Fredrikson & BYRON, P.A.

May 20, 2013

VIA HAND DELIVERY

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

RE: HILAND OPERATING, LLC
NATURAL GAS PIPELINE – BURKE & DIVIDE COUNTIES
CASE NUMBER: PU-12-190

Dear Mr. Nitschke:

Enclosed for filing, please find an original and ten (10) copies of the following documents in further support of Hiland Operating, LLC's Certificate of Corridor Compatibility Application and Route Permit Application:

1. Keitu Engineers & Consultants, Inc. (Keitu) Post-Construction Restoration Report;

2. Letter from Kathye Spilman regarding supplemental data;

3. Letter from North Dakota Game and Fish Department;

4. E-mail correspondence from US Fish & Wildlife Service; and

5. Post-Construction Tree Survey.

Also enclosed is a CD containing the above-referenced document in PDF format.

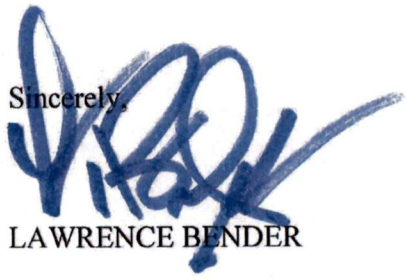
If you should have any questions, please advise.

Attorneys & Advisors
main 701.221.4020
fax 701.221.4040
www.fredlaw

Fredrikson & Byron, P.A.
200 North Third Street, Suite 150

EXHIBIT
tabbies
6

Sincerely,



LAWRENCE BENDER

LB/jrr
Enclosures
cc: Mike Higgins *(via e-mail – w/enclosure)*
5934318_1.DOCX

Hiland Operating, LLC 6-inch Natural Gas Pipeline (Norse Pipeline)
6.5 mile 6-inch Natural Gas Residue Pipeline
Burke and Divide Counties, ND

Executive Summary

Hiland Operating, LLC (Hiland Operating) built an approximately 6.5-mile-long, 6-inch natural gas pipeline located in Burke and Divide Counties, North Dakota. Construction of the pipeline and associated facilities began in November 2008 with completion in March 2009.

Keitu Engineers & Consultants, Inc. (Keitu) has performed a post-construction assessment of restoration efforts by Hiland Operating.

A site visit was performed May 7, 2013. At the time of the inspection, re-contouring and reseeding had been completed but the degree of re-vegetation along the route varied considerably, due to an adjacent and more recent pipeline project. Many looped areas had bare soil with no vegetation colonizing the area. However areas undisturbed by the more recent construction project were satisfactorily restored and re-vegetated.

No evidence of tree or shrub mitigation was evident. This status was confirmed with Hiland Operating project staff.

Project Introduction

Hiland Operating, LLC constructed approximately 6.5 miles of 6-inch natural gas pipeline and associated facilities (Project) to interconnect Hiland Operating's Norse natural gas processing plant (Norse Plant) near Powers Lake, North Dakota to a point of interconnection with a Williston Basin Interstate Pipeline Company (WBI) transmission pipeline transporting pipeline-quality natural gas in Burke and Divide Counties, North Dakota. The associated facilities include pipeline markers, rectifiers, a "pig" launcher/receiver, and block valves. Small, fenced-in enclosures housing associated power and control systems allow valves to be operated remotely. Construction of the pipeline and associated facilities began in November 2008 with completion in March 2009.

Hiland Operating has engaged Keitu Engineers & Consultants, Inc. (Keitu) to perform a post construction assessment of services for post-construction restoration efforts. This effort included a site visit of the entire pipeline route.

Purpose and Scope of Inspection

The North Dakota Energy Conversion and Transmission Act (North Dakota Century Code Chapter 49-22) authorizes the North Dakota Public Service Commission (PSC) to determine that the location, construction, and operation of jurisdictional energy conversion and transmission facilities will produce minimal adverse effects on the environment and welfare of citizens of North Dakota. Post construction inspections ensure the Project sufficient restoration efforts occur.

Site Inspection

Methods

Josh Swann (Consultant/Biology & Geology) and Jeremiah Trnka (Staff Engineer/Environmental) of Keitu visited the Project area on May 7, 2013. The site was visually inspected along portions of the pipeline route by accessing as many points as feasible where road access was available. Digital photographs were taken showing typical Project infrastructure and documenting problem areas (Appendix 1).

Observations and Findings

The following aspects pertaining to vegetation were inspected at the site, assuming provisions for project reclamation are consistent with recent practices by the ND Public Service Commission.

- *Reclamation/Reseeding According to NRCS or Landowner.* At the time of the inspection, re-contouring and reseeding had been completed but the degree of re-vegetation along the route varied considerably. The majority of the route had been looped by an additional Hiland 10" natural gas polyethylene pipeline and 4" steel crude oil pipeline in the third quarter of 2012, so re-vegetation in these areas was not completed. Where the pipeline had been looped, no vegetation was evident and soil was bare (Appendix 1, Photos 1,2,3). Other areas were partially reclaimed by vegetation (Appendix 1, Photos 4,5), or nearly completely re-vegetated (Appendix 1, Photo 6). Even where landowners had planted crops over the pipeline, re-vegetation varied from being non-existent to nearly completely reclaimed (Appendix 1, Photo 7). Re-vegetation is of paramount concern to prevent erosion, especially around waterways and steep slopes (Appendix 1, Photos 8,9).

  Projects of this type typically are subject to PSC stipulations to monitor re-vegetation and restoration by October 1st for 3 years following completion of construction. In other areas, if reseeding is still unsuccessful after 3 years, additional topsoil may be necessary for vegetation to colonize the area. However given the whole of the Project of focus in this assessment, the re-vegetation of the area exceeded the 70% criteria, prior to re-disturbance by a subsequent pipeline project.

- *Compliance with "Tree and Shrub Mitigation Specifications"*. While a pre-construction tree count was not conducted, Keitu estimated the number of trees likely removed by the Project. Only one tree row was impacted by construction with up to six trees removed. The impacted tree row contained two species of tree, green ash (*Fraxinus pennsylvanica)* and American Elm (*Ulmus americana*).

  Two wetland areas that contained trees and shrubs were crossed via horizontal directional drilling (HDD or bore). HDD allows the pipeline to be laid with minimal disturbance to the landscape. Further, these two areas have remaining trees and shrubs. Therefore, it is unlikely that any were removed during construction.

  At the time of the inspection, tree plantings had not occurred. For projects of this type, typical requirements include a 2:1 replacement of same species with monitoring for a 3 year period. Annual reports of tree planting and survival are required by October 1st of each year. If after the third annual report the survival rate is less than 75%, additional plantings may be necessary. Plantings are to occur within the same landowner's parcels, if possible. Or absent that, plantings are to occur within the same county. However the ND Forest Service is advising against planting new green ash trees due to pests. A recommendation for replanting with all American Elm trees is likely.

  Hiland Operating will work with the ND Forest Service. Hiland Operating expects to satisfy the requirements of the PSC's tree and shrub mitigation specifications regarding replacement of trees and shrubs impacted by the Project.

Report Certification

I declare that, I have the specific qualifications based on education, training, and experience to assess a property of the nature, I believe to the best of my professional knowledge the contents of this report accurate represents the condition of this project.

Jeremiah J. Trnka
Staff Engineer/Environmental

Hiland Operating, LLC 6-inch Natural Gas Pipeline (Norse Pipeline)
6.5 mile 6-inch Natural Gas Residue Pipeline
Burke and Divide Counties, ND

Appendix 1

Photo 1
Pipeline loop

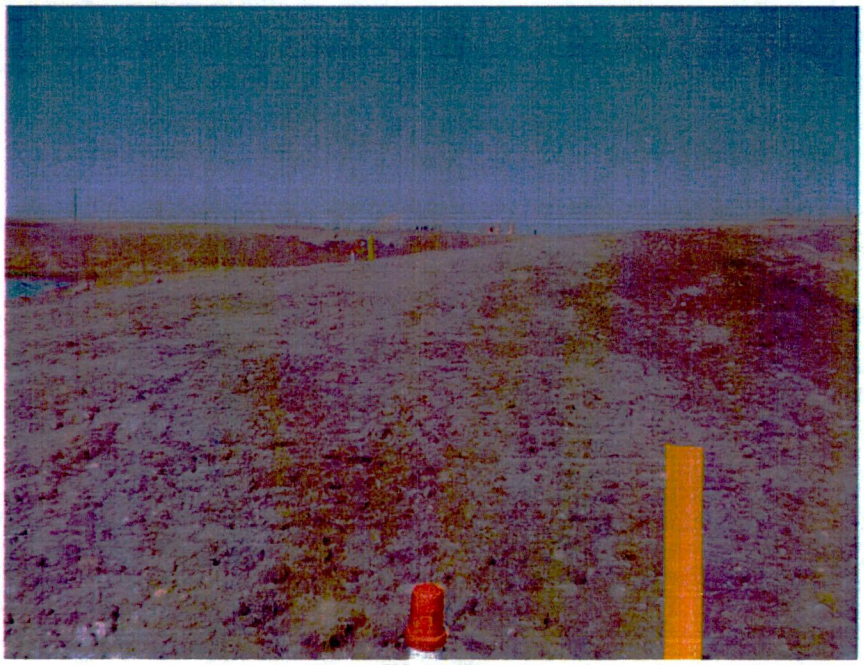


Photo 2
Pipeline loop no vegetation

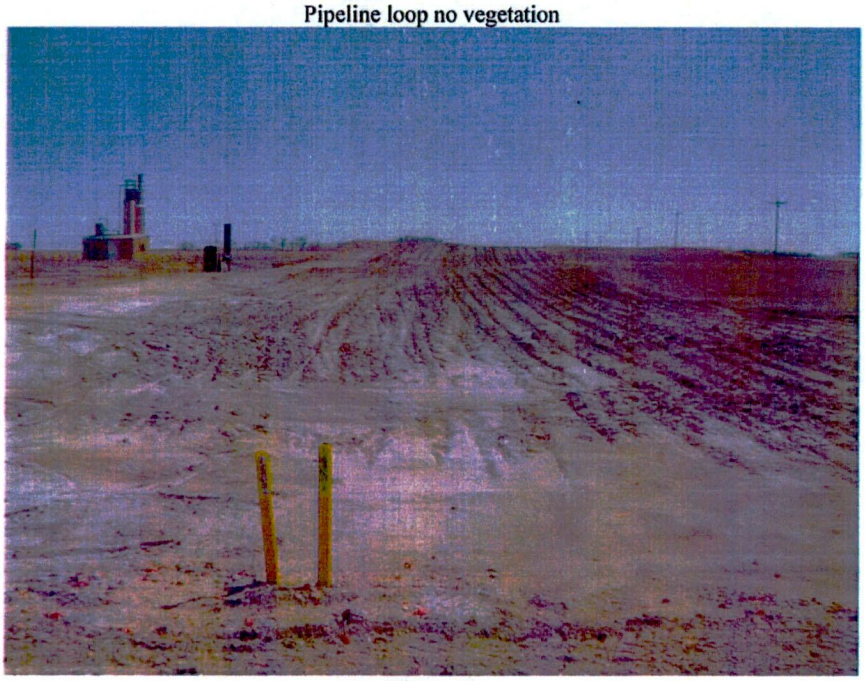


Photo 3
Pipeline loop no vegetation

Photo 4
Pipeline loop partial vegetation

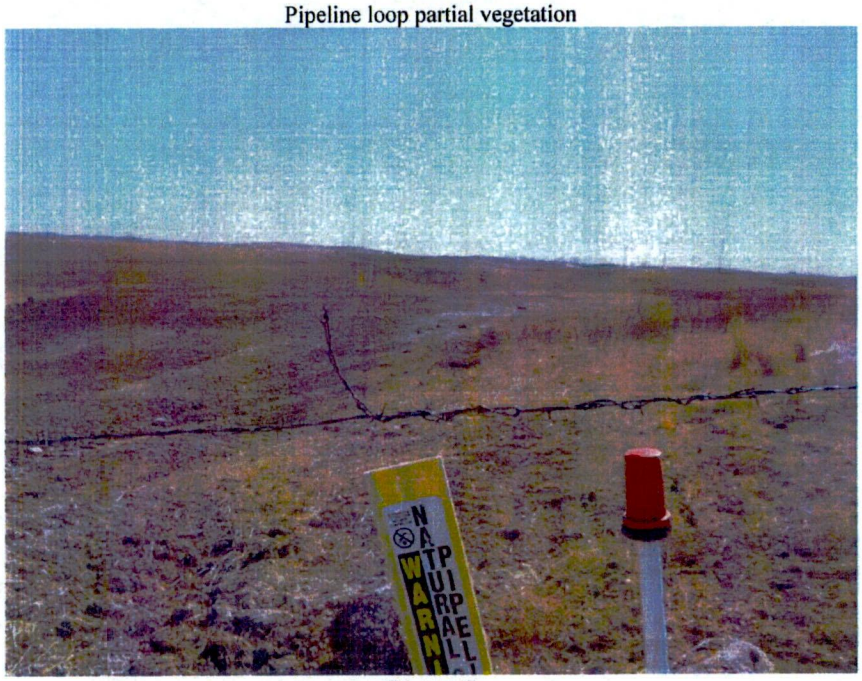


Photo 5
Pipeline loop partial vegetation

Photo 6
Pipeline loop full vegetation

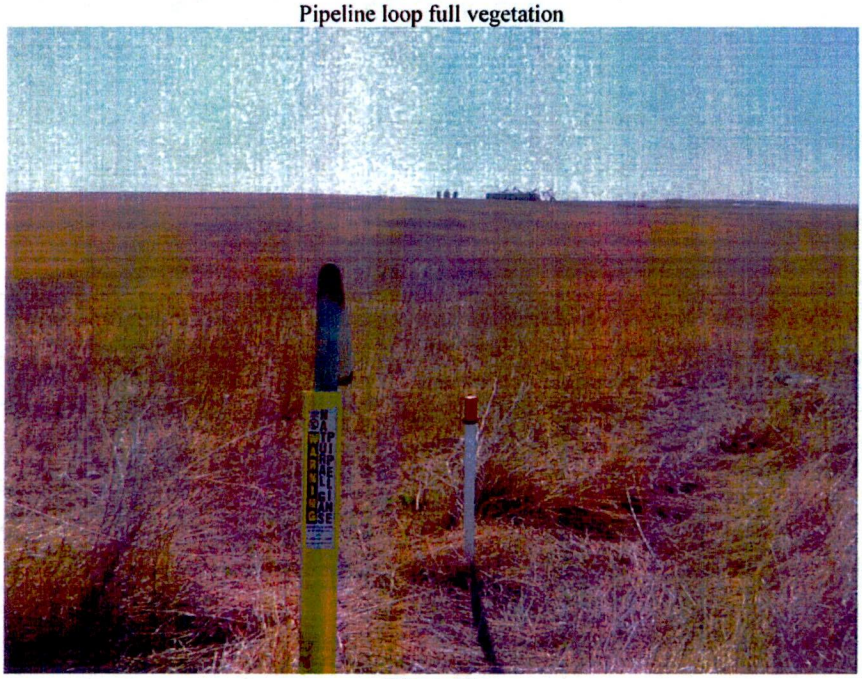


Photo 7
Cropland re-vegetation

Photo 8
Erosion concern waterways

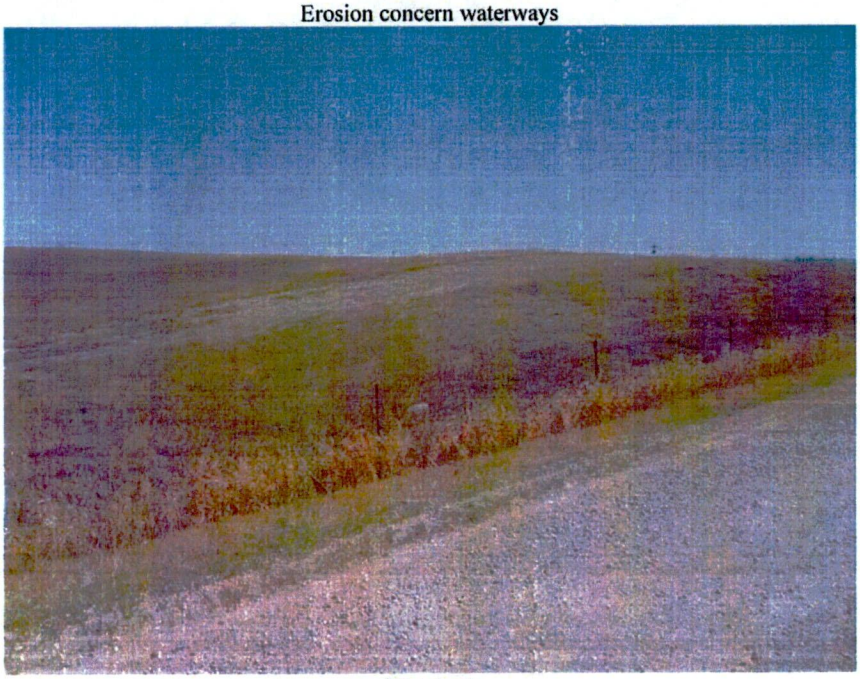


Photo 9
Erosion concern steep slopes

March 12, 2013

Lawrence Bender, Attorney
Fredrikson & Byron, P.A.
200 North Third Street, Suite 150
Bismarck, ND 58501

ND PSC Case No. PU-12-190 Norse Plant Natural Gas Line Supplemental Data

Please find enclosed the post-construction estimated tree count for Hiland Operating's (Hiland) Norse Plant project. You had requested this information via an eMail to Michael Higgins on February 20. I apologize for the delay in responding to your request.

For the remaining items requested by the ND Public Service Commission (PSC) staff, most of the items requested were already incorporated into the permit application documents. Keitu Engineers and Consultants, Inc. (Keitu), unlike many environmental firms, perform their own field surveys for work associated with PSC permit applications. As a result stand alone reports for surveys from "subcontractors" are not necessary. The results of field surveys are simply recorded in field notes and as GIS data, while the relevant information is then embedded into the PSC application document, maps and included in the shapefiles submitted as "Tab 7."

Relevant information regarding botany and wildlife surveys can be found embedded in PSC application PU-12-190, Tab 3, B.2 (j) pages 9-10 and B.4 (i) pages 29-30

Wetland delineation information is recorded using the US Army Corp of Engineers Wetland Determination Data Form (Corp Form), in accordance with the Corps of Engineers Wetlands Delineation Manual, which is then submitted to the US Army Corp of Engineers. Narrative versions of the information on the wetlands can be found embedded in the PSC application PU-12-190, Tab 3, B.4 (b)(9), page 19.

Communications with state and federal agencies we reduced to correspondence between the NDFG and USFWS since no response was received from NDPRD. The ND Game and Fish provided a response letter, enclosed. The USFWS preferred email; the conversation has been copied from Microsoft Outlook to a print copy and is enclosed.

Hiland has engaged the services of Keitu to perform a post-construction ROW re-vegetation assessment for the project. We will likely not be able to complete this assessment until the recent heavy snow has melted either late March or into April 2013. We will forward our report to you as soon as it is available.

As reported to Mr. Higgins in my responding eMail, Keitu is unable to provide reports from any field inspections performed by PHMSA inspectors or restoration effort during the actual period of project construction.

or reports from the inspections performed following construction of the Project concerning restoration efforts.

If you have questions, please contact me or Josh Swann of our staff to discuss further. His email is jswann@keitu.com. My email is kspilman@keitu.com.

Kathleen Spilman, PE
Managing Director

Enclosures: *Post-Construction Tree Survey*
USFWS Lostwood e-mail correspondence
ND Game and Fish response letter

cc: Michael Higgins, Hiland Partners with attachments

"VARIETY IN HUNTING AND FISHING"
NORTH DAKOTA GAME AND FISH DEPARTMENT
100 NORTH BISMARCK EXPRESSWAY BISMARCK, NORTH DAKOTA 58501-5095 PHONE 701-328-6300 FAX 701-328-6352

March 4, 2011

Kristi Eng
Biology Consultant
Keitu Engineers & Consultants, Inc.
2610 Old Red Trail Suite C
Mandan, ND 58554-1447

Dear Ms. Eng:

RE: Hiland Operating LLC – Norse Pipeline Project

The North Dakota Game and Fish Department has reviewed this project for wildlife concerns.

This pipeline was constructed between November 2008 and March 2009. Our primary concern is the disturbance of native prairie associated with construction of the pipeline and access roads. If not properly reclaimed, this disturbance can allow the introduction of exotic and noxious species into the landscape.

We do not believe this project will have any significant adverse effects on wildlife or wildlife habitat provided any wetland areas impacted by construction activities are mitigated in kind, and disturbed areas are reclaimed to pre-project conditions.

Sincerely,

Paul Schadewald
Chief
Conservation & Communication Division

js

From: David_Gillund@fws.gov [mailto:David_Gillund@fws.gov]
Sent: Thursday, April 07, 2011 12:05 PM
To: Kristi Eng
Subject: Hiland Operating LLC - Norse Pipeline Notification

Ms. Eng: I've reviewed the information you sent us regarding the Norse Pipeline. If the project was completed as plan, we have no additional comments. Thank you for correspondence. Dave

Dave L. Gillund
Project Leader
Lostwood Wetland Management District Complex
(701) 848-2722 ext. 16
fax (701) 848-2702

I sent it regular mail. I believe I sent it to the right address below? If it is easier for you I can send it again via email.

David Gillund
Project Leader
Lostwood NWR Complex
10100 Hwy 42 NW
Crosby, ND 58730

Thanks,

Kristi Eng
Staff Biology Consultant
Keitu Engineers & Consultants, Inc.
2610 Old Red Trail Suite C
Mandan, ND 58554
701-667-1800 (W)
701-426-3895 (M)

From: David_Gillund@fws.gov [mailto:David_Gillund@fws.gov]
Sent: Tuesday, April 05, 2011 7:55 AM
To: Kristi Eng
Subject: Re: Hiland Operating LLC - Norse Pipeline Notification

Kristi: Did you send the letter via regular mail or email? I'm checking with other staff to see if anyone else has seen/review your letter. I may need to have you send the information again. Sorry for the delay. Dave

Dave L. Gillund
Project Leader
Lostwood Wetland Management District Complex
(701) 848-2722 ext. 16
fax (701) 848-2702

-----"Kristi Eng" <keng@keitu.com> wrote: -----

To: "David Gillund" <david_gillund@fws.gov>
From: "Kristi Eng" <keng@keitu.com>
Date: 04/04/2011 03:47PM
Subject: Hiland Operating LLC - Norse Pipeline Notification

Hello Mr. Gillund,

I am following up on the notification letter for the Hiland Operating Norse Pipeline that was laid in the ground in 2008 and 2009, which I sent to you a few weeks ago. Are there any areas that concern you and the NWR?

If you have any questions or need additional information, let me know!

Thank you!

Kristi Eng

Hiland Operating, LLC

6-Inch Natural Gas Residue Pipeline P.U. 12-190

Post-Construction Tree Survey

Hiland Operating, LLC (Hiland Operating), submits this tree survey result report to the North Dakota Public Service Commission (Commission) for an approximately 6.5-mile-long, 6-inch natural gas residue pipeline project located in Burke and Divide Counties, North Dakota (the Project). The Project is located approximately 8.5 miles northwest of Powers Lake, North Dakota and transports pipeline quality natural gas from Hiland Operating's Stone View natural gas processing plant (Stone View Plant) near Powers Lake, North Dakota to a point of interconnection with a Williston Basin Interstate Pipeline Company (WBI) transmission.

As required by the Commission, a tree survey was completed to satisfy the Tree and Shrub Mitigation Specifications for replacement of trees and shrubs removed in connection with pipeline construction. However, as the tree and shrub survey was conducted after the initial construction of the Project, an estimate of the trees and shrubs impacted is provided.

The Commission's Tree and Shrub Mitigation Specifications provide that trees and shrubs anticipated to be cleared be inventoried for replacement at a 2-to-1 ratio. In accordance with the Commission's Specifications, a desktop review of the Project area was conducted as well as a field visit on June 28, 2012, to determine the number and species of tree in each potential area that was impacted. Only trees that are 1 inch diameter at breast height or greater were inventoried per established the Commission's policy.

Due to the Project's construction, one tree row was impacted by construction with up to six trees removed. The remaining impacted tree row was used to determine the frequency of the trees in that row and the species. This frequency was used to estimate the number trees removed for construction. The impacted tree row contained two species of tree, green ash (*Fraxinus pennsylvanica)* and American Elm (*Ulmus americana*). While it is difficult to specify exactly how many of each species were removed, it is recommended that the replacement trees are equally green ash and American elm.

Two wetland areas that contained trees and shrubs were crossed via horizontal directional drilling (HDD or bore). HDD allows the pipeline to be laid with minimal disturbance to the landscape. Further, these two areas have remaining trees and shrubs. Therefore, it is unlikely that any were removed during construction.