STATE OF NORTH DAKOTA

PUBLIC SERVICE COMMISSION

ONEOK Bakken Pipeline, L.L.C.
Targa Lateral Pipeline Pjct - McKenzie County
Siting Application

Case No. PU-14-254

FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER

October 16, 2014

Appearances

Commissioners Brian P. Kalk, Randy Christmann, and Julie Fedorchak.

John W. Morrison, Attorney at Law, Crowley Fleck, PLLP, 400 East Broadway, Suite 600, Bismarck, North Dakota 58501, on behalf of ONEOK Bakken Pipeline, L.L.C.

Brian D. Schmidt, Special Assistant Attorney General, 122 East Broadway Avenue, P.O. Box 460, Bismarck, ND 58502-0460 on behalf of the Public Service Commission.

Victor Schock, Public Utility Analyst – Economic Regulation, North Dakota Public Service Commission, 600 East Boulevard Avenue, Bismarck, North Dakota 58505.

Wade C. Mann, Administrative Law Judge, Office of Administrative Hearings, 2911 North 14th Street, Suite 303, Bismarck, North Dakota 58503, as Hearing Officer.

Preliminary Statement

On May 29, 2014, ONEOK Bakken Pipeline, L.L.C. (ONEOK) filed applications for a certificate of corridor compatibility and a route permit to authorize the construction of approximately 10.6 miles of 6-inch diameter pipeline in McKenzie County, North Dakota to transport natural gas liquids (NGLs) from the Little Missouri Gas Plant (LMP) operated by Targa Resources LLC (Targa) to a connection point on ONEOK's Garden Creek Pipeline (GCP) within McKenzie County, North Dakota (the Project). The capacity of the initially proposed pipeline was approximately 10,000 barrels per day.

Also on May 29, 2014, ONEOK filed an application for waivers of procedures and time schedules established under North Dakota Century Code Sections 49-22-07.2, 49-22-08(5), 49-22-08.1(5), 44-22-13 and 49-22-08.1 and North Dakota Administrative

Code Section 69-06-01-02. These sections require separate filings, separate notices, and separate hearings on such applications.

On July 30, 2014, the Commission deemed the application complete and issued a Notice of Filings and Notice of Hearing. The Commission did not publish or serve the notice.

On August 1, 2014, ONEOK filed an Amendment of Application for Route Permit. The Amendment changed the size of the pipe from 6-inch to 8-inch, re-routed the Targa Saddle Butte Plant tie-in point 240 feet east of the original location, and re-routed around a future well pad site on Section 12, Township 149N, Range 100W.

On August 4, 2014, the Commission deemed the amended application for route permit complete, allowed the pleading to be amended, and issued a Notice of Filings and Notice of Hearing scheduling the hearing for September 15, 2014, at 9:00 a.m. CDT at Teddy's Residential Suites, 113 9th Avenue SE, Watford City, North Dakota 58854.

The Notice identified the following issues to be considered with respect to the request for a 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 such that adherence to the 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 with respect to the applications for a certificate of corridor compatibility and 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?

The hearing was held as scheduled.

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. ONEOK is a North Dakota foreign limited liability company, with its offices located at 100 W. 5th Street, Tulsa, Oklahoma 74103.

2. ONEOK is authorized to do business in the state of North Dakota, as evidenced by the Certificate of Good Standing issued by the North Dakota Secretary of State dated May 28, 2014.

Size, Type and Preferred Location of Facility

3. The Project consists of approximately 10.8 miles of new 8-inch outside diameter NGL pipeline to be constructed between the LMP in McKenzie County to the connection point on the GCP south of Arnegard, North Dakota.

4. The capacity of the pipeline will be 16,000 barrels per day.

5. The anticipated cost of the Project is approximately $8 million.

Need for Facility

6. The purpose of the Project is to provide transportation for NGLs recovered in the processing of natural gas at the LMP to a pipeline operated by ONEOK for further transportation to the Riverview Rail Facility near Sidney, Montana.

7. According to evidence presented by ONEOK, hydrocarbon production in western North Dakota has dramatically increased and the need for gas processing to reduce flaring will continue to increase. NGLs such as butane, propane and ethane, are recovered from the natural gas during processing and those NGLs must be transported to market locations.

8. ONEOK evaluated alternatives to the Project. Trucking the NGLs was identified as the primary alternative to the Project. This alternative would cause additional wear and tear on county and state roads. ONEOK indicated transporting NGLs by pipeline is a more efficient and safer mode of transportation.

9. ONEOK indicated that approximately fifty-seven percent of the pipeline will be co-located with other utilities as described in its "Response to July 2, 2014, request for additional information" filed by ONEOK on July 11, 2014 and referenced at the September 15, 2014, hearing.

Study of Preferred Location(s)

10. The Commission established criteria pursuant to North Dakota Century Code Section 49-22-05.1 to guide the Commission in the corridor and route suitability evaluation and designation process. The criteria, as set forth in North Dakota Administrative Code Section 69-06-08-02, are classified as Exclusion Areas, Avoidance Areas, Selection Criteria, and Policy Criteria.

11. With the exception of prime and unique farmland, a transmission facility route must not be sited within an Exclusion Area.

12. A transmission facility must not be sited within an Avoidance Area, unless the applicant shows that there is no reasonable alternative. In determining whether an Avoidance Area shall be designated for a facility, the Commission may consider, among other things, the proposed management of adverse impacts; the orderly siting of facilities; system reliability and integrity; the efficient use of resources; and alternative routes.

13. ONEOK identified an area consisting of a one-mile buffer ("Study Area") centered on the pipeline route. ONEOK evaluated the Study Area for the Exclusion, Avoidance, Selection and Policy criteria of the Commission. With the exception of the cultural resources and occupied structures discussed below, no other exclusion or avoidance areas will be crossed or affected by the proposed route.

14. ONEOK contacted the United States Fish and Wildlife Service USFWS, the North Dakota Game and Fish Department NDGFD, the North Dakota Parks and Recreation Department NDPRD, the North Dakota Department of Trust Lands NDDTL and the North Dakota State Historic Preservation Office SHPO regarding impacts to environmental resources within the Study Area.

15. ONEOK conducted a Class I Cultural Resources Literature Search of the Study Area.

16. Two occupied rural residences exist within 500 feet of the route. ONEOK has obtained and filed with the Commission copies of waivers from the owner of the two structures. No other exclusion or avoidance areas will be impacted by the pipeline.

17. Within the Study Area, ONEOK conducted field surveys over a 250-foot wide area centered on the proposed pipeline route Survey Area. The surveys included botany, wildlife, and a Class III Cultural Resource Inventory. ONEOK evaluated the Survey Area for the Exclusion, Avoidance, Selection and Policy criteria of the Commission.

18. In a response dated May 27, 2014, the SHPO concurred with ONEOK's Class III study recommendation of "No Significant Sites Affected" within the Survey Area.

19. It is appropriate to designate a 250-foot wide corridor centered on the route consistent with the Survey Area.

Measures to Minimize Impact

20. ONEOK will coordinate with local authorities and emergency managers regarding emergency response measures. ONEOK's emergency response plan will include the Project.

21. ONEOK will construct the pipeline in a manner to reduce impact on the human environment and will take reasonable steps to prevent erosion and minimize the impact on vegetation, wildlife, and water resources.

22. ONEOK will have emergency response personnel available in Sidney, Montana 24 hours a day, seven days a week. A System Control and Data Acquisition system operations center in Tulsa, Oklahoma will monitor pipeline operations and facilitate early response to any breach or failure of the pipeline.

23. ONEOK made other representations and covenants as indicated by the Certification Relating to Order Provisions – Transmission Facility Siting, with accompanying Tree and Shrub Mitigation Specifications.

24. ONEOK will use environmental monitors and inspectors to comply with all applicable permits.

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

Conclusions of Law

1. The Commission has jurisdiction.

2. ONEOK is a utility as defined in North Dakota Century Code Section 49-22-03(13).

3. The Project is a transmission facility as defined in North Dakota Century Code Section 49-22-03(12).

4. The location, construction, and operation of the Project will produce minimal adverse effects on the environment and upon the welfare of the citizens of North Dakota.

5. The Project will 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.

6. The Project is compatible with the environmental preservation and the efficient use of resources.

7. The Project is of such design and location that it will produce minimal adverse effects, as defined under North Dakota Century Code Section 49-22-07.2.

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

Order

The Commission orders:

1. ONEOK's application for waiver of procedures and time schedules is granted.

2. Certificate of Corridor Compatibility No. 158 is issued to ONEOK designating a corridor for the construction, operation and maintenance of the proposed approximately 10.8 mile, 8-inch NGL pipeline to be located in McKenzie County, North Dakota. For purposes of the Certificate, the designated corridor is 250 feet wide centered on the pipeline route.

3. Route Permit No. 170 is issued to ONEOK granting authority to construct and operate an approximately 10.8 mile, 8-inch NGL pipeline to be located in McKenzie County, North Dakota. The designated route that is approved for this purpose is the route as depicted by black and white ("Not co-located") and black and red ("Co-located") lines identified in maps labeled as Targa Lateral Pipeline Project Siting Criteria Natural Resource – Aerial Map Page 1 of 4 to 4 of 4 located within Appendix B to the Amended Application which was marked as Exhibit 2 at the hearing.

4. The Certification Relating to Order Provisions-Energy Conversion Facility Siting executed on September 9, 2014 is incorporated by reference and attached to this Order.

5. To the extent there are any conflicts or inconsistencies between ONEOK's applications and the September 9, 2014 Certification, the Certification provisions control.

6. ONEOK shall send a letter to each landowner with whom an easement was executed for the transmission facility specifying the name and phone number of the

company representative who is responsible for receiving and resolving landowner issues for the life of the transmission facility.

PUBLIC SERVICE COMMISSION

Randy Christmann **Commissioner**	**Brian P. Kalk** **Chairman**	**Julie Fedorchak** **Commissioner**

PUBLIC SERVICE COMMISSION

STATE OF NORTH DAKOTA

Certificate of Corridor Compatibility Number 158

This is to certify that the Commission has designated a transmission facility corridor for ONEOK Bakken Pipeline, L.L.C., for the construction, operation, and maintenance of approximately 10.8 miles of 8-inch diameter natural gas liquids pipeline and associated facilities in McKenzie County, North Dakota.

This certificate is issued in accordance with the Order of this Commission dated October 16, 2014 in Case No. PU-14-254 and is subject to the conditions and limitations noted in the Order.

Bismarck, North Dakota, October 16, 2014.

ATTEST:

Danell Nitschke

Executive Secretary

PUBLIC SERVICE COMMISSION

Julie Fedorchuk

Commissioner

PUBLIC SERVICE COMMISSION

STATE OF NORTH DAKOTA

Route Permit Number 170

This is to certify that the Commission has designated a transmission facility route for ONEOK Bakken Pipeline, L.L.C., for the construction, operation, and maintenance of approximately 10.8 miles of 8-inch diameter natural gas liquids pipeline and associated facilities in McKenzie County, North Dakota.

This permit is issued in accordance with the Order of this Commission dated October 16, 2014 in Case No. PU-14-254 and is subject to the conditions and limitations noted in the Order.

Bismarck, North Dakota, October 16, 2014.

ATTEST:

Darrell Nitschke
Executive Secretary

PUBLIC SERVICE COMMISSION

Julie Fedorchuk
Commissioner

STATE OF NORTH DAKOTA

PUBLIC SERVICE COMMISSION

ONEOK Bakken Pipeline, L.L.C. **Case No. PU-14-254**
Targa Lateral Pipeline Pjct – McKenzie County
Siting Application

CERTIFICATION RELATING TO ORDER PROVISIONS - TRANSMISSION FACILITY SITING

I am WESLEY J. CHRISTENSEN, a representative of ONEOK Bakken Pipeline, L.L.C. ("Company") with authority to bind Company to requirements to be set forth by the Commission in its Order and I certify the following:

1. Company understands and agrees that any Certificate of Corridor Compatibility or Route Permit issued by the Commission will be subject to the conditions and criteria set forth in Chapter 49-22 of the North Dakota Century Code and Chapter 69-06-08 of the North Dakota Administrative Code, and that Company shall be responsible for compliance with this order and conditions and criteria set forth in the applicable laws and rules.

2. Company agrees to hold a preconstruction conference prior to commencement of any construction, which must include a Company representative, its construction supervisor, and a representative of Commission Staff, to ensure that Company fully understands the conditions set forth in the Commission's order.

3. Company agrees to comply with the rules and regulations of all other agencies having jurisdiction over any phase of the transmission facility including all city, township, and county zoning regulations.

4. Company understands and agrees that it shall obtain all other necessary licenses and permits, and shall provide copies of all licenses and permits to the Commission prior to construction activity associated with the transmission facility that requires said license or permit.

5. Company agrees to inform the Commission and the Commission's third-party construction inspector of its intent to start construction on the transmission facility prior to the commencement of construction. Once construction has started, Company shall keep the Commission and the Commission's third-party construction inspector updated on construction activities on a weekly basis.

6. Company understands and agrees that the pipeline will be buried to a minimum depth from the ground surface to the top of the pipe of 48 inches in range land, 48

inches for cultivated land, 48 inches at the bottom of the ditch for road crossings, and 72 inches across undeveloped section lines.

7. Company understands and agrees that any Certificate of Corridor Compatibility or Route Permit issued by the Commission is subject to suspension or revocation and may, in an appropriate and proper case, be suspended or revoked for failure to comply with the Commission's order, the conditions and criteria of the certificate or subsequent modification, or failure to comply with the applicable statutes, rules, regulations, standards, and permits of other state or federal agencies.

8. Company agrees to maintain records that will demonstrate that it has complied with the requirements of the Commission's order issuing a Certificate of Corridor Compatibility or Route Permit, and that it will preserve these records for Commission inspection at any reasonable time upon reasonable notice.

9. Company agrees to construct and operate the transmission facility in the manner described in Company's application, in any late filed exhibits, and supplemental materials (Application). To the extent there are any conflicts or inconsistencies between Company's Application and the provisions in this Certification Relating to Order Provisions, the Certification provisions control.

10. Company agrees to report promptly to the Commission the presence in the permit area of any critical habitat or threatened species, endangered species, bald eagles, or golden eagles of which Company becomes aware and which were not previously reported to the Commission.

11. Company understands and agrees that all cultural resource mitigation plans must be submitted to the North Dakota State Historic Preservation Office and approved prior to the start of any fieldwork and construction activity in the affected area.

12. Company understands and agrees that if any cultural resource, paleontological site, archeological site, historical site, or grave site is discovered during construction, it must be marked, preserved and protected from further disturbances until a professional examination can be made and a report of such examination is filed with the Commission and the State Historical Society and clearance to proceed is given by the Commission.

13. Company understands and agrees that all buried facility crossings of graded roads must be bored unless the responsible governing agency specifically permits Company to open cut the road.

14. Company understands and agrees that all pre-existing township and county roads and lanes used during construction must be repaired or restored to a condition that is equal to or better than the condition prior to the construction of the transmission

facility and that will accommodate their previous use, and that areas used as temporary roads or working areas during construction must be restored to their original condition.

15. Company understands and agrees that construction must be suspended when weather conditions are such that construction activities will cause irreparable damage to roads or land, unless adequate protection measures approved by the Commission are taken.

16. Company understands and agrees that all topsoil, up to 12 inches, or topsoil to the depth of cultivation, whichever is greater, over and along trench areas where cuts will be made, must be stripped and segregated from the subsoil. Except along segments of the line using the double ditching method, any area on which excavated subsoil will be placed must also be stripped of topsoil. After backfilling is completed, any excess subsoil must be placed over the excavation area, blending the grade into existing topography. Topsoil must be replaced over areas from which it was stripped only after the subsoil is replaced.

17. Company understands and agrees that reclamation, fertilization, and reseeding is to be done according to the Natural Resources Conservation Service recommendations, unless otherwise specified by the landowner and approved by the Commission.

18. Company understands and agrees that its obligation for reclamation and maintenance of the right-of-way will continue throughout the life of the transmission facility.

19. Company understands and agrees that its obligation for reclamation and maintenance of the transmission facility, associated facilities, and roadways will continue throughout the life of the transmission facility.

20. Company agrees to comply with the Tree and Shrub Mitigation Specifications, attached.

21. Company understands and agrees that it shall repair or replace all fences and gates removed or damaged during all phases of construction and operation of the transmission facility.

22. Company understands and agrees that it shall repair or replace all drainage tile broken or damaged as a result of construction and operation of the transmission facility.

23. Company understands and agrees that staging areas or equipment shall not be located on land owned by a person other than Company unless otherwise negotiated with landowners.

24. Company understands and agrees that it shall remove all waste that is a product of construction and operation, restoration, and maintenance of the site, and properly dispose of it on a regular basis.

25. Company understands and agrees that it shall, as soon as practicable upon the completion of the construction of the transmission facility, restore the area affected by the activities to as near as is practicable to the condition as it existed prior to the beginning of construction.

26. Company understands and agrees that it shall provide any necessary safety measures for traffic control or to restrict public access to the transmission facility.

27. Company understands and agrees that it shall advise the Commission of any extraordinary events which take place at the site of the transmission facility, including injuries to any person, or the death of any threatened or endangered species on the site within five business days of such event.

28. Company understands and agrees that it shall implement a procedure for how complaints concerning the transmission facility will be handled by Company

29. Upon request, Company agrees to provide the Commission with engineering design drawings of the transmission facility prior to construction.

30. Company understands and agrees that it shall inform the Commission in writing of any plans to modify the transmission facility or of any plans to modify the site plan for the transmission facility. Company understands and agrees to obtain written approval from the Commission prior to any modifications to the site plan or the transmission facility. Approval may be granted after notice and opportunity for hearing.

31. Company agrees to provide the Commission with both an electronic and a paper copy of the corridor approved by the Commission and the facility design specifications for the construction of the transmission facility showing the location of the transmission facility as built, and will provide this information within 3 months of the completion of the construction. Company also agrees to provide an electronic version of the corridor approved by the Commission and the facility design specifications for the construction of the transmission facility showing the location of the transmission facility as built that can be imported into ESRI GIS mapping software within 3 months of the completion of the construction. This electronic map data must be referenced to the North Dakota coordinate system of 1983, North

and/or South zones US Survey feet (NAD 83) UTM Zone 13N or 14N feet (NAD 83), or geographic coordinate system (WGS 84) feet. The vertical data must be in the appropriate vertical datum for the coordinate system used. All submissions must specify the datum in which the data was developed.

32. Company understands and agrees that the authorizations granted by any Certificate of Corridor Compatibility or Route Permit issued by the Commission for the transmission facility are subject to modification by order of the Commission if deemed necessary to protect further the public or the environment.

33. Company understands and agrees that in the event Company desires to construct, within any corridor granted by a Certificate of Corridor Compatibility in this proceeding, a transmission facility or energy conversion facility that was not included in Company's application in this proceeding, Company shall apply to the Commission for a Route Permit or Site Certificate for the facility.

34. Company shall notify the Commission, as soon as reasonably possible, if any damage, as defined by North Dakota Century Code Chapter 49-23, occurs to underground facilities during construction conducted under the certificate or permit issued in this proceeding. In the event of any damage to underground facilities, Company shall suspend construction in the vicinity of the damage until compliance with One-Call Excavation Notice System requirements under North Dakota Century Code Chapter 49-23 has been determined and clearance to proceed has been given by the Commission.

35. Company understands and agrees that the corridor certificate and route permit are subject to suspension or revocation and may, after hearing, be suspended or revoked for failure to comply with the Commission's order, requirements of the One-Call Excavation Notice System under North Dakota Century Code Chapter 49-23, the conditions and criteria of the certificate or permit or subsequent modification, or failure to comply with applicable statutes, or rules, regulations, standards, and permits of other state or federal agencies.

36. Company agrees to utilize the following procedures if Company seeks a route adjustment before or during construction of the pipeline, pursuant under N.D.C.C. §49-22-16.3:

37. Company will specifically identify which subsection of NDCC 49-22-16.3 it is requesting the adjustment under. Company will file the name and contact information for a key contact person for the purposes of notice and communication during the adjustment application.

38. **ROUTE ADJUSTMENT WITHIN DESIGNATED CORRIDOR, NO AVOIDANCE AREA AFFECTED:** Before conducting any construction activities for any

adjustment to the designated route within the designated corridor under NDCC 49-22-16.3(1), the Company will file:

a. Certification and supporting documentation affirming that construction activities will be within the designated corridor, will not affect any known exclusion or avoidance areas within the designated corridor;
b. Certification and supporting documentation, including a map meeting the requirements of N.D. Admin. Code § 69-06-04-01(2)(n) identifying the designated corridor, route and the route adjustment;
c. Certification that Company will comply with the Commission's order, law and rules designating the corridor and route.

39. **ROUTE ADJUSTMENT WITHIN DESIGNATED CORRIDOR, AVOIDANCE AREA AFFECTED:** Before adjusting the route of a gas or liquid transmission line under NDCC 49-22-16.3(2), within the designated corridor that may affect an avoidance area, and before conducting any construction activities for any adjustment to the designated route within the designated corridor, the Company will file:

a. A specific description of the avoidance area expected to be impacted, including a map meeting the requirements of N.D. Admin. Code § 69-06-04-01(2)(n) identifying:
    i. the designated corridor, route and the route adjustment;
    ii. all exclusion and avoidance areas within the portion of the designated corridor containing the route adjustment
b. Certification and supporting documentation affirming:
    i. That construction activities will be within the designated corridor
    ii. That construction activities will not affect any known exclusion area
c. All field studies performed on the portion of the designated corridor containing the route adjustment;
d. Specific information about any mitigation measures Company will take within the adjustment area;
e. Certification that each owner of real property on which the adjustment is to be located and any applicable governmental entity with an interest in the same adjustment area do not oppose the adjustment;
f. Certification that unless the Commission previously authorized the impact to the same avoidance area, that the utility has good cause and a specific reason to impact the avoidance area and a reasonable alternative does not exist;
g. Certification that Company will comply with the Commission's order, law and rules designating the corridor and route.

Company acknowledges and agrees that:

1. Written authorization from the Commission for impacting the avoidance area is necessary prior to commencement of construction activity unless the

Commission fails to act within ten working days of receipt of filing a complete adjustment application, in which case the adjustment is deemed approved.

2. The initiation of the ten working days begins upon receipt of a complete filing, to include Company's certifications, supporting documentation and maps. However, the Commission may extend the ten working day provision if Company, in the person of the key contact referenced above, is informed of the reason additional time is necessary for extension and has no objection to an extension.

40. **ROUTE ADJUSTMENT OUTSIDE DESIGNATED CORRIDOR, NO AVOIDANCE AREA AFFECTED:** Before adjusting the route of a gas or liquid transmission line under NDCC 49-22-16.3(3), outside the designated corridor and not affecting any exclusion and avoidance area, before conducting any construction activities for any adjustment to the designated route outside the designated corridor, the Company will file:

a. Certification and supporting documentation affirming that construction activities will not affect any known exclusion or avoidance areas,
b. Certification and supporting documents stating the length of the proposed route outside of the corridor and a map meeting the requirements of N.D. Admin. Code § 69-06-04-01(2)(n) identifying the designated corridor, corridor adjustment, designated route and the route adjustment;
c. Certification that each owner of real property on which the adjustment is to be located and any applicable governmental entity with an interest in the same adjustment area do not oppose the adjustment; and
d. Detailed field studies indicating exclusion and avoidance areas for the proposed adjustment area; and
e. Certification that Company will comply with the Commission's order, law and rules designating the corridor and route

41. **ROUTE ADJUSTMENT OUTSIDE DESIGNATED CORRIDOR, AVOIDANCE AREA AFFECTED:** Before adjusting the route of a gas or liquid transmission line under NDCC 49-22-16.3(4), outside the designated corridor that may affect an avoidance area, and before conducting any construction activities for any adjustment to the designated route outside the designated corridor, the Company will file:

a. A specific description of the avoidance area expected to be impacted, including a map meeting the requirements of N.D. Admin. Code § 69-06-04-01(2)(n) identifying:
    i. the designated corridor, corridor adjustment, route and the route adjustment;
    ii. all exclusion and avoidance areas within the adjustment area

b. Certification that construction activities will not affect any known exclusion area;
c. Certification that the utility has good cause and a specific reason to impact the avoidance area and a reasonable alternative does not exist within the designated corridor and route;
d. Certification that each owner of real property on which the adjustment is to be located and any applicable governmental entity with an interest in the same adjustment area do not oppose the adjustment;
e. Provide specific information about any mitigation measures Company will take within the adjustment area;
f. Detailed field studies indicating exclusion and avoidance areas for the proposed adjustment area; and
g. Certification that Company will comply with the Commission's order, law and rules designating the corridor and route.

Company acknowledges and agrees that:

1. Written authorization from the Commission for impacting the avoidance area is necessary prior to commencement of construction activity unless the Commission fails to act within ten working days of receipt of filing a complete adjustment application, in which case the adjustment is deemed approved.
2. The initiation of the ten working days begins upon receipt of a complete filing, to include Company's certifications, supporting documentation and maps. However, the Commission may extend the ten working day provision if Company, in the person of the key contact referenced above, is informed of the reason additional time is necessary for extension and has no objection to an extension.

42. When applicable, Company may submit the field studies from the original application for the corridor and route provided they cover the adjustment area.

Dated this 09 day of September, 2014.

ONEOK BAKKEN PIPELINE, L.L.C.

By Wesley J. Christensen

WESLEY J. CHRISTENSEN

Its SENIOR V.P. - OPERATIONS

ONEOK LEGAL APPROVED

STATE OF NORTH DAKOTA

PUBLIC SERVICE COMMISSION

ONEOK Bakken Pipeline, L.L.C. **Case No. PU-14-254**
Targa Lateral Pipeline Pjct – McKenzie County
Siting Application

Tree and Shrub Mitigation Specifications

Inventory

1. Trees and shrubs anticipated to be cleared, including those that are considered invasive species or noxious weeds (*e.g., Caragana arborescens, Elaeagnus angustifolia, Rhamnus cathartica, Tamarix chinensis, T. parviflora, T. ramosissima, Ulmus pumila*), must be inventoried before cutting. The inventory must record the location, number, and species of trees and shrubs.

2. In windbreaks, shelterbelts and other planted areas, trees or shrubs anticipated to be cleared, regardless of size, must be inventoried for replacement.

3. In native growth areas, trees anticipated to be cleared that are 1 inch diameter at breast height (dbh) or greater must be inventoried for replacement.

4. In native growth areas, shrubs anticipated to be cleared in the permanent right-of-way must be inventoried for replacement.

5. In native growth areas outside the permanent right-of-way, shrubs must be cut flush with the surface of the ground, taking care to leave the naturally occurring seed bank and root stock intact. If soil disturbance is necessary, the native topsoil must be preserved and replaced after construction. Shrubs must be allowed to regenerate naturally where native topsoil is preserved and replaced. Where native topsoil is not preserved and replaced, shrubs anticipated to be cleared must be inventoried for replacement.

6. In native growth areas, trees and shrubs may be inventoried by actual count or by a sampling method that will properly represent the woody vegetation population. A sampling plan developed by the company, filed with the North Dakota Public Service Commission (Commission) and approved prior to the start of construction must define the sampling method to be used for trees, for tall shrubs and for low shrubs. The data from the sample plots must be extrapolated to the total acreage of the wooded area to be cleared to determine the species and quantity of trees and shrubs to be replaced.

Clearing for Construction

7. Trees and shrubs must be selectively cleared, leaving mature trees and shrubs intact where practical.

8. The maximum width of clear cuts through windbreaks, shelterbelts and all other wooded areas is 50 feet, unless otherwise approved by the Commission.

9. If the area of trees or shrubs actually cleared differs from the area inventoried, the difference in number of trees and shrubs to be replaced must be noted on the inventory.

Replacement

10. Prior to tree and shrub replacement, documentation identifying the number and variety of trees and shrubs removed, as well as the mitigation plan for the proposed number, variety, type, location and date of replacement plantings, must be filed with the Commission for approval.

11. Two 2-year-old saplings must be planted for every one tree removed. Two shrubs (stem cuttings) must be planted for every one shrub removed.

12. Except in the case of invasive or noxious species, trees and shrubs must be replaced by the same species or similar species, suitable for North Dakota

growing conditions as recommended by the North Dakota Forest Service. Invasive or noxious species must be replaced by similar non-invasive or non-noxious species suitable for North Dakota growing conditions as recommended by the North Dakota Forest Service.

13. Tree and shrub replacement must not be conducted within a 20 to 30 foot wide path over the pipeline to facilitate visual inspections of the right-of-way in accordance with U.S. Department of Transportation safety regulations.

14. Landowners must be given the option of having replacement trees and shrubs planted on the landowner's property, either on or off the right-of-way. The landowner must also be given the opportunity to waive those options in writing in order to have replacement trees and shrubs planted off the landowner's property.

15. At the conclusion of the project, documentation identifying the actual number, variety, type, location and date of the replacement plantings must be filed with the Commission.

16. Tree and shrub replacements must be inspected annually, in September, for three years. The first annual inspection must be at least one year from the anniversary date of the original plantings. A report of each annual inspection must be submitted to the Commission by October 1 of each year, documenting the condition of plantings and any woodlands work completed as of September of each year. If after the third annual report the survival rate is less than 75%, the Commission may order additional planting(s).