

C R O W L E Y F L E C K

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**PUBLIC SERVICE COMMISSION**

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December 22, 2010

**Hand Delivered**

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

In re: Bear Paw Energy, LLC  
Letter of Intent/Application for Waiver of Procedures and Time Frames  
Stateline Gas Processing Plant

Dear Mr. Nitschke:

Enclosed please find the original plus ten (10) copies of a Letter of Intent for filing and consideration by the Public Service Commission.

Thank you.

Very truly yours,

Crowley Fleck PLLP  
Counsel for Bear Paw Energy, LLC

  
By: John W. Morrison

cc: Michael J. Dailey

1 **PU-10-666** Filed: 12/22/2010 Pages: 4  
**Letter of Intent**

Bear Paw Energy, LLC  
John W. Morrison, Atty. Crowley Fleck

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In re: Bear Paw Energy, LLC  
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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, Bear Paw Energy, LLC (“Bear Paw”), hereby files its letter of intent to construct a natural gas processing plant known as the Stateline Plant in Williams County, North Dakota. Bear Paw is also requesting that the Commission waive certain of its procedures and time frames. As more specifically discussed herein, Bear Paw requests at this time that the Commission waive or modify the requirement that a letter of intent be filed one year before filing an application.

### **1. Description of size and type of facility and area to be served.**

Bear Paw currently operates the Grasslands Plant in McKenzie County, North Dakota, at a location approximately four miles from the Montana/North Dakota border and has an extensive gas gathering system in Western North Dakota and Eastern Montana. Bear Paw has commenced construction of the Garden Creek Plant in McKenzie County, North Dakota, approximately 5.8 miles northeast of Watford City, North Dakota. Bear Paw also intends to construct the Stateline Plant in Hebron Township (155N 103W) in Williams County, North Dakota. The plant will have a name-plate capacity of one hundred million cubic feet of natural gas per day and will be able to receive and process natural gas from the extensive area covered by the existing gathering system in Divide, Williams, McKenzie, Golden Valley, Billings, Dunn and Mountrail Counties, North Dakota and Sheridan, Roosevelt and Richland Counties, Montana.

At the present time, Bear Paw is planning to construct only the above-described facilities at the Stateline Plant (the "Stateline 1 Project"). However, Bear Paw is also currently evaluating the possibility of constructing additional facilities at the plant, to be known as the Stateline 2 Project, if additional volumes of natural gas become available for processing. Stateline 2 would be constructed at the same location as Stateline 1 and, depending upon timing and other issues, Bear Paw may propose that Stateline 2 be permitted as a construction project conducted wholly within the geographic location for which it has previously obtained a permit for Stateline 1 in accordance with Section 49-22-03(3) of the North Dakota Century Code. The information in the following paragraphs applies only to Stateline 1.

**2. Request for waiver of procedures and time frames.**

To minimize delay, Bear Paw requests that the Commission waive the requirement of filing a letter of intent at least one year prior to filing the application for a certificate, or alternatively reduce such period to thirty days so as to allow this project to be timely constructed and placed in service.

**3. Map of study area.**

See map enclosed herewith.

**4. Anticipated construction and operation schedule.**

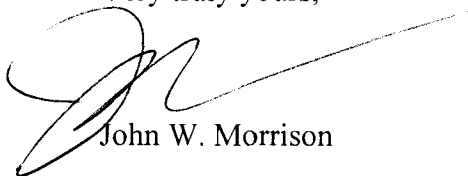
Bear Paw anticipates commencing construction of the Stateline Plant in mid-April, 2011, with a completion date by August 12, 2012.

**5. Estimated cost of construction.**

Bear Paw estimates that total cost of constructing the Stateline Plant will be \$142,000,000.

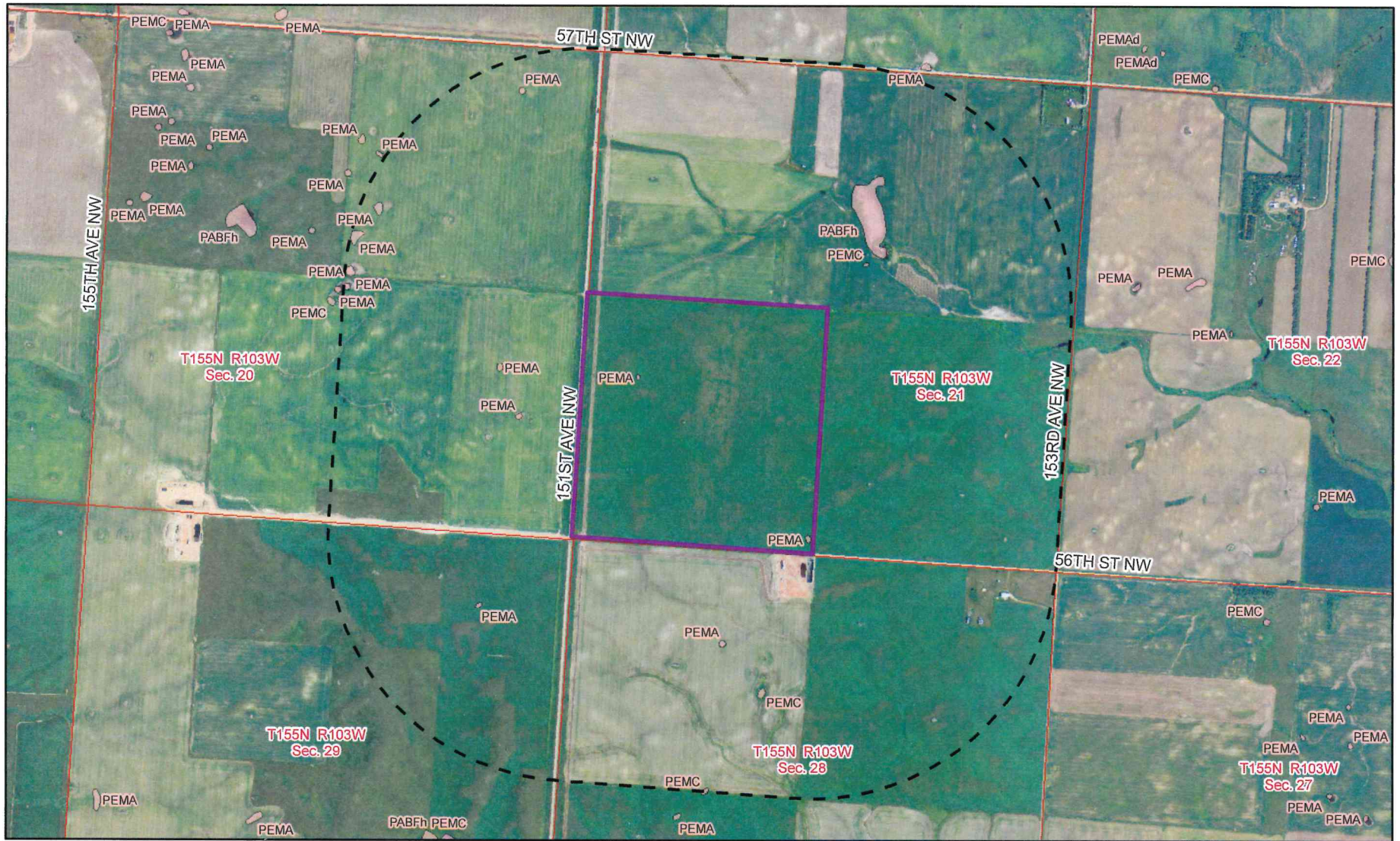
If you have any questions or need any additional information, please contact the undersigned at your earliest convenience.

Very truly yours,



John W. Morrison

cc: (via electronic mail): Michael J. Dailey



<p>Williams Co.</p> <p>North Dakota</p>	<ul style="list-style-type: none"> <li> Half mile buffer</li> <li> Stateline Gas Plant</li> <li> Roadway</li> <li> Section Line</li> <li> National Wetlands Inventory</li> </ul> <p>Source: Williams County, ND NAIP Imagery, 2010 USFWS National Wetlands Inventory (NWI)</p>	<p>BEAR PAW ENERGY, LLC A SUBSIDIARY OF ONEOK ENERGY, L.P.</p> <p>Enhancing Execution with Experience</p>	<p><b>Stateline Gas Plant</b></p> <p><b>National Wetlands Inventory Data &amp; Aerial Photograph</b></p>
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