



**Tesoro Logistics GP, LLC**  
19100 Ridgewood Parkway  
San Antonio, TX 78259  
210 626 6000

November 4, 2014

Mr. Darrell Nitschke  
Executive Director  
North Dakota Public Service Commission  
600 E. Boulevard Avenue, Dept. 408  
Bismarck, NO 58505-0480

RE: Tesoro High Plains Pipeline Company LLC  
Certification Letter for BOE Connection at Killdeer, Dunn County, ND

Dear Sir:

In accordance with North Dakota Century Code 49-22-03(3) (2009), this letter is to notify the North Dakota Public Service Commission (Commission) that Tesoro High Plains Pipeline Company LLC (THPP) intends to construct a a connection on the existing Tree Top to Dunn 10-inch pipeline for Bakken Oil Express - (BOE) - LLC Terminals, LLC. at Gerry's Corner Terminal, Killdeer, ND. Bakken Oil Express "BOE" will build a lateral pipeline from BOE's Gerry's Corner Storage Terminal to Tesoro Logistics new measurement delivery facility off the Tree Top 10" pipeline located north of Highway 200 and 109 AVE SW, Killdeer, ND.

This project design basis & scope of work will consist of installing a new above ground bi-directional SCADA Operated manifold connection on the existing 10" Tree Top to Dunn pipeline to ship crude to BOE from either Connolly Station or Tree Top Station. The "BOE" 10" lateral pipeline will tie-in at the Tesoro Logistics facility. A new custody transfer measurement facility at a new Tesoro facility connected to the existing 10" pipeline will include a new meter control building with automation and communication. A small volume prover will be installed in the building with the measurement facilities. An OMNI flow computer will be installed for throughput delivery tickets. The delivery facility will have pressure regulator control valves and a surge relief system including (3) 400 Bbl tanks due to ANSI class difference between the pipeline system and BOE's facility. Installation will include a new piping manifold with control valves, motor automated valves and automation for simultaneously crude oil receipts from Connolly Station and Tree Top Station.

The project is located on private land owned by THPP. The project will include a 2 acre site.

The proposed project site has an existing THPP crude oil pipeline crossing through the site. This existing crude oil pipeline is a part of the THPP System, which has been in service since the 1950s. As such, the existing THPP pre-dates North Dakota's Siting Act and thereby proposed project qualifies for construction within the 350 ft. limit from the center line of the existing pipeline through the Certification Process, N.D.C.C. 49-22-03(3)(a) (2009).

Tesoro certifies that this construction project will be restricted to 350 ft. of either side of the existing crude oil pipeline and that it will be within a chain-link fenced area. Tesoro also certifies that there are

no residences, schools or businesses located within 500 feet of the facilities to be constructed. Tesoro intends to begin earthwork and installation of concrete foundations for these new facilities in November 2014.

Also, Tesoro certifies that the construction of these facility will not affect any known exclusion or avoidance areas, as defined in North Dakota Administrative Code 69-06-08-02 (2009). Please refer to the enclosed "Avoidance/Exclusion Area and Resources Analysis" document prepared by LWR Consultants, Inc. Additionally, Tesoro certifies that it will perform all work on this construction project within the rules and regulations of other agencies that have jurisdiction.

For this project, building construction permits have been obtained from the Dunn County.

Upon your request Tesoro is willing to have a pre-construction conference regarding this project. Plans currently call for construction activities to begin in November 2014.

Your attention to this matter is greatly appreciated. I can be reached at 210-626-6507 for any questions or further information that may be needed.

Respectfully submitted,



James Sanford  
Senior Manager, Right of Way and Land  
Tesoro High Plains Pipeline Company LLC

Attachments:

1. Certification Affidavit
2. Environmental Reports
3. State Historical Society of North Dakota Concurrence Letter
4. Project Map

Cc: Brian Bjella, Attorney, Crowley Fleck PLLP, Bismarck, ND



**U.S. Army Corps of Engineers- 404 Permitting Summary for Wetland and Water of the U.S (stream) Impacts, NGP-BOE Rail Connection at Killdeer:**

Impacts/fill to jurisdictional wetlands or waters (streams, rivers) generally require a permit from the Army Corps of Engineers (ACOE). Oil and gas projects (not including Utility lines, Utility lines are permitted under a Nationwide #12 Permit) projects are covered by a variety of Nationwide Permits (under Section 404 of the Clean Water Act) as long as wetland fill is less than 0.5 acres. Impacts over 1 acre are generally covered by an Individual ACOE Permit.

The proposed project includes approximately 2 acres that will be graded for a valve and manifold site. The area is currently a mixture of seeded grassland and pasture. Based on review of aerial photography and site photos native non-disturbed plant communities (native grassland) are not present. The site has been tilled and seeded in the past, possibly as part of the Crop Reserve Program (CRP). No National Wetland Inventory (NWI) mapped wetlands are present. No streams or drainages occur on or near the site. The nearest wetlands appear to be located along a drainage swale approximately 500 feet west of the site. There are no prairie potholes on the site. Wetlands do not appear to be present.

Because wetlands, streams, potholes, swales or other potential jurisdictional waters of the U.S. do not appear to be present, no permits or consultations should be required with the ACOE.

Note: site review was based on aerial photography, site photos, and NWI mapping a site visit was not completed.

### **Endangered Species Act and Migratory Bird Treaty Act Summary: NGP-BOE Rail Connection at Killdeer**

The proposed project includes approximately 2 acres that will be graded for a valve and manifold site. The area is currently a mixture of seeded grassland and pasture. Native non-disturbed plant communities (native grassland) are not present. The site has been tilled and seeded in the past, possibly as part of the Crop Reserve Program (CRP). No National Wetland Inventory (NWI) mapped wetlands are present. No streams or drainages occur on or near the site.

All migratory birds are protected by the Migratory Bird Treaty Act. The U.S. Fish and Wildlife Service (USFWS) is responsible for enforcing the Act.

The Act is generally enforced in cases of deliberate killing of migratory birds, especially high interest birds (raptors, communally nesting shorebirds and others), or in cases of poisoning or toxicity (mining or oil and gas waste ponds for example). However, any mortality of migratory birds (except for legal hunting) is illegal under the Act. Any mortality of raptors, or impact to raptor nests should be avoided.

Construction of the site will begin in late summer 2014 (September 2014). Construction during late summer is outside the nesting period (approximately April 1 to July 31) for migratory birds. Impacts to nesting grassland birds are not expected with project construction.

It is not know if any raptor nests (eagles, hawks, falcons, owls) are located near the proposed project. However, late summer and fall construction is outside the nesting period of local raptors. There are no trees, rock outcrops, or cliffs on the site that may support nesting raptors. Impacts to nesting raptors are not expected with project construction.

Table 1 summarizes Federally Listed Species with potential to occur in Dunn County. The table also summarizes likelihood of the species occurring in the project area. The project area provides potential habitat to the Spragues Pipit, a grassland nesting species that is a Candidate to be listed as Threatened or Endangered. However, late summer and fall construction would not impact any nesting birds. There is little potential for any other Federally listed species to be present on the project site.

Federally Listed or Candidate Species Potentially Occurring in the Project Area,  
 NGP-BOE Rail Connection at Killdeer Project

Birds	Status	Species Profile	Comments
Least tern ( <i>Sterna antillarum</i> ) Population: interior pop.	Endangered	Occurs on shorelines of lakes, rivers	Nearest potential habitat on shoreline of Lake Sacajawea
Piping Plover ( <i>Charadrius melodus</i> ) Population: except Great Lakes watershed	Threatened	Sand and Gravel shorelines	Nearest potential habitat on shoreline of Lake Sacajawea
Sprague's Pipit ( <i>Anthus spragueii</i> )	Candidate	Nests in grasslands	Potential nesting habitat present in grasslands in project area. Could be present in grassland areas
Whooping crane ( <i>Grus americana</i> ) Population: except where EXPN	Endangered	Rare Migrant in North Dakota	Rare migrant in area, unlikely to occur in project area
Fishes			
Pallid sturgeon ( <i>Scaphirhynchus albus</i> ) Population: Entire	Endangered	Missouri River System	Nearest Potential Habitat in Lake Sacajawea. Project should not effect species
Insects			
Dakota Skipper ( <i>Hesperia dacotae</i> )	Proposed Threatened	Grasslands NE ND	Known in NE ND, likely not present. But potential habitat is present in area.
Mammals			
Black-Footed ferret ( <i>Mustela nigripes</i> ) Population: U.S.A. (specific portions of AZ, CO, MT, SD, UT, and WY)	Experimental Population, Non-Essential, or Endangered	Prairie dog colonies	Based on aerial photo review prairie dog colonies do not appear to be present.
Gray wolf ( <i>Canis lupus</i> ) Population: U.S.A.: All of AL, AR, CA, CO, CT, DE, FL, GA, KS, KY, LA, MA, MD, ME, MO, MS, NC, NE, NH, NJ, NV, NY, OK, PA, RI, SC, TN, VA, VT and WV; those portions of AZ, NM, and TX not included in an experimental population; and portions of IA, IN, IL, ND, OH, OR, SD, UT, and WA. Mexico.	Endangered	No known population in North Dakota	Unlikely to be present



300 E. BOARDWALK, 4-C, FORT COLLINS, CO 80525 | PHONE 1-970-225-6575 | FAX 1-970-225-6577 | WWW.CENTENNIALARCHAEOLOGY.COM

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July 25, 2014

Mr. Eric Berg  
LWR Consultants, Inc.  
1001 Jefferson Drive  
Berthoud, Colorado 80513

Dear Mr. Berg:

This letter report provides a description of the results of a Class I cultural resource investigation for the proposed Bakken Oil Express LLC Terminals, LLC (BOE) facility and lateral pipeline at Gerry's Corner near the City of Killdeer in Dunn County, North Dakota. Tesoro Logistic Operations, LLC is proposing to install a new delivery facility designed to transfer crude transmitted through the existing 10" Tree Top to Dunn pipeline to the BOE facility from either the Connolly Station or the Tree Top Station. The new facility will include components for measurement, delivery, and electrical service. Equipment to be installed will include an above ground bi-directional SCADA Operated manifold connection to the extant pipeline as well as a new measurement meter, a volume prover, a flow computer, pressure regulator control valves and a surge relief system as well as a new transformer. Approximately 2,000 ft of 10" lateral pipeline will be constructed to join the BOE facility with the existing pipeline. Although Tesoro Logistics Operations has plans to acquire the 2 acres needed for the new facility, which will be situated adjacent to State Highway 200, additional right-of-way and easements are in the process of being obtained for the 2,000 ft of lateral pipeline. The Class I inventory corridor is located largely on privately owned property. However, the proposed lateral pipeline will intersect the right-of-way of North Dakota State Highway 200. The project area is situated in Township 145 North, Range 95 West, within Sections 21 and 28 (Figures 1 and 2). This report was prepared by Centennial Archaeology (Centennial) for LWR Consultants, Inc. A file search was conducted for the project area and surrounding vicinity including Sections 20, 21, 28, and 29.

The file search was performed at the State Historical Society of North Dakota (SHSND) in Bismarck by Robert Christensen, acting on behalf of Centennial. Class I results, which were received on July 27, 2014, include records of all archaeological investigations that have been conducted and all cultural resources (prehistoric and historic archaeological sites) that have been recorded in the aforementioned sections. The results also include any National Register of Historic Places (NRHP) properties and districts. Historic U.S. Geologic Service (USGS) maps and General Land Office (GLO) records were also consulted in an effort to identify historic trails, transportation routes, homesteads, or other historic resources that intersect the project area. The study area for the Class I is centered on the lateral pipeline and the distribution facility, and extends out 0.125 mile from the proposed boundary in order to yield a study area of at least 0.25

mile for all parts of the potential project. This corridor was chosen to limit the file search results to relevant sites that fall within the scope of the Class I investigation.

The Class I research results indicate that three prior investigations intersect the study area. The first intersects the northern end of the proposed transmission facility in Section 21. This project consisted of surveys for the Bakken Link Pipeline and in 2012 yielded a report entitled *Bakken Link Pipeline: A Class II and Class III Cultural Resource Inventory in Billings, Stark, McKenzie, and Williams County, North Dakota*. The second, which consisted of a road survey for North Dakota Highway 200 intersects the study area on the joint border between Section 21 and Section 28. This investigation, which was also completed in 2012, yielded a report entitled *North Dakota Department of Transportation's Highway 200 from Highway 22 to Highway 85: A Class III Cultural Resource Inventory in Dunn and McKenzie Counties, North Dakota*. The third was completed in 2013, and consisted of a survey conducted for the BOE pipeline. The report title for that project is *BOE Pipeline: A Class III Resource Inventory in Dunn and Stark Counties, North Dakota, Volumes 1 and 2*.

A single historic site is situated within the southern boundary of the Class I study area. No previously recorded prehistoric sites or isolated finds of any age are known to be present within the boundary of the study area. The historic site (32DU2069) is an agricultural building complex. The very southern edge of the 0.125 mile buffer of the lateral pipeline intersects the northern edge of the site boundary for this property. Buildings included in the site appear to be located further south outside of the Class I study area for the current project. Prehistoric archaeological resources have been documented in the sections included in the study area, but none are situated within the boundaries. The nearest of these resources, 32DU1712, is 0.16 mile outside of the study area boundary.

An inspection of the 1974 Killdeer 1:24,000 scale quadrangle map showed no structures, ditches, or other historic features in the study area, though the residence and one of the outbuildings of the agricultural complex are depicted south of the study area. Likewise, the GLO map created in 1900 did not depict any structures or features in the file search area. However, an unnamed road is shown passing through the South ½ of Section 21 approximately 0.25 mile north of the Class I boundary. This road does not appear to correspond with any extant transportation corridors.

It should be noted that file search data largely reflect the results of previous cultural resource investigations, and that no cultural resource surveys have been conducted within most of the Class I survey area. The results of this file search therefore do not necessarily include all cultural resources situated within the project area. A comprehensive cultural resource field investigation would be necessary to identify to full range of cultural resources in the project area.

Please contact me if you have any questions or need additional information.

Sincerely,



Kristin A. Gensmer  
President / Project Director

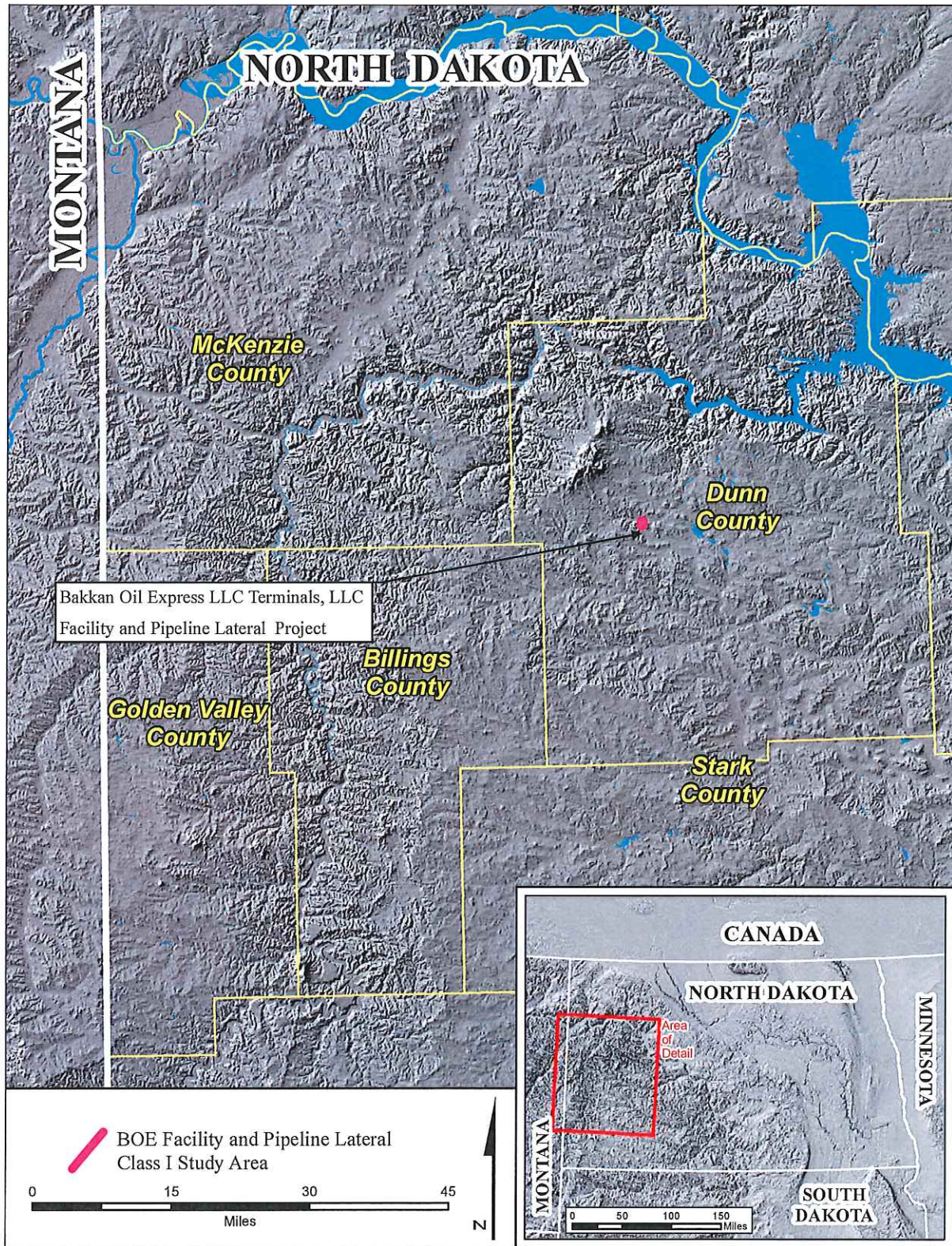


Figure 1. Class I study area overview map.

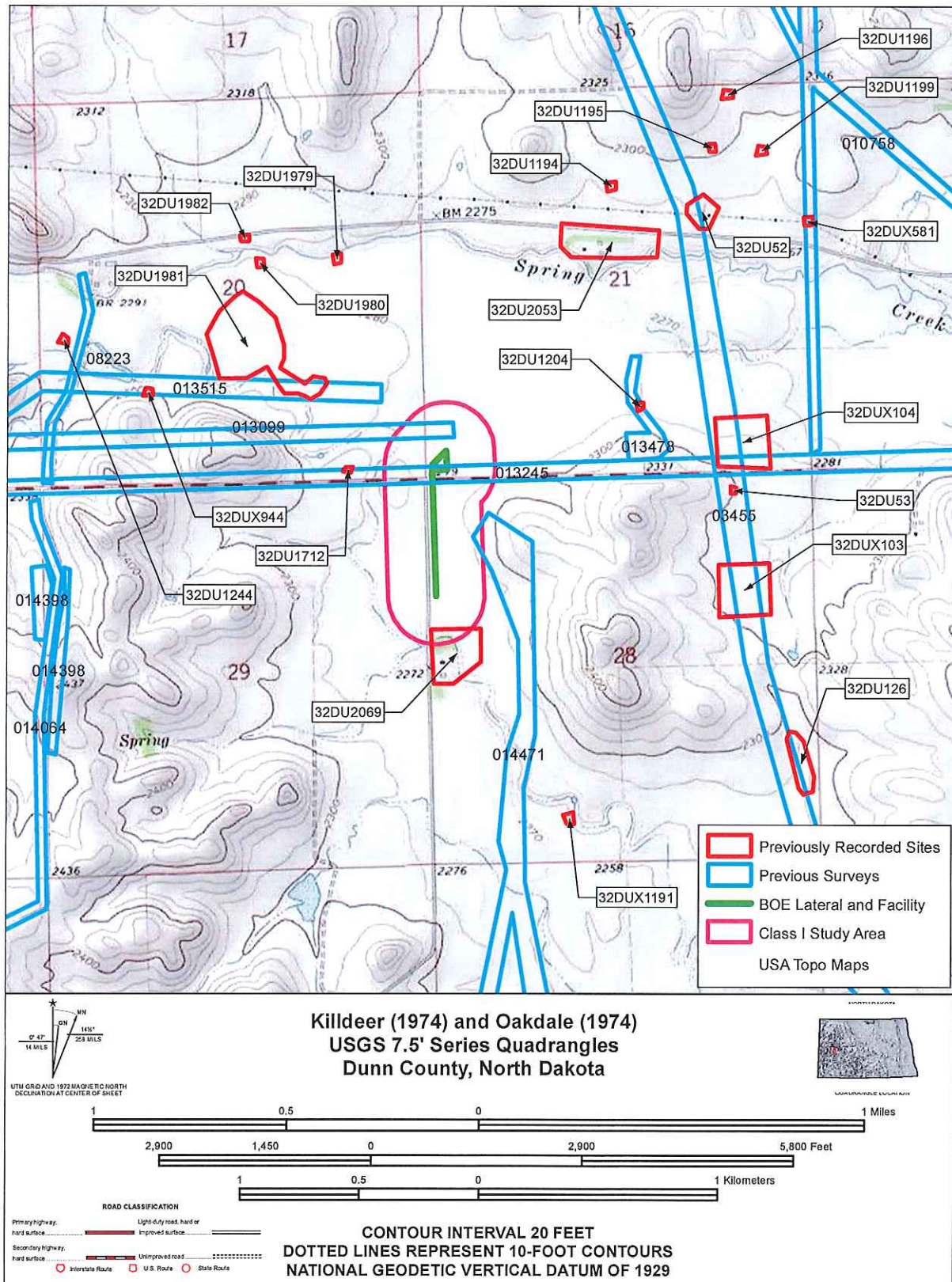


Figure 2. Map of Class I Study Area at 1:24,000 scale.



## LWR Consultants, Inc.

Environmental Permitting and Consulting - Ecological Studies - Threatened and Endangered Species - Wetlands

DATE: August 15, 2014

TO: Paul R. Picha, Chief Archaeologist  
State Historical Society of North Dakota  
North Dakota Heritage Center  
612 East Boulevard Avenue  
Bismarck, ND 58505-0830

RE: SHPO review and concurrence for the NGP-BOE Rail Connection at Killdeer  
Class I Cultural Resources Investigation, Tesoro High Plains Pipeline Company.

Dear Mr. Picha,

Tesoro High Plains Pipeline (Tesoro) is planning to construct a Crude oil custody, transfer and measuring facility. Installation will include a new piping manifold with control valves, motor automated valves and automation for simultaneously crude oil receipts from Connolly Station and Tree Top Station. The project is located in rural Dunn County near Killdeer. The project is located on private land. The project will include a 2 acre site.

As part of Tesoro's due diligence for the application process, Centennial Archeology, Inc. (Centennial), on behalf of Tesoro, arranged for Class I cultural resource literature reviews of the project areas, which were completed by Robert Christianson. Centennial and Mr. Christianson are permitted by the State Historical Society of North Dakota to perform cultural resource studies. The report present Centennial's findings with regard to previous Class III survey coverage and cultural sensitivity for the project area. At this time we believe that a Class III (ground) survey is not needed for the project. The project is on private land and impacts are limited to a small area. NOTE: the Class I survey are included a 2000 foot pipeline corridor. That is not part of this project; this project only includes the 2-acre facility site.

We respectfully ask for your office's review of the enclosed Class I report and any requirements for additional surveys. We have also enclosed the data record forms for each report and the requisite fees for report reviews (\$100 total).

If your office finds the report to be adequate and concurs that a Class III survey is not required, please provide us with the appropriate documentation that can be submitted with Tesoro's NDPSC application package.

If your office determines that a Class III survey is warranted for the site described in the report, Tesoro will make arrangements for those studies to be completed and will submit those reports to you when completed for continuing consultation.

LWR Consultants, Inc.  
1001 Jefferson Drive, Berthoud, CO 80513  
Office: 970-532-4354, Fax: 970-532-334

Thank you for your consideration of our request for review and concurrence.

Sincerely,

Eric Berg  
Principal, Senior Project Manager  
LWR Consultants, Inc.  
970-532-4354 (office)

Enclosures:

1. "Class I Cultural Resource Background NGP-BOE Rail Connection at Killdeer
2. Report review fees



LWR Consultants, Inc.  
1001 Jefferson Drive, Berthoud, CO 80513  
Office: 970-532-4354, Fax: 970-532-334



**STATE  
HISTORICAL  
SOCIETY  
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August 25, 2014

Mr. Eric Berg  
LWR Consultants, Inc.  
1001 Jefferson Drive  
Berthoud, CO 80513

NDSHPO REF.: 14-1597 Bakken Oil Express LLC (BOE) facility and pipeline at Gerry's Corner, Dunn County, North Dakota [T145N R95W Sections 21, 28]

Dear Mr. Berg:

We have reviewed project correspondence and documentation for: 14-1597 "Bakken Oil Express LLC (BOE) facility and pipeline at Gerry's Corner, Dunn County, North Dakota," and find it acceptable.

We concur that no Class III CRI (survey) is warranted and with "No Significant Sites Affected" and "No Historic Properties Affected" determinations provided the project is of the nature stated and it takes place in the location plotted in the submitted project documentation.

Thank you for the opportunity to review the project. If you have questions please contact either Paul Picha [ppicha@nd.gov](mailto:ppicha@nd.gov) at (701) 328-3574 or Susan Quinnell [squinnell@nd.gov](mailto:squinnell@nd.gov) at (701) 328-3576.

Sincerely,

Merlan E. Paaverud, Jr.  
State Historic Preservation Officer (North Dakota)  
and  
Director, State Historical Society of North Dakota

