

February 5, 2015

HAND DELIVERED

Mr. Darrell Nitschke
Executive Secretary
North Dakota Public Service Commission
600 East Boulevard Avenue, Dept. 408
Bismarck, ND 58505-4080

**RE: Hiland Crude, LLC — Case Number
PU-14-840 – Supplemental Information**

Dear Mr. Nitschke:

Please find enclosed for filing supplemental information for the above-entitled case. Specially, this letter is in regard to Hiland Crude, LLC's ("Hiland") Application for a Certificate of Corridor Compatibility and Route Permit ("Application") filed with the North Dakota Public Service Commission ("Commission") on December 17, 2014. In its Application, Hiland requests the necessary approvals to construct the Dore Crude Oil Loop Pipeline (the "Project") parallel to the previously sited Musket Lateral, or Dore, Segment of the Market Center System in Case Number PU-13-136 ("Market Center Pipeline"). As noted in the Application, the total length of the Project is approximately 13 miles located in McKenzie County, North Dakota.

While the Project would fall under the construction exception, or what has also been termed the "footprint rule," found in North Dakota Century Code Section 49-22-03(3), the Certification Relating to Order Provisions signed by Hiland in PU-13-136 requires the submission of an application for a route permit in the event a transmission facility is desired to be constructed that was not included in the application for PU-13-136. Thus, the Consolidated Siting Application was filed. Given the filing of the Application as required under the Certification provisions, Hiland provides this information to clarify certain questions that may arise as to the location of the Project within the previously sited corridor for the Market Center Pipeline.

The pipeline contemplated in the Dore Crude Oil Loop Pipeline Application will fall entirely within the previously approved corridor granted for the Market Center Pipeline along the Musket Lateral, or Dore, Segment. In areas where the Project is located near the edge of the previously granted corridor, Hiland will commit to utilizing horizontal directional drilling, or boring, construction methods so as not to conduct work outside the corridor. In addition, when

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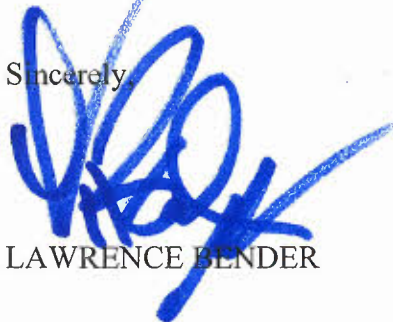
horizontal drilling is not utilized, Hiland intends to mark the edge of the previously approved Market Center corridor to ensure no construction strays beyond the approved boundary. As such, the Project will be installed within the existing corridor utilized for the Market Center Pipeline and all construction activities will also be limited to the previously granted corridor.

Attached and marked as Exhibit A are maps depicting the Project centerline in relation to the previously approved corridor. As noted in the maps, the entire pipeline falls within the previous corridor. In areas where the distinction is less evident based on the expansive aerial view, inset maps depicting more detailed areas are provided. As previously noted, to dispel any concerns regarding construction areas falling outside of the previous corridor, Hiland will bore areas near the corridor edge to ensure all construction falls within the corridor. Please note that any reference in the application to utilizing new right-of-way also becomes a nonissue, as all right-of-way necessary for construction of the Project will be identical to the Musket Lateral, or Dore, Segment of the Market Center Pipeline.

Also attached hereto as Exhibit B are pipeline plan and profile maps illustrating the location of the Project as anticipated. As clarified in Exhibit B, horizontal directional drilling, or boring, will be utilized throughout the pipeline route. As such, all aspects of the Project will be located within the corridor approved in Case Number PU-13-136.

If you should have any questions regarding the enclosed supplemental information, please advise.

Sincerely,



LAWRENCE BENDER

LB/dmk
Enclosures

cc: Mr. Jim Suttle (*via e-mail*)
Mr. Ryan Dahl (*via e-mail*)
Mr. Mike Higgins (*via e-mail*)
Ms. Kathleen Spilman (*via e-mail*)
Mr. Mitch Armstrong (*via e-mail*)
Mr. Brian Schmidt (*via e-mail*)

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