

CROWLEY FLECK

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RECEIVED

March 21, 2011

MAR 21 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
Application for Certificate of Site Compatibility
Stateline Gas Processing Plants
PU 10-666

Dear Mr. Nitschke:

Enclosed for filing in the captioned matter are the original and 10 copies of each of the following:

1. Revised Plot Plan.
2. Map for publication of notice.
3. Copy of March 17, 2011 letter to you.
4. Supplemental Response to Staff Inquiries.

Very truly yours,



John W. Morrison



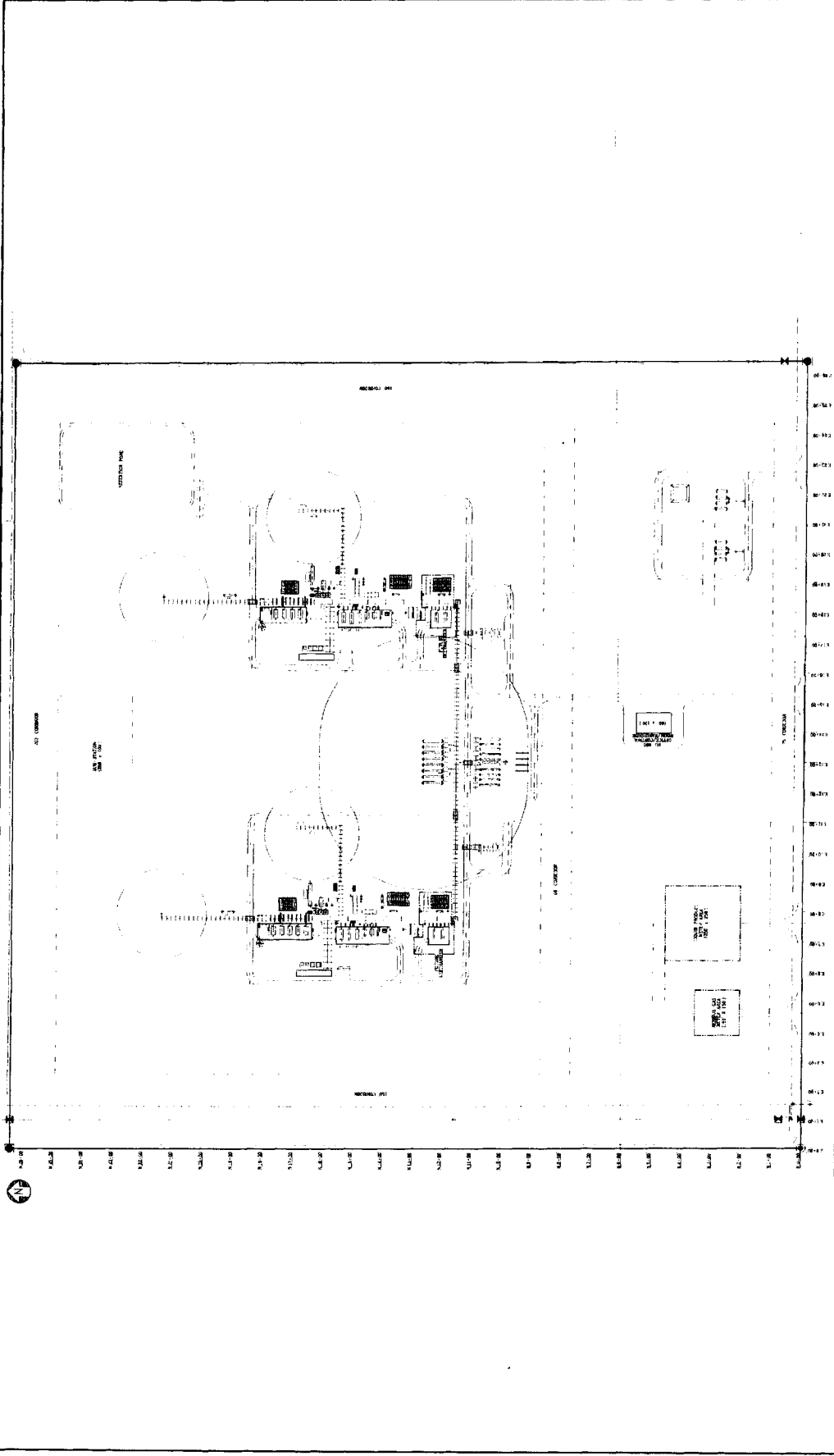
28 PU-10-666 Filed: 5/2/2011 Pages: 10
Exhibit PSC-3

14 PU-10-666 Filed: 3/21/2011 Pages: 10
Revised Plot Plan, map for publication, copy of
3-17-11 letter, supplemental response to staff
inquiries

Bear Paw Energy, LLC

John W. Morrison, Crowley Fleck

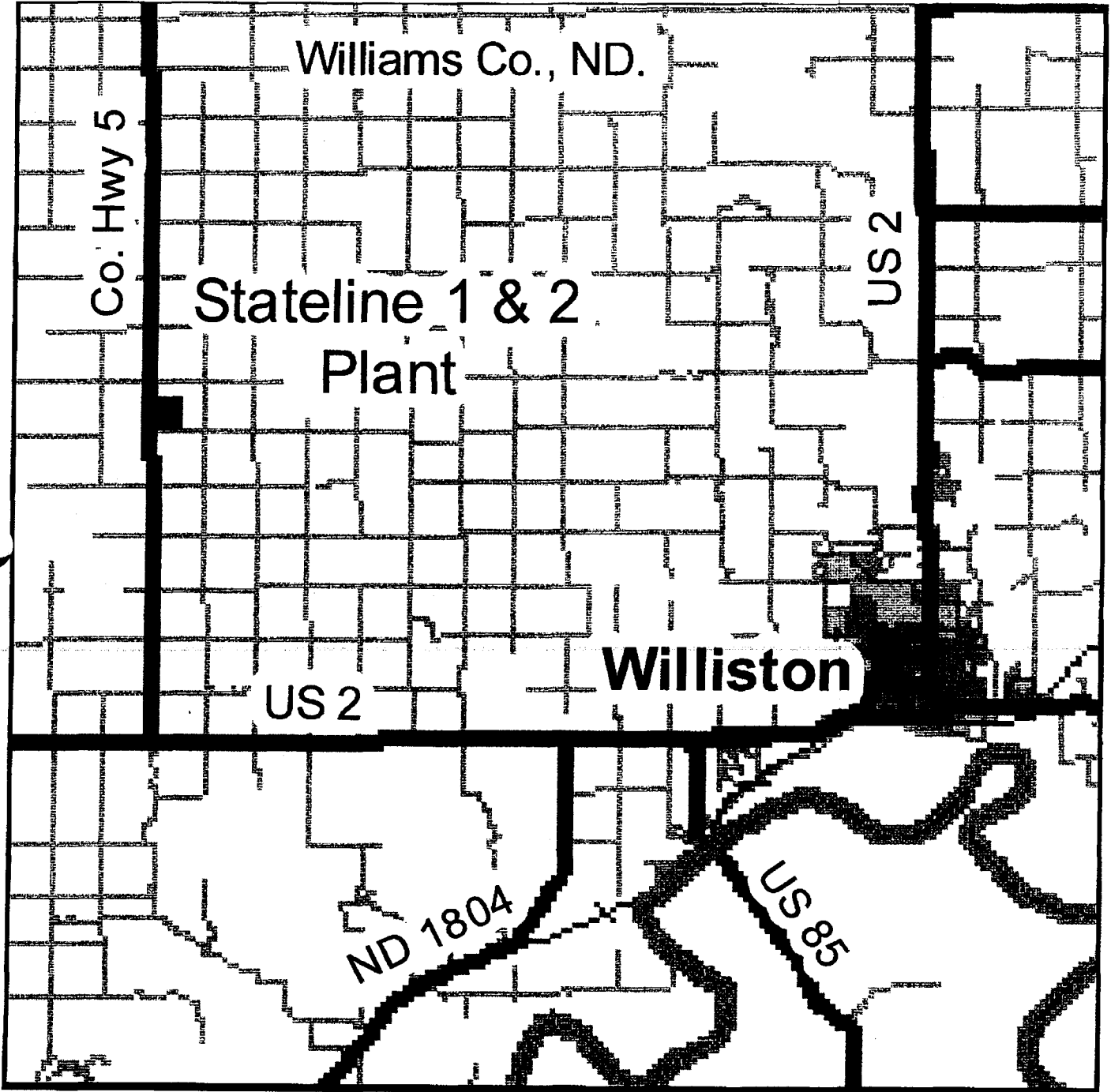
cc: Michael Dailey
Russ Clark



ONEOK PARTNERS
 BEAR PAW ENERGY
 1000 WEST 10TH AVENUE
 DENVER, CO 80202

PROJECT: BEAR PAW ENERGY
 SHEET: 1000
 DATE: 10/15/10
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 APPROVED BY: [Name]

Linde Process Plants, Inc.
 1000 West 10th Avenue
 Denver, CO 80202
 Phone: 303.733.1100
 Fax: 303.733.1101
 www.linde.com



Williams Co., ND.

Co. Hwy 5

Stateline 1 & 2
Plant

US 2

US 2

Williston

ND 1804

US 85

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

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March 17, 2011

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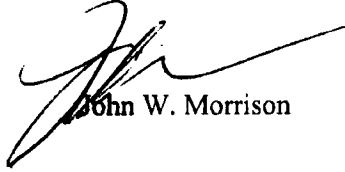
In re: Bear Paw Energy, LLC
Application for Certificate of Site Compatibility
Stateline Gas Processing Plants
PU 10-666

Dear Mr. Nitschke:

On February 9, 2011, Bear Paw Energy, LLC filed its Application for Certificate of Site Compatibility for the Stateline Gas Processing Plants. Since that time, staff has drawn to our attention the inclusion at page 1 of the application of a request for a waiver or reduction of procedures and time schedules. At this time, Bear Paw is not requesting any waivers. The Commission has previously reduced the one-year waiting period between filing the letter of intent and filing the application and we do not anticipate the need for any additional waivers. The language was inadvertently carried over from a prior form of application. Accordingly, Bear Paw hereby requests that the request for waivers included at page 1 of the application be withdrawn.

Thank you for your assistance. If you have any questions, please contact me at your convenience.

Very truly yours,



John W. Morrison

cc: Michael Dailey
Russ Clarke

Bear Paw Energy, LLC
Application to North Dakota Public Service commission
for a Certificate of Site Compatibility for the
Stateline 1 & 2 Gas Plants
Supplemental Response to Staff Inquiries

Bear Paw Energy, LLC hereby responds to inquiries from the North Dakota Public Service Commission staff by supplementing its Application as follows:

Rule 69-06-08-01

Subsection 1 (b) – Exclusion areas: Designated or registered state: Parks; historic sites; monuments; historical markers; archeological sites; and nature preserves

Answer:

The proposed location for the Stateline 1 and 2 plants was a privately held parcel at the time BPE purchased it from the landowner. BPE's due diligence and title review revealed no non-BPE private party easements. There are no county, state or federal easements in place at the time of purchase other than the County and Township easements along the section boundaries for roadways. Additionally, as noted in paragraphs 4.3.1, 4.3.2, and 4.3.3 and more fully detailed in Section 2 of the application, various federal, state and county agencies were consulted to verify that the Site conformed with State siting requirements including Exclusion Area restrictions. The results of these consultations are discussed in Section 2 of the Application and a record of these consultations has been included in the Appendix C. We will provide a replacement page 16 of the application with the State Parks line delineated in the table.

Subection 3 (b) - A corridor or route shall be designated only when it is demonstrated to the commission by the applicant that any significant adverse effects which will result from the location, construction, and maintenance of the facility as they relate to the following, will be at an acceptable minimum, or that those effects will be managed and maintained at an acceptable minimum.

The impact upon:

- 1) Law Enforcement
- 2) School systems and education programs
- 3) Governmental services and facilities
- 4) General and mental health care facilities
- 5) Recreational programs and facilities
- 6) Transportation facilities and networks
- 7) Retail services and facilities
- 8) Utility services

Answer:

On January 13, 14, and 17, 2011, BPE personnel meet with various local, county and regional representatives for purpose of introducing the project and assessing the potential impacts of the project and the adequacy of current and available public services. BPE has summarized the results of these meetings in Sections 4.5.1.2 and 4.5.1.3 while Appendix C contains detailed meeting minutes, attendees and topics discussed.

- 1) **Law enforcement** – Please see January 13, 2011 meeting notes with Williston County Emergency Response Coordinator included at the end of Appendix C.
- 2) **School systems and education programs** – Please refer to discussion included in Section 4.5.1.2. Specifically, discussing the transient work force and limited impact to this public service.
- 3) **Governmental services and facilities** - Please see January 13, 2011 meetings notes with a) Williston County Commissioners; b) Williston County Superintendent; and Williston County Economic Development Council included at the end of Appendix C.
- 4) **General and mental health care facilities** – Please refer to discussion included in Section 4.5.1.2. Specifically discussing the relatively short term influx of transient work force.
- 5) **Recreational programs and facilities** - Please refer to discussion included in Section 4.5.1.2. Specifically discussing the relatively short term influx of transient work force.
- 6) **Transportation facilities and networks** – Please see January 13, 2011 meetings notes with a) Williston County Commissioners; b) Williston County Superintendent; and January 17, 2011 record of conversation with Hebron Township President included at the end of Appendix C.
- 7) **Retail service facilities** - Please see January 13, 2011 meetings notes with Williston County Economic Development Council included at the end of Appendix C.
- 8) **Utility services** – BPE has contracted with Montrail-Williams REA to provide electrical service to the Site. BPE shall install a well and septic field to address Site water and waste needs. The applications for these permits have been filed with the State Water Board and the Upper Missouri District Health Unit respectively.

PSC Century Code 49-22-09

The commission shall be guided by, but is not limited to, the following considerations, where applicable, to aid the evaluation and designation of sites, corridors, and routes

4. Adverse direct and indirect environmental effects which cannot be avoided should the proposed site or route be designated.

6. Irreversible and irretrievable commitments of natural resources should the proposed site, corridor, or route be designated.
7. The direct and indirect economic impacts of the proposed facility.
8. Existing plans of the state, local government, and private entities for other developments at or in the vicinity of the proposed site, corridor, or route.
9. The effect of the proposed site or route on existing scenic areas, historic sites and structures, and paleontological or archaeological sites.
10. The effect of the proposed site or route on areas which are unique because of biological wealth or because they are habitats for rare and endangered species

Answer:

- 4) **Adverse direct or indirect environmental effects which cannot be avoided should the proposed site or route designated.** The direct effects of siting the proposed facilities at the proposed Site include a) loss of agricultural production; b) development of new source of air emissions; and b) installation of impervious surfaces. The indirect effects of siting the proposed facility include a) increased vehicle traffic to the Site; b) increase oil field exploration and production; and c) increased consumption of hydrocarbon based products and by products. Please see Sections 4.5.1.1 and 2.3.9 for adverse direct effects, 4.5.1.2 and Section 3 for indirect effects.
- 6) **Irreversible and irretrievable commitments of natural resources should the proposed site, corridor, or route be designated.** The irreversible and irretrievable commitment of natural resources is limited to the consumption of hydrocarbon resources processed by the plant.
- 7) **The direct and indirect economic impacts of the proposed facility.** Please see Section 4.5.1.3 for a description of the anticipated impacts associated with permanent and temporary workforce. In addition to these impacts, the facility would provide additional direct benefit tax base of the Township, County and State. The development of the proposed plants would generate indirect economic benefits from plant support services, additional regional commerce, producers and individuals with mineral rights will benefit from the capture and processing of the resource currently lost to flaring due to the lack of local production facilities.
- 8) **Existing plans of the state, local government, and private entities for other developments at or in the vicinity of the proposed site, corridor or route.** On January 13, 14, and 17, 2011, BPE personnel meet with various local, county and regional representatives to introduce the project. There was no indication offered by these representatives that the agencies that they represent had existing plans for the proposed Site. Please refer to Appendix C for detailed meeting minutes, attendees and topics discussed. Williams County has approved zoning and a conditional use permit for the Stateline 1 and 2 Plant site.
- 9) **The effect of the proposed site or route on existing scenic areas, historic sites and structures, and paleontological or archaeological sites.** BPE completed consultations with various state and federal agencies to advise

each of the proposed project location while requesting information and locations of known resources within the Study Area and at the Site. Agency responses to these requests did not identify any known resources. Please refer to Section 2.0 for a detailed discussion regarding BPE's site analysis and Appendix C for a complete record of consultations and Appendix E for a report on cultural resource studies of the Site. BPE shall develop an *Unanticipated Find Plan* (Plan) for the project. Project personnel involved with grading and excavation activities shall be trained to the Plan.

- 10) **The effect of the proposed site or route on areas which are unique because of biological wealth or because they are habitats for rare and endangered species.** BPE completed consultations with various state and federal agencies to advise each of the proposed project location while requesting information and locations of known resources within the Study Area and at the Site. Agency responses to these requests did not identify any known resources. Please refer to Section 2.0 for a detailed discussion regarding BPE's site analysis; Appendix C for a complete record of consultations; and Appendix D for a report on natural resource studies of the Site.