



817 Vandalia Street  
Suite 100  
St Paul, MN 55114

April 11, 2011

United States Forest Service  
Little Missouri National Grasslands – McKenzie Ranger District  
Attention: Mr. Kim Grotte  
1901 South Main Street  
Watford City, North Dakota 58854-6705  
(701) 842-2393

Dear Mr. Grotte,

Please find the enclosed application (SF 299) and related supplemental information for Bear Paw Energy's (BPE) proposed Garden Creek NGL Pipeline (GCP). As described by the enclosed materials, BPE is proposing to utilize the existing easement to site the majority of the GCP. Minor deviations have been requested to accommodate areas that are known to be congested with other utilities or pose constructability issues due to the terrain or natural features. These areas have been called out in detail for your review and consideration.

I would like to request a follow-up meeting with you, at your earliest convenience to discuss the project once you have had a chance to review the application. The purpose of the meeting will be to address any questions, deficiencies or project details that may arise from your review of the application. Please contact me to schedule a meeting date and time.

Please feel free to contact me if you have questions regarding this application. I can be reached via e-mail at [wmccarthy@go2e3.com](mailto:wmccarthy@go2e3.com) or by phone at 651.282.0650.

Best regards,

William F. McCarthy, E3 Environmental

Enclosures:

SF 299 Bear Paw Energy Garden Creek NGL Pipeline  
SF 299 Supplemental Information  
SF 299 Maps and Figures

cc: Jim Kline, ONEOK Bear Paw Energy, Project Engineering  
Russ Clark, ONEOK Bear Paw Energy, Project Manager  
Craig Forsander, ONEOK Bear Paw Energy, VP Natural Gas Gathering & Processing  
Project Files

**APPLICATION FOR TRANSPORTATION AND  
 UTILITY SYSTEMS AND FACILITIES  
 ON FEDERAL LANDS**

FORM APPROVED  
 OMB NO. 1004-0189  
 Expires: April 30, 2012

**FOR AGENCY USE ONLY**

**NOTE:** Before completing and filing the application, the applicant should completely review this package and schedule a preapplication meeting with representatives of the agency responsible for processing the application. Each agency may have specific and unique requirements to be met in preparing and processing the application. Many times, with the help of the agency representative, the application can be completed at the preapplication meeting.

Application Number
Date filed

1. Name and address of applicant (include zip code)	2. Name, title, and address of authorized agent if different from Item 1 (include zip code)	3. TELEPHONE (area code)
		Applicant
		Authorized Agent

4. As applicant are you? (check one)	5. Specify what application is for: (check one)
a. <input type="checkbox"/> Individual b. <input type="checkbox"/> Corporation* c. <input type="checkbox"/> Partnership/Association* d. <input type="checkbox"/> State Government/State Agency e. <input type="checkbox"/> Local Government f. <input type="checkbox"/> Federal Agency *If checked, complete supplemental page	a. <input type="checkbox"/> New authorization b. <input type="checkbox"/> Renewing existing authorization No. c. <input type="checkbox"/> Amend existing authorization No. d. <input type="checkbox"/> Assign existing authorization No. e. <input type="checkbox"/> Existing use for which no authorization has been received* f. <input type="checkbox"/> Other* *If checked provide details under Item 7

6. If an individual, or partnership are you a citizen(s) of the United States?  Yes  No

7. Project description (describe in detail): (a) Type of system or facility, (e.g., canal, pipeline, road); (b) related structures and facilities; (c) physical specifications (length, width, grading, etc.); (d) term of years needed; (e) time of year of use or operation; (f) Volume or amount of product to be transported; (g) duration and timing of construction; and (h) temporary work areas needed for construction (Attach additional sheets, if additional space is needed.)

8. Attach a map covering area and show location of project proposal

9. State or local government approval:  Attached  Applied for  Not required

10. Nonreturnable application fee.  Attached  Not required

11. Does project cross international boundary or affect international waterways?  Yes  No (If "yes," indicate on map)

12. Give statement of your technical and financial capability to construct, operate, maintain, and terminate system for which authorization is being requested.

13a. Describe other reasonable alternative routes and modes considered.

An analysis of all reasonable alternatives was conducted. Various factors were considered by BPE, including engineering, economic, and environmental factors.

This process identified the following alternatives:

- 1.) Truck the Garden Creek NGLs from the Garden Creek Plant to River view rail terminal.
- 2.) Re-route the proposed GCP to avoid Federal Lands.

b. Why were these alternatives not selected?

- 1.) Safety, collateral impacts to existing infrastructure, capacity constraints.
- 2.) Landowner impacts, safety, lack of existing ROW.

c. Give explanation as to why it is necessary to cross Federal Lands.

The proposed route crosses federal lands to provide access to existing utility corridor(s) and for a potential interconnect with BPE's existing Grasslands Plant. The siting of the project within existing utility corridor on Federal lands will minimize impacts to landowners and the environment.

14. List authorizations and pending applications filed for similar projects which may provide information to the authorizing agency. (Specify number, date, code, or name)

- 1.) North Dakota Public Service Commission: Corridor Certificate and Route Permit
- 2.) North Dakota Department of Health - North Dakota Pollution Discharge Elimination System: Construction Storm Water and Hydrostatic Test Water Discharge permits
- 3.) US Fish & Wildlife Threatened and Endangered Species consultation
- 4.) State Historic Preservation Office cultural resources consultation
- 5.) North Dakota Parks and Recreation Department Natural Heritage Database consultation
- 6.) US Army Corps of Engineers

15. Provide statement of need for project, including the economic feasibility and items such as: (a) cost of proposal (construction, operation, and maintenance); (b) estimated cost of next best alternative; and (c) expected public benefits.

Currently producers are flaring hydrocarbons at the well head, a complete loss of resource and revenue. The proposed project will transport these materials to market for a more efficient use of the resource as well as economic benefit to the region. Estimated cost \$26mm to \$28mm.

16. Describe probable effects on the population in the area, including the social and economic aspects, and the rural lifestyles.

Local impacts are anticipated to be temporary due to construction activities, and influx of temporary workers. Once the pipeline is in service, some heavy truck traffic may be reduced as this shipping alternative (i.e; pipeline vs. trucking) comes into some service.

17. Describe likely environmental effects that the proposed project will have on: (a) air quality; (b) visual impact; (c) surface and ground water quality and quantity; (d) the control or structural change on any stream or other body of water; (e) existing noise levels; and (f) the surface of the land, including vegetation, permafrost, soil, and soil stability.

Environmental impacts will be temporarily associated with construction. The proposed construction includes restoration of disturbed areas to further minimize impacts. Area air quality may be improved as hydrocarbon flaring at the well head will be reduced as the project goes into service.

18. Describe the probable effects that the proposed project will have on (a) populations of fish, plantlife, wildlife, and marine life, including threatened and endangered species; and (b) marine mammals, including hunting, capturing, collecting, or killing these animals.

Plant life will be temporarily impacted during construction. Consultations with agencies have identified listed protected species and critical habitat areas. Through the Public Service Commission siting process, these areas and habitats are typically excluded; therefore no impact to threatened and endangered species is expected. By co-locating approximately 31% of the pipeline with existing corridors, BPE will minimize impacts to previously undisturbed wildlife habitat. Upon project completion, BPE will restore original contours and reseed disturbed areas to landowner specifications. Construction of the project will not affect marine mammals.

19. State whether any hazardous material, as defined in this paragraph, will be used, produced, transported or stored on or within the right-of-way or any of the right-of-way facilities, or used in the construction, operation, maintenance or termination of the right-of-way or any of its facilities. "Hazardous material" means any substance, pollutant or contaminant that is listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq., and its regulations. The definition of hazardous substances under CERCLA includes any "hazardous waste" as defined in the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, 42 U.S.C. 6901 et seq., and its regulations. The term hazardous materials also includes any nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CERCLA Section 101(14), 42 U.S.C. 9601(14), nor does the term include natural gas.

Normal pipeline construction involves the temporary storage and use of fuels (i.e., diesel, gasoline,) for equipment operations. Once installed and in service, the pipeline is designed to transport commercial Y grade natural gas liquids to a commercial shipping transfer point.

20. Name all the Department(s)/Agency(ies) where this application is being filed.

- 1.) North Dakota Public Service Commission: Corridor Certificate and Route Permit
- 2.) North Dakota Department of Health - North Dakota Pollution Discharge Elimination System: Construction Storm Water and Hydrostatic Test Water Discharge permits
- 3.) US Fish & Wildlife Threatened and Endangered Species consultation
- 4.) State Historic Preservation Office cultural resources consultation
- 5.) North Dakota Parks and Recreation Department Natural Heritage Database consultation
- 6.) US Army Corps of Engineers

I HEREBY CERTIFY, That I am of legal age and authorized to do business in the State and that I have personally examined the information contained in the application and believe that the information submitted is correct to the best of my knowledge.

Signature of Applicant

Date

Title 18, U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

APPLICATION FOR TRANSPORTATION AND UTILITY SYSTEMS  
AND FACILITIES ON FEDERAL LANDS

GENERAL INFORMATION  
ALASKA NATIONAL INTEREST LANDS

This application will be used when applying for a right-of-way, permit, license, lease, or certificate for the use of Federal lands which lie within conservation system units and National Recreation or Conservation Areas as defined in the Alaska National Interest Lands Conservation Act. Conservation system units include the National Park System, National Wildlife Refuge System, National Wild and Scenic Rivers System, National Trails System, National Wilderness Preservation System, and National Forest Monuments.

Transportation and utility systems and facility uses for which the application may be used are:

1. Canals, ditches, flumes, laterals, pipes, pipelines, tunnels, and other systems for the transportation of water.
2. Pipelines and other systems for the transportation of liquids other than water, including oil, natural gas, synthetic liquid and gaseous fuels, and any refined product produced therefrom.
3. Pipelines, slurry and emulsion systems, and conveyor belts for transportation of solid materials.
4. Systems for the transmission and distribution of electric energy.
5. Systems for transmission or reception of radio, television, telephone, telegraph, and other electronic signals, and other means of communications.
6. Improved rights-of-way for snow machines, air cushion vehicles, and all-terrain vehicles.
7. Roads, highways, railroads, tunnels, tramways, airports, landing strips, docks, and other systems of general transportation.

This application must be filed simultaneously with each Federal department or agency requiring authorization to establish and operate your proposal.

In Alaska, the following agencies will help the applicant file an application and identify the other agencies the applicant should contact and possibly file with:

U.S. Department of Agriculture  
FOREST SERVICE (USFS)  
Alaska Regional Office (Region 10)  
*Physical Address:*  
Federal Office Building  
709 West 9th Street  
Juneau, Alaska 99801  
*Mailing Address:*  
P.O. Box 21628  
Juneau, Alaska 99802  
Telephone: 907-586-8806

U.S. Department of the Interior  
BUREAU OF INDIAN AFFAIRS (BIA)  
Alaska Regional Office (Juneau)  
*Mailing/Physical Address:*  
P.O. Box 25520  
709 West 9th Street  
Juneau, Alaska 99802  
Telephone: 800-645-8397

U.S. Department of the Interior  
BUREAU OF LAND MANAGEMENT (BLM)  
Alaska State Office  
*Mailing/Physical Address:*  
222 West 7th Avenue #13  
Anchorage, Alaska 99513  
Telephone: 907-271-5960

U.S. Department of the Interior  
NATIONAL PARK SERVICE (NPS)  
Alaska Regional Office (Anchorage)  
*Mailing/Physical Address:*  
240 West 5th Avenue, Room 114  
Anchorage, Alaska 99501  
Telephone: 907-644-3501

U.S. Department of the Interior  
FISH AND WILDLIFE SERVICE  
Alaska Regional Office (Region 7)  
*Mailing/Physical Address:*  
1011 East Tudor Road  
Anchorage, Alaska 99501  
Telephone: 907-271-5011

Note: Filings with any Department of the Interior agency may be filed with any office noted above or with the:

U.S. Department of the Interior  
OFFICE OF ENVIRONMENTAL POLICY AND COMPLIANCE  
Alaska Regional Office (Anchorage)  
Regional Environmental Officer  
1689 C Street, Room 119  
Anchorage, Alaska 99501  
Telephone: (907) 271-5011

U.S. Department of Transportation  
FEDERAL AVIATION ADMINISTRATION  
Alaska Regional Office (Anchorage)  
222 West 7th Avenue, #14  
Anchorage, Alaska 99513  
Telephone: 907-271-5269

*NOTE* - The Department of Transportation has established the above central filing point for agencies within that Department. Affected agencies are: Federal Aviation Administration (FAA), Coast Guard (USCG), Federal Highway Administration (FHWA), Federal Railroad Administration (FRA).

*OTHER THAN ALASKA NATIONAL INTEREST LANDS*

Use of this form is not limited to National Interest Conservation Lands of Alaska.

Individual departments/agencies may authorize the use of this form by applicants for transportation and utility systems and facilities on other Federal lands outside those areas described above.

For proposals located outside of Alaska, applications will be filed at the local agency office or at a location specified by the responsible Federal agency.

**SPECIFIC INSTRUCTIONS**

*(Items not listed are self-explanatory)*

*Item*

- 7 Attach preliminary site and facility construction plans. The responsible agency will provide instructions whenever specific plans are required.
  - 8 Generally, the map must show the section(s), township(s), and ranges within which the project is to be located. Show the proposed location of the project on the map as accurately as possible. Some agencies require detailed survey maps. The responsible agency will provide additional instructions.
  - 9, 10, and 12 - The responsible agency will provide additional instructions.
  - 13 Providing information on alternate routes and modes in as much detail as possible, discussing why certain routes or modes were rejected and why it is necessary to cross Federal lands will assist the agency(ies) in processing your application and reaching a final decision. Include only reasonable alternate routes and modes as related to current technology and economics.
  - 14 The responsible agency will provide instructions.
  - 15 Generally, a simple statement of the purpose of the proposal will be sufficient. However, major proposals located in critical or sensitive areas may require a full analysis with additional specific information. The responsible agency will provide additional instructions.
  - 16 through 19 - Providing this information in as much detail as possible will assist the Federal agency(ies) in processing the application and reaching a decision. When completing these items, you should use a sound judgment in furnishing relevant information. For example, if the project is not near a stream or other body of water, do not address this subject. The responsible agency will provide additional instructions.
- Application must be signed by the applicant or applicant's authorized representative.

If additional space is needed to complete any item, please put the information on a separate sheet of paper and identify it as "Continuation of Item".

SUPPLEMENTAL

NOTE: The responsible agency(ies) will provide additional instructions	CHECK APPROPRIATE BLOCK	
I - PRIVATE CORPORATIONS	ATTACHED	FILED*
a. Articles of Incorporation	<input type="checkbox"/>	<input type="checkbox"/>
b. Corporation Bylaws	<input type="checkbox"/>	<input type="checkbox"/>
c. A certification from the State showing the corporation is in good standing and is entitled to operate within the State.	<input type="checkbox"/>	<input type="checkbox"/>
d. Copy of resolution authorizing filing	<input type="checkbox"/>	<input type="checkbox"/>
e. The name and address of each shareholder owning 3 percent or more of the shares, together with the number and percentage of any class of voting shares of the entity which such shareholder is authorized to vote and the name and address of each affiliate of the entity together with, in the case of an affiliate controlled by the entity, the number of shares and the percentage of any class of voting stock of that affiliate owned, directly or indirectly, by that entity, and in the case of an affiliate which controls that entity, the number of shares and the percentage of any class of voting stock of that entity owned, directly or indirectly, by the affiliate.	<input type="checkbox"/>	<input type="checkbox"/>
f. If application is for an oil or gas pipeline, describe any related right-of-way or temporary use permit applications, and identify previous applications	<input type="checkbox"/>	<input type="checkbox"/>
g. If application is for an oil and gas pipeline, identify all Federal lands by agency impacted by proposal.	<input type="checkbox"/>	<input type="checkbox"/>
II - PUBLIC CORPORATIONS		
a. Copy of law forming corporation	<input type="checkbox"/>	<input type="checkbox"/>
b. Proof of organization	<input type="checkbox"/>	<input type="checkbox"/>
c. Copy of Bylaws	<input type="checkbox"/>	<input type="checkbox"/>
d. Copy of resolution authorizing filing	<input type="checkbox"/>	<input type="checkbox"/>
e. If application is for an oil or gas pipeline, provide information required by Item "I-f" and "I-g" above.	<input type="checkbox"/>	<input type="checkbox"/>
III - PARTNERSHIP OR OTHER UNINCORPORATED ENTITY		
a. Articles of association, if any	<input type="checkbox"/>	<input type="checkbox"/>
b. If one partner is authorized to sign, resolution authorizing action is	<input type="checkbox"/>	<input type="checkbox"/>
c. Name and address of each participant, partner, association, or other	<input type="checkbox"/>	<input type="checkbox"/>
d. If application is for an oil or gas pipeline, provide information required by Item "I-f" and "I-g" above.	<input type="checkbox"/>	<input type="checkbox"/>

\* If the required information is already filed with the agency processing this application and is current, check block entitled "Filed." Provide the file identification information (e.g., number, date, code, name). If not on file or current, attach the requested information.

## NOTICES

NOTE: This applies to the Department of the Interior/Bureau of Land Management (BLM).

The Privacy Act of 1974 provides that you be furnished with the following information in connection with the information provided by this application for an authorization.

**AUTHORITY:** 16 U.S.C. 310 and 5 U.S.C. 301.

**PRINCIPAL PURPOSE:** The primary uses of the records are to facilitate the (1) processing of claims or applications; (2) recordation of adjudicative actions; and (3) indexing of documentation in case files supporting administrative actions.

**ROUTINE USES:** BLM and the Department of the Interior (DOI) may disclose your information on this form: (1) to appropriate Federal agencies when concurrence or supporting information is required prior to granting or acquiring a right or interest in lands or resources; (2) to members or the public who have a need for the information that is maintained by BLM for public record; (3) to the U.S. Department of Justice, court, or other adjudicative body when DOI determines the information is necessary and relevant to litigation; (4) to appropriate Federal, State, local, or foreign agencies responsible for investigating, prosecuting violation, enforcing, or implementing this statute, regulation, or order; and (5) to a congressional office when you request the assistance of the Member of Congress in writing.

**EFFECT OF NOT PROVIDING THE INFORMATION:** Disclosing this information is necessary to receive or maintain a benefit. Not disclosing it may result in rejecting the application.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The Federal agencies collect this information from applicants requesting right-of-way, permit, license, lease, or certifications for the use of Federal Lands.

Federal agencies use this information to evaluate your proposal.

No Federal agency may request or sponsor and you are not required to respond to a request for information which does not contain a currently valid OMB Control Number.

**BURDEN HOURS STATEMENT:** The public burden for this form is estimated at 25 hours per response including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to: U.S. Department of the Interior, Bureau of Land Management (1004-0189), Bureau Information Collection Clearance Officer (WO-630) 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

A reproducible copy of this form may be obtained from the Bureau of Land Management, Division of Lands, Realty and Cadastral Survey, 1620 L Street, N.W., Rm. 1000 LS, Washington, D.C. 20036.

## **SECTION 7: PROJECT DESCRIPTION**

### **7a: Type of System or Facility**

Bear Paw Energy (BPE) is planning the Garden Creek natural gas liquids (NGL) Pipeline (The GCP) is a 10-inch outside diameter steel pipeline that is approximately 63 miles long. The GCP has been designed to deliver NGL from gas processing plants located in western North Dakota with delivery to the existing transportation hub in Montana. Project overview maps are attached.

### **7b: Related Structures and Facilities**

To conform with safety standards established by the Department of Transportation, and to facilitate future operational and maintenance needs, BPE shall install three (3) block valves on the proposed pipeline in proximity to the following mile posts(MP): 1) MP 38; MP 48; and MP 54. At this time there are no other structures or facilities associated with the project.

### **7c: Physical Specifications**

The GCP will cross approximately 18 miles of Forest Service (FS) managed lands. The proposed route will utilize existing corridors throughout, collocating within an existing easement that BPE holds with the Forest Service from about MP 37 to MP 49. The remaining six (6) miles from MP 49 to MP 54 will deviate from BPE's easement and follow an alternative corridor.

### **7d. Term of Years Requested**

BPE is requesting this authorization for a duration of three (3) years. This will allow for construction through 2011, and restoration in 2012 and as necessary in 2013.

### **7e: Time of Year of Use or Operation**

Continuous, year around operation of the GCP is anticipated.

### **7f: Volume of Product to be Transported**

The GCP has a design capacity of 65,000 barrels per day.

### **7g: Duration and Timing of Construction**

Construction will start on or about July 25, 2011, with construction activities in the Little Missouri National Grasslands lasting approximately 90 days. This activity includes preparing the right of way, trenching, stringing pile, welding pipe, and laying pipe. After construction is complete, the remainder of the year will be used for restoration of the right of way, with follow up on restoration efforts to continue in 2012 as necessary.

### **7h: Temporary Work Areas Needed for Construction**

To facilitate the construction and installation of the proposed pipeline, BPE is requesting authorization to utilize 95-foot construction right of way. This space is used for temporary spoil storage, pipeline assembly and equipment. This will consist of the entire existing 50-foot easement plus an additional 45-foot of temporary extra workspace (EWS) adjacent to the existing easement. A typical right-of-way schematic is attached.

Additionally, there are four (4) locations that BPE is requesting EWS to facilitate low impact feature crossings; including one road and four waterbody crossings. These are detailed as follows:

EWS Request 1A and 1B at MP 44:

1A: BPE is proposing to bore Highway 16 to minimize impacts to traffic. To facilitate this crossing technique, BPE requests two (2) 100-foot wide by 200-foot long EWS as depicted on aerial photograph labeled Extra Workspace Request 1A & 1B.

1B: BPE is proposing a low impact waterbody crossing at this location. To facilitate this crossing technique, BPE is requesting one 50-foot wide by 500-foot long “pullback” EWS, and one 100-foot wide by 200-foot long EWS, as depicted on aerial photograph labeled Extra Workspace Request 1A & 1B. The workspace is required for equipment setup, spoil storage, fabrication of the pipeline segment to be installed.

EWS Request 2 at MP 46.25:

BPE is proposing a low impact crossing of the waterbody at this location. To accommodate this crossing technique, BPE is requesting EWS to accommodate the equipment, spoil storage and workspace needs to facilitate the proposed crossing. BPE is requesting two (2) 75-foot wide by 100-foot long EWS on each side of the waterbody as depicted on aerial photograph labeled Extra Workspace Request 2.

EWS Request 3 at MP 47.4:

A minor route deviation, to the south of the existing corridor is requested as depicted on aerial photograph labeled Extra Workspace Request 3. The proposed routing will eliminate one waterbody crossing and constructability issues related to avoidance of the meandering waterbody that encroaches on the existing easement.

A low impact crossing of Bennie Peer Creek is proposed along this alternative routing. To facilitate this crossing technique, BPE is requesting two (2) 100-foot wide by 200-foot long EWS to accommodate equipment, spoil storage and workspace needs as depicted on aerial photograph labeled Extra Workspace Request 3.

EWS Request 4 at MP 49.1:

BPE is proposing a low impact waterbody crossing at this location. To facilitate this crossing technique, BPE is requesting two (2) 100-foot wide by 200-foot long EWS to accommodate the equipment, spoil storage and workspace needs as depicted on aerial photograph labeled Extra Workspace Request 4.

**SECTION 12: STATEMENT OF ABILITY TO CONSTRUCT, OWN AND OPERATE THE PROPOSED ASSET**

BPE is a wholly owned subsidiary of ONEOK Energy Partners, LP. BPE owns and operates in excess of \$100 million worth of assets in North Dakota, Wyoming, and Montana. Through the course of normal operations, BPE regularly constructs and operates both gathering system and transmission pipelines. In doing so, BPE meets federal DOT safety requirements while also conforming to relevant federal and state regulatory obligations. BPE regularly inspects and maintains their assets. Occasionally an asset may be removed from service due to normal operating attrition or system upgrade.

## **SECTION 13: OTHER REASONABLE ALTERNATIVE ROUTES CONSIDERED**

### **13a: Description of Reasonable Alternatives**

An analysis of all reasonable alternatives was conducted. Various factors were considered by BPE, including engineering, economic, and environmental factors. This process identified the following alternatives:

1. Truck the Garden Creek NGLs from the Garden Creek Plant to Riverview rail terminal.
2. Re-route the proposed GCP to avoid Federal Lands.

### **13b: Why Alternatives Not Selected**

Alternative 1 (trucking the NGL production) was not selected due to both economic and logistical reasons. It is more costly to transport large volumes of NGLs by truck rather than pipeline. The Garden Creek Plant is projected to produce approximately 15,000 barrels per day (BPD) of NGLs when operating in ethane rejection mode, and up to 28,000 BPD when operating in ethane recovery mode. To transport this volume of NGL via trucks would require approximately 60-65 trucks per day, a number that would increase the road congestion in McKenzie County and would require the construction of additional truck loading facilities at the Garden Creek Plant. Furthermore, conventional (250 psig) transport trucks can only accommodate Y-grade product of 210 psig vapor pressure; the Garden Creek Plant is designed to produce a higher vapor pressure product than what can be transported in conventional transport trucks, and would require the use of high-pressure trucks, further increasing the cost of the transport.

Alternative 2 (re-route pipeline to avoid Federal Lands) is not possible without a significant modification to the project and a reduction in associated economic benefits. The GPL is designed to transport Y-grade NGLs from both the Garden Creek and Grasslands Plants to the Riverview terminal. The Grasslands Plant is surrounded by Federal Lands and there is no feasible alternative route. The most direct route from Garden Creek Plant to Riverview terminal goes through Federal Lands.

### **13c: Explanation of Why Federal Lands will be Crossed**

It is necessary to cross Federal Lands in order to interconnect the Garden Creek Plant by pipeline with the Grasslands Plant and the existing rail transportation infrastructure near Sydney, Montana. Construction of this pipeline will allow BPE to produce a higher vapor pressure product than what can be transported in a standard transport trucks, allowing the production of ethane and increasing the value of the products extracted from the natural gas. Installing the pipeline will also eliminate the logistical, environmental, and safety issues associated with truck transportation.

**SECTION 14: AUTHORIZATIONS/PENDING APPLICATIONS FILED FOR SIMILAR PROJECT(S)**

- North Dakota Public Service Commission: Corridor Certificate and Route Permit
- North Dakota Department of Health - North Dakota Pollution Discharge Elimination System: Construction Storm Water and Hydrostatic Test Water Discharge permits
- US Fish & Wildlife Threatened and Endangered Species consultation
- US Army Corps of Engineers, Clean Water Act Section 404 Waterbody Crossings
- State Historic Preservation Office cultural resources consultation
- North Dakota Parks and Recreation Department Natural Heritage Database consultation

**SECTION 15: STATEMENT OF NEED, ECONOMIC FEASIBILITY AND PUBLIC BENEFITS**

In the past two years, the number of rigs operating in North Dakota has increased from less than 40 in June 2009, to 163 rigs as of January 2011. The rapid increase in gas production from Bakken and Three Forks Formation wells has exceeded the limited processing capacity available at existing facilities, and construction of the Garden Creek Plant is required to meet the demand of area producers. While oil production from these wells can be trucked to market, the associated natural gas production must be collected via a gas gathering system. The GCP is required infrastructure to transport NGLs produced from the gas plants to market. Absent the construction of additional processing facilities, gas produced in association with oil from these wells must be flared, which is a loss of revenue to the producers, royalty owners, and the state of North Dakota.

The GCP is projected to cost between \$26 million and \$28 million dollars to construct. The public benefits from this project include creation of new jobs, additional tax revenues, and increased producer and royalty revenues that will be achieved by processing up to 100 MMcfd of gas that would otherwise be flared off at the wellhead.

## **SECTION 16: EFFECTS ON LOCAL POPULATION**

Impacts on the existing population and employment and economic conditions in the Project area are expected to be minor and temporary; however there will be an influx of temporary workers to the Project area. The Proposed project is not anticipated to result in any long-term impacts to permanent residents or employment sectors in the counties crossed by the project.

Construction of the Project will result in a temporary, short-term increase in the population in the Project area during construction. A temporary population increase will be concentrated in the Sidney and Glendive, Montana, the largest population center in the area. The total population change over the nine-month long Project will include non-local construction workers and any family members accompanying them. BPE anticipates approximately 120 personnel will be required to complete the Project, including contractors and subcontractor personnel, inspection staff, and BPE employees.

Construction contractors and subcontractors may hire temporary construction staff from the local population to the extent that local workers possess skills required for pipeline construction. BPE anticipates that 20 to 25 percent the workforce will be hired locally. Non-local construction workers typically include pipeline construction specialists that include supervisory personnel and inspectors who will temporarily relocate to the Project area. However, due to the small employment size, the Project is not expected to result in long-term permanent impact on the existing workforce.

Negative impacts on federal, state, and local entities from an economic perspective are not likely to occur during construction or operation of the Project. The Project will create a positive long-term impact on state and local tax revenues.

Construction and operation of the Project will have beneficial impacts on local tax revenues. An unspecified amount of sales tax revenue will be generated by the temporary increase in construction workers who purchase local goods and services. Additionally, BPE will pay a fee for the lease of pipe storage yards, offices, construction sites, and contractor equipment. BPE will purchase local materials and project personnel will be lodged locally during construction. Additionally, workers will purchase fuel, consumables, and miscellaneous personal and office supplies.

Project personnel will generate short-term increased revenue by using temporary housing resources and purchasing local consumer goods. The Project will result in a positive long-term impact on economic resources in the state and local areas from the increase in state and local tax revenues that will be generated by the operation of the Project.

The Project is not expected to cause adverse short- or long-term impacts on the retail trade industry during construction or operation. BPE expects that local retail trade will see a temporary increase in revenue due to the number of personnel temporarily relocating to the project area during construction. Construction personnel will likely increase revenue by spending money in local businesses relating to clothing, food, fuel, and other personal goods.

Construction of the Project could result in short-term, minor transportation and traffic impacts in the project area during construction. Increased traffic volumes from commuting

workers, the movement of construction vehicles, and delivery of equipment and materials to the construction work area may result in increased traffic congestion during parts of the day.

## **SECTION 17: ENVIRONMENTAL IMPACTS**

### **17a: Air Quality**

Environmental impacts will be temporary in nature. During construction, there will be temporary impacts to air quality, primarily due to fugitive dust emissions.

### **17b: Visual Impacts**

Visual impacts will be negligible. BPE does not anticipate any significant above-ground structures. However, there will likely be some main line valves installed for safety and operational purposes. These valves are relatively small, occupying approximately 10 feet x 10 feet of space and no more than 6 feet in height. Their locations are currently under engineering review.

### **17C: Surface and Ground Water Quality and Quantity**

BPE does not anticipate any impacts to ground water. The pipeline is buried to a nominal depth of 4 feet. At this depth, BPE does not anticipate encountering ground water.

Surface water may be impacted due to construction activities and potential surface runoff. However, BPE will secure the required NDPDES permits and meet the permit conditions, thereby mitigating the effects on surface waters to the satisfaction of the state regulatory authority. Furthermore, the crossing of surface waters may result in temporary impacts due to increased turbidity during the installation of the pipeline. However, these disturbed areas shall be restored and stabilized to the satisfaction of the US Army Corps of Engineers, which has jurisdictional oversight of these activities.

### **17d: Control or Structural Change of any Stream or Body of Water**

BPE would limit stream impacts by reducing the width of the construction right-of-way to 50 feet or less across streams. Furthermore during construction, properly installed and maintained sediment controls would prevent or minimize sedimentation of waterbodies from runoff of the construction right-of-way. Immediately following in-stream construction, temporary erosion controls (such as silt fencing, erosion control fabric, and hay bales) would be installed to further minimize sedimentation until the stream banks are restored. Bank stabilization would be completed within 24 to 48 hours of completing in-stream construction. BPE would also restore the streambeds and banks to as close to pre-construction contours as possible. Erosion control fabric and other mitigation measures would be used to improve the probability of successful revegetation and bank stabilization within disturbed areas.

### **17e: Existing Noise Levels**

During the construction period, noise levels will increase. A typical construction period operates on a 10 hours/day, 6 days/week schedule. Once operational, the pipeline is typically silent.

### **17f: Surface of Land**

During cleanup, construction debris remaining on the right-of-way will be collected and disposed of properly. Work areas will be graded and restored to preconstruction contours as closely as practical.

During restoration, segregated topsoil will be spread over the surface after final grading and permanent erosion controls will be installed to stabilize the construction work area. After permanent erosion control devices are installed, disturbed, non-cultivated areas will be seeded and slopes mulched where required. Seed mixes will be approved in advanced by the land managing agency or landowner and will correspond to what vegetative composition was on the land prior to construction.

Every reasonable effort will be made to complete final cleanup (including final grading and installation of erosion control devices) in accordance with landowner or land managing agency requests or within 21 days of backfilling.

**SECTION 18: PROBABLE PROJECT EFFECTS ON PLANT AND WILDLIFE**

**18a: Effects on Populations of Fish, Plantlife, Wildlife and Marine Life**

Plant life will be temporarily impacted during construction. Consultations with agencies have identified listed protected species and critical habitat areas. Through the Public Service Commission siting process, these areas and habitats are typically excluded; therefore no impact to threatened and endangered species is expected. By co-locating approximately 31% of the pipeline with existing corridors, BPE will minimize impacts to previously undisturbed wildlife habitat. Upon project completion, BPE will restore original contours and reseed disturbed areas to landowner specifications.

**18b: Effects on Marine Mammals**

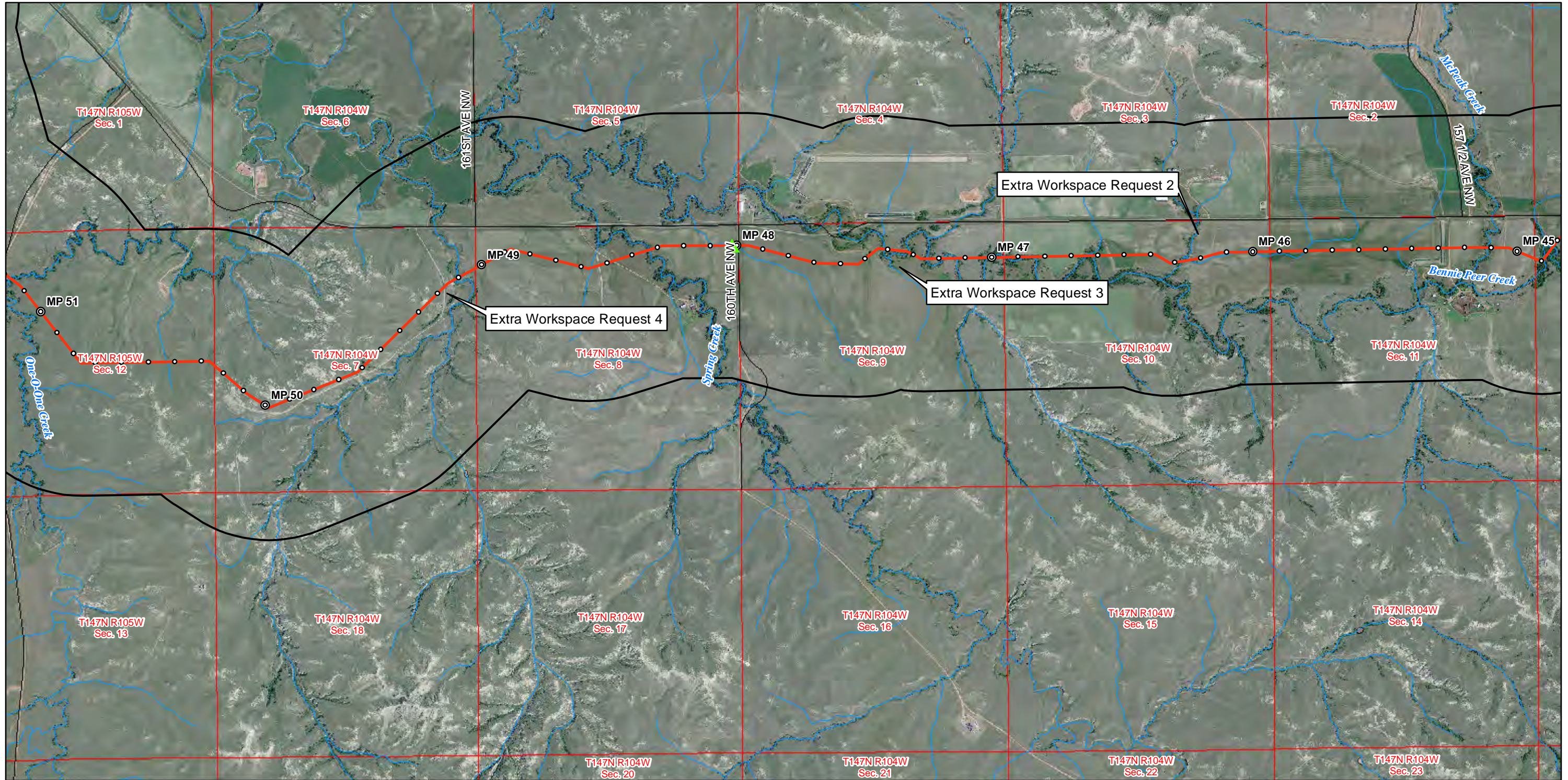
Construction of the project will not affect marine mammals.

**SECTION 19: HAZARDOUS MATRERIALS**

Normal pipeline construction involves the temporary storage and use of fuels (i.e., diesel, gasoline, propane) for equipment operations. Once installed and in service, the pipeline is designed to transport commercial Y grade natural gas liquids to a commercial shipping transfer point.

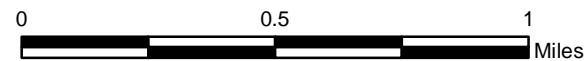
**SECTION 20: OTHER DEPARTMENT AGENCY(S) WHERE THIS APPLICATION IS BEING FILED**

- North Dakota Public Service Commission: Corridor Certificate and Route Permit
- North Dakota Department of Health - North Dakota Pollution Discharge Elimination System: Construction Storm Water and Hydrostatic Test Water Discharge permits
- US Fish & Wildlife Threatened and Endangered Species consultation
- US Army Corps of Engineers
- State Historic Preservation Office cultural resources consultation
- North Dakota Parks and Recreation Department Natural Heritage Database consultation



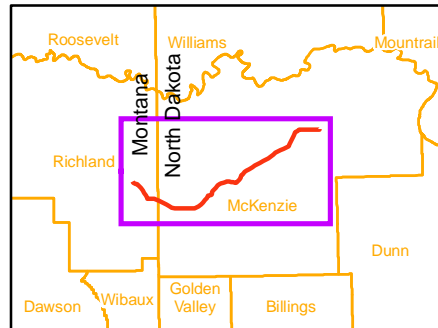
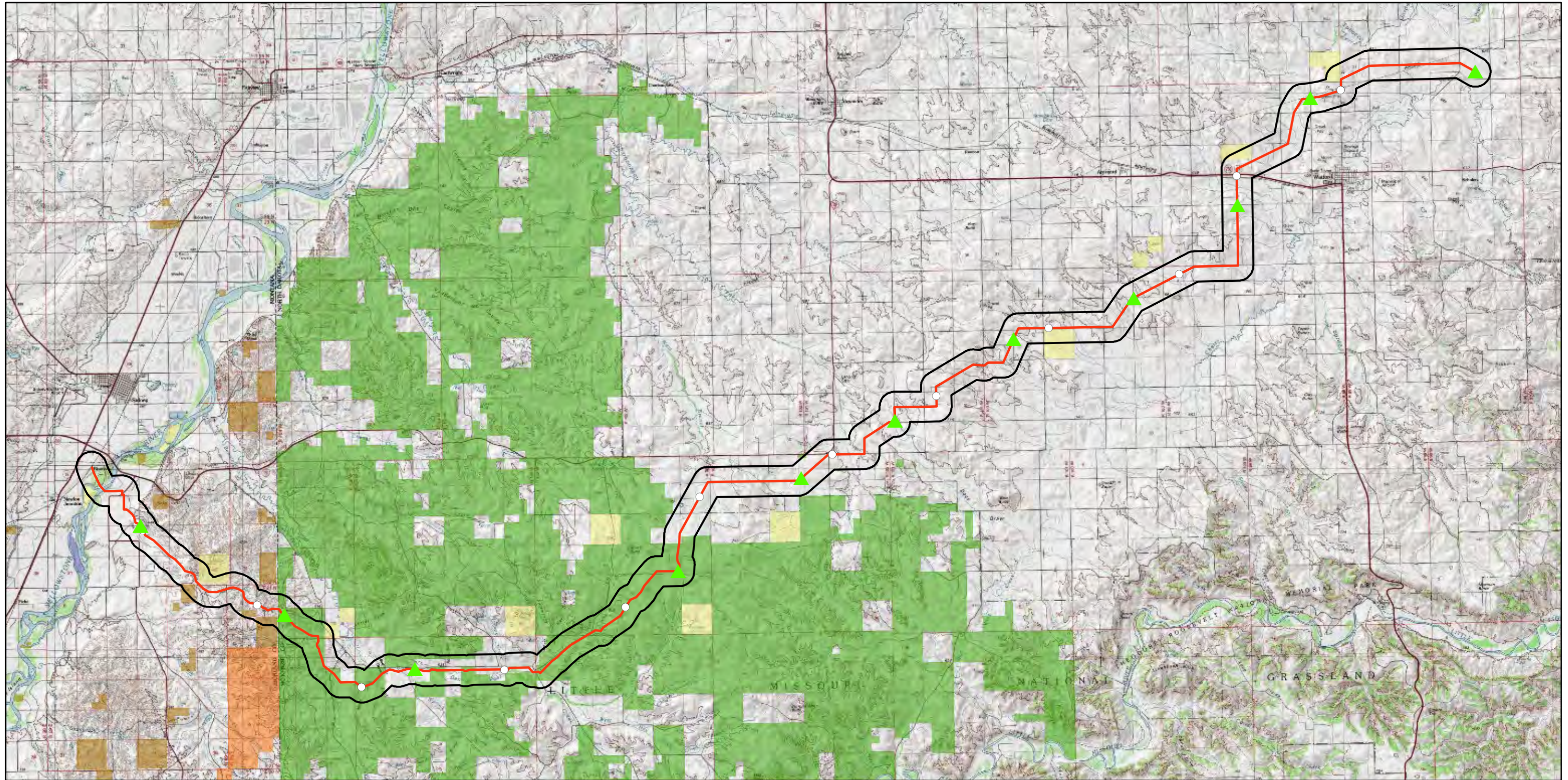
- Proposed Pipeline    — Roadway    — Hydrology
- ▲ Valve     Section     National Wetlands Inventory
- Corridor

Source: NAIP Imagery, 2009



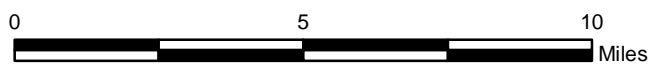
**Garden Creek NGL  
Proposed Pipeline  
Aerial Photograph and NWI**

**Map 2 of 2**



- ▲ Valve
  - Proposed Pipeline
  - Corridor
- Protected Areas Database**
- Bureau of Land Management (BLM)
  - Forest Service (USFS)
  - Private Conservation
  - State Trust Land
  - State Fish and Game

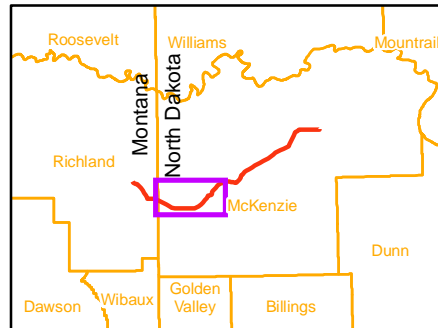
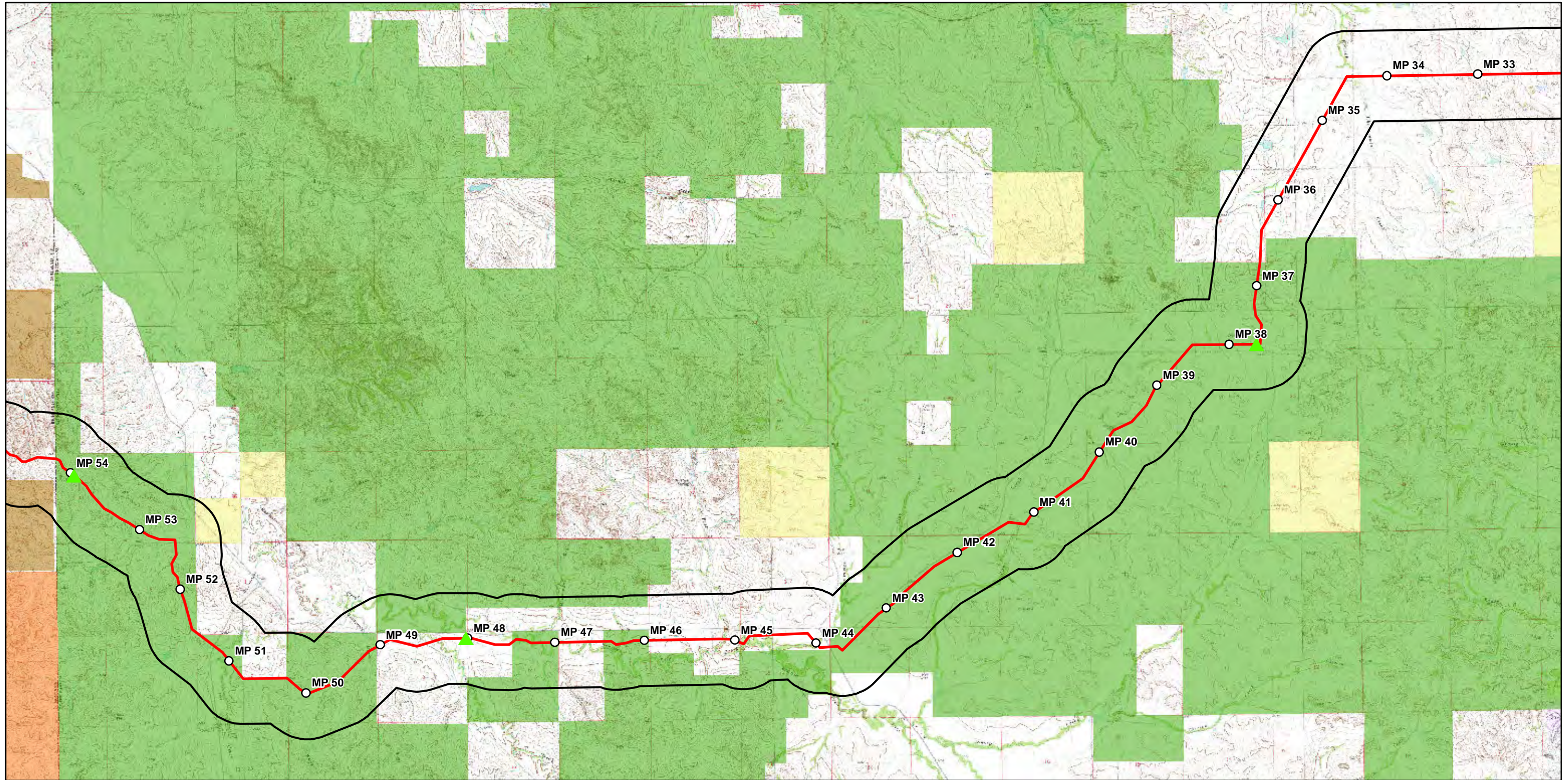
Source: ESRI USGS Topo Map Server  
 Protected Areas Database of the United States (PADUS) version 1.1  
 US Geological Survey (USGS) National Biological Information  
 Infrastructure (NBII) Gap Analysis Program (GAP), 2010



## Garden Creek NGL Proposed Pipeline

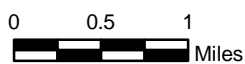
### Topographic Map and Protected Areas Database

#### Overview

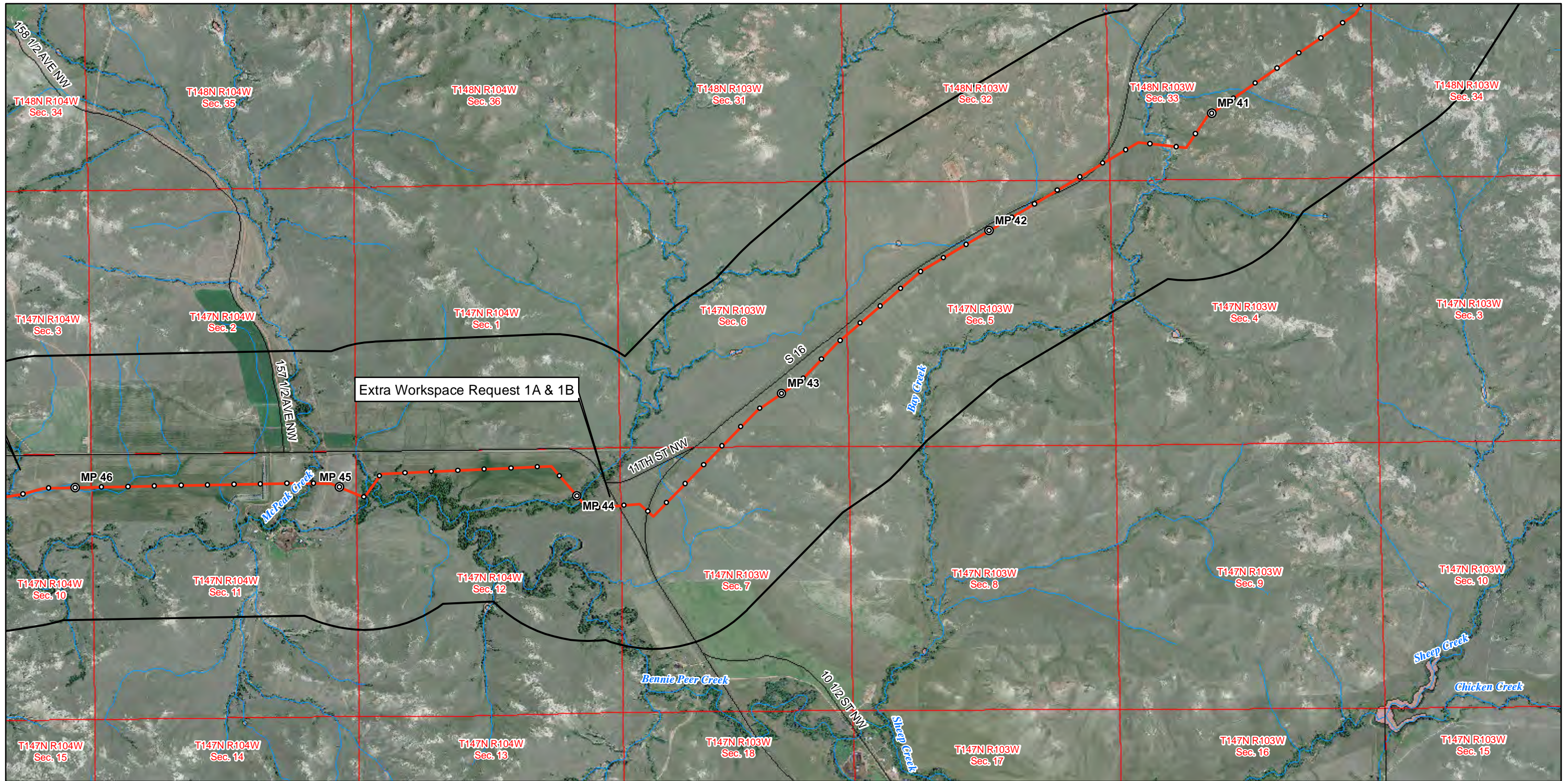


- Proposed Pipeline
- ▲ Valve
- Corridor
- Bureau of Land Management (BLM)
- Forest Service (USFS)
- Private Conservation
- State Trust Land
- State Fish and Game

Source: USGS 7.5' series topographic maps  
 Protected Areas Database of the United States (PADUS) version 1.1  
 US Geological Survey (USGS) National Biological Information  
 Infrastructure (NBI) Gap Analysis Program (GAP), 2010

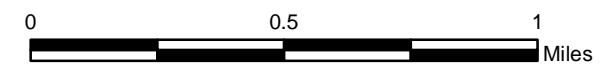


**Garden Creek NGL  
 Proposed Pipeline  
 Topographic Map and  
 Protected Areas Database  
 Overview**



- Proposed Pipeline
- Roadway
- Hydrology
- ▲ Valve
- Section
- National Wetlands Inventory
- Corridor

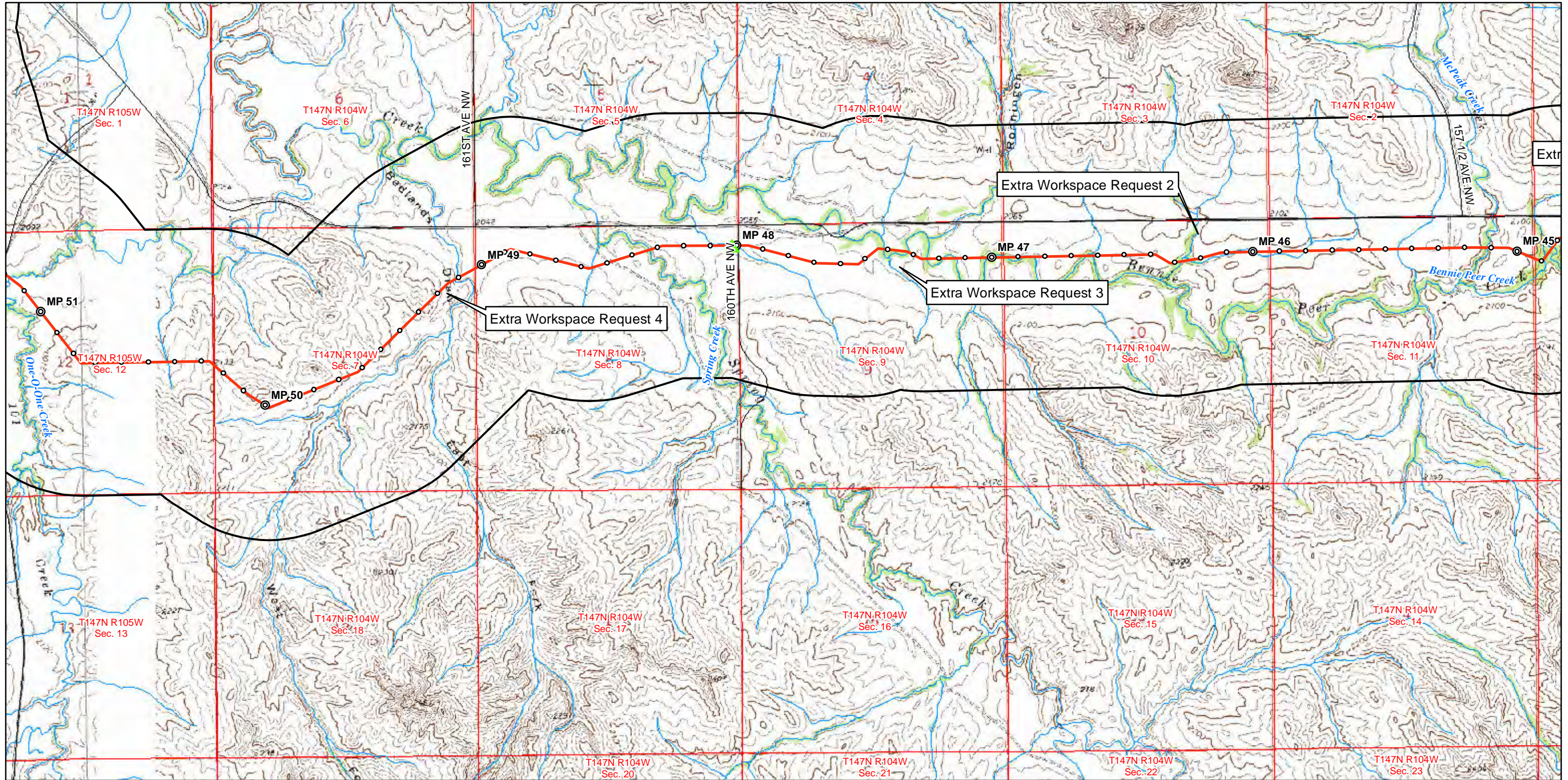
Source: NAIP Imagery, 2009




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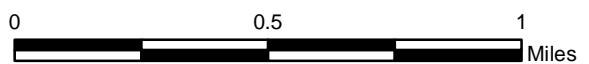



**Garden Creek NGL  
 Proposed Pipeline  
 Aerial Photograph and NWI**  
**Map 1 of 2**



- Proposed Pipeline    — Roadway    — Hydrology
- ▲ Valve     Section     National Wetlands Inventory
- Corridor

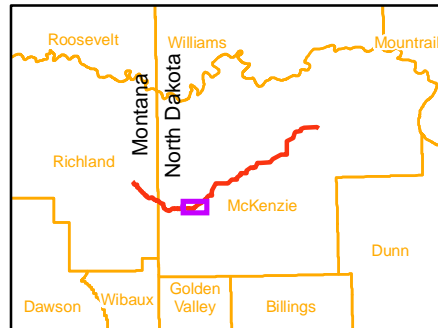
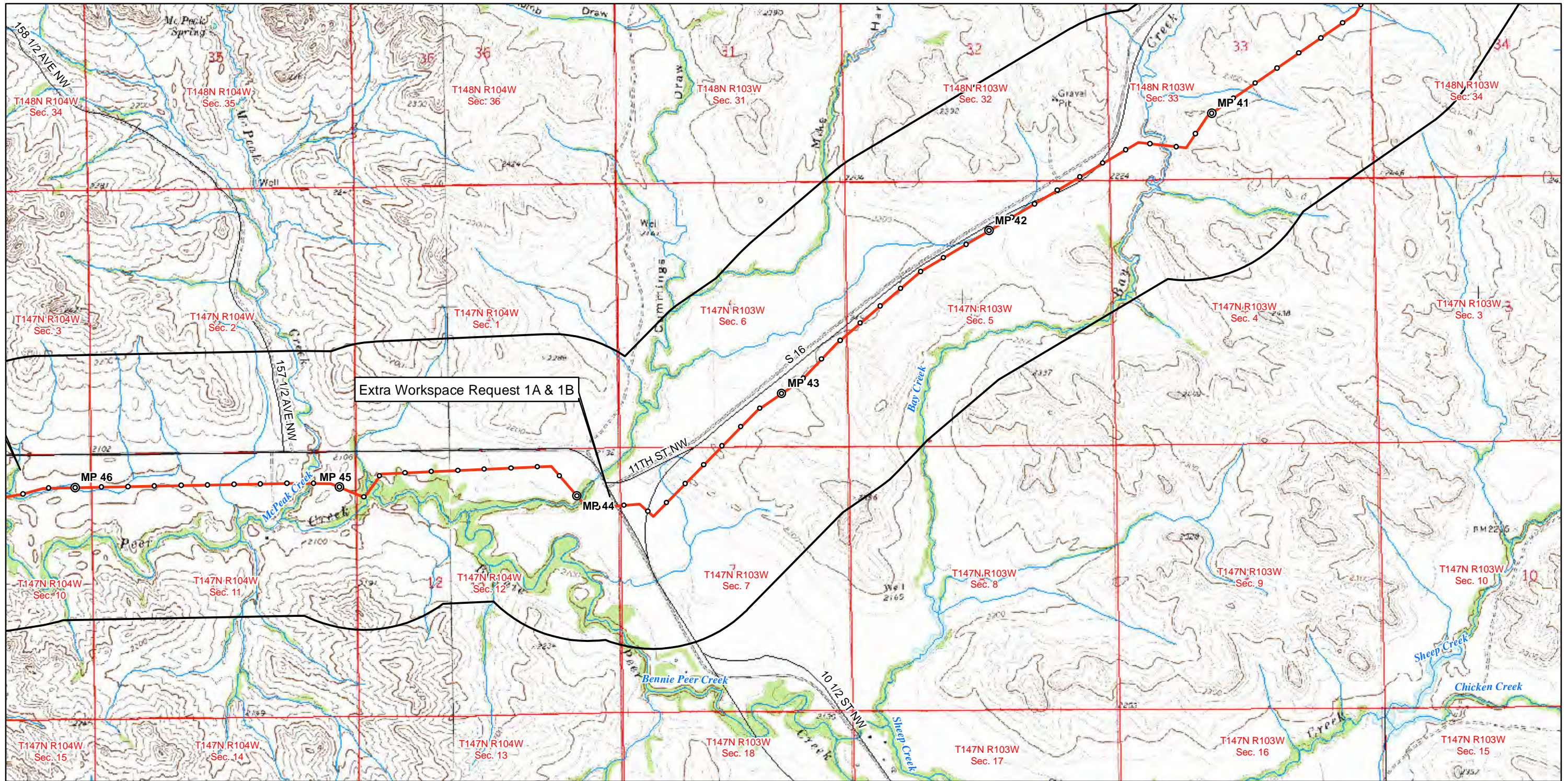
Source: USGS 7.5 Minute Quadrangle Maps



## Garden Creek NGL Proposed Pipeline

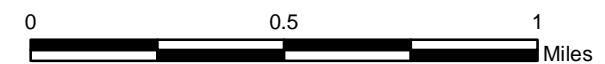
### Topographic Map and NWI

Map 2 of 2



- Proposed Pipeline
- Roadway
- Hydrology
- ▲ Valve
- Section
- National Wetlands Inventory
- Corridor

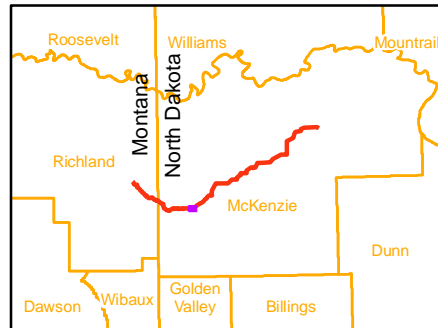
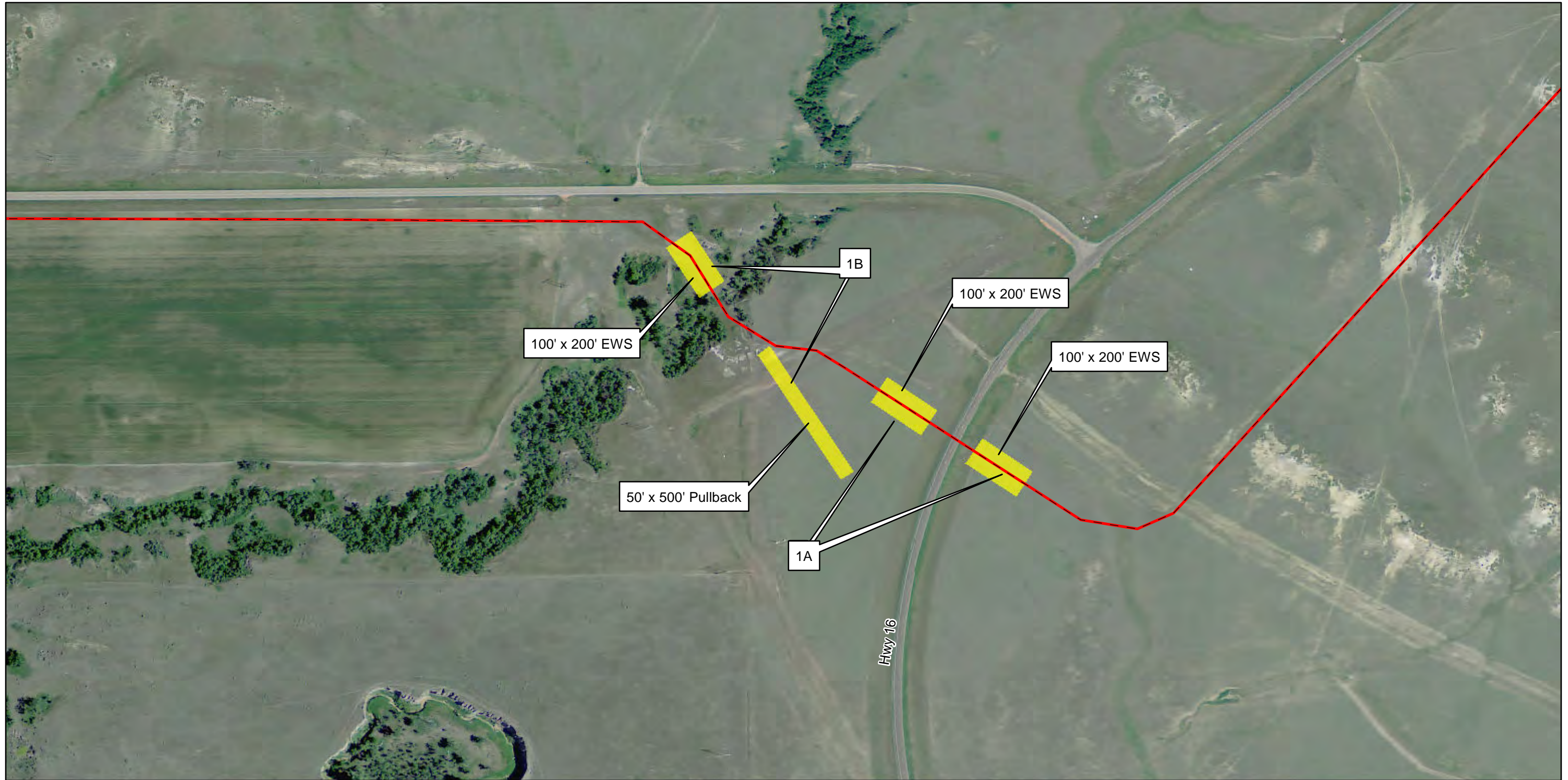
Source: USGS 7.5 Minute Quadrangle Maps



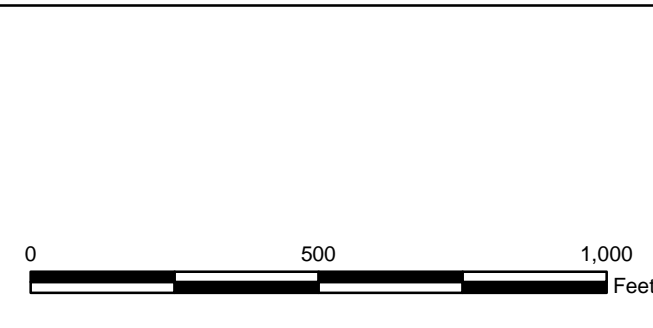

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**Enhancing Execution with Experience**

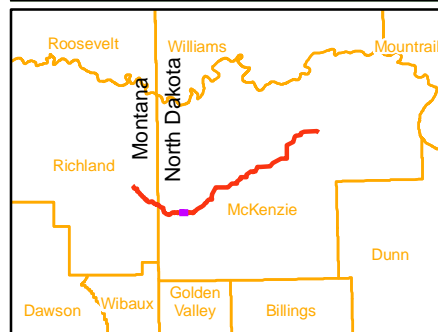
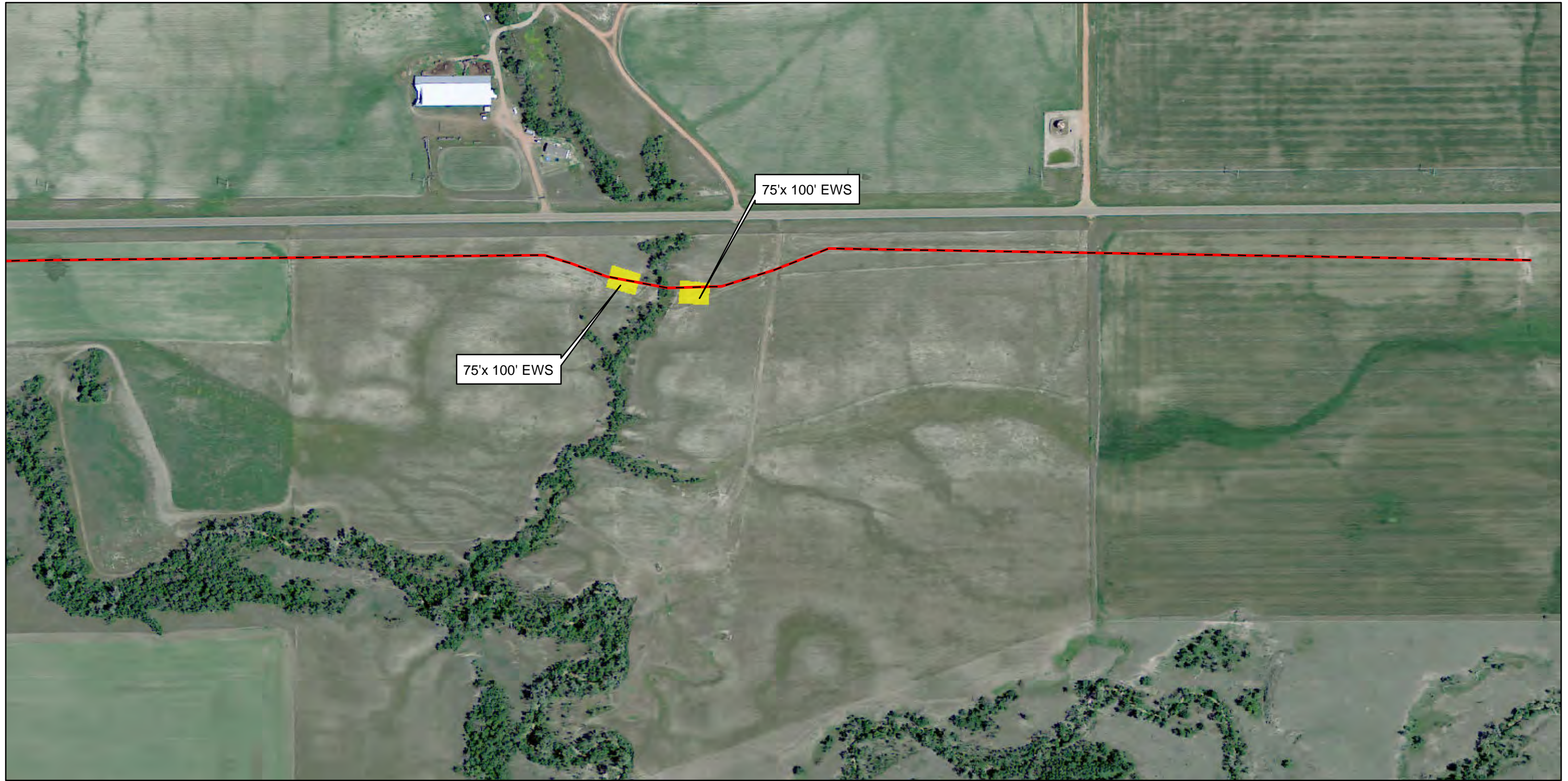
**Garden Creek NGL  
 Proposed Pipeline  
 Topographic Map and NWI**  
  
**Map 1 of 2**



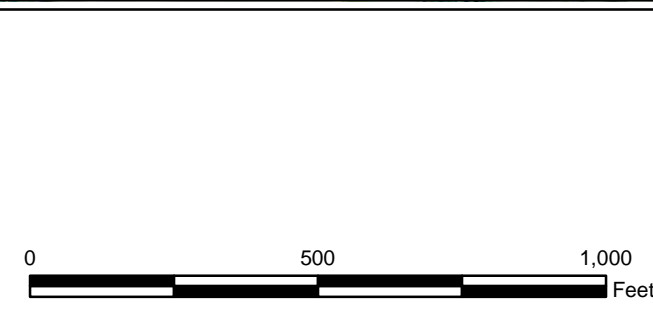
- - - Existing Corridor (Approximate Centerline)  
 — Proposed Pipeline  
 ■ Workspace  
 Source: NAIP Imagery, 2009



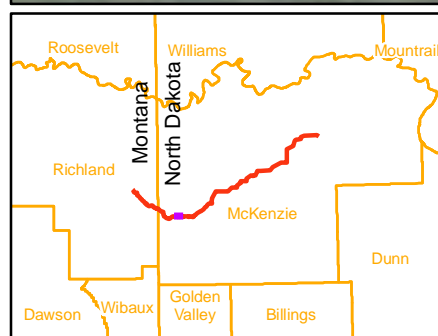
**Garden Creek NGL  
 Proposed Pipeline**  
  
**Extra Workspace Request  
 1A & 1B**



- - - Existing Corridor (Approximate Centerline)  
 — Proposed Pipeline  
 ■ Workspace  
 Source: NAIP Imagery, 2009

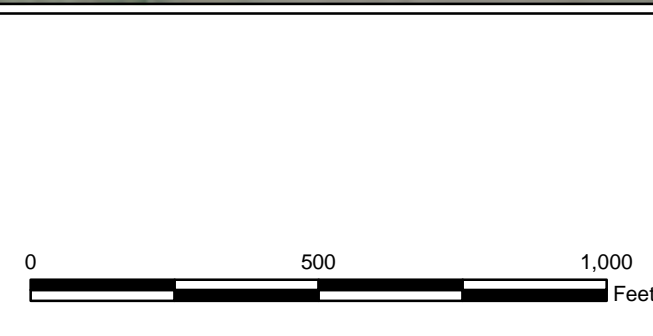


**Garden Creek NGL  
 Proposed Pipeline**  
**Extra Workspace Request 2**



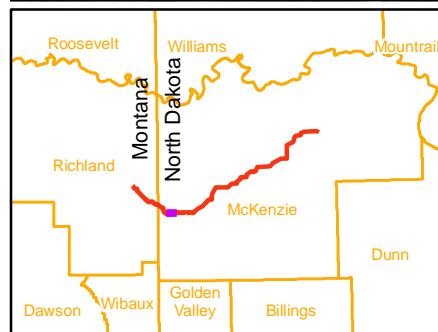
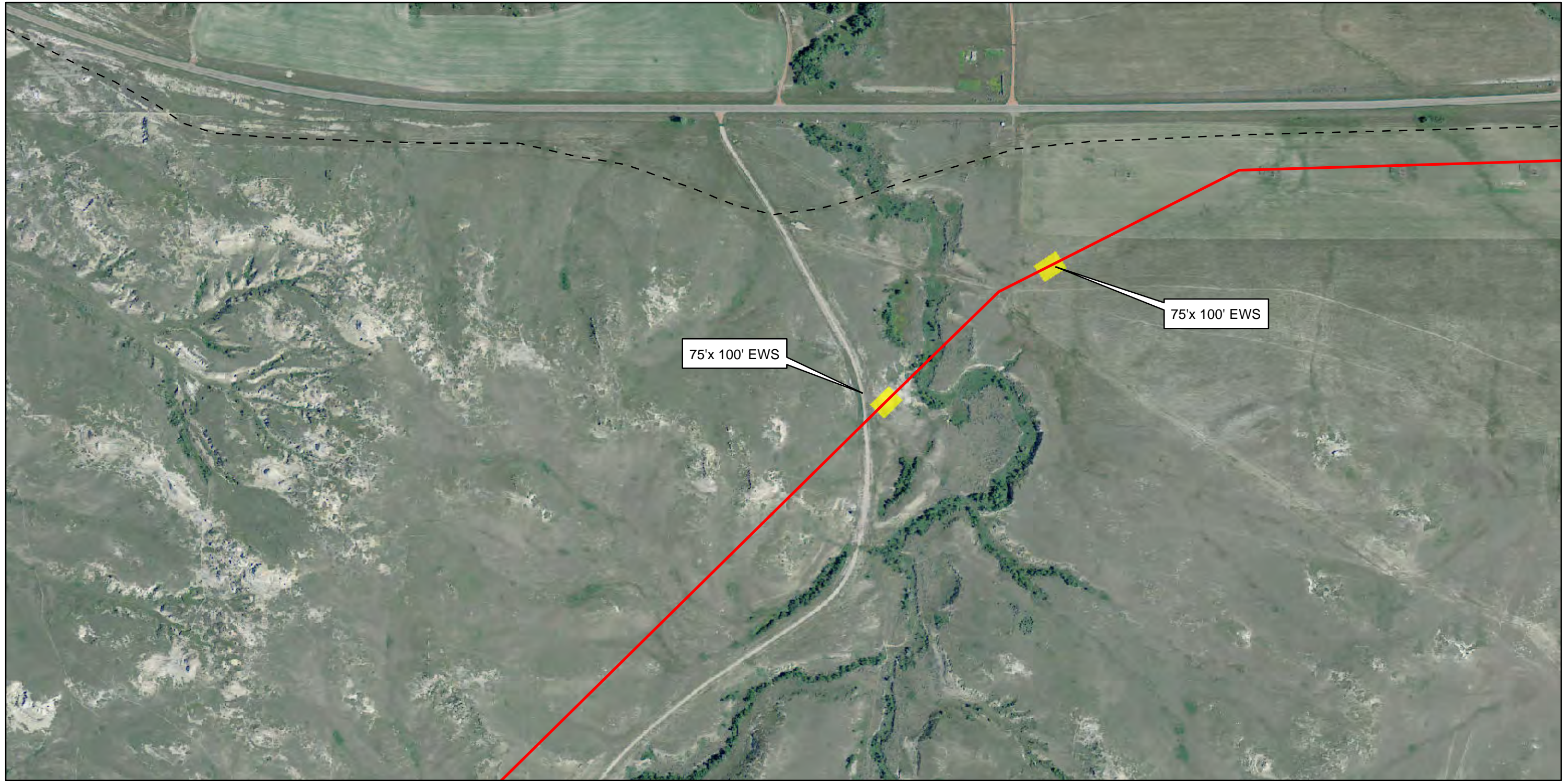
- - - Existing Corridor (Approximate Centerline)  
 — Proposed Pipeline  
 ■ Workspace

Source: NAIP Imagery, 2009



**Garden Creek NGL  
Proposed Pipeline**

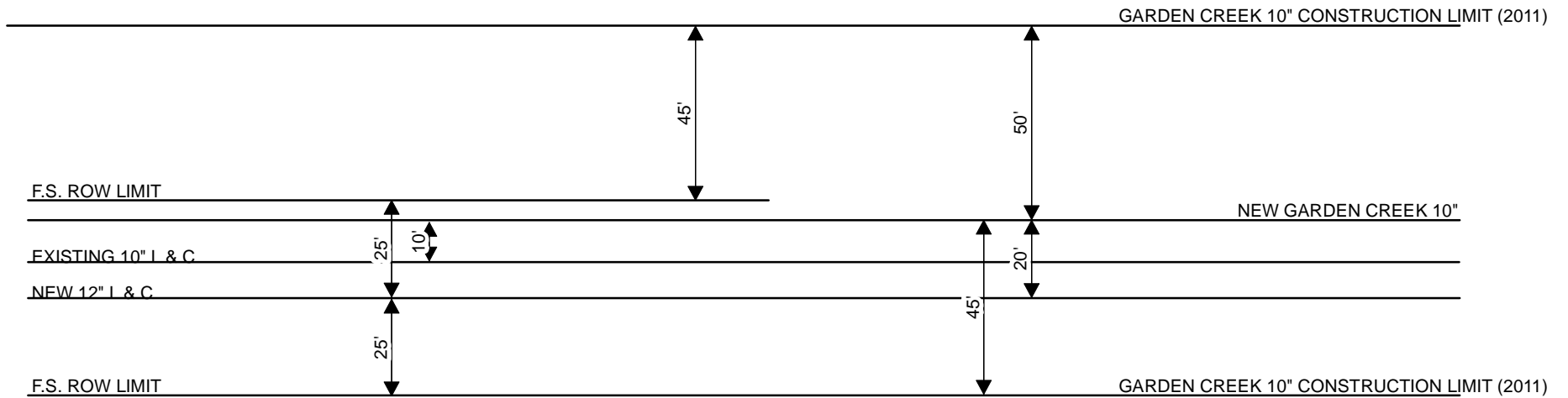
**Extra Workspace Request 3**



--- Existing Corridor (Approximate Centerline)  
 — Proposed Pipeline  
 ■ Workspace  
 Source: NAIP Imagery, 2009

0 500 1,000 Feet

**Garden Creek NGL  
 Proposed Pipeline**  
**Extra Workspace Request 4**



**GARDEN CREEK NGL PIPELINE**  
TYPICAL WORKSPACE

