



YANKTON DAILY PRESS & DAKOTAN

VOLUME 138
NUMBER 72

The Dakotas' Oldest Newspaper | **TWO SECTIONS** | www.yankton.net

75¢
8 38894 00002 4

Will Oil Boom Spill South?

S. Dakota's Potential Dampened By N. Dakota's Record Bonanza

BY JAMES MACPHERSON
Associated Press

BUFFALO — South Dakota has the four famed faces of Mount Rushmore, a few more pheasants than North Dakota and the world's only corn palace.

But when it comes to crude oil, its neighbor to the north is king.

The Dakotas have been locked in geographic sibling rivalry since 1889, when they were split from a single territory

and became states on the same day. The divide has intensified in past decade with North Dakota's unprecedented oil boom that has propelled it to the nation's No.2 oil producer behind Texas.

"Sure, there is some jealousy," said Derric Iles, South Dakota's state geologist. "We want a piece of the economic pie North Dakota has, plain and simple."

Despite speculation, widespread hope and some worry that North Dakota's oil rush may balloon across the

border, experts say it's doubtful South Dakota will experience anything remotely close.

Case in point: South Dakota has produced about 1.6 million barrels of oil annually for the past four years, an official with the Department of Environment and Natural Resources said. North Dakota pumps that amount in just more than two days.

On Thursday, North Dakota had 210 rigs drilling. South Dakota had a single

rig piercing the prairie.

Geology is the difference. The rich Bakken shale formation, where oil-producing rock is sandwiched between layers of shale nearly two miles underground in western North Dakota, is not present in South Dakota.

The Three Forks formation below the Bakken in North Dakota does reach into South Dakota, but has gone largely unex-

OIL | PAGE 5A

INSIDE TODAY



**LCTC Set To Present
'Annie' At Dakota
Theatre • 1B**



**Fans Brace To Say
Farewell To The
'Dark Knight' • 5B**



**Fans And Friends
Recall Houston
USA Weekend**

* * *

Economic Data Adds To Signs Of Slowing Recovery

BY CHRISTOPHER S. RUGABER
AND PAUL WISEMAN
AP Economics Writers

WASHINGTON — A raft of economic news Thursday sketched a picture of a weakening U.S. economy held back by sluggish home buying and factory production.

Americans bought fewer homes in June than in May. Manufacturing in the Federal Reserve's Philadelphia region contracted for a third straight month this month. And a gauge of future U.S. economic activity fell in June.

The number of Americans seeking unemployment benefits rose 34,000 last week. Normally, that would signal an increase in layoffs. But the figure was skewed higher by seasonal factors that made it hard to tell whether the job market might be worsening.

The government tries to adjust its unemployment benefits data to reflect temporary summertime layoffs in the auto industry. But this year, many automakers skipped those shutdowns to keep up with demand. That led to fewer layoffs, which the Labor Department didn't anticipate.

Once those statistical distortions fade, Joshua Shapiro, chief U.S. economist at MFR Inc., wrote in a note to clients, "we suspect that the data will point to a soggy labor market."

ECONOMY | PAGE 13A

THREE-VEHICLE ACCIDENT NEAR YANKTON



KELLY HERTZ/P&D

A three-vehicle accident Thursday afternoon west of Yankton sheared this van apart, but incredibly, the van's two occupants sustained only minor injuries in the incident. At approximately 5 p.m., the westbound van collided with an eastbound pickup on Highway 50 about eight miles west of Yankton. As the van spun around, it was struck by an eastbound 18-wheel semi truck hauling 192 bushels of wheat. The driver of the semi was able to swerve away enough to not hit the van head-on. The semi wound up in the north ditch, while the pickup also ended up the north ditch several yards farther down the road. The highway was closed for 90 minutes while rescue crews from Yankton and Lesterville worked at the scene. The Yankton County Sheriff's Office investigated the incident.

U.S. Forecast:

Hot, Dry Weather To Linger Into Fall

BY SETH BORENSTEIN
AP Science Writer

WASHINGTON — The unusually hot dry weather that has gripped the nation will not let up its stranglehold over the next few months, federal weather forecasters said Thursday.

And that means the heartland's "flash drought" will linger at least until around Halloween and even spread a bit farther north and east.

The National Oceanic and Atmospheric Administration's outlook for August through October shows that nearly every state likely will have hotter than normal temperatures. Much of the Midwest is likely to be drier than normal, too.

"It certainly is grim news for us in Illinois and other parts of the Midwest," said Illinois state climatologist Jim Angel. "I kind of have given up hope for short-term relief."

New figures released Thursday

show that the percentage of the country now suffering from drought edged up from nearly 51 percent last week to more than 53 percent this week; the chunk of the country experiencing severe drought or worse rose in one week from 31 percent to 35 percent. Experts call it a flash drought because it developed in a matter of months, not multiple seasons.

WEATHER | PAGE 5A

Grain Facility Still Planned For Napa Junction

BY NATHAN JOHNSON
nathan.johnson@yankton.net

While construction of a large grain elevator in Yankton County has been delayed, an official with the project told the County Commission this week that it will proceed.

Bill Beukema, general manager of the Parkston-based Dakota Plains Ag Center, said the company is waiting on the state to grant it rail access for what is being called Dakota Plains Napa Junction. The facility would be located along the railroad approximately three miles northwest of Yankton.

The estimated \$28 million first stage of the project would include the establishment of a circle track coming off what is known as the Napa Junction switch. The loading point will have the capability to fill 110 shuttle cars within 10 hours.

"Until we have complete resolution (on rail access), we're really at an impasse in moving forward," Beukema said. "We've put the engineering on hold until such time that we understand what rail access is actually going to be there."

Also being evaluated now is the effect the widespread drought in the United States will have on the grain market, he stated.

Currently, Dakota Plains is planning to start construction in 2013 and to complete the project in 2014. During a presentation in February, Beukema had told the County Commission that construction was to begin this year and wrap up in 2013.

Commissioners on Tuesday expressed, at length, concerns they have about the cost of upgrading roads in the area so they will be able to withstand trucks hauling grain.

As the operation matures in the first eight years, Beukema has said that 100-120 trucks could eventually come into the facility on a nor-

NAPA | PAGE 5A

Local Youth Headed To Puerto Rico For Mission

BY DEREK BARTOS
derek.bartos@yankton.net

Members of the Trinity Lutheran Church youth group in Yankton are ready to go above and beyond with their latest mission trip.

The group, which in the past has taken trips to Pine Ridge and New Orleans, will depart Saturday for Puerto Rico to help the less fortunate on the island.

"The kids decided they wanted to go beyond what they did before," said Trinity Lutheran youth and family director Nick Moser. "We searched out different options, and we settled on Youthworks because they offer what they call Youthworks Beyond."

Youthworks is a national organization that works with local ministry partners to provide a variety of ministry options. Its Youthworks Beyond sites are designed for older students who are ready to go deeper in their mission trip experience and interact with communities to understand their strengths,

struggles, heritage and history.

The Trinity Lutheran youth group, made up of 27 youth ranging from incoming high school freshmen to incoming college freshmen, will spend six days in San Juan working with the Youthworks' Kids Club, a program for community children ages 5-10. It will also do additional work, such as serving at feeding programs and visiting with the elderly.

"I'm sure it will be an eye opener for me," said Jase Likness, the group's youth board member. "Hopefully I can do whatever I can to help out those kids and spread the word of Christ."

"I'm really excited," added fellow youth group member Lindsay Vik. "I'm looking forward to helping, and I really like going to new places and learning about the culture and interacting with people."

Moser said this particular mission trip was chosen because the church group



DEREK BARTOS/P&D

Members of the Trinity Lutheran Church youth group will be leaving Saturday for Puerto Rico to take part in their latest mission trip. The group will spend six days working with young children, serving at feeding programs and visiting with the elderly. "I'm sure it will be an eye opener for me," said group member Jase Likness. "Hopefully I can do whatever I can to help out those kids and spread the word of Christ."

MISSION | PAGE 13A

7th Annual

RIB FEST

Friday & Saturday
July 20-21
Ribs & Pulled Pork!