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January 15, 2015

*Via Hand Delivery*

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



In re: Hess North Dakota Pipelines LLC  
Hawkeye Crude Oil Pipeline Project  
McKenzie and Williams Counties  
Our File No.: 11-024-1427

Dear Mr. Nitschke:

Please find enclosed for filing of the following:

- 1) The original and ten copies of Application of Hess North Dakota Pipelines LLC for a Waiver or Reduction of Procedures and Time Schedules and for a Corridor Certificate and Route Permit
- 2) Eleven copies of Hess North Dakota Pipeline LLC's Application for Certificate of Corridor Compatibility for the Hess Hawkeye Crude Oil Pipeline Project and Application for Route Permit for the Hess Hawkeye Crude Oil Pipeline Project in McKenzie and Williams Counties, North Dakota;
- 3) Hess North Dakota Pipelines LLC's check in the amount of \$100,000.00;
- 4) Hess North Dakota Pipelines LLC's Certificate of Good Standing; and
- 5) Affidavit of Service by Mail.

We are also enclosing an electronic version of the application for your convenience.

Please call should you have any questions. Thank you.

Very truly yours,



John W. Morrison

lh  
enc.

cc: McKenzie County Auditor  
Williams County Auditor  
Jon Alstad (via email)  
Lacey Carver (via email)

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF NORTH DAKOTA**

Application of Hess North Dakota Pipelines )  
LLC for a Certificate of Corridor )  
Compatibility and Route Permit for the )  
Hawkeye Crude Oil Pipeline, a 25 Mile )  
Long Crude Oil Pipeline, 12 inches in )  
diameter, and associated facilities, )  
McKenzie and Williams Counties, North )  
Dakota )

Case No. \_\_\_\_\_

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**APPLICATION OF HESS NORTH DAKOTA PIPELINES LLC FOR A WAIVER  
OR REDUCTION OF PROCEDURES AND TIME SCHEDULES  
AND FOR A CORRIDOR CERTIFICATE AND ROUTE PERMIT**

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Applicant, Hess North Dakota Pipelines LLC, (“Hess”) whose address for purposes of this Application is 1501 McKinney Street, Houston, Texas 77010, pursuant to the Energy Conversion and Transmission Facility Siting Act, codified at North Dakota Century Code Chapter 49-22 (“Act”), hereby submits this Application For a Waiver or Reduction of Procedures and For a Corridor Certificate and Route Permit (“Application”).

Simultaneously with the filing of this application, Hess is filing separate applications for a corridor certificate and a route permit for the Hawkeye Crude Oil Pipeline, an approximately 25-mile long pipeline connecting Bakken oil fields south of Lake Sakakawea to existing processing and transportation facilities north of the lake. The pipeline would transport oil from the Hawkeye Oil Facility near Keene, North Dakota, to the Ramberg Truck Facility near Tioga, North Dakota.

Applicant requests that the North Dakota Public Service Commission (“Commission”) waive and/or reduce procedures and time schedules required by the Act or in the Commission’s regulations set forth in Title 69-06 of the North Dakota Administrative Code, to accomplish the purposes requested herein. These include, but are not limited to: (1) waive, pursuant to North Dakota Century Code §§ 49-22-07.2, 49-22-13(2), and North Dakota Administrative Code § 69-06-01-02 and Chapter 69-06-06, the provisions of North Dakota Century Code §§ 49-22-08(5), 49-22-08.1(5), 49-22-13, and North Dakota Administrative Code § 69-06-01-02 which require separate filings of such applications, separate notices of applications for a corridor certificate and a route permit and separate hearings on such applications in said statutes and rules; (2) approve a corridor of 200 feet in width; (3) hold one consolidated public hearing on the Applications; (4) find that the proposed facilities are of such design, length, location and purpose that they will produce minimal adverse affects; and (5) designate and approve the requested facilities as identified in this Application and issue the appropriate corridor certificate and route permit.

The Commission’s application guidelines for waiver of procedures require the description of the facility, the need for the facility, the cost of the facility and justification for each provision of the Act for which Applicants are requesting a waiver, together with evidence that the project will produce minimal adverse effects or that a demonstrable emergency exists. As demonstrated in this Application, and summarized below, each of Applicant’s requests for waivers and/or reductions of procedures and time schedules and the issuance of a corridor certificate and route permit are justified as the proposed facilities are of such design, length, location and purpose that they will produce minimal adverse effects, and that the urgent demand for additional pipeline capacity to deliver crude oil produced in the Williston Basin of North Dakota to markets and

refineries in the United States requires construction of the proposed pipeline at the earliest possible date.

### **DESCRIPTION**

Applicant is proposing to construct the Hawkeye Oil Facility, which will consist of oil storage and truck offloading facilities and then install approximately 10 miles of new 12-inch diameter crude oil pipeline to the existing North Charlson Compressor Station near Lake Sakakawea. From that point, Hess proposes to convert an existing 8-inch diameter spare pipeline across Lake Sakakawea to the existing North of River Valve Station. From the North of River Valve Station, Hess proposes to install approximately 12.8 miles of new 12-inch diameter crude oil pipeline to the existing Ramberg Truck Facility near Tioga, North Dakota. Fiber optic cables will be installed in the same trench along the new construction and strung through an existing gas pipeline across Lake Sakakawea. The project will include construction of some new facilities, primarily pig launchers and receivers and certain emergency shut down and main line valves, at the proposed Hawkeye Oil Facility, the existing North Charlson Compressor Station, the North of River Valve Station, and the Ramberg Truck Facility (the new surface facilities and the pipeline, the "Project"). The pipeline route is largely dictated by existing pipeline and utility easements, the location of the compressor stations and valve stations, and the location of the existing pipelines crossing Lake Sakakawea. As a consequence, while Hess has caused desk-top studies of a two mile wide study area centered on the proposed route, the intensive pedestrian surveys have primarily been limited to a 200 foot corridor centered on the proposed route.

### **NEED**

The purpose of the Project is to transport crude oil from Bakken production fields south of Lake Sakakawea to existing export facilities north of Lake Sakakawea. The project is designed for an initial flow rate of 60,000 barrels of oil per day, with a maximum design flow rate of 76,000 barrels of oil per day. The corridor and route proposed by Hess would allow existing pipelines under Lake Sakakawea to be utilized and thereby minimize costs and surface disruptions. The primary alternative to the project is continued trucking of the crude oil and the Project is needed to reduce congestion, as well as wear and tear, on the highway.

### **COST**

The total cost of constructing the Project is estimated at \$47.7 million.

### **JUSTIFICATION**

The environmental and cultural resource studies and reports which have been commissioned by Applicants for this project demonstrate that there will be minimal adverse effects by construction. The proposed pipeline primary follows existing pipeline and utility easements. Most of the aboveground facilities are to be constructed within existing Hess facilities. As a result, Applicants hereby submit that there is substantial justification as set forth under the Need section above for the requested waivers and/or reduction of procedures as the Project will produce minimal adverse effects.

Applicants respectfully request the Commission to grant the requested waivers and/or reduction of procedures and time schedules; and to render an expeditious decision approving the requested corridor certificate and route permit.

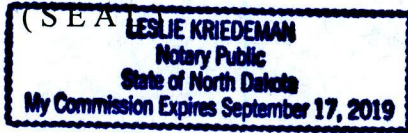




Subscribed and sworn to before me this 15<sup>th</sup> day of January, 2015.

*Leslie Kriedeman*

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Notary Public  
Burleigh County, North Dakota  
My Commission Expires:



LESLIE KRIBEMAN  
Notary Public  
State of North Dakota  
My Commission Expires September 17, 2019