Fredrikson
& BYRON, P.A.

July 10, 2012

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PUBLIC SERVICE COMMISSION

HAND-DELIVERED

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

RE: Hawthorn Oil Transportation (North Dakota) Inc.'s Ten-Year Plan for 2012-2022
Case No. PU-12-___

Dear Mr. Nitschke:

In our previous filing we incorrectly noted in the Notice of Filing that the same was being filed with the Williams County Auditor when it should have been filed with the Mountrail County Auditor. To address this error, please find enclosed herewith the following:

1. Hawthorn Oil Transportation (North Dakota) Inc.'s Amended Notice of Filing Ten Year Plan: 2012-2022;
2. Certificate of Service; and
3. Affidavit of Service of Ten-Year Plan.

A CD containing a copy of each of the above-referenced documents in PDF format is also enclosed. Should you have any questions, please advise.

Sincerely,

Lawrence Bender

LB/jjj
Enclosures

cc: Cary Loughman – (w/encl. – *via e-mail*)

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STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Case No. PU-12-____

IN THE MATTER OF THE FILING OF A TEN YEAR PLAN BY HAWTHORN OIL TRANSPORTATION (NORTH DAKOTA), INC.

AMENDED NOTICE OF FILING TEN YEAR PLAN 2012-2022

PLEASE TAKE NOTICE that Hawthorn Oil Transportation (North Dakota), Inc. has, this date, in accordance with Section 49-22-04 of the North Dakota Century Code and Chapter 69-06-02 of the North Dakota Administrative Code, filed with the North Dakota Public Service Commission and the Mountrail County Auditor a Ten Year Plan for the years 2012 through 2022, which discusses its existing pipeline located in Mountrail County, North Dakota.

Dated this 10th day of July, 2012.

FREDRIKSON & BYRON, P.A.

By_____

LAWRENCE BENDER, ND Bar #03908
JILLIAN RUPNOW, ND Bar #06937
Attorneys for Hawthorn Oil Transportation (North Dakota) Inc.
200 North 3rd Street, Suite 150
P. O. Box 1855
Bismarck, ND 58502-1855
(701) 221-4020

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that a true and correct copy of the following document:

AMENDED NOTICE OF FILING TEN-YEAR PLAN: 2012-2022

was on the 10th day of July, 2012 served by placing the same in the United States mail, postage prepaid, properly addressed to the following:

North Dakota Aeronautics Commission
P.O. Box 5020
Bismarck, ND 58502-5020

North Dakota Office of Attorney General
State Capitol
600 E. Boulevard Ave.
Dept. 125
Bismarck, ND 58505

North Dakota Dept. of Agriculture
600 E. Boulevard Ave.
Dept. 602
Bismarck, ND 58505-0020

North Dakota Dept. of Health
600 E. Boulevard Ave.
Bismarck, ND 58505-0200

Dept. of Human Services
600 E. Boulevard Ave.
Dept. 325
Bismarck, ND 58505-0250

North Dakota Dept. of Labor
600 E. Boulevard Ave.
Dept. 406
Bismarck, ND 58505-0340

Department of Vocational Education
c/o Career and Technical Education
State Capitol, 15th Floor
600 E. Boulevard Ave., Dept. 270
Bismarck, ND 58505-0610

Economic Development and Finance Commission
North Dakota Dept. of Commerce
PO Box 2057
Bismarck, ND 58502-2057

Energy Development Impact Office
North Dakota State Land Dept.
P.O. Box 5523
Bismarck, ND 58506-5523

North Dakota Game and Fish Department
100 N. Bismarck Expressway
Bismarck, ND 58501-5095

North Dakota Geological Survey
600 E. Boulevard Avenue
Bismarck, ND 58505-0840

Office of Governor Jack Dalrymple
State of North Dakota
600 E. Boulevard Ave.
Bismarck, ND 58505-0001

North Dakota State Highway Department
115 D Street
Richardton, ND 58652

North Dakota Department of Transportation
608 E. Boulevard Ave.
Bismarck, ND 58505-0700

State Historical Society
of North Dakota
612 E. Boulevard Ave.
Bismarck, ND 58505-0830

North Dakota Indian Affairs Commission
600 E. Boulevard Ave.
1st Floor - Judicial Wing, Rm. 117
Bismarck, ND 58505-0300

Job Service North Dakota
P.O. Box 5507
Bismarck, ND 58506-5507

North Dakota State Land Dept.
1707 North 9th Street
P.O. Box 5523
Bismarck, ND 58506-5523

North Dakota Parks and Recreation Dept.
1600 E. Century Ave., Suite 3
Bismarck, ND 58503-0649

Division of Community Services
Dept. of Commerce
1600 E. Century Ave., Suite 2
PO Box 2057
Bismarck, ND 58502-2057

North Dakota State Soil Conservation Committee
c/o NDSU Extension Service
2718 Gateway Ave., Suite 104
Bismarck, ND 58503

North Dakota State Water Commission
900 E. Boulevard Ave., Dept. 770
Bismarck, ND 58505-0850

Lawrence Bender

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TEN YEAR PLAN: 2012-2022
Hawthorn Oil Transportation (North Dakota), Inc.

July 2012

In accordance with Section 49-22-04 of the North Dakota Century Code and Chapter 69-06-02 of the North Dakota Administrative Code, Hawthorn Oil Transportation (North Dakota), Inc. (Hawthorn), submits the following Ten Year Plan for years 2012 through 2022

(1) A description of the general location, size, and type of all facilities to be owned or operated by the utility during the ensuing ten years, as well as those facilities to be removed from service during the ten-year period.

Hawthorn currently owns and operates an approximately 6-mile-long, 8-inch crude oil pipeline located in Mountrail County, North Dakota. The North Dakota Public Service Commission (Commission) issued Certificate of Corridor Compatibility No. 110 and Route Permit No. 120 to Hawthorn for the pipeline on December 10, 2009 (*see* Case No. PU-09-153). The pipeline extends from a transfer facility south of Stanley, North Dakota (HPS 1) that includes a Lease Automatic Custody Transfer (LACT) unit along with a shipping pump and associated equipment, to a storage facility for a rail transportation facility owned by EOG Resources Railyard (North Dakota), Inc. (EOG Resources), located northeast of Stanley, North Dakota. The pipeline has a capacity of approximately 60,000 barrels per day.

Hawthorn does not plan to construct, own, or operate any other facilities in North Dakota during the next ten years. In addition, Hawthorn does not own or operate any facilities that it plans to remove from service during the next ten years.

(2) An identification of the location of the tentative preferred site for all energy conversion facilities and the tentative location of all transmission facilities on which construction is intended to be commenced within the ensuing five years and such other information as may be required by the commission. The site and corridor identification shall be made in compliance with the criteria published by the commission pursuant to section 49-22-05.1.

Hawthorn does not plan to construct, own, or operate any facilities in North Dakota that will be constructed during the next five years.

(3) A description of the efforts by the utility to coordinate the plan with other utilities so as to provide a coordinated regional plan for meeting the utility needs of the region.

The Hawthorn supply sources were enhanced in February 2012 with the addition of an Enbridge Energy Partners, L.P.'s (Enbridge) interconnect (HPS 2) that includes a second LACT unit along with a shipping pump and associated equipment. The original 8" Hawthorn pipeline to EOG Resources' railyard remains unchanged. The purpose of the new HPS 2 interconnect is to

relieve Enbridge of capacity issues and offload certain barrels from Enbridge's pipeline to EOG Resources' rail system.

(4) A description of the efforts to involve environmental protection and land-use planning agencies in the planning process, as well as other efforts to identify and minimize environmental problems at the earliest possible stage in the planning process.

Hawthorn followed this environmental protection and land-use coordination policy when planning its 8-inch crude oil pipeline in Mountrail County, North Dakota. Hawthorn employed a qualified environmental consulting firm to conduct a study of and identify avoidance and exclusion areas within the corridor and route selected, in accordance with Chapter 49-22 of the North Dakota Century Code and Section 69-06-08-02 of the North Dakota Administrative Code. In addition, Hawthorn consulted with local, state, and federal agencies and governmental units to discuss and seek input regarding the pipeline project, and obtained all necessary permits and approvals. As noted above, the Commission issued a Certificate of Corridor Compatibility and Route Permit to Hawthorn for the pipeline on December 10, 2009 (*see* Case No. PU-09-153).

(5) A statement of the projected demand for the service rendered by the utility for the ensuing ten years and the underlying assumptions for the projection, with that information being as geographically specific as possible, and a description of the manner and extent to which the utility will meet the projected demands.

Oil production in North Dakota continues to grow at an exponential rate, as does the need for safe, efficient and economical methods of transporting crude oil within the state to reach transportation facilities with access to out-of-state markets. Hawthorn's pipeline provides a safe, efficient, and economical means of transporting approximately 60,000 barrels per day of crude oil from a collection point at the terminus of a third-party crude oil gathering system located southeast of Stanley, North Dakota, to an existing storage facility at EOG Resources' rail transportation facility located northeast of Stanley, North Dakota. The ever-increasing crude oil production in northwest North Dakota, as evidenced by the North Dakota Industrial Commission's latest drilling and production statistics,[1] indicates that the transportation service provided by Hawthorn's pipeline will continue to be needed during the next ten years and beyond.

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[1] North Dakota Industrial Commission, Department of Mineral Resources, Oil and Gas Division. "North Dakota Drilling and Production Statistics." Available at: https://www.dmr.nd.gov/oilgas/stats/statisticsvw.asp. (accessed June 25, 2012).

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Case No. PU-12-___

IN THE MATTER OF THE FILING OF A TEN YEAR PLAN BY HAWTHORNE OIL TRANSPORTATION (NORTH DAKOTA,) INC.

AFFIDAVIT OF SERVICE

STATE OF NORTH DAKOTA)
) SS
COUNTY BURLEIGH)

Lawrence Bender, being first duly sworn, does depose and state that on July 10, 2012, the attached:

Ten Year Plan: 2012-2022

was served by placing a true and correct copy of said document in an envelope addressed as follows:

Joan Hollekim
Mountrail County Auditor
101 N. Main Street
Stanley, ND 58784

and depositing the same, with postage prepaid, in the United States mail at Bismarck, North Dakota.

Lawrence Bender

Subscribed and sworn to before me this 10th day of July, 2012.

JENNIFER J JOHNSON
Notary Public
State of North Dakota
My Commission Expires March 3, 2017

Notary Public

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