



# BEAR PAW ENERGY, LLC

A SUBSIDIARY OF ONEOK PARTNERS, L.P.

October 28, 2010

**RECEIVED**

OCT 29 2010

**PUBLIC SERVICE COMMISSION**

Mr. Kevin Cramer  
Commissioner  
North Dakota Public Service Commission  
600 E. Boulevard Ave., Dept. 408  
Bismarck, ND 58505-0480

Re: Bear Paw Energy, LLC's  
Ten-Year Plan  
Corridor Certificate Nos. 53 and 63  
Route Permit Nos. 60 and 73  
PSC Case No. PU-203-99-44

Bear Paw Energy, LLC's  
Garden Creek Gas Plant  
PSC Case No. PU-10-568

Dear Mr. Cramer:

In accordance with North Dakota Century Code § 49-22-04, we have enclosed ten (10) copies of Bear Paw Energy, LLC's Ten-Year Plan. By copy of this letter, notice of the referenced filing is being given to the required twenty-one (21) state agencies listed in North Dakota Administrative Code § 69-06-01-05.

Please feel free to contact me at (918) 588-7414 if you have any questions or require additional information regarding this matter.

BEAR PAW ENERGY, LLC.

By:   
Craig A. Forsander  
Vice President  
Natural Gas Gathering & Processing Operations

CAF:jr  
cc: State Agencies (21)

1 **PU-10-621** Filed: 10/29/2010 Pages: 13  
**2010 Ten Year Plan**

Bear Paw Energy, LLC

Craig A. Forsander



## BEAR PAW ENERGY, LLC

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Garden Creek Gas Plant  
PSC Case No. PU-10-568

Dear Mr. Cramer:

Bear Paw Energy, LLC ("BPE") hereby submits its Ten-Year Plan pursuant to North Dakota Century Code § 49-22-04 and North Dakota Administrative Code Chapter 69-06-02.

### SECTION A: Existing Energy Conversion Facilities

#### Part I

1. Location: BPE has an existing energy conversion facility at its Grasslands Gas Plant facility (formerly named McKenzie Gas Plant). It has a designed throughput of 100 million cubic feet per day (MMcfd) and is located in Township 148 North, Range 105 West, Section 36, in McKenzie County near Sidney, MT. A map showing the location of the site is attached hereto as Exhibit "A".
2. Type and Capacity:  
The plant cryogenically processes the casinghead gas, generally high in natural gas liquids (NGLs), after the acid gas component and moisture have been removed from the gas. The raw NGLs are then fractionated into purity products that include propane, isobutane, normal butane, and natural gasoline. The separated products are then sold via truck at the facility or transported via pipeline to an offsite railcar loading facility.
  - a. Product Type: Natural gas and separated NGLs
  - b. Plant Property Area: 160 acres (SE/4 of Section 36)

- c. Plant Inlet Gas Rate: 100 MMscfd (expanded from original 60 MMscfd plant)
- d. Maximum Design Operating Pressure: 720 psig
- e. Residue Gas Production: 81 MMscfd
- f. Compressor Specifications, Including Type, Horsepower, Output Pressure, and Capacity:
  - i. Ten 1,500 high-pressure (HP) inlet/residue compressors
  - ii. Two 1,250 HP inlet/residue compressors
  - iii. Two 800 HP refrigeration compressors
  - iv. One 1,000 HP acid gas compressor
  - v. One 1,500 HP acid gas compressorTotal compression horsepower: 21,600 HP
- g. NGL Production: 1,882,000 lbs./day
- h. Plant In-service Date: December 1980

BPE does not plan to retire this existing energy conversion facility within the next ten years.

#### SECTION B: Energy Conversion Facilities under Construction

BPE has no energy conversion facilities under construction.

#### SECTION C: Proposed Energy Conversion Facilities on Which Construction Is Intended Within the Ensuing Five Years

##### Part I

1. Location: BPE has filed a Notice of Intent (NOI) and submitted an application for the Garden Creek Gas Plant facility (PSC Case No. PU-10-568). This is a proposed 100 MMcfd facility located in Section 35, Township 151 North, Range 98 West, in McKenzie County near Watford City, ND. A map showing the location of the site is attached hereto as Exhibit "B".
2. Type and Capacity: The plant cryogenically processes the casinghead gas, generally high in NGLs, after the moisture has been removed from the gas. The raw NGLs are then stabilized to remove ethane and methane to produce natural gas, Y-grade NGLs, and natural gasoline. The separated products are sold via truck at the facility or transported via pipeline to an offsite railcar loading facility. A gathering system compressor station is on the site and operates independently of the gas plant.
  - a. Product Type: Natural gas and separated NGLs
  - b. Plant Property Area: 80 acres (S/2 SE/4 of Section 35)
  - c. Plant Inlet Gas Rate: 100 MMscfd
  - d. Maximum Design Operating Pressure: 1550 psig

- e. Residue Gas Production: 81 MMscfd
- f. Compressor Specifications, Including Type, Horsepower, Output Pressure, and Capacity:
  - i. Five 3,000 HP residue compressors
  - ii. Two 200 HP regeneration gas compressors
  - iii. Three 2,500 HP refrigeration compressorsTotal compression horsepower: 22,900 HP
- g. NGL Production: 2,170,000 lbs./day
- h. Anticipated Plant In-service Date: December, 2011

## Part II

1. Planned Facilities: BPE intends to file an NOI and submit an application for the Stateline I facility. This is a proposed 100 MMcfd facility located in Williams County near Williston, ND. The final site selection has not occurred at this time, and the project is currently the subject of a front-end engineering design (FEED) study.
2. Potential Facilities: BPE is considering a Stateline II facility and could add another 100 MMcfd of capacity if additional volumes become available for processing.

## SECTION D: Proposed Energy Conversion Facilities during the Next Ten-year Time Period

Aside from those facilities referenced in Section C above, BPE has no plans to construct additional energy conversion facilities within the next ten years.

## SECTION E: Existing Transmission Facilities (Electric)

BPE has no existing electrical transmission facilities.

## SECTION F: Existing Transmission Facilities (Pipeline)

### Part I

1. Location. In 1992 Koch Industries, Inc., BPE's predecessor, constructed a natural gas transmission pipeline originating at the Grasslands Gas Plant (formerly named McKenzie Gas Plant) in Section 36, Township 148 North, Range 105 West, in McKenzie County and proceeding north-northeast to a point of intersection with the gas pipeline facilities of Northern Border Pipeline Company in Section 4, Township 151 North, Range 103 West, in McKenzie County. This pipeline is permitted under PSC Corridor Certificate 53 and Route Permit 60. A system map showing the location of the pipeline is attached hereto as Exhibit "C".
2. Type and Capacity. The design specifications for this facility are as follows:

- a. Product Type: Natural gas and natural gas constituents
  - b. Length of Facility in Miles: Approximately 30 miles
  - c. Pipe Size: 10.75 inches
  - d. Maximum Design Operating Pressure: 1450 psig
  - e. Maximum Design Flow Rate: 55 MMscfd
  - f. Compressor or Pumping Station Specifications, Including Type, Horsepower, Output Pressure and Capacity: None. The compression to move product through the line is the plant recompression located at the Grasslands Gas Plant site.
  - g. Minimum Cover Over Pipe: 48 inches
3. In-service Date for Pipeline: January 31, 1993
  4. Retirement. BPE does not expect to retire this pipeline within the next ten years.

## Part II

1. Location. In 1986 Koch Gathering Systems, Inc., a wholly owned subsidiary of Koch Industries, Inc., BPE's predecessor, constructed a natural gas liquids pipeline for the transportation of propane and butane originating at the Grasslands Gas Plant (formerly named McKenzie Gas Plant) in Section 36, Township 148 North, Range 105 West, in McKenzie County, proceeding due west and then along the southern boundary line of the SE/4 of Section 35, continuing on the southern boundary line of the SW/4 of Section 35, moving northwesterly through the SW/4 of Section 35, and angling through Section 34, Township 148 North, Range 105 West, McKenzie County. At this point the line crosses the state line into Montana and terminates near Sidney, Montana. This pipeline is permitted under PSC Corridor Certificate 63 and Route Permit 73. A system map showing the location of the pipeline is attached hereto as Exhibit "D".
2. Type and Capacity. The design specifications for this facility are as follows:
  - a. Product Type: Propane and butane
  - b. Length of Facility in Miles: Approximately two miles in North Dakota. Including the Montana portion, the total line length is approximately 11 miles.
  - c. Pipe Size: 4.5 inches
  - d. Maximum Design Operating Pressure: 1200 psig
  - e. Maximum Design Flow Rate: Propane – 272 GPM under intake pressure of 595 psi and end-of-line pressure of 250 psi. Butane – 265 GPM under intake pressure of 535 psi and end-of-line discharge pressure of 125 psi
  - f. Compressor or Pumping Station Specifications, Including Type, Horsepower, Output Pressure and Capacity: None. The injection pressure at the Grasslands Gas Plant site is adequate to move the product through the pipeline.
  - g. Minimum Cover Over Pipe: 48 inches

3. In-Service Date for Pipeline. October 1, 1986

4. Retirement. BPE does not expect to retire this pipeline within the next ten years.

SECTION G: Proposed Transmission Facilities on Which Construction is Intended Within the Ensuing Five Years (Electric)

BPE has no plans to construct electric transmission facilities within the next five years.

SECTION H: Proposed Transmission Facilities on Which Construction is Intended within the Ensuing Five Years (Pipeline)

Part I

1. Location. BPE intends to file an NOI and submit an application for an NGL line to extend from the proposed Garden Creek facility in Section 35, Township 151 North, Range 98 West, in McKenzie County; proceed due west and south to Section 16, Township 150 North, Range 99 West; bypass Watford City; and then proceed south and west to (1) angle into existing piping corridors in Township 148 North, Range 102 West; (2) pass near the Grasslands Gas Plant; and (3) continue through Section 34, Township 148 North, Range 105 West, in McKenzie County. At this point it is anticipated that the line would cross the State line into Montana and terminate near Sidney, Montana. A map showing the location of the site is attached hereto as Exhibit "E".
2. Type and Capacity. The design specifications for this facility are as follows:
  - a. Product Type: Y-grade NGLs (propane, butane and isobutane mix)
  - b. Length of Facility in Miles: Approximately 54 miles. Including the Montana portion, the total line length is expected to total approximately 65 miles.
  - c. Pipe Size: 10.75 inches
  - d. Maximum Design Operating Pressure: 1200 psig
  - e. Maximum Design Flow Rate: 700 gpm
  - f. Pumping Station Specifications, Including Type, Horsepower, Output Pressure and Capacity: Pumps are to be located at the Garden Creek Gas Plant.
    - i. Two 100 HP motors for NGL booster pumps
    - ii. Two 300 HP motors for NGL pipeline pumps
    - iii. Pumps are to provide 700 gpm flow at 1150 psig
  - g. Minimum Cover Over Pipe: 48 inches
  - h. Projected In-Service Date for Pipeline: December, 2011

Part II

Planned Facilities: BPE intends to file an NOI and submit an application for an NGL line extending from the planned Stateline I facility in the Williston area to its Riverview liquids

loading facility in Sidney, Montana. The final transportation corridor has not been determined at this time, and the project is currently the subject of a FEED study.

#### SECTION I: Proposed Transmission Facilities during the Next Ten-year Time Period (Electric and Pipeline)

Aside from the facility referenced in Section H above, BPE has no plans to construct any additional electric or pipeline transmission facilities.

#### SECTION J: Regional Coordination

BPE has a significant presence in the Williston Basin region. In conjunction with the above-mentioned Grasslands Gas Plant, BPE operates approximately 4,000 miles of natural gas gathering lines and associated compression. There are approximately 82 BPE employees in the Williston Basin at field offices at the Grasslands Gas Plant, in Belfield, and in Williston. Due to growth in the Bakken Basin, BPE currently plans to add an additional 25 employees at the forecasted growth facilities. These facilities, which are the subject of this plan, would be under the control of these well qualified employees.

BPE has very limited regional coordination with other processors of associated natural gas and NGLs due to confidentiality concerns and potential antitrust issues. BPE does, of course, coordinate with producers in the areas its gathering systems serve by discussing potential connections with planned and existing wells and local gathering systems.

#### SECTION K: Environmental Information

BPE has developed ongoing working relationships with the U.S. Forest Service, the U.S. Bureau of Land Management, the North Dakota Public Service Commission, the North Dakota Department of Health, and the North Dakota Water Commission in an effort to ensure regulatory compliance. In addition, BPE continues to develop detailed risk collaborations with the Local Emergency Planning Commissions. BPE has established a strong safety record, and is well prepared to address any emergency and mitigate the impact of a pipeline failure.

BPE is also committed to environmental compliance during project execution. BPE has implemented construction Storm Water Pollution Prevention Plans (SWPPPs) for its gathering pipelines and the proposed Garden Creek Gas Plant. In the first week in November, 2010, BPE will be filing for an air permit to construct the Garden Creek Gas Plant as a synthetic minor source. BPE has also adopted an anticipatory-findings plan for archeological items that may be discovered during the installation of pipelines or gas plants. This plan has been submitted to the State Historical Society of North Dakota for approval.

Mr. Kevin Cramer  
Commissioner  
North Dakota Public Service Commission  
October 28, 2010  
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SECTION L: Projected Demand for Service

Drilling activity in the three counties where BPE has significant gathering facilities (i.e. Dunn, McKenzie, and Williams Counties) has dramatically increased. The rig count in these counties has increased from 35 rigs as of December 31, 2009, to 90 rigs as of October 21, 2010. Based on current rig activity, BPE estimates that gas production associated with Bakken and Three Forks oil production will increase significantly beyond existing processing capacity. Without additional gathering and processing facilities, the amount of flared gas or curtailed production will increase significantly. BPE is currently working on two expansion projects (the Garden Creek Plant in McKenzie County and the Stateline Plant in Williams County) that will increase BPE's processing capacity in the area by up to 300 MMcfd. In conjunction with these processing plants, BPE also intends to construct two natural gas liquids pipelines for the transportation of natural gas liquids (ethane, propane, and butanes) produced at the new processing facilities to its Riverview rail facility near Sidney, Montana. Additional processing plants and/or natural gas liquids pipelines may be necessary if the oil and gas drilling in these three counties continues at current levels or increases beyond the current rig activity.

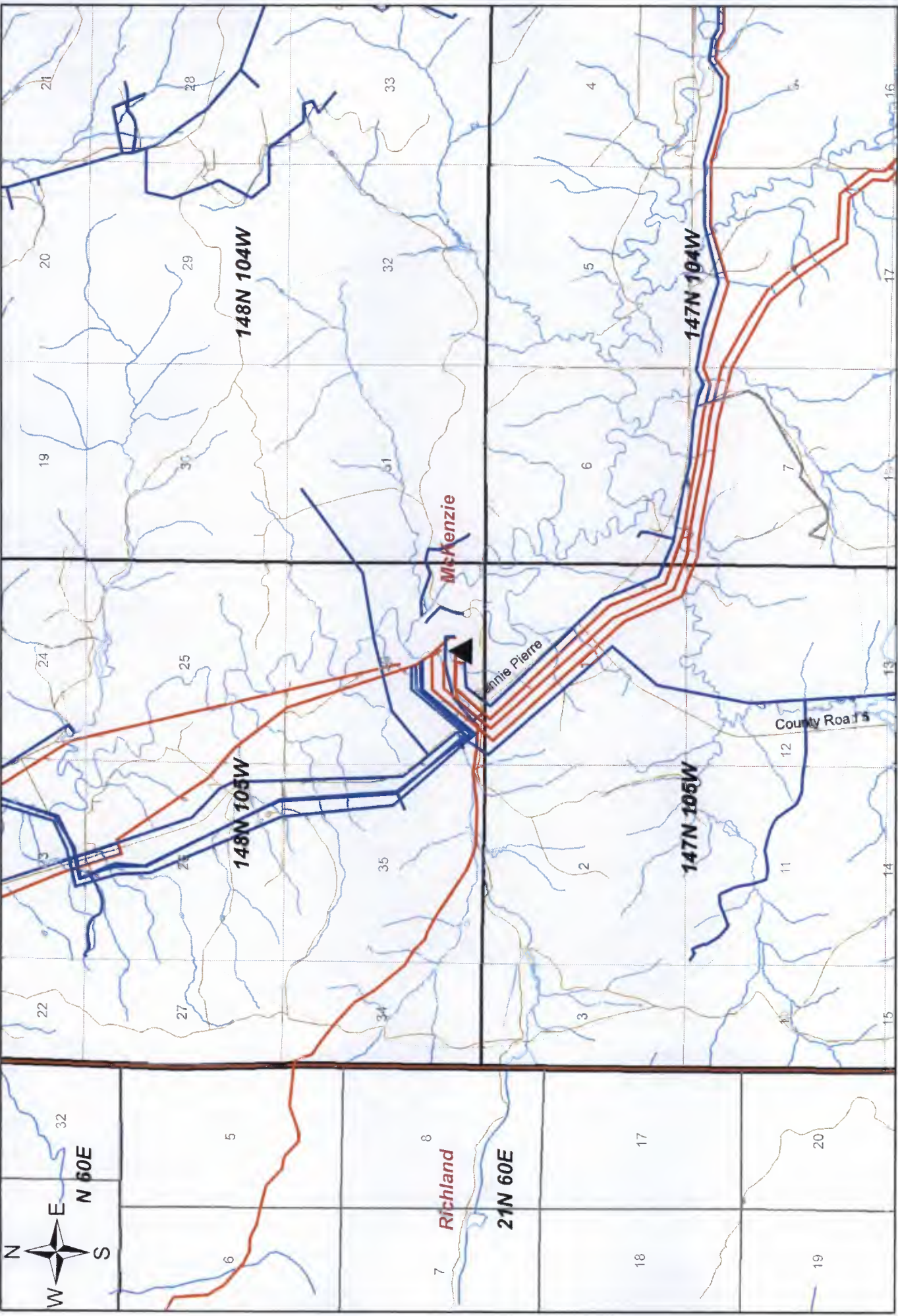
Respectfully submitted this 28<sup>th</sup> day of October, 2010.

BEAR PAW ENERGY, LLC.

By:   
Craig A. Forsander  
Vice President  
Natural Gas Gathering & Processing Operations

CAF:jr

Attachments: Exhibits A, B, C, D, and E



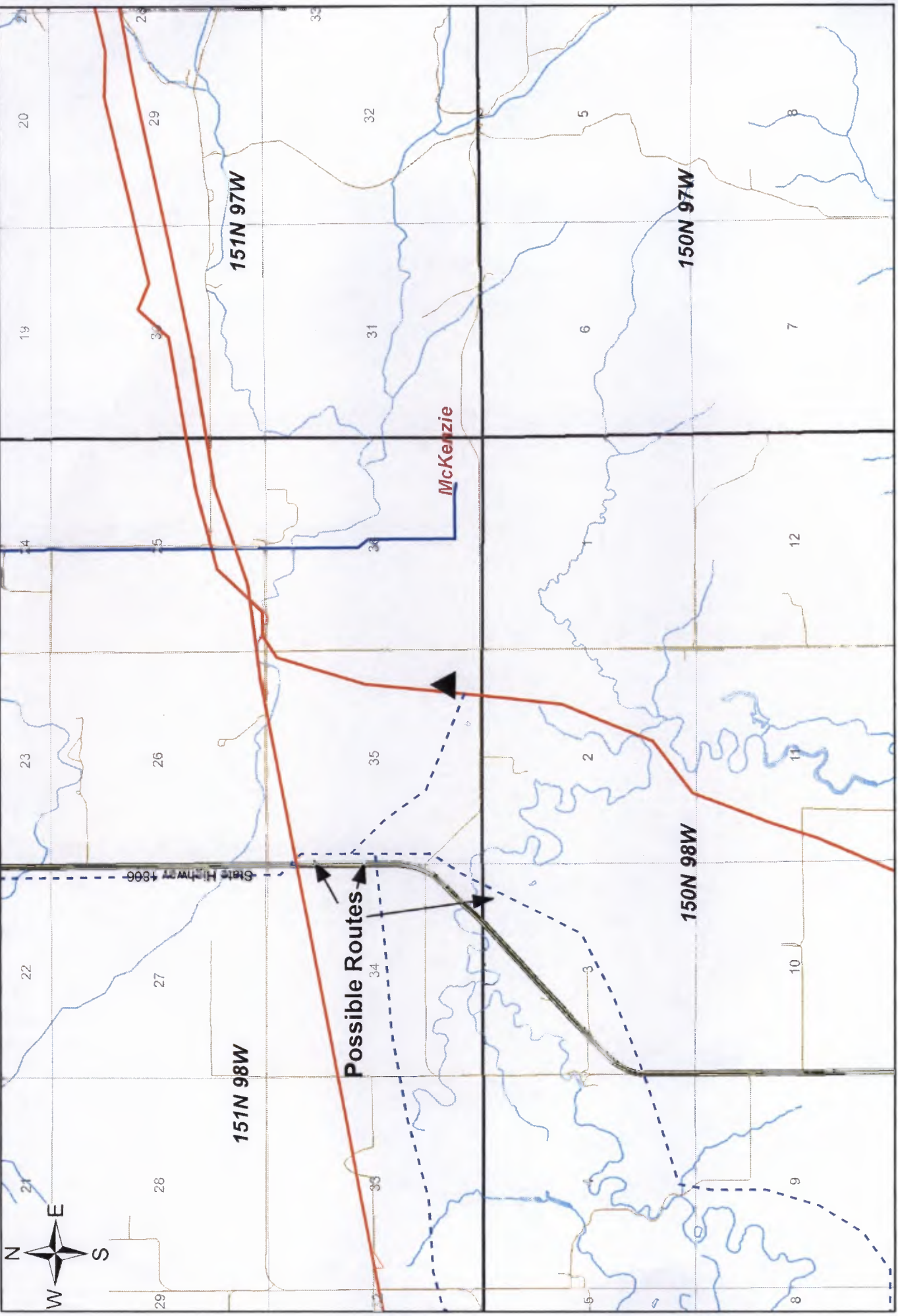
# Grasslands Gas Plant

## Exhibit "A"



**BEAR PAW**  
ENERGY  
A SUBSIDIARY OF ONEOK PARTNERS

NOTE: This map has been compiled and printed by ONEOK Partners from available information disseminated hereof. ONEOK does not assume responsibility or liability for any errors or omissions. ANY USER OF THIS MAP AGREES NOT TO COPY, REPRODUCE, TRANSMIT, OR IN ANY MANNER DISTIBUTE OR DISTRIBUTE THIS MAP WITHOUT CONSENT FROM ONEOK PARTNERS.

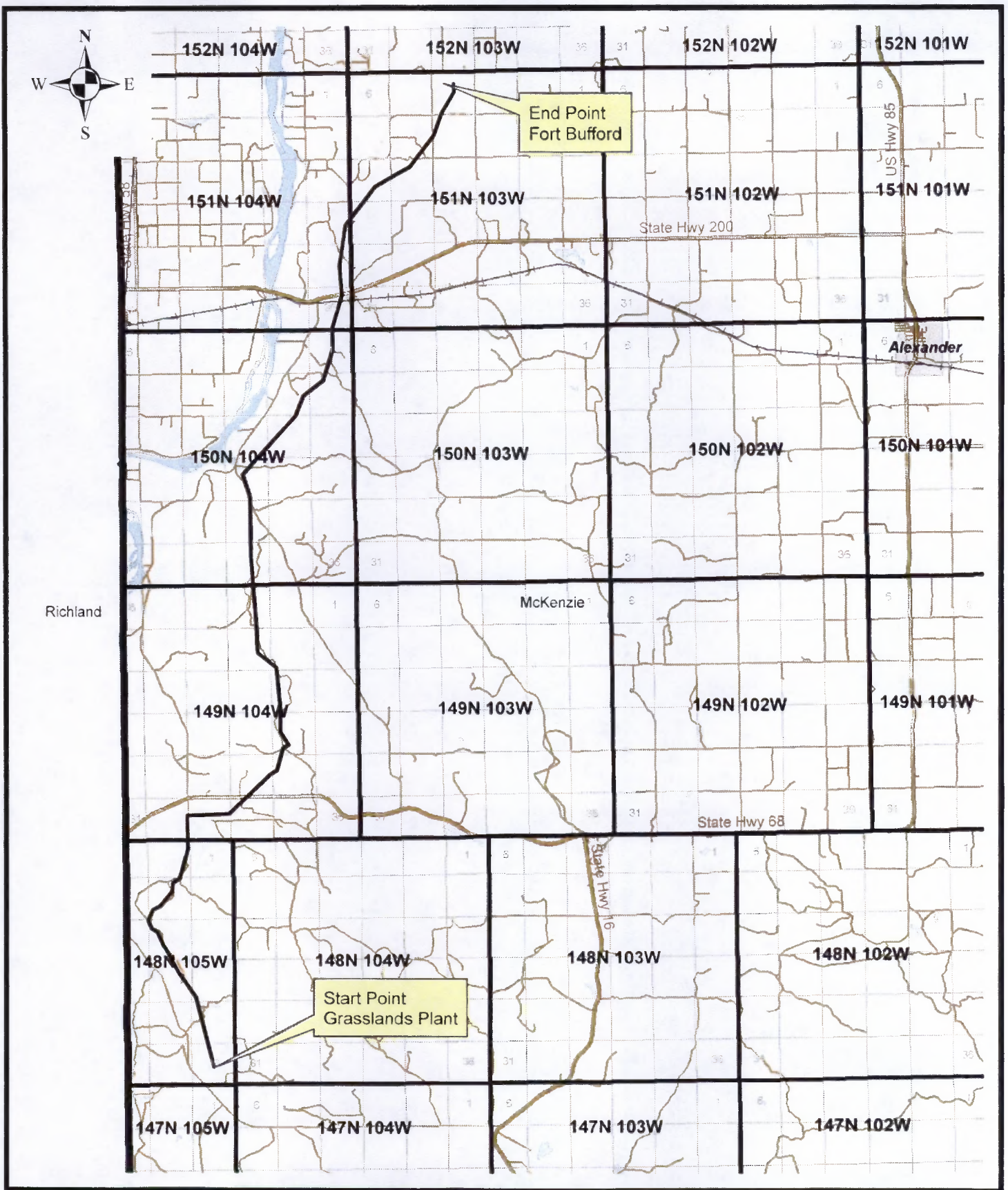


**Garden Creek Gas Plant**

**Exhibit "B"**



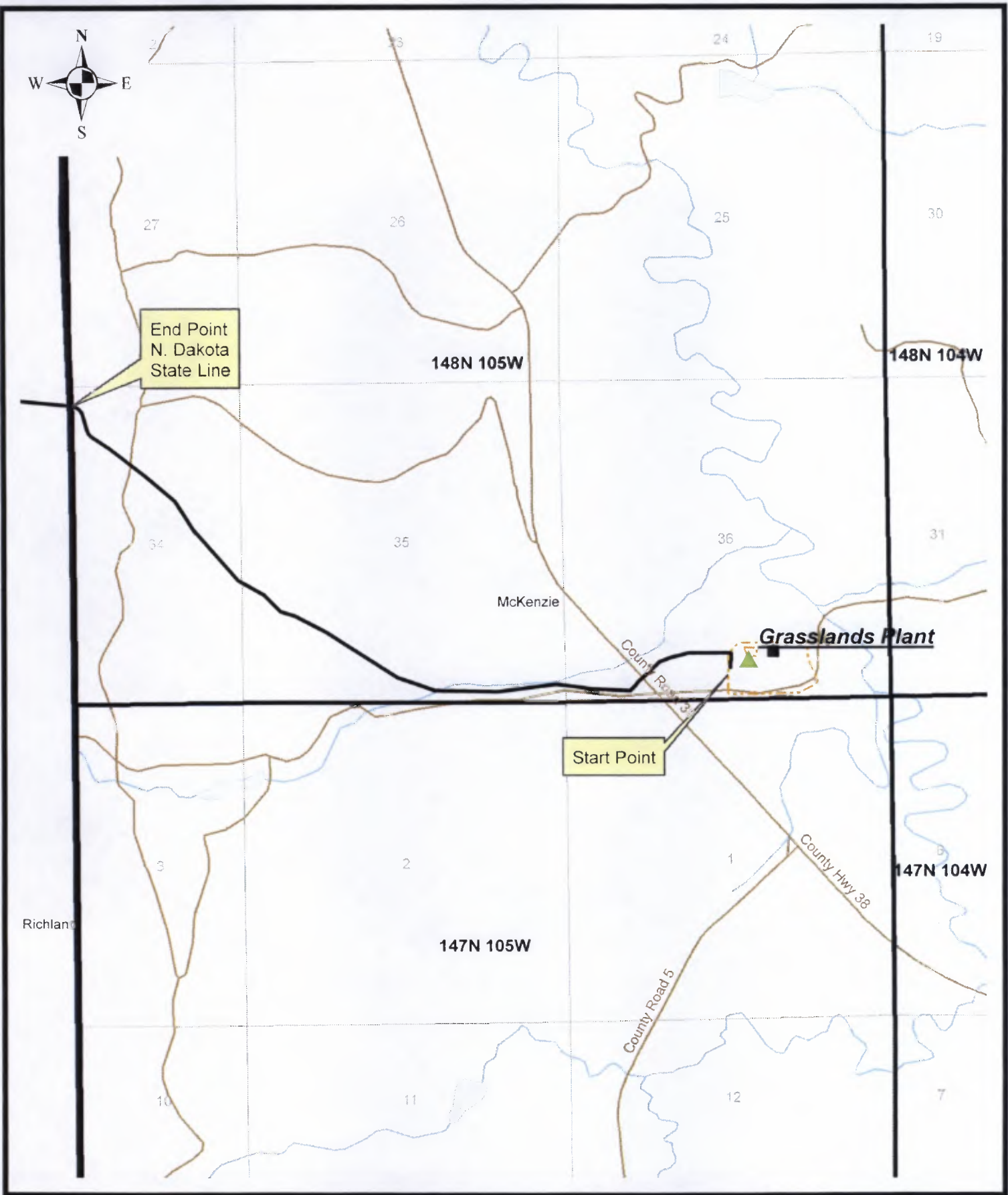
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**BEAR PAW ENERGY**  
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Fort Bufford Pipeline

**Exhibit "C"**





River Pipeline

**Exhibit "D"**



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