

April 8, 2009

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PUBLIC SERVICE COMMISSION

Mr. Darrell Nitschke  
Executive Secretary  
North Dakota Public Service Commission  
600 East Boulevard Avenue  
Dept. 408  
Bismarck, ND 58505-4080

**RE: HAWTHORN OIL TRANSPORTATION  
(NORTH DAKOTA), INC. LETTER OF  
INTENT/APPLICATION FOR WAIVER  
OF PROCEDURES AND TIME FRAMES  
TO CONSTRUCT THE FOLLOWING: A  
12" STEEL CRUDE OIL PIPELINE TO BE  
LOCATED IN MOUNTRAIL COUNTY,  
NORTH DAKOTA.**

Dear Mr. Nitschke:

Pursuant to Section 49-22-07.01 of the North Dakota Century Code and Section 69-06-03-01 of the North Dakota Administrative Code, Hawthorn Oil Transportation (North Dakota), Inc. ("Hawthorn") hereby submits this letter of intent to construct a 12-inch steel crude oil pipeline from an existing crude oil tank and storage facility located one mile southeast of Stanley, North Dakota, in Mountrail County, North Dakota, to a railroad loading facility to be constructed by EOG Resources Railyard (North Dakota), Inc. approximately two miles northeast of Stanley, North Dakota.

Hawthorn requests at this time that the North Dakota Public Service Commission ("Commission") waive or modify the requirement that a Letter of Intent be filed one year before filing an application.

**1. Description of Pipeline and area to be served.**

Hawthorn is proposing a 12-inch steel line for the transportation of crude oil to a railroad loading facility to be constructed northeast of Stanley, North Dakota. The proposed crude oil

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pipeline will connect the crude oil storage facility southwest of Stanley to a railroad loading facility approximately two miles to the northeast of Stanley. Ongoing and ever increasing oil and gas drilling operations in Mountrail County has prompted shippers and producers to look for alternate methods of transporting crude oil in the area. Installation of these pipeline facilities will allow Hawthorn, a wholly owned subsidiary of Hawthorn Oil Transportation, Inc., an affiliate of EOG Resources, Inc., to provide alternatives to current transportation of crude oil.

**2. Map of Pipeline Route.**

A map of the proposed pipeline route is attached as Exhibit "A".

**3. Estimated Cost of Construction and Schedule.**

Hawthorn estimates that the total cost of constructing the pipeline is approximately Five Million Dollars (\$3,000,000). Hawthorn anticipates construction commencing on or before July 1, 2009. Construction should last about 2 months and be completed on or before September 1, 2009.

**4. Request for waiver of time frames.**

To allow timely construction of this pipeline, Hawthorn hereby requests the Commission waive the requirement of filing a Letter of Intent at least one year prior to filing the application for a corridor certificate and route permit. It is requested that the Commission reduce this period to one day.

If you have questions regarding this request or need additional information, please advise.

Sincerely,

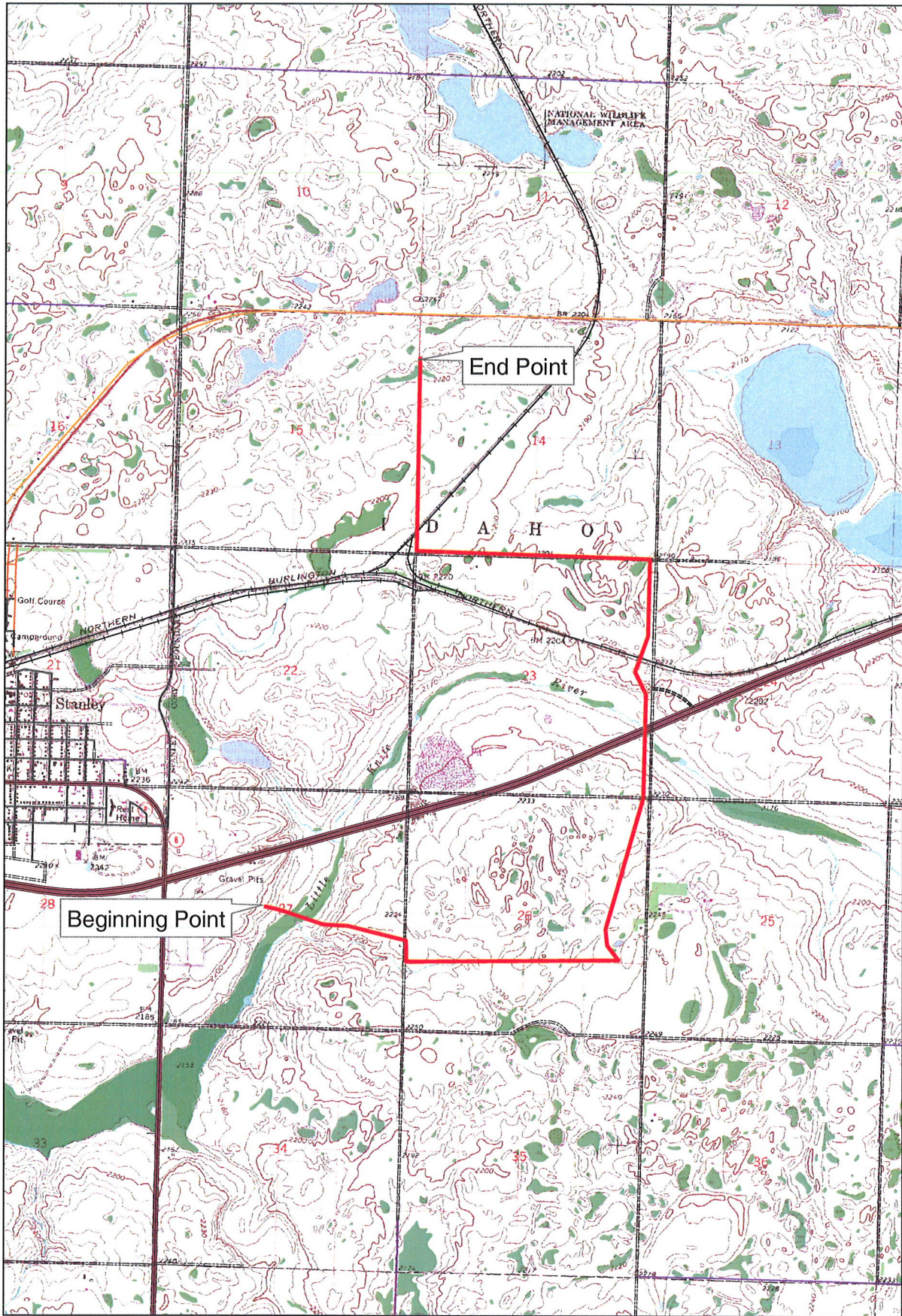


LAWRENCE BENDER

LB/leo

Enclosure

cc: Mr. Ray Ingle – (w/o enc.) *Via Email*  
Mr. Steve Williams – (w/o enc.) *Via Email*  
Mr. Dustin Ammons – (w/o enc.) *Via Email*  
Mr. Jodie Davis – (w/o enc.) *Via Email*  
Mr. Greg Jacobsen – (w/o enc.) *Via Email*



2,640 1,320 0 2,640 Feet

**Legend**

— Product Pipeline



**Exhibit A**  
**Product Pipeline**  
**T156N, R91W Sections 27,26,23,14**  
**Mountrail County North Dakota**

