

September 30, 2009

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SEP 30 2009

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 A 4.5" (OD) STEEL
CONDENSATE PIPELINE TO BE
LOCATED IN MOUNTRAIL COUNTY,
NORTH DAKOTA.**

Mr. Nitschke:

Pursuant to Section 49-22-07.1 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 4.5-inch (outside diameter) steel condensate pipeline from its existing Stanley Gas Plant in Mountrail County, North Dakota, approximately 11 miles to a storage facility approximately 2 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

The proposed condensate pipeline will connect the Stanley Gas Plant located east of Stanley in Mountrail County to a storage facility also located in Mountrail County, approximately 2 miles to the northeast of Stanley.

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PU-09-663
Letter of Intent

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Pages: 3

Movement of condensate in Mountrail County is currently limited. Ongoing and ever increasing oil and gas drilling operations in Mountrail County has prompted shippers and producers to look for alternate methods of transportation for condensate in the area. Installation of this pipeline will allow Hawthorn to provide alternatives to current truck transportation of the product and also provide additional markets to producers in the area.

Hawthorn is proposing a 4.5 inch steel line for transportation of the condensate.

2. Map of Pipeline Route

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

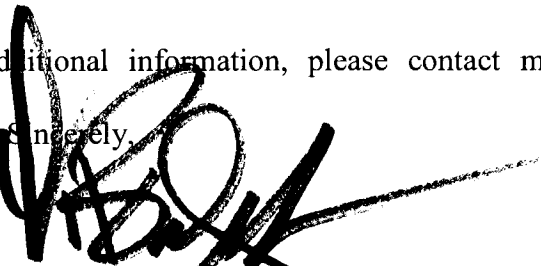
3. Estimated Cost of Construction and Schedule

Hawthorn estimates that the total cost of constructing the pipeline will be approximately \$3,000,000.00. Hawthorn anticipates construction commencing on or before February 1, 2010. Construction should last about 3 months and be completed on or before May 1, 2010.

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 or need additional information, please contact me at your convenience.

Sincerely,

LAWRENCE BENDER

LB/me

Attachments

cc: Mr. Cary Loughman
Mr. Jodie Davis
Mr. Greg Jacobsen

