to have significant merit. At the meeting Mr. Nelson informed the group of a potential cost effective solution (far cheaper than the \$1 million per mile that paving would likely cost -- which, as a side note, is about 4 times greater than it was when we had the project listed as the first priority for a Williams county demonstration project in the federal highway bill where all the money ended up in Bismarck to build a bridge) -- Permazyme 11X, an enzyme -- a food based living bug that binds the clay particles. This process has been used with apparent success to harden roads in some areas of the county (although we won't know for sure until frost is out in the spring). If the process is successful we may be able to seal coat the road in the future and end up with an acceptable solution at a cost far less than paving.

At that meeting a couple of the water depot owners, together with Russ Atkins from Continental Resources suggested that they would be willing to fund the cost of providing Permazyme (as I understand the process you grind and pack the road base to 8 inches and apply the enzyme with a water truck) to the 3 and 1/2 miles of road from 1804 all the way to The Links. In addition, they represented that they would be willing to provide additional dust control (although

Permazyme will cut the dust by half more measures are required to completely control the dust).

If the parties (water well owners and oil companies) would provide the improvements and dust control that they are apparently willing to provide, The Links would be willing to support these parties in getting the appropriate permits from the county to operate their facilities – however we ask that their assurances are put in writing and enforced in a reasonable manner.

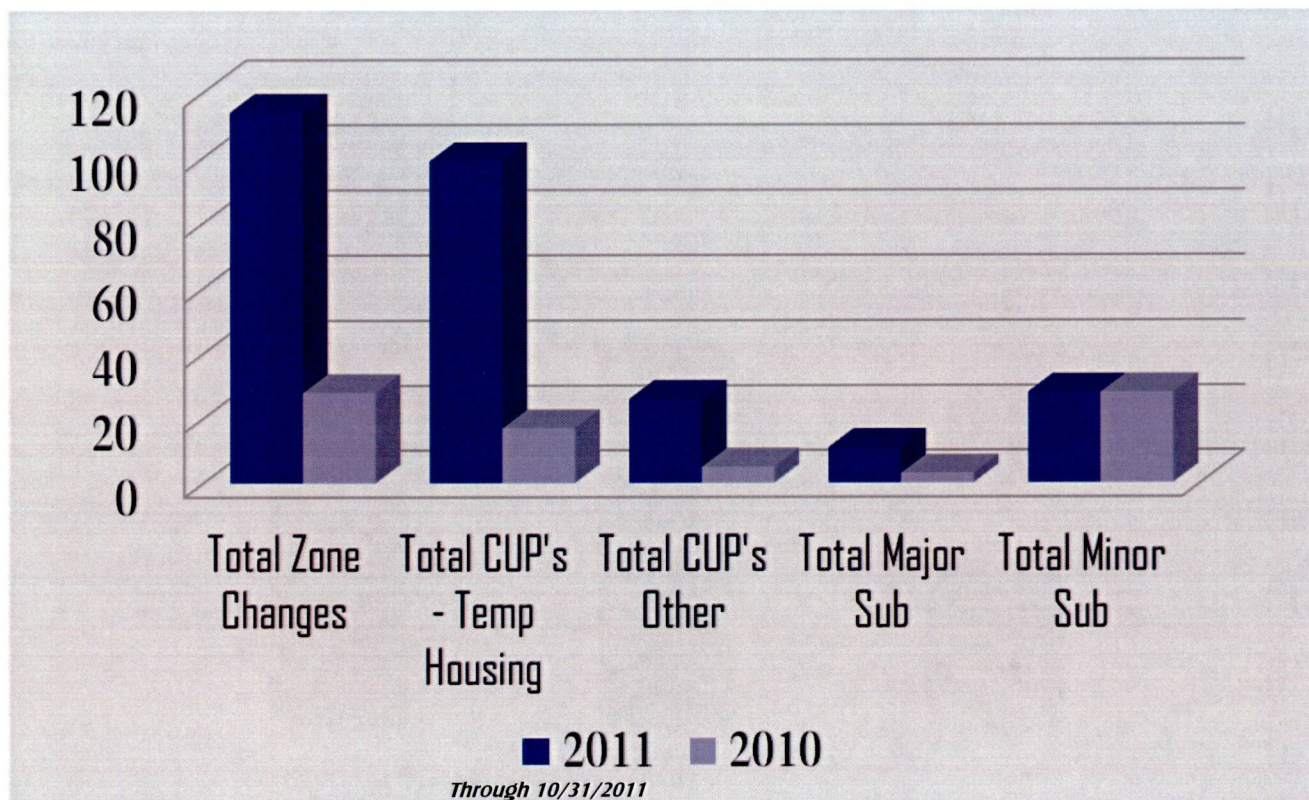
I hope the county continues to pressure State officials to provide the west with adequate money, people and other resources to address these and other concerns – if you determine that the State is unwilling to step to the plate and assist the west in making the needed improvements please take appropriate measures to insure that those who are profiting from the resources are responsible for the damage and nuisance they are creating by their operations.

Very truly yours,

Thomas P. Powers



Planning and Zoning



In the last 24-36 months total number of parcels in Williams County has increased by 10%
Planning and Zoning Department has had increased total number of zone changes SIX FOLD

Ongoing Challenges:

Regulation of water depots

'Spot zoning' requests

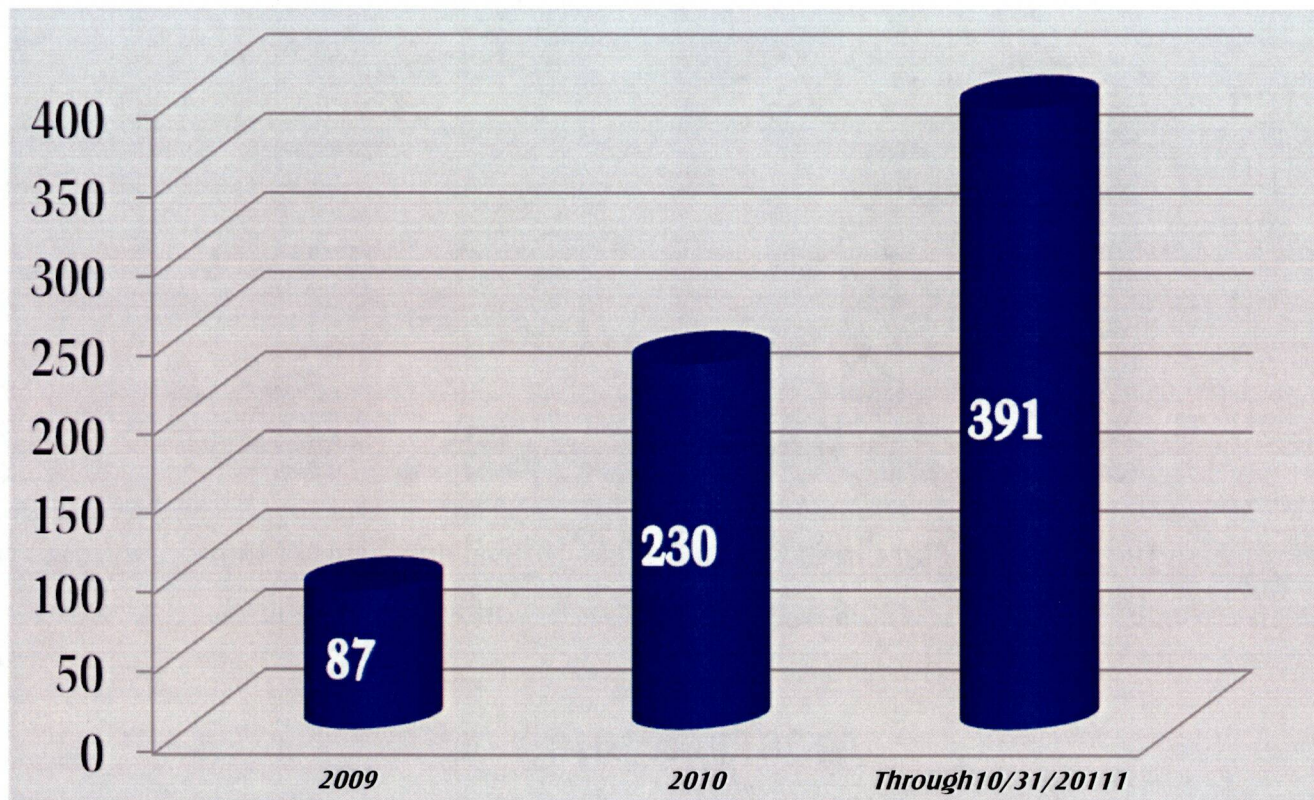
Requests for high density housing in rural locations

Industrialization of rural/agricultural areas due to land costs close to town

Man Camps: 9,777 beds approved (including RV's)

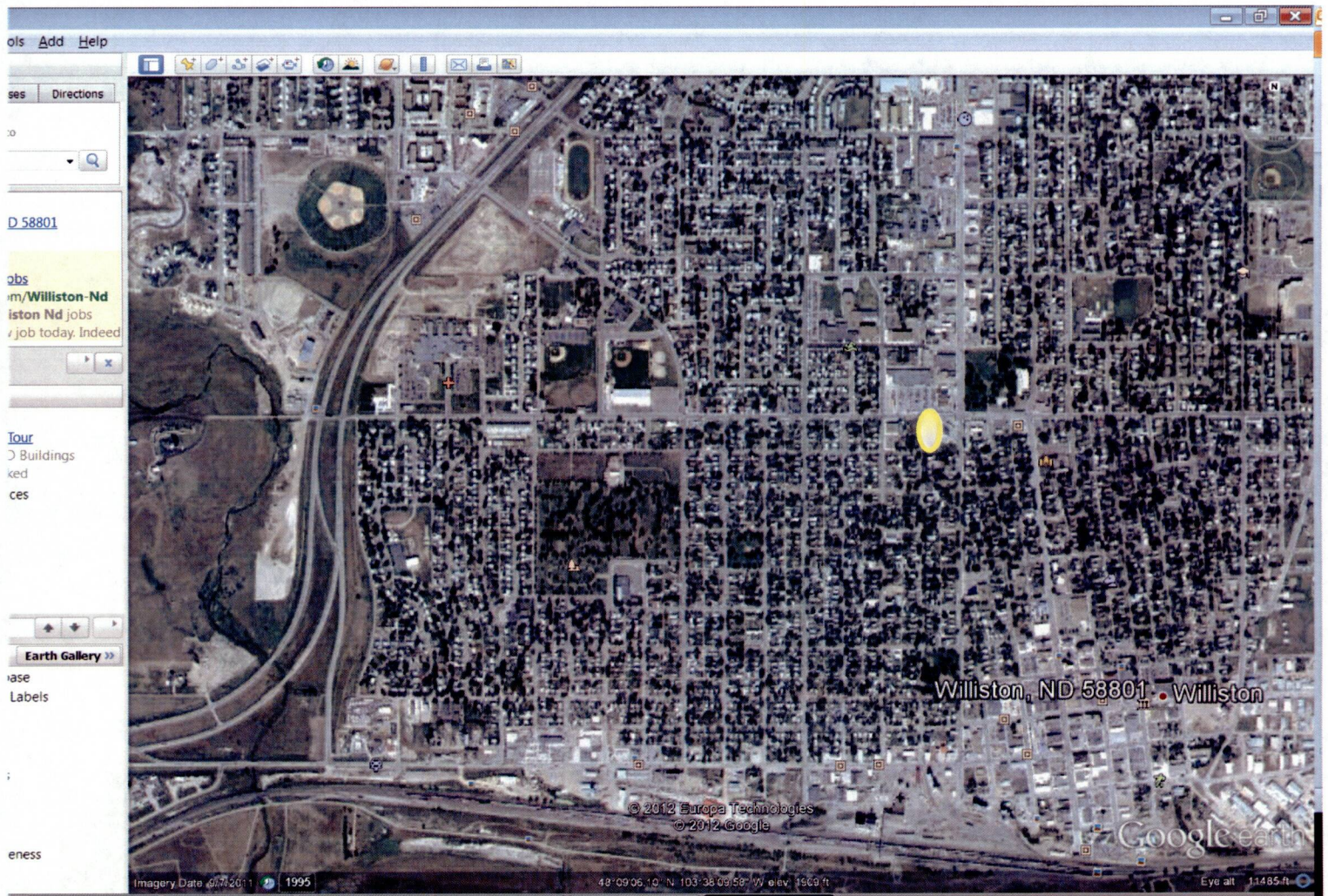


Building Inspection





County Highway



850 miles of gravel / 180 miles of paved

Ongoing Challenges:

High traffic counts / Heavy loads / Repetitive loads

Indifference to weather/road conditions

County Highway Shop location

Recruiting issues: salary and housing



County Highway





County Highway



County Highway



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PROJECT LOCATION

