TRAVEL

Shipping people in the Bakken

ver the past several years, North Dakota has made significant investments into roads and public infrastructure.

While more investing is occurring, the one mode of transportation that may always be able to tell the story of the Bakken is rail. More specifically, the people being shipped on the tracks.

"More than a half a million people use the Empire Builder every year," said Marc Magliari, senior communications officer for Amtrak. "Now I live in Chicago, so 500,000 may not seem like a lot of people to them or to my friends in the East. But with the population as spread out as it is, moving a half a million people is still a lot people. So people count on the Empire Builder."

Magliari brought up more specific examples he has heard about since the overall increase in the Bakken's activity.

"So many people are looking for a better way to go and, as you know, U.S. (Highway) 2 is not four lanes all the way across. And I-90 and I-94 are pretty south, so we are about it," Magliari said. "There's more scheduled air to Williston than there was a few years ago, but still those ticket prices are way higher than ours. So, for a lot of people, we are the liveline all across the Hi-Line of North Dakota and Montana."

Magliari said ridership was down about 15 percent in 2014 and delays resulted in paying workers overtime across the board. He said all the activity the shale plays have created from the Mississippi River to the Pacific Ocean indicate the decline in ridership isn't due to demand.

"It's not because things aren't happening in the Bakken and other areas, because they are," Magliari said. "People have heard, because we have been very public about it, our delivery of service has not been on time. It causes people to think twice or drive



The Drill

Jason

Spiess

or pump down hundreds and hundreds more to fly. So delayed trains hurt our business.'

To many, there's a stereotype is a roughneck taking the train to work from energy play to energy play. However, the Bakken's lack of infrastructure proved that wrong. The rapid rampup of the Bakken play and lack of infrastructure resulted in energy millionaires, CEO's and venture capitalists using planes, trains and automobiles to navigate the vast prairie.

Ken DeCubellis, a former ExxonMobil executive and current CEO of BlackRidge Oil and Gas, recalled the early days of the Bakken and how Amtrak was instrumental in the development of today's shale gale.

"The story I like to tell is in the early days in the Bakken boom, in Williston (N.D.) on a cold North Dakota November day," DeCubellis said. "I took the train. And I had a return train leaving Williston station at 7 p.m. My colleague, Michael, and I were driving around the Watford City (N.D.) area, you know in Dickinson (N.D.), down in that area — the southern part of the play. We left Dickinson around 3:30 p.m., and we could not get to Williston in time because of the traffic.'

Back then, the rail was running on time. So, for DeCubellis and company, it became a race against the rail.

"I thought we could hit the next eastern stop for Amtrak, which is Stanley," DeCubellis said. "And so we were south of the river, could not, you can only cross at one point. Traffic was backed up again. We missed the Stanley (N.D.) pickup as well. It's great though. It speaks to how the



The Amtrak station is seen July 9 in Williston, N.D.

big investors and operators are and how they are very active."

A few years ago, truck traffic was the biggest clog in the people distribution chain. A couple years later, the human element is still waiting only this go around, it's for the train.

Last October, the westbound Empire Builder No. 7 was on time just 6.5 percent of the time. The eastbound train, No. 8, was on time 19.4 percent. The bad news is those numbers are awful. The good news is, anything on the positive side of the dial is an improvement, considering last June it had a zero percent on-time rate.

"(Overall) we've seen a dramatic increase in passenger usage of our services," Magliari said. "The Empire Builder passes through eastbound and westbound everyday. If you take a look at the ridership in Williston and Stanley now versus five vears ago, as everyone in the Bakken area knows and everyone in those stations know, we take a lot of people to and from that area everyday. Unfortunately, the trains have been delayed much more often than anyone is happy with."

Magliari said the good news is the trains are making "incremental progress." The

bad news is they are delayed too often. Amtrak uses both Canadian Pacific and BNSF Railway's infrastructure, and according to Magliari, Amtrak is at the mercy of the railroad.

"They own it, they dispatch it, they decide which train goes next and which train doesn't," Magliari said. "They have plans to improve the infrastructure, to add capacity to handle all this business."

The infrastructure investments go well beyond BNSF's annual investment of four million ties and 350 miles of track —a number executive chairman Matt Rose used when addressing a panel of agriculture and energy representatives about how the company is going to address the current rail backlog.

BNSF is forecasted to add

701-751-JUST(5878)

500 more locomotives with approximately 275 already integrated into the system, adding 45 per month until their scheduled goal. Once the 500 are added, BNSF's total locomotive count will be 7,400. Rose believes the shear total investment into the locomotives is an all-time record for the industry.

Magliari sees the oil and gas industry working with the railroad and is quick to point out the recent rail issues are only part of the story and other factors contribute to the overall decline in Amtrak's business.

"We know some of this erosion in business is because there are more options now. There is more airline services now. The roads are being improved," Magliari said.

"But the fact is we believe the majority of the loss we've had in ridership is because of

these terribly delayed trains." Magliari said there were too many delays in the 10- to 12-hour range last winter and everyone involved had to make changes in order to improve the level of service "across the board."

"We've had to change schedules and lengthen the schedules. We became very proactive in messaging passengers what the past couple of weeks schedules have been so they can manage their expectations, knowing they might cancel or look at other options," Magliari said. "They are still not running on time, but there is progress. Is it where we want it to be? No, but there is progress.'



Justin Olson Owner/NGA Certified Technician

just-inglass.vpweb.com just-inglass@hotmail.com





MIS H-D OR ITS AFFILIATES. H-D, HARLEY, HARLEY-DAVIDSON AND THE BAR & SHIELD LOGO ARE AMONG THE TRADEMARKS OF H-D U.S.A., LL



Rental Equipment

Stallion offers a wide range of surface equipment for every phase of your oil and gas operation. Our product line includes:

- Forklifts
- Articulated forklifts
- Manlifts Frac Tanks
- Generators
- Light plants
- Trash containers
- · Air, diesel and gasoline powered trash pumps

All of which can be coordinated and dispatched

Accommodations and Auxiliary Equipment

Stallion is the leading domestic provider of rental accommodations and offices. Our extensive fleet is manufactured specifically for the oilfield environment and includes every detail to provide comfortable living quarters. In today's competitive job market, quality crew accommodations are essential to reducing staff turnover.

And if there is a problem with our equipment, our in-house technicians will respond immediately. Our strategically located field offices offer 24/7. 365 days a year assistance. Our business is dedicated to letting you worry about the drilling, not wellsite housing issues.

Accommodations

Ancillary Stallion Oilfield Services also provides all of the other services and equipment needed to accommodate your rig crew. Our

- rental fleet also includes:
- Potable water systems Sewer systems
- Trash systems
- Travel trailers • Complete remote
- communications packages --StaRCommTM

Stallion is your one stop shop for all of your wellsite services. When you want quality, service and reliability, make one call to Stallion

Remote Satellite

- Communications
- VSAT Technology
- Wireless Rig Intercoms

Williston, ND 701-774-3824 1-800-738-0641 www.stallionoilfield.com

STALLION REMOTE COMMUNICATIONS