

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Bear Paw Energy, LLC
Garden Creek to Riverview NGL Pipeline – McKenzie County
Siting Application**

Case No. PU-11-66

FINDINGS OF FACT, CONCLUSIONS OF LAW and ORDER

December 2, 2011

Preliminary Statement

On September 7, 2011, the Commission adopted Findings of Fact, Conclusions of Law and Order issuing Corridor Compatibility Certificate No. 122 and Route Permit No. 131 to Bear Paw Energy, LLC (Bear Paw) to authorize construction of the Garden Creek to Riverview NGL Pipeline (Pipeline). The Pipeline includes construction of approximately 54.2 miles of 10-inch diameter pipeline in McKenzie County, North Dakota, and also the construction of 11 block valves and a single pumping station at Bear Paw's Garden Creek Gas Plant.

On September 21, 2011 Bear Paw filed with the Delaware Secretary of State to change its name to ONEOK Rockies Midstream, L.L.C (ONEOK). On October 13, 2011, Bear Paw requested that the Commission reissue all corridor certificates, route permits, and certificates of site compatibility currently held by Bear Paw to ONEOK to reflect the name change, Case No. PU-11-658. The Commission has not yet acted on this request.

On October 27, 2011, Bear Paw, now known as ONEOK, filed with the Commission an application for an amended corridor and an application for an amended route for the Pipeline. The corridor and route amendment is located between Pipeline mile post 43 and 44, in the Northwest quarter of the Northwest quarter of Section 7, Township 147 North, Range 103 West, and the Northeast quarter of the Northeast quarter of Section 12, Township 147 North, Range 104 West in McKenzie County. In addition, Bear Paw filed an application to waive and reduce procedures and time schedules required under North Dakota Century Code chapter 49-22. Bear Paw requests waiver for the following:

- Procedures that require separate filings of applications for a certificate of corridor compatibility and a route permit,
- Procedures that require separate notices of such applications,
- Procedures that require separate hearings on such applications,
- Procedures that require a public hearing on an application for a certificate of corridor compatibility,
- Procedures that require a public hearing on an application for a route permit.

Bear Paw requests the corridor and route amendments at the request of a landowner. Bear Paw proposes to alter the approved route approximately 200 feet to the north and east to abut an existing right-of-way.

On November 2, 2011, the Commission issued a Notice of Filings, Notice of Informal Hearing and Notice of Opportunity for Hearing (Notice) scheduling an informal hearing for November 23, 2011, at 1:30 p.m. CST in the Commission Hearing Room on the 12th Floor of

the State Capitol. The Notice further provided that comments and requests for a hearing must be received by December 2, 2011.

The Notice identified the following issues to be considered in Bear Paw's application for waiver of procedures and time schedules:

1. Are the proposed facilities of such length, design, location, or purpose that they will produce minimal adverse effects and that adherence to applicable procedures and time schedules may be waived?
2. Is it appropriate for the Commission to waive any procedures and time schedules as requested in the application?

The Notice identified the following issues to be considered in Bear Paw's applications for amended certificate of corridor compatibility and amended route permit:

1. Will the location, construction, and operation of the proposed facilities produce minimal adverse effects on the environment and upon the welfare of the citizens of North Dakota?
2. Are the proposed facilities compatible with the environmental preservation and the efficient use of resources?
3. Will the proposed facility locations minimize adverse human and environmental impact while ensuring continuing system reliability and integrity and ensuring that energy needs are met and fulfilled in an orderly and timely fashion?

On November 23, 2011, the Commission held the informal hearing as scheduled. No comments or requests for hearing were received.

Having allowed all interested persons an opportunity to be heard, and having heard, reviewed and considered all testimony and evidence presented, the Commission makes the following:

Findings of Fact

1. The materials filed by Bear Paw in its October 27, 2011 applications state, and as was further discussed at the informal hearing, that no exclusion or avoidance areas will be impacted by the requested corridor and route amendments.
2. The materials filed by Bear Paw in its October 27, 2011 applications state, and as was further discussed at the informal hearing, that the State Historical Society of North Dakota has concurred that no historic properties are affected by the corridor and route amendments.
3. The materials filed by Bear Paw at the informal hearing, and as was further discussed at the informal hearing, that the United States Forest Service has approved the requested corridor and route amendments.
4. The corridor and route amendments are compatible with the environmental preservation and the efficient use of resources, and will produce minimal adverse impacts on the environment, natural resources, and upon the welfare of the citizens of North Dakota, while ensuring continuing system reliability, integrity and ensuring that energy needs are met and fulfilled in an orderly fashion.

From the foregoing Findings of Fact, the Commission now makes its:

Conclusions of Law

1. The Commission has jurisdiction over Bear Paw and over the subject matter of the Application under North Dakota Century Code Chapter 49-22.
2. The requested corridor and route amendments will produce minimal adverse effects as defined under NDCC § 49-22-07.2.
3. It is appropriate for the Commission to waive those certain procedures and time schedules as requested in the application for waiver of procedures and time schedules and as provided under North Dakota Century Code § 49-22-07.2.

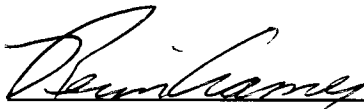
From the foregoing Findings of Fact, and Conclusions of Law, the Commission now issues its:

ORDER

The Commission orders:

1. Bear Paw's application for a waiver of procedures and time schedules is granted.
2. Bear Paw's requests for amendments from the permitted corridor and pipeline route are granted, and Bear Paw is issued First Amended Certificate of Corridor Compatibility No. 122 and First Amended Route Permit No. 131.
3. The authorizations granted by the First Amended Certificate of Corridor Compatibility No. 122 and the First Amended Route Permit No. 131 are subject to modification by order of the Commission if deemed necessary to further protect the public or the environment.
4. The amended corridor and amended route are subject to the conditions and limitations stated in the Findings of Fact, Conclusions of Law and Order dated September 7, 2011, and are subject to the conditions and limitations stated in this Order.

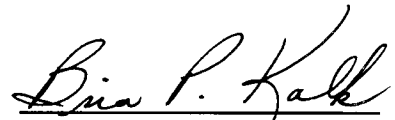
PUBLIC SERVICE COMMISSION



Kevin Cramer
Commissioner



Tony Clark
Chairman



Brian P. Kalk
Commissioner

**PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA**

**First Amended
Certificate of Corridor Compatibility Number 122**

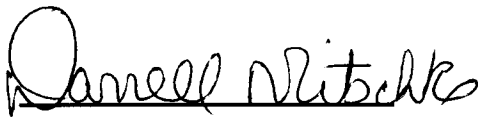
This is to certify that the Commission has designated a transmission facility corridor for Bear Paw Energy, LLC for the construction of a 10-inch pipeline in McKenzie County, North Dakota for the transmission of natural gas liquids.

This certificate is issued in accordance with the Order of this Commission dated September 7, 2011 in Case No. PU-11-66 and amended with the Order of this Commission dated December 2, 2011, and is subject to the conditions and limitations noted in those Orders.

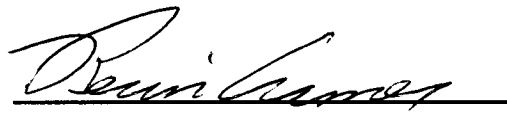
Bismarck, North Dakota, December 2, 2011.

ATTEST:

PUBLIC SERVICE COMMISSION



Executive Secretary



Commissioner

STATE OF NORTH DAKOTA

First Amended Route Permit Number 131

This is to certify that the Commission has designated a transmission facility route for Bear Paw Energy, LLC for the construction of a 10-inch pipeline in McKenzie County, North Dakota for the transmission of natural gas liquids.

This permit is issued in accordance with the Order of this Commission dated September 7, 2011 in Case No. PU-11-66 and amended with the Order of this Commission dated December 2, 2011, and is subject to the conditions and limitations noted in those Orders.

Bismarck, North Dakota, December 2, 2011.

ATTEST:

PUBLIC SERVICE COMMISSION


Executive Secretary


Commissioner