

June 9, 2010

**VIA HAND DELIVERY**

Mr. Darrell Nitschke  
Executive Secretary  
North Dakota Public Service Commission  
600 E. Boulevard, Dept. 408  
Bismarck, ND 58505-0480

**RE: Quintana Capital Group GP, LTD.**

Dear Mr. Nitschke:

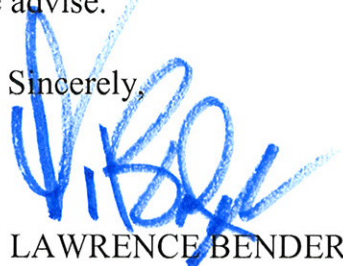
Please find enclosed herewith for filing an original and ten copies of the following:

1. Letter of Intent.

Also enclosed herewith is a disk containing the same in PDF format.

Should you have any questions, please advise.

Sincerely,



LAWRENCE BENDER

LB/kf

Enclosure

cc: Mr. Steve Griesser – (w/enc.) *Via Email*  
Mr. William K. Robertson – (w/enc.)

Attorneys & Advisors  
main 701.221.4020  
fax 701.221.4040  
www.fredlaw.com

Fredrikson & Byron, P.A.  
200 North Third Street, Suite 150  
Bismarck, North Dakota  
58501-3879

June 9, 2010

**HAND DELIVERED**

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

**RE: QUINTANA CAPITAL GROUP GP, LTD.'S  
LETTER OF INTENT TO CONSTRUCT A  
10-, 12- AND 16-INCH STEEL CRUDE OIL  
PIPELINE SYSTEM TO BE LOCATED IN  
MOUNTRAIL, MCKENZIE, WILLIAMS,  
BILLINGS, STARK, AND GOLDEN  
VALLEY COUNTIES, NORTH DAKOTA,  
AND REQUEST FOR WAIVER OF ONE-  
YEAR NOTICE PERIOD**

Dear 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, Quintana Capital Group GP, Ltd. ("Quintana"), hereby submits this letter of intent to construct a crude oil pipeline system consisting of approximately 165 miles of 10- and 12-inch steel crude oil pipeline extending from multiple receipt points in McKenzie, Mountrail, and Williams Counties, North Dakota, to Watford City, North Dakota, and approximately 139 miles of 16-inch steel crude oil pipeline extending from Watford City, North Dakota, to an interconnect with the Keystone XL Pipeline System in Fallon County, Montana.

Quintana 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.

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

On March 3, 2010, Montana Governor Brian Schweitzer and North Dakota Governor John Hoeven, along with approximately fifty oil producers and related stakeholders, including Quintana, met with TransCanada Corporation (“TransCanada”) in Billings, Montana, to discuss the possibility of constructing an “on-ramp” for the Keystone XL Pipeline, a crude oil pipeline project currently under development by TransCanada. An “on-ramp” located in Montana would maintain and potentially accelerate the development of the Bakken/Three Forks play in Montana and North Dakota.

Quintana is proposing to construct such an “on-ramp” to the Keystone XL Pipeline. More specifically, Quintana is proposing to construct pipeline facilities consisting of a header system that collects crude oil from existing truck stations and gathering systems, as well as at least one proposed gathering system, located in Mountrail, McKenzie, and Williams Counties, and a trunkline to transport such collected crude oil to an interconnection with the Keystone XL Pipeline System in Fallon County, Montana. The header portion of the pipeline system will consist of approximately 110 miles of 10-inch and approximately 55 miles of 12-inch steel line for the transportation of crude oil originating from at least six receipt points, four points northeast of Watford City and two points northwest of Watford City. The header system will deliver crude oil to a main trunkline originating at Watford City. The trunkline will consist of approximately 145 miles of 16-inch steel line traversing McKenzie, Billings, Stark, and Golden Valley Counties, North Dakota, and will transport the crude oil collected from Watford City to an interconnect with the Keystone XL Pipeline System in Fallon County, Montana. The proposed trunkline is designed to initially carry up to 100,000 barrels of oil per day, with expansion capability of up to 120,000 barrels of oil per day. The system design contemplates significant storage at the connection to the Keystone Pipeline System to allow for batch deliveries. The crude oil will ultimately be delivered to major marketing and trading points in Cushing, Oklahoma or Nederland, Texas. The pipeline will allow for other possible interconnects with crude oil pipelines in the Baker, Montana, area and locations along the pipeline route in North Dakota.

In addition to addressing anticipated pipeline constraints, installation of these pipeline facilities will allow Quintana to provide a large number of producers in western North Dakota and eastern Montana with a needed alternative means of transporting crude oil.

**2. Map of Pipeline Route.**

A map of the study area for the proposed pipeline project is attached as Exhibit “A”.

Mr. Darrell Nitschke  
June 9, 2010  
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**3. Estimated Cost of Construction and Schedule.**

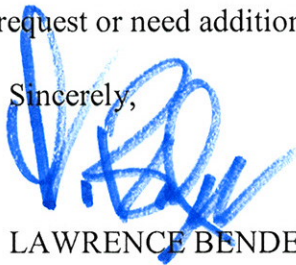
Quintana estimates that the total cost of constructing the pipeline will be approximately two hundred and fifty million dollars (\$250,000,000). Quintana anticipates that construction will commence on or before June 2011. Construction should last approximately twenty-two months and be completed on or before March 2013.

**4. Request for Waiver of One-Year Notice Period.**

To allow timely construction of this pipeline, Quintana 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 so that an application can be filed in approximately four months.

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

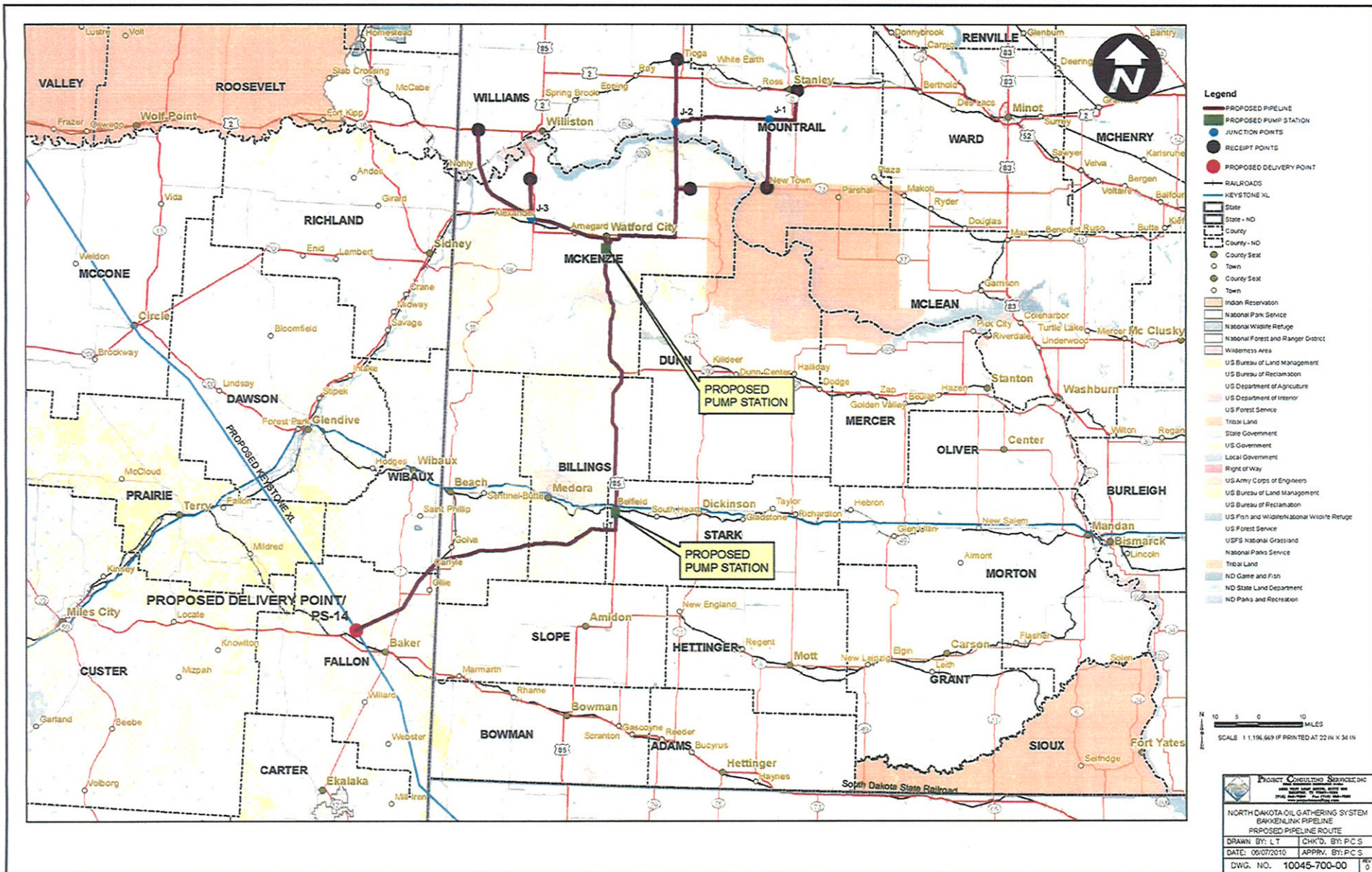
Sincerely,



LAWRENCE BENDER

LB/me  
Enclosure

cc: Steven J. Griesser  
William K. Robertson



# EXHIBIT A



# Public Service Commission

## State of North Dakota

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### COMMISSIONERS

Kevin Cramer  
Tony Clark  
Brian P. Kalk

Executive Secretary  
Darrell Nitschke

600 E. Boulevard Ave. Dept 408  
Bismarck, North Dakota 58505-0480  
Web: [www.nd.gov/psc](http://www.nd.gov/psc)  
E-mail: [ndpsc@nd.gov](mailto:ndpsc@nd.gov)  
Phone 701-328-2400  
Toll Free 1-877-245-6685  
Fax 701-328-2410  
TDD 800-366-6888 or 711

July 6, 2010

Lawrence Bender  
Fredrikson & Byron, P.A.  
200 North Third Street, Suite 150  
Bismarck ND 58501-3879

RE: Case Number PU-10-218  
Quintana Capital Group, L.P.  
Crude Oil Pipeline – Mountrail to Golden Valley  
Siting Application

Dear Mr. Bender:

At its regular meeting on June 30, 2010, the North Dakota Public Service Commission passed a motion acknowledging the Letter of Intent, shortening the one-year waiting period between filing a letter of intent and a siting application to three months, and assessing a filing fee of \$100,000 in the above-referenced case. A copy of the Commission motion is enclosed.

Sincerely,

A handwritten signature in cursive script that reads "Patrick Fahn".

Patrick Fahn, Director  
Compliance and Competitive Markets

Enclosure

APPROVED

DATE: 6-30-10  
[Signature]

**MOTION**

**June 30, 2010**

**Quintana Capital Group, L.P.  
Crude Oil Pipeline- Mountrail to Golden Valley  
Siting Application**

**Case No. PU-10-218**

I move the Commission acknowledge the Letter of Intent, shorten the one year waiting period between filing a letter of intent and a siting application to three months, and assess a filing fee of \$100,000 in Case No. PU-10-218, Quintana Capital Group, L.P.'s proposed crude oil pipeline from Mountrail County to Golden Valley County of North Dakota.

PJF

October 13, 2010

**HAND DELIVERED**

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

**RE: QUINTANA CAPITAL GROUP GP, LTD.  
CRUDE OIL PIPELINE – MOUNTRAIL TO  
GOLDEN VALLEY – AMENDMENT OF  
LETTER OF INTENT  
CASE NUMBER PU-10-218**

Dear Mr. Nitschke:

On June 9, 2010, a Letter of Intent (“LOI”) to construct a crude oil pipeline system consisting of approximately 165 miles of 10- and 12-inch steel crude oil pipeline extending from multiple receipt points in McKenzie, Mountrail, and Williams Counties, North Dakota, to Watford City, North Dakota, and approximately 139 miles of 16-inch steel crude oil pipeline extending from Watford City, North Dakota, to an interconnect with the Keystone XL Pipeline System in Fallon County, Montana (“Project”), was submitted to the North Dakota Public Service Commission (“Commission”) by Quintana Capital Group GP, Ltd. (“Quintana”). Since the time that the LOI was submitted, it has been determined that the Project entity will be BakkenLink Pipeline LLC (“BakkenLink”), rather than Quintana. Therefore, this letter is submitted jointly by Quintana and BakkenLink in order to amend the LOI so that the name of the Project entity is BakkenLink Pipeline LLC, rather than Quintana Capital Group GP, Ltd. All other Project information submitted in the LOI remains unchanged. Quintana and BakkenLink also request that the case name and caption be changed accordingly.

It is the understanding of both Quintana and BakkenLink that this amendment to the LOI does not affect the Commission’s June 30, 2010 acknowledgment of the LOI or decision to shorten the one-year waiting period to three months, as requested in the LOI.

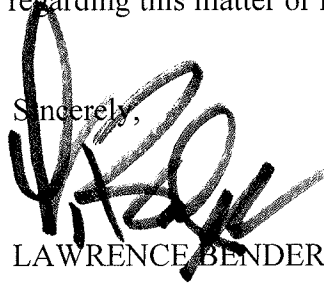
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Mr. Darrell Nitschke  
October 13, 2010  
Page 2

Ten (10) copies of this letter, as well as a disk containing a copy of this letter in PDF format, are enclosed. If you have questions regarding this matter or need additional information, please advise.

Sincerely,

A handwritten signature in black ink, appearing to read 'L. Bender', is written over the word 'Sincerely,'. The signature is stylized and somewhat illegible.

LAWRENCE BENDER

LB/ms  
Enclosures

cc: Steven J. Griesser – *Via Email*  
William K. Robertson

4817353\_1.DOC