

KEITU
ENGINEERS & CONSULTANTS, INC.

PO BOX 98
330 1ST STREET NW
MANDAN, ND 58554-0098
701-667-1800

January 18, 2007

ND Public Service Commission
Attn: Mr. Patrick Fahn
600 East Boulevard – Dept. 408
Bismarck, ND 58505-0480

**Case No. PU-07-596 Belle Fourche Pipeline 8-inch Crude Oil Loop, McKenzie County
Pipeline Field Route Modification Request - State Agency Notification**

As requested at the January 16, 2008 informal meeting, our staff followed up with the 19 of the 22 state agencies for which we had not received confirmation of consideration of the notice listed above. Of these agencies, 18 were contacted and a conversation occurred with a staff member. The email notice resubmitted to 3 agencies at a different email address at the request of their staffs. The Governor Office, at their request, was also provided a fax notice.

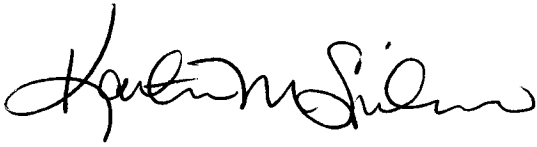
A technical staffer for the Parks and Recreation Department has drafted a letter indicating the information they currently had on file identified only one species of plant of concern in an area adjacent to the project. The *Pellaea glabella* (smooth cliffbake) was specifically included in the botany survey and our field team did not find it anywhere in the corridor. Otherwise the project is to take every effort to revegate with native species and restore any disturbed habitat. The draft letter indicates that no State Parks are impacted by the reroute. The documentation is all to be considered "draft" as the individual who is to officially sign such correspondence will not be back into the office until at least noon Friday.

We have documentation of "no concern" for the following agencies which will be provided to you under separate cover.

Aeronautics Commission
Dept of Vocational Education (now Career and Tech Education)
Economic Development Commission
Geological Survey
Highway Department (now ND Department of Transportation)
Human Services
State Historical Society
Land Department
Office of Management & Budget
ND Job Service
State Water Commission

The ND Attorney General's Office staffer confirmed they received the email earlier this week (Tuesday) but should not to conclude any more than the information was received.

We believe our efforts satisfy the expectations outlined at Wednesday's informal meeting and respectfully request the Commission approve the reroute request.

A handwritten signature in black ink, appearing to read "Kathleen M. Spilman". The signature is fluid and cursive, with the first name being the most prominent.

Kathleen M. Spilman, PE
Managing Director

cc: Bob Dundas, Belle Fourche Pipeline, w/ enclosures
John Morrison, Fleck, Mather, & Strutz PC, w/ enclosures



John Hoeven, Governor
Douglass A. Prchal, Director

1600 East Century Avenue, Suite 3
Bismarck, ND 58503-0649
Phone 701-328-5357
Fax 701-328-5363
E-mail parkrec@nd.gov
www.parkrec.nd.gov

January 17, 2008

Kathleen M. Spilman
Keitu Engineers & Consulting, Inc.
330 1st Street NW
Mandan, ND 58554-0098

Re: Belle Fourche Pipeline 8-inch Crude Oil Loop Route Modification Request
McKenzie County, North Dakota

Dear Ms. Spilman:

The North Dakota Parks and Recreation Department (the Department) has reviewed the above referenced project proposal to reroute portions of an oil pipeline located in Sections 7 and 18, T149N, R101W; Section 6, T150N, R101W; and Section 31, T151N, R101W; McKenzie County.

Our agency scope of authority and expertise covers recreation and biological resources (in particular rare species and ecological communities). The project as defined does not affect state park lands that we manage or Land and Water Conservation Fund recreation projects that we coordinate.

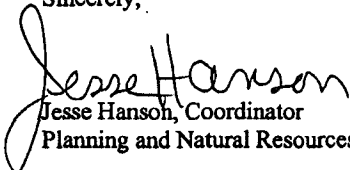
The North Dakota Natural Heritage biological conservation database has been reviewed to determine if any plant or animal species of concern or other significant ecological communities are known to occur within an approximate one-mile radius of the project area. Based on this review, we have records indicating that habitat may exist for *Pellaea glabella* (smooth cliffbake) in a section adjacent to the project. Please see attached spreadsheet and map for more specific information. We defer further comments regarding animal species to the North Dakota Game and Fish Department and the United States Fish and Wildlife Service.

Because this information is not based on a comprehensive inventory, there may be species of concern or otherwise significant ecological communities in the area that are not represented in the database. The lack of data for any project area cannot be construed to mean that no significant features are present. The absence of data may indicate that the project area has not been surveyed, rather than confirm that the area lacks natural heritage resources.

The Department recommends that the project be accomplished with minimal impacts and that all efforts be made to ensure that critical habitats not be disturbed in the project area to help secure rare species conservation in North Dakota. Regarding any reclamation efforts, we recommend that any impacted areas be revegetated with species native to the project area.

Thank you for the opportunity to comment on this project. Please contact Kathy Duttonhefner (701-328-5370 or kgduttonhefner@nd.gov) of our staff if additional information is needed.

Sincerely,


Jesse Hanson, Coordinator
Planning and Natural Resources Division

R.USNDNHI*1910

.....
Play in our backyard!

Kathleen Spilman,

From: Kathleen Spilman, [kspilman@keitu.com]

Sent: Thursday, January 17, 2008 2:52 PM

To: kspilman@keitu.com

Cc: gness@nd.gov

Subject: Note To File: Notice of Proposed Pipeline Reroute - Belle Fourche Pipeline, PU-07-596

I spoke this afternoon with Mr. Gary Ness, Director of the ND Aeronautics Commission who had reviewed the email sent earlier this week on the proposed reroutes. Based on the information provided on it location and its location distant from any airport facilities and its lack of significant aboveground structures, he had concluded the proposed reroutes were not of concern to his agency.

Kathleen M. Spilman, PE
Managing Director
Keitu Engineers & Consultants, Inc.
330 First St NW; PO Box 98
Mandan, ND 58554
(701) 667-1800 www.keitu.com

Kathleen Spilman,

From: Kutzer, Wayne L. [wkutzer@nd.gov]
Sent: Thursday, January 17, 2008 12:37 PM
To: kspilman@keitu.com
Subject: RE: Notice of Proposed Pipeline Reroute - Belle Fourche Pipeline, PU-07-596

The Dept of Career and Technical Education has no concerns on the re-route.

Wayne Kutzer
 328-2259

From: Kathleen Spilman, [mailto:kspilman@keitu.com]
Sent: Thursday, January 17, 2008 11:15 AM
To: Kutzer, Wayne L.; Olson, Carol K.; scott.hochhalter@ndsu.edu
Cc: Fahn, Patrick J.; 'John Morrison'; 'Brian Bjella'; 'Tad True'
Subject: Notice of Proposed Pipeline Reroute - Belle Fourche Pipeline, PU-07-596
Importance: High

Our firm met with the Public Service Commission yesterday afternoon on behalf of our client Belle Fouché Pipeline. They are currently constructing a 8-inch underground pipeline to transport petroleum liquids including crude oil in western North Dakota - specifically in McKenzie County. The 32-mile long pipeline runs generally in a north to south direction and is located about a half mile west of US highway 85 or ND Highway 68 and parallels their existing 6-inch crude oil pipeline. We received all the necessary permits, from the PSC and various local, state and Federal agencies in early November 2007. Due to the urgency of providing additional crude oil transportation options in western North Dakota where crude oil production is actually increasing, Belle Fourche had crews on-site and the project under construction literally days after we received the necessary permits.

As crews got underway, field personnel have recommended two changes in the approved route. A formal request to the Public Service Commission was submitted and an electronic copy of that submission is attached. We had an informal meeting with the Commission and their staff late yesterday afternoon. Both proposed reroutes remain completely within the 1-mile wide field study corridor which was subject to detail environmental and archeological field surveys and record reviews. No objections by the Commissioner or their staff were raised to the new routes. However they were hesitant to approve the re-routes too quickly since under NDAC 69-06-01-05 state agencies must be given an opportunity to comment on any corridor or route permits for public utilities. Our efforts this am is strictly to satisfy their concerns that state agencies are allowed an opportunity to comment, even on minor reroutes. A similar notice was sent to your agency - but apparently to a different email address - a couple of days ago. We are reissuing this background information directly to your email account based on information we may have received from you or others at your agency.

As part of the original permitting process in September and October, your agency would have been notified that the PSC was considering issuing this underground pipeline permit. I am not aware of any concerns expressed by your agency during the original siting the corridor or route of this pipeline.

The PSC will hold up issuing the reroute approval if any state agency expresses any possible concern with this reroutes if contacted by 9:00 am tomorrow morning (Friday January 18). We are attempting to be proactive and are calling representatives from each of the 22 state agencies to see who is in the best position to make this determination. Price discounts for crude oil to the Gurnsey Wyoming verses the Clearbrook Minnesota pipeline hubs have been severe and as high as \$25 per barrel. The pipeline currently under construction will provide approximately 20,000 barrels per day of additional capacity into the system that runs into the higher value Clearbrook marketplace. Work crews will be placed on standby if we can not obtain approvals very quickly which could delay the project. Our hope is to have this capacity available to shippers by March 1.

I respectfully request your assistance to review the attached information as soon as possible. If you can conclude that the area of State operation for which your agency is responsible is not concerned with moving the

1/18/2008

underground crude oil pipeline to a new location within 1132 feet of its currently approved route, I would appreciate an email to that effect. Of however, a possible concern exist, please contact Patrick Fahn of the PSC staff at (701) 328-4077 or via email at pfahn@nd.gov or myself at (701) 667-1800 or via email at kspilman@keitu.com as soon as possible.

Kathleen M. Spilman, PE
Managing Director
Keitu Engineers & Consultants, Inc.
330 First St NW; PO Box 98
Mandan, ND 58554
(701) 667-1800 www.keitu.com

Kathleen Spilman,

From: Jaimee Meduna [jmeduna@keitu.com]
Sent: Thursday, January 17, 2008 11:54 AM
To: Kathleen Spilman
Subject: Department of Commerce

Kathye-

Sherry Frieze with the Department of Commerce called. She said Paul Lucy (our original contact) will be out of the office until next week but that they have no concerns.

Thanks,

Jaimee Meduna

Environmental Health Consultant
Keitu Engineers & Consultants, Inc.
Mandan, ND 58554
(701) 667-1800
jmeduna@keitu.com

Kathleen Spilman,

From: Murphy, Ed C. [emurphy@nd.gov]
Sent: Thursday, January 17, 2008 11:55 AM
To: kspilman@keitu.com
Subject: RE: Notice of Proposed Pipeline Reroute - Belle Fourche Pipeline, PU-07-596

Hi Kathy,

I reviewed the route change and saw no evidence on the aerial photographs that would indicate a problem. Therefore, I have no concerns with the proposed rerouting.

Ed

Edward C. Murphy
 Director and State Geologist
 North Dakota Geological Survey
 600 East Boulevard
 Bismarck, North Dakota 58505
 ph 701-328-8000
 fax 701-328-8010
emurphy@nd.gov

From: Kathleen Spilman, [mailto:kspilman@keitu.com]
Sent: Tuesday, January 15, 2008 1:35 PM
To: -Info-Attorney General; Olson, Carol K.; Lucy, Paul J.; Engleson, Jeff A.; Peterson, Walt A.; Kulas, Cheryl M.; Brostrom, R. Wayne; -Info-Aeronautics Commission; -Info-Dept. of Agriculture; Dwelle, Terry L.; -Info-Dept. of Public Instruction; Schumacher, John D.; Murphy, Ed C.; Rauschenberger, Ron W.; Boyd, James R.; -Info-Labor Dept.; Brand, Mike D.; Dirk, Christine N. G.; Sharp, Pamela K.; Paaverud, Merl E.; 'Soil Convtn Cmtte'; Frink, Dale L.
Cc: 'John Morrison'; 'Tad True'; Fahn, Patrick J.
Subject: Notice of Proposed Pipeline Reroute - Belle Fourche Pipeline, PU-07-596

Belle Fourche Pipeline Company received both a corridor and route permit in November 2007 to construct a 32 mile long pipeline to transport petroleum liquids including crude oil. The entire pipeline segment is located in McKenzie County. This project will open up capacity to move crude oil and petroleum liquids to alternate markets (i.e. Clearbrook pipeline hub) and avoid the steep price discounts for crude oil sold into the Guernsey Wyoming hub. Belle Fourche is attempting to expedite this project and actually has a construction crew working in the field now with up to 6 welding crews.

As the actual pipeline route was staked and site preparation began, two areas were identified for minor route changes to improve the constructability of the line. When the "north reroute" was discussed with the appropriate landowners, one of the landowner requested a more extensive reroute to avoid areas of concerns on his property. The proposed north reroute also incorporate the features of her request. Note both reroutes involve segments of the pipelines which will be completely underground with the exception of pipeline markers and cathodic protection connections required by US DOT regulations. The maximum deviation from the current approved route for the southern route is 212 feet. The maximum deviation from the currently approved route in the northern reroute area is 1132 feet. In both cases, the entire reroute remains within the 1 mile wide corridor which was the subject of detailed field surveys last August 2007. Findings of the field surveys are depicted on the maps, enclosed.

In order to statisfy North Dakota Administrative Code 69-06-01-05, we are notifying you on behalf of your state

1/18/2008

agency of this proposed change on behalf of our client Belle Fourche Pipeline Company. The Public Service Commission is holding an informal hearing on the reroutes on Wednesday January 16, 2008 at 4:00 pm in Bismarck. I have attached a complete copy of the reroute request submitted to the PSC for your review. If you have any concerns or require any additional information you should contact either Patrick Fahn of the PSC staff at (701) 328-4077 or via email at pfahn@nd.gov, Tad True of Belle Fouche Pipeline at (307) 237-9301 or via email at tadtrue@truecos.com or myself at (701) 667-1800 or via email at kspilman@keitu.com before 4:00 PM tomorrow. If you desire additional information or an electronic copy of the original corridor or route permit applications and supplemental documentation, please contact me and it will be provided to you electronically.

Thank you for you immediate attention to this notice. If would assist the process greatly if you or a member of your staff would send a reply to this note as soon as possible to indicate if your agency at all could have a possible concern with this modification.

Kathleen M. Spilman, PE
Managing Director
Keitu Engineers & Consultants, Inc.
330 First St NW; PO Box 98
Mandan, ND 58554
(701) 667-1800 www.keitu.com

Kathleen Spilman,

From: Kathleen Spilman, [kspilman@keitu.com]

Sent: Thursday, January 17, 2008 1:17 PM

To: kspilman@keitu.com

Subject: Internal Note to File - Belle Fourche Pipeline Reroute Request - ND Dept of Transportation

I just spoke to Walt Peterson, PE - the Williston District Engineer for the ND Department of Transportation (formerly the Highway Department) who has jurisdiction over that area of the state. He indicated he had received a previous email from Tuesday January 15 outlining the proposed pipeline reroutes. He said he had reviewed it and as the proposed reroutes did not have an impact to the State's highways, he had discarded it without comment.

He indicated that it appropriate to record that the Department had been made aware of the proposed project reroute and that their agency did not have any concerns.

Kathleen M. Spilman, PE
Managing Director
Keitu Engineers & Consultants, Inc.
330 First St NW; PO Box 98
Mandan, ND 58554
(701) 667-1800 www.keitu.com

Kathleen Spilman,

From: Annette M. Bendish [ambendish@nd.gov]
Sent: Thursday, January 17, 2008 4:27 PM
To: kspilman@keitu.com; Patrick J. Fahn
Cc: Twyla J. Lee
Subject: Re: Fw: Notice of Proposed Pipeline Reroute - Belle Fourche Pipeline, PU-07-596

Attachments: eCopy 11 Jan 08 BFPL Reroute Request FINAL.pdf



eCopy 11 Jan 08
BFPL Reroute R...

I have reviewed the information you attached. The Department of Human Services has no concerns with the reroute.

Please contact me if you have any questions.

Annette Bendish
Attorney
Legal Advisory Unit
North Dakota Department of Human Services 600 E Boulevard Ave, Dept 325 Bismarck, ND 58505
701-328-3332
Fax: 701-328-2173

Twyla J. Lee

Bendish/DHS/NoDak@NoDak

01/17/2008 03:50
PM

Reroute - Belle Fourche Pipeline,

To: Annette M.

cc:
Subject: Fw: Notice of Proposed Pipeline
PU-07-596

----- Forwarded by Twyla J. Lee/DHS/NoDak on 01/17/2008 03:49 PM -----

"Kathleen
Spilman, "
<kspilman@keitu.c
om>

Reroute - Belle Fourche Pipeline,

01/17/2008 03:29
PM
Please respond to
kspilman

To: <dhseo@state.nd.us>
CC:
Subject: Notice of Proposed Pipeline
PU-07-596

Our firm met with the Public Service Commission yesterday afternoon on behalf of our client Belle Fouche Pipeline. They are currently constructing a 8-inch underground pipeline to transport petroleum liquids including crude oil in western North Dakota - specifically in McKenzie County. The 32-mile long pipeline runs generally in a north to

south direction and is located about a half mile west of US highway 85 or ND Highway 68 and parallels their existing 6-inch crude oil pipeline. We received all the necessary permits, from the PSC and various local, state and Federal agencies in early November 2007. Due to the urgency of providing additional crude oil transportation options in western North Dakota where crude oil production is actually increasing, Belle Fourche had crews on-site and the project under construction literally days after we received the necessary permits.

As crews got underway, field personnel have recommended two changes in the approved route. A formal request to the Public Service Commission was submitted and an electronic copy of that submission is attached. Both proposed reroutes remain completely within the 1-mile wide field study corridor which was subject to detail environmental and archeological field surveys and record reviews. No objections by the Commissioner or their staff were raised to the new routes. However they were hesitant to approve the re-routes too quickly since under NDAC 69-06-01-05 state agencies must be given an opportunity to comment on any corridor or route permits for public utilities. Our efforts this am is strictly to satisfy their concerns that state agencies are allowed an opportunity to comment, even on minor reroutes. A similar notice was sent to your agency - but apparently to a different email address - a couple of days ago. We are reissuing this background information directly to your email account based on information we may have received from you or others at your agency.

As part of the original permitting process in September and October, your agency would have been notified that the PSC was considering issuing this underground pipeline permit. I am not aware of any concerns expressed by your agency during the original siting the corridor or route of this pipeline.

The PSC will hold up issuing the reroute approval if any state agency expresses any possible concern with this reroutes if contacted by 9:00 am tomorrow morning (Friday January 18). We are attempting to be proactive and are calling representatives from each of the 22 state agencies to see who is in the best position to make this determination. Price discounts for crude oil to the Gurnsey Wyoming verses the Clearbrook Minnesota pipeline hubs have been severe and as high as \$25 per barrel. The pipeline currently under construction will provide approximately 20,000 barrels per day of additional capacity into the system that runs into the higher value Clearbrook marketplace. Work crews will be placed on standby if we can not obtain approvals very quickly which could delay the project. Our hope is to have this capacity available to shippers by March 1.

I respectfully request your assistance to review the attached information as soon as possible. If you can conclude that the area of State operation for which your agency is responsible is not concerned with moving the underground crude oil pipeline to a new location within 1132 feet of its currently approved route, I would appreciate an email to that effect. Of however, a possible concern exist, please contact Patrick Fahn of the PSC staff at (701) 328-4077 or via email at pfahn@nd.gov or myself at (701) 667-1800 or via email at kspilman@keitu.com as soon as possible.

Kathleen M. Spilman, PE
Managing Director
Keitu Engineers & Consultants, Inc.
330 First St NW; PO Box 98
Mandan, ND 58554
(701) 667-1800 www.keitu.com

(See attached file: eCopy 11 Jan 08 BFPL Reroute Request FINAL.pdf)



**STATE
HISTORICAL
SOCIETY
OF NORTH DAKOTA**

John Hoeven
Governor of North Dakota

North Dakota
State Historical Board

Albert I. Berger
Grand Forks - President

Chester E. Nelson, Jr.
Bismarck - Vice President

Gereid Gemtholz
Valley City - Secretary

A. Ruric Todd III
Jamestown

Diane K. Larson
Bismarck

Marvin L. Kaiser
Williston

Richard Kloubec
Fargo

Sara Otte Coleman
*Director
Tourism Division*

Kelly Schmidt
State Treasurer

Alvin A. Jaeger
Secretary of State

Douglass Prchal
*Director
Parks and Recreation
Department*

Francis Ziegler
*Director
Department of Transportation*

Merlan E. Paaverud, Jr.
Director

Accredited by the
American Association
of Museums

January 16, 2008

Ms. Kathleen M. Spilman, PE
Managing Director
Keitu Engineers & Consultants, Inc.
330 First Street NW
PO Box 98
Mandan, ND 58554

NDSHPO REF. : 08-0024a ND PSC Belle Fouche Pipeline: North and South Re-routes [T151N R101W Section 31, T150N R101W Sections 6-7; T149N R101W Sections 7, 18]

Dear Ms. Spillman:

We have received and reviewed documentation for project: 08-0024a: ND PSC "Belle Fouche Pipeline: North and South Re-routes [T151N R101W Section 31, T150N R101W Sections 6-7; T149N R101W Sections 7, 18]," and find it acceptable.

We concur that no survey is warranted and we concur with a "No Significant Sites Affected" determination provided the project is of the nature and extent stated, and it is restricted to the corridor locations shown in the PSC map and other documentation

Thank you for the opportunity to review the project. If you have questions please contact either Paul Picha at (701) 328-3574 or Susan Quinnell at (701) 328-3576.

Sincerely,

Merlan E. Paaverud, Jr.
State Historic Preservation Officer (North Dakota)
and
Director, State Historical Society of North Dakota

c: Susan E. Wefald, Commissioner, ND PSC

Kathleen Spilman,

From: Kathleen Spilman, [kspilman@keitu.com]

Sent: Thursday, January 17, 2008 2:45 PM

To: kspilman@keitu.com

Cc: mhaupt@nd.gov

Subject: Note To File: Notice of Proposed Pipeline Reroute - Belle Fourche Pipeline, PU-07-596

I just completed a phone conversation with Mr. Michael Haupt of the ND Land Department who typically reviews such notices from the PSC. He indicated that he had received our January 15 email notice on the proposed pipeline reroutes and had concluded since the project would not involve lands of the State Trust, that the proposed route would not be a concern to his agency.

Additional Note To File: Mr. Haupt had reviewed the PSC notice last Fall for the original permit and had taken the opportunity to discuss the route with a representative of Belle Fourche at that point in time to assure himself that State lands were not involved.

Kathleen M. Spilman, PE
Managing Director
Keitu Engineers & Consultants, Inc.
330 First St NW; PO Box 98
Mandan, ND 58554
(701) 667-1800 www.keitu.com

Kathleen Spilman,

From: Sharp, Pamela K. [psharp@nd.gov]
Sent: Wednesday, January 16, 2008 3:38 PM
To: kspilman@keitu.com
Subject: RE: Notice of Proposed Pipeline Reroute - Belle Fourche Pipeline, PU-07-596

The Office of Management and Budget has no concerns with this modification.

Pam Sharp, Director
 Office of Management and Budget
 701-32804606

From: Kathleen Spilman, [mailto:kspilman@keitu.com]
Sent: Tuesday, January 15, 2008 1:35 PM
To: -Info-Attorney General; Olson, Carol K.; Lucy, Paul J.; Engleson, Jeff A.; Peterson, Walt A.; Kulas, Cheryl M.; Brostrom, R. Wayne; -Info-Aeronautics Commission; -Info-Dept. of Agriculture; Dwelle, Terry L.; -Info-Dept. of Public Instruction; Schumacher, John D.; Murphy, Ed C.; Rauschenberger, Ron W.; Boyd, James R.; -Info-Labor Dept.; Brand, Mike D.; Dirk, Christine N. G.; Sharp, Pamela K.; Paaverud, Merl E.; 'Soil Convtn Cmtte'; Frink, Dale L.
Cc: 'John Morrison'; 'Tad True'; Fahn, Patrick J.
Subject: Notice of Proposed Pipeline Reroute - Belle Fourche Pipeline, PU-07-596

Belle Fourche Pipeline Company received both a corridor and route permit in November 2007 to construct a 32 mile long pipeline to transport petroleum liquids including crude oil. The entire pipeline segment is located in McKenzie County. This project will open up capacity to move crude oil and petroleum liquids to alternate markets (i.e. Clearbrook pipeline hub) and avoid the steep price discounts for crude oil sold into the Guernsey Wyoming hub. Belle Fourche is attempting to expedite this project and actually has a construction crew working in the field now with up to 6 welding crews.

As the actual pipeline route was staked and site preparation began, two areas were identified for minor route changes to improve the constructability of the line. When the "north reroute" was discussed with the appropriate landowners, one of the landowner requested a more extensive reroute to avoid areas of concerns on his property. The proposed north reroute also incorporate the features of her request. Note both reroutes involve segments of the pipelines which will be completely underground with the exception of pipeline markers and cathodic protection connections required by US DOT regulations. The maximum deviation from the current approved route for the southern route is 212 feet. The maximum deviation from the currently approved route in the northern reroute area is 1132 feet. In both cases, the entire reroute remains within the 1 mile wide corridor which was the subject of detailed field surveys last August 2007. Findings of the field surveys are depicted on the maps, enclosed.

In order to satisfy North Dakota Administrative Code 69-06-01-05, we are notifying you on behalf of your state agency of this proposed change on behalf of our client Belle Fourche Pipeline Company. The Public Service Commission is holding an informal hearing on the reroutes on Wednesday January 16, 2008 at 4:00 pm in Bismarck. I have attached a complete copy of the reroute request submitted to the PSC for your review. If you have any concerns or require any additional information you should contact either Patrick Fahn of the PSC staff at (701) 328-4077 or via email at pfahn@nd.gov, Tad True of Belle Fouche Pipeline at (307) 237-9301 or via email at tadtrue@truecos.com or myself at (701) 667-1800 or via email at kspilman@keitu.com before 4:00 PM tomorrow. If you desire additional information or an electronic copy of the original corridor or route permit applications and supplemental documentation, please contact me and it will be provided to you electronically.

Thank you for you immediate attention to this notice. It would assist the process greatly if you or a member of your staff would send a reply to this note as soon as possible to indicate if your agency at all could have a possible concern with this modification.

1/18/2008

Kathleen M. Spilman, PE
Managing Director
Keitu Engineers & Consultants, Inc.
330 First St NW; PO Box 98
Mandan, ND 58554
(701) 667-1800 www.keitu.com

Kathleen Spilman,

From: Brostrom, R. Wayne [wbrostro@nd.gov]
Sent: Tuesday, January 15, 2008 3:52 PM
To: kspilman@keitu.com
Subject: RE: Notice of Proposed Pipeline Reroute - Belle Fourche Pipeline, PU-07-596

Job Service North Dakota is not affected by the proposed reroute.

Wayne Brostrom
Area Manager, CSA II
Job Service North Dakota
Phone: 701-328-5040
TTY-Relay ND: 800-366-6888
Fax: 701-328-5050

"Confidentiality Notice: This e-mail message, including any attachments, is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, copy, use, disclosure or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail and destroy all copies of the original message.

Job Service North Dakota is an equal opportunity employer/program provider. Auxiliary aids and services are available upon request to individuals with disabilities.

From: Kathleen Spilman, [mailto:kspilman@keitu.com]
Sent: Tuesday, January 15, 2008 1:35 PM
To: -Info-Attorney General; Olson, Carol K.; Lucy, Paul J.; Engleson, Jeff A.; Peterson, Walt A.; Kulas, Cheryl M.; Brostrom, R. Wayne; -Info-Aeronautics Commission; -Info-Dept. of Agriculture; Dwelle, Terry L.; -Info-Dept. of Public Instruction; Schumacher, John D.; Murphy, Ed C.; Rauschenberger, Ron W.; Boyd, James R.; -Info-Labor Dept.; Brand, Mike D.; Dirk, Christine N. G.; Sharp, Pamela K.; Paaverud, Merl E.; 'Soil Convtn Cmtte'; Frink, Dale L.
Cc: 'John Morrison'; 'Tad True'; Fahn, Patrick J.
Subject: Notice of Proposed Pipeline Reroute - Belle Fourche Pipeline, PU-07-596

Belle Fourche Pipeline Company received both a corridor and route permit in November 2007 to construct a 32 mile long pipeline to transport petroleum liquids including crude oil. The entire pipeline segment is located in McKenzie County. This project will open up capacity to move crude oil and petroleum liquids to alternate markets (i.e. Clearbrook pipeline hub) and avoid the steep price discounts for crude oil sold into the Guernsey Wyoming hub. Belle Fourche is attempting to expedite this project and actually has a construction crew working in the field now with up to 6 welding crews.

As the actual pipeline route was staked and site preparation began, two areas were identified for minor route changes to improve the constructability of the line. When the "north reroute" was discussed with the appropriate landowners, one of the landowner requested a more extensive reroute to avoid areas of concerns on his property. The proposed north reroute also incorporate the features of her request. Note both reroutes involve segments of the pipelines which will be completely underground with the exception of pipeline markers and cathodic protection connections required by US DOT regulations. The maximum deviation from the current approved route for the southern route is 212 feet. The maximum deviation from the currently approved route in the northern reroute area is 1132 feet. In both cases, the entire reroute remains within the 1 mile wide corridor which was the subject of detailed field surveys last August 2007. Findings of the field surveys are depicted on the maps, enclosed.

In order to satisfy North Dakota Administrative Code 69-06-01-05, we are notifying you on behalf of your state agency of this proposed change on behalf of our client Belle Fourche Pipeline Company. The Public Service

Commission is holding an informal hearing on the reroutes on Wednesday January 16, 2008 at 4:00 pm in Bismarck. I have attached a complete copy of the reroute request submitted to the PSC for your review. If you have any concerns or require any additional information you should contact either Patrick Fahn of the PSC staff at (701) 328-4077 or via email at pfahn@nd.gov, Tad True of Belle Fouche Pipeline at (307) 237-9301 or via email at tadtrue@truecos.com or myself at (701) 667-1800 or via email at kspilman@keitu.com before 4:00 PM tomorrow. If you desire additional information or an electronic copy of the original corridor or route permit applications and supplemental documentation, please contact me and it will be provided to you electronically.

Thank you for your immediate attention to this notice. It would assist the process greatly if you or a member of your staff would send a reply to this note as soon as possible to indicate if your agency at all could have a possible concern with this modification.

Kathleen M. Spilman, PE
Managing Director
Keitu Engineers & Consultants, Inc.
330 First St NW; PO Box 98
Mandan, ND 58554
(701) 667-1800 www.keitu.com

Kathleen Spilman,

From: Kathleen Spilman, [kspilman@keitu.com]

Sent: Friday, January 18, 2008 12:42 PM

To: 'kspilman@keitu.com'

Cc: 'dcomfort@nd.gov'

Subject: Internal Note to File - Belle Fourche Pipeline Reroute Request - State Water Commission

Dwight Comfort of the State Water Commission's staff was asked by Dale Frink, State Engineer to return my inquiry. He contacted me via telephone at approximately 9:25 am today. He said they had reviewed the proposed reroute and since it remained in the approved corridor, their agency did not have any concerns with it.

Kathleen M. Spilman, PE
Managing Director
Keitu Engineers & Consultants, Inc.
330 First St NW; PO Box 98
Mandan, ND 58554
(701) 667-1800 www.keitu.com