

LATHROP GAGE

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RECEIVED

June 26, 2008

JUN 27 2008

VIA FEDERAL EXPRESS

PUBLIC SERVICE COMMISSION

North Dakota Public Service Commission
600 E. Boulevard, Dept. 408
Bismarck, ND 58505-0480
Attention: Public Utility Division
Acceptance For Common Pipeline Carrier

Dear Sir or Madam:

Enclosed please find the original Affidavit of Jack E. Vaughn, Chairman of the Board and Manager of Saddle Butte Pipeline, LLC and seven copies thereof. This Affidavit is provided to the Commission to satisfy their requirement set forth in N.D.C.C. §49-19-01, et. seq., which requires acceptance in writing of all duties and obligations conferred and imposed by such Chapter by an applicant who wishes to qualify as a common pipeline carrier. Pursuant to our conversation, it is our understanding that the Affidavit provided shall be sufficient to satisfy all necessary requirements for qualifying Saddle Butte Pipeline, LLC as a common pipeline carrier.

If you should have any questions as to the Affidavit, the subject matter of this letter or require further information from Saddle Butte Pipeline, LLC please contact the undersigned at 720-931-3219 or Jack E. Vaughn, Chairman of the Board for Saddle Butte Pipeline, LLC at 970-375-3136.

Sincerely,

LATHROP & GAGE L.C.

Lindsay A. Blevins

By:

Lindsay A. Blevins

LAB:lkr
Enclosures

1 **PU-08-413** Filed: 6/27/2008 Pages: 3
Acceptance of Provisions of N.D.C.C. Chapter 49 - 19

Saddle Butte Pipeline, LLC

Lathrop&Gage, L.C. Lindsay Blevins

Change Your Expectations.™

AFFIDAVIT OF JACK E. VAUGHN

I, JACK E. VAUGHN, Chairman of the Board for and a duly authorized member of Saddle Butte Pipeline LLC whose primary office address is 1910 Main Avenue, Durango, CO 81301, do hereby duly swear and sayeth that:

1. Saddle Butte Pipeline LLC is a duly formed and validly existing Delaware limited liability company.

2. Saddle Butte Pipeline LLC intends to permit, develop and operate a pipeline transportation system in the state of North Dakota.

3. I, on behalf of Saddle Butte Pipeline LLC, do hereby accept, acknowledge and agree, in consideration of the rights acquired by Saddle Butte as a common pipeline carrier, to abide by and be subject to the duties, obligations and rights conferred, imposed and otherwise set forth in N.D.C.C. § 49-19-01, et. seq., which provides “any limited liability company may acquire the right to construct pipelines and such incidental telecommunications lines along, across, or over any public road or highway in this state by filing with the commission an acceptance of the provisions of this chapter wherein it expressly agrees in writing that...the applicant shall be and become a common pipeline carrier subject to the duties and obligations conferred or imposed in this chapter.” N.D.C.C. § 49-19-09.

4. I hereby acknowledge and accept that Saddle Butte’s right to run along, across, or over any public road or highway as a common pipeline carrier can be exercised only upon condition that the traffic thereon shall not be interfered with and that such road or highway shall be restored promptly to its former condition of usefulness.

