

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

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February 9, 2011

PUBLIC SERVICE COMMISSION

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
Amended Letter of Intent/Application for Certificate of Site Compatibility
Stateline 1 and 2 Gas Processing Plants

Dear Mr. Nitschke:

On December 22, 2010, Bear Paw Energy, LLC (“Bear Paw”) filed a Letter of Intent and Application for Waiver of Procedures and Time Frames in connection with the proposed Stateline Gas Processing Plant (“Letter of Intent”). The Letter of Intent indicated that Bear Paw planned to construct a one hundred million cubic feet per day natural gas processing plant known as the Stateline 1 Plant. The Letter of Intent further indicated that additional facilities known as the Stateline 2 Plant project were also being evaluated and that Bear Paw may propose that Stateline 2 be permitted as a construction project conducted wholly within the geographic location for the Stateline 1 Plant. On December 30, 2010, the Commission acknowledged the Letter of Intent, shortened the one-year waiting period to thirty days, and assessed a fee of \$71,000.00.

Since the filing of the Letter of Intent, Bear Paw has announced its intention to construct the Stateline 2 Plant, which will be an additional one hundred million cubic feet per day natural gas processing plant that will be collocated with the Stateline 1 Plant. As a result, Bear Paw now believes including siting of the Stateline 2 Plant in the same proceeding as the Stateline 1 Plant will minimize unnecessarily duplicative proceedings. The inclusion of the Stateline 2 Plant will not increase the amount of land involved in the project or the size of the study area as described

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Amended letter of intent - Application for Certificate of Site Compatibility

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Bear Paw Energy, LLC

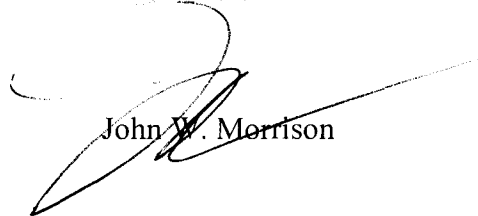
John Morrison, Crowley Fleck PLLP

in the Letter of Intent. However, the inclusion of the Stateline 2 Plant will increase the total cost of constructing the project from \$142,000,000 as set forth in the Letter of Intent to \$273,000,000.

Accordingly, we are enclosing herewith the original and ten copies of the Application for a Certificate of Site Compatibility for the Stateline 1 and 2 Gas Plants, along with a thumb drive containing an electronic copy of the application. Since it is our understanding that the increased cost of the project will increase the filing fee to the maximum, we are in the process of obtaining a check in the amount of \$100,000.00 for the filing fee and will promptly forward the same to the Commission.

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: Michael J. Dailey