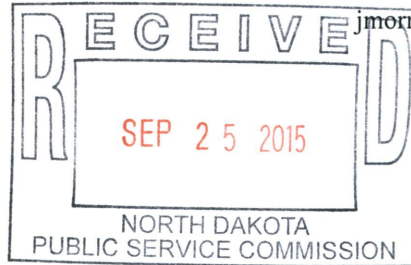


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September 25, 2015

Via Hand Delivery

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

In re: Bridger Pipeline LLC
Heart River Pipeline Project
Billings and Stark Counties
Case No. PU-15-097
Our File No. 16-265-010

Dear Mr. Nitschke:

Please find enclosed for filing the original and ten copies of the proposed Findings of Fact, Conclusions of Law and Order in the captioned matter.

Please call should you have any questions. Thank you.

Very truly yours,

John W. Morrison

JWM/lh
enc.

cc: Ken Dockweiler (via e-mail)

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Bridger Pipeline LLC
16-inch Crude Oil Pipeline – Billings & Stark
Siting Application**

Case No. PU-15-97

**PROPOSED FINDINGS OF FACT
CONCLUSIONS OF LAW, AND ORDER**

_____, 2015

Appearances

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

John W. Morrison, Attorney at Law, Crowley Fleck PLLP, 100 West Broadway, Suite 250, Bismarck, North Dakota 58501 on behalf of Bridger Pipeline LLC.

John M. Schuh, Assistant Attorney General as counsel for the Public Service Commission, 600 East Boulevard Avenue, Bismarck, North Dakota 58505.

Wade C. Mann, Administrative Law Judge, Office of Administrative Hearings, 2911 North 4th Street, Suite 303, Bismarck, ND 58503, as procedural Hearing Officer.

Preliminary Statement

On February 17, 2015, Bridger Pipeline, LLC (“Bridger”) filed applications for a certificate of corridor compatibility and a route permit concerning approximately 15 miles of 16-inch crude oil pipeline and associated facilities in Billings and Stark Counties, North Dakota. The company also filed an application for waivers of procedures and time schedules established under North Dakota Century Code sections 49-22-07.2, 49-22-08, 49-22-08.1, 49-22-13, and North Dakota Administrative Code section 69-06-01-02 and Chapter 69-06-06, requiring separate filings, separate notices, separate hearings and certain time schedules of such applications

On April 29, 2015, the Commission found the applications complete and issued a Notice of Filings and Notice of Hearing scheduling a public hearing on July 9, 2015 at 10:00 a.m. CST at Belfield City Hall, 107 2nd Ave. NE, Belfield, North Dakota 58622.

The Notice of Hearing identified the following issues to be considered in Bridger's request for a waiver of procedures and time schedules are as follows:

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 of Hearing identified the following issues to be considered in Bridger's application for a certificate of corridor compatibility and route permit are as follows:

1. Will the location, construction, and operation of the proposed facilities produce minimal adverse affects 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?

On July 9, 2015, the hearing was held as scheduled.

Having allowed all interested persons an opportunity to be heard and having heard, reviewed, and considered all the evidence presented, the Hearing Officer makes the following:

Findings of Fact

1. Bridger is a Wyoming limited liability company authorized to transact business in the State of North Dakota as evidenced by corporate papers filed with the Commission in Case No. PU-15-098.

Need for Facility

2. Bridger currently operates an 8-inch pipeline running from the Skunk Hills Station to the Fryburg Station. The proposed pipeline will provide an additional 125,000 barrels of capacity to move volumes to Fryburg where the system is connected to a 12-inch pipeline to Baker, Montana. The added capacity is necessary to move volumes of crude oil expected to be produced by Bakken-Three Forks wells in North Dakota.

Size, Type and Preferred Location of Facility

3. The proposed facilities (the "Project") consist of approximately 15 miles of new pipe. The pipeline will be buried underground and no new surface facilities will be included other than pipeline markers, rectifiers, and block valves.

4. The pipeline will, for the most part, follow existing utilities, including the existing 8-inch pipeline.

Project Design

5. The proposed pipe will have an 16-inch outside diameter pipe with a fusion bonded epoxy coating with a wall thickness of 0.312 inches and 0.375 on horizontally directionally bored segments at road and standing water crossings.

6. The maximum operating pressure of the pipeline will be 1440 psi and its capacity will be 125,000 barrels of crude oil per day.

7. A supervisory control and data acquisition system will monitor flow, pressure and temperature 24 hours per day, 7 days per week from a control room in Casper, Wyoming.

Study of Preferred Location

Siting Criteria

8. The Commission has established criteria pursuant to North Dakota Century Code section 49-22-05.1 to guide the Commission in evaluating the suitability of granting a certificate of corridor compatibility and route permit. The criteria, as set forth in North Dakota Administrative Code section 69-06-07-02 are classified as Exclusion Areas, Avoidance areas, Selection Criteria, and Policy criteria.

9. A transmission facility route must not be sited within an exclusion area.

10. An Exclusion Area may not encompass more than fifty percent of a corridor width unless there is no reasonable alternative. Exclusion Areas must be excluded from consideration of a route for a transmission facility. A buffer zone of a reasonable width to protect the integrity of the area must be included. Natural screening may be considered in determining the width of the buffer zone.

11. 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 should be designated for a transmission 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.

12. Bridger, through consultants, conducted a Class III level cultural resources inventory of approximately 220 acres and conducted a field study using a 500-foot wide corridor for botany and a 1-mile wide corridor for wildlife. Bridger evaluated the Study Area for the Exclusion, Avoidance, Selection and Policy criteria of the Commission.

13. There are no exclusion areas within the study corridor or crossed by the proposed route. The only avoidance area either within the study area or crossed by the route is the existence of the Little Missouri National Grasslands, and an application for that portion of the pipeline which crosses the grasslands has been submitted to the USFS Medora Ranger District.

14. Bridger contacted governmental agencies and entities, including the United States Fish and Wildlife Service, United States Army Corps of Engineers, the North Dakota Department of Transportation, North Dakota Game and Fish Department, the North Dakota Parks and Recreation Department, the Department of Trust Lands, North Dakota State Water Commission and the North Dakota State Historical Office.

15. The State Historic Preservation Office concurred with the Class III study recommendation of "no significant sites. None of the other agencies that responded raised any significant concerns with the corridor or the route.

16. In accordance with the Commission's Selection Criteria, a transmission facility shall be approved only if it is determined that any significant adverse effects that will result from the location, construction and operation of the facility as they relate to the Selection Criteria will be at an acceptable minimum, or will be managed and maintained at an acceptable minimum. Bridger has analyzed the impacts of the Project in relation to all relevant Selection Criteria. No significant adverse impact will result from the location, construction and operation of the Project.

Mitigation to Minimize Impact

17. Bridger will conduct inspections, including aerial inspections and inline inspections, in accordance with the requirements of PHMSA.

18. Bridger will coordinate with local authorities and emergency managers regarding emergency response measures.

19. Bridger also agreed to a number of steps to mitigate the impact of the Project as indicated by the Certification Relating to Order Provisions – Transmission Facility Siting, with accompanying Tree and Shrub Mitigation Specifications which is incorporated by reference and attached to this Order.

20. Bridger will use environmental monitors and inspectors to comply with all applicable permits.

From the foregoing Findings of Fact, the Hearing Officer makes the following:

Conclusions of Law

1. The Commission has jurisdiction over this proceeding under North Dakota Century Code Chapter 49-22.
2. Bridger 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 as a transmission line will produce minimal adverse effects on the environment and upon the welfare of the citizens of North Dakota.
5. The Project corridor and route are compatible with the environmental preservation and the efficient use of resources.
6. The pipeline corridor and route 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.
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 and it is appropriate for the Commission to waive those certain procedures and time schedules as requested in the Application pursuant to 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. Bridger's application for waiver of procedures and time schedules is granted.
2. Certificate of Corridor Compatibility No. ___ is issued to Bridger designating a corridor for the construction, operation and maintenance of an approximately 15 mile, 16-inch

steel crude oil transmission pipeline and associated facilities in McKenzie County, North Dakota. For purposes of the Certificate, the Corridor is approximately 15 miles long and 200-foot wide centered on the pipeline route designated in this order.

3. Route Permit No. ___ is issued to Bridger designating a route in Billings and Stark Counties, North Dakota, for the construction and operation of a 15-mile long crude oil transmission pipeline. The designated route for this purpose is illustrated in maps included in Appendix 4.B. of Bridger's Application (hearing exhibit 1).

4. The Certification Relating to Order Provisions – Transmission Facility Sitting (Certification) and accompanying Tree and Shrub Mitigation Specifications is incorporated by reference and attached to this Order.

5. To the extent there are any conflicts or inconsistencies between Bridger's Application and the Certification, the Certification provision control.

6. Bridger is required to comply with the applicable laws, rules and or regulations in the event it desires to construct another or a different transmission facility than was specified in the application within the corridor granted in this proceeding.

7. Bridger shall comply with all the rules and regulations of all other agencies having jurisdiction over any phase of the proposed project. Prior to commencing construction of any phase of the proposed project, Bridger shall obtain all other necessary licenses and permits for construction of such phase, and provide copies to the Commission prior to construction of each phase.

PUBLIC SERVICE COMMISSION

Randy Christman
Commissioner

Julie Fedorchak
Chairman

Brian Kalk
Commissioner