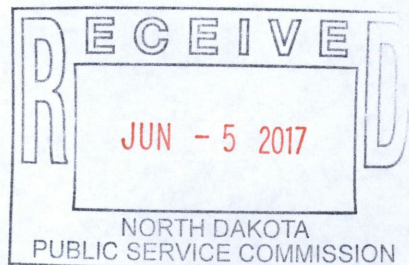




Hiland Partners
Holdings LLC
a Kinder Morgan company

May 30, 2017

Darrell Nitschke
Executive Secretary
North Dakota Public Service Commission
600 East Boulevard, Dept. 408
State Capital- 12th Floor
Bismarck, ND 58505-0480



RE: Hiland Crude, LLC.
New Town Expansion Project- Mountrail County
Post Construction Inspection Reclamation Report
Case No. PU-15-416

Mr. Nitschke

Hiland Partners, LLC (Hiland) received a letter and post construction inspection report, dated March 6, 2017, on March 16, 2017. After review of the report it was determined that numerous errors with the inspection flight path and photo locations were made. Numerous locations were in areas without a Hiland pipeline. On April 20, 2017, Hiland received a revised report and inspection letter. After review of the April 20 report it was determined from the Public Service Commission that five areas need attention. Hiland believes that three of the five sites need to be addressed. The remaining two sites are taken over an area where Hiland has no pipeline activity. Further discussion of each recommendation is provided below. Photographic evidence and descriptions of these reclamation activities is described below as well as provided as Attachment A.

KLJ provided eight (8) areas of interest for resolution during their site visit on October 13, 2016. The North Dakota Public Service Commission then revised the number of sites in the April 20, 2017 letter to six (6) areas that need attention. As discussed above, two of the sites (Sites 57 and 59) are located in an area that contains no Hiland pipelines. Evidence from Hiland's internal GIS system shows these two locations in relation to Hiland pipelines in Appendix B. All six Public Service Commission recommendations are discussed below with the original KLJ comment in italics and remediation efforts by Hiland in bold below each respective statement.

- 1) *Areas of concern near station 625, 635, and 668 are well established and will likely continue to blend with the surrounding conditions. These areas should be monitored in the future, but we do not feel corrective action will be required.*

Station 625- This site was identified as Picture 37 by the Public Service Commission. Aerial interpretation of this site determined that the picture was taken approximately 7,000 feet south of the location identified in the KLJ report, where no Hiland pipeline is present. The location of the picture, using GPS coordinates on the photo caption; indicate that the photo was taken along the New Town pipeline route. Active construction is currently in progress at this location for another pipeline project. However this area was minimally disturbed during this construction and still contains sufficient vegetative cover. Photos 1 and 2 show the current state of the pipeline corridor. Hiland believes that this site has been adequately reclaimed and is not proposing any work at this site.

Station 635- This site was identified as picture 75 by the Public Service Commission. Aerial interpretation of this site determined that the picture was taken approximately 89,000 feet west of the location identified in the KLJ report. The location of the picture, using GPS coordinates on the photo caption; indicate that the photo was taken along the New Town pipeline route. Active construction is currently in progress at this location for another pipeline project. However this area was minimally disturbed during this

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Response to 20 April 2017 letter re Reclamation and
Revegetation Inspection Report

Hiland Crude, LLC
Travis Beakley

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construction and still contains sufficient vegetative cover. Photos 3 and 4 show the current state of the pipeline corridor. Hiland believes that this site has been adequately reclaimed and is not proposing any work at this site.

Station 668- This site (Picture 41) was not identified as an area of concern by the Public Service Commission. After review of the aerial imagery and ground observations, Hiland believes that this site has been reclaimed and is not proposing any work at this site

- 2) *Areas of concern near station 1800 to 1830, contain some weed growth, although it appears the surrounding conditions are becoming blended into the construction area. These locations should be monitored in the future, and reseeding is recommended if weed growth begins to increase.*

Station 1800- 1830- These sites were identified as Pictures 57, 59, 62 and 65 by the Public Service Commission. Each site will be discussed in detail below.

Site 57- Hiland does not believe that this site is located along the New Town Pipeline route. A figure showing this location and the absence of the New Town Pipeline is included in Appendix B. Hiland is not proposing any reclamation activities at this site.

Site 59- Hiland does not believe that this site is located along the New Town Pipeline route. A figure showing this location and the absence of the New Town Pipeline is included in Appendix B. Hiland is not proposing any reclamation activities at this site.

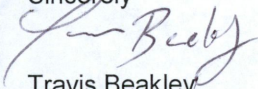
Site 62- Hiland performed visual field observations on this site and indicated that the pipeline corridor was establishing however had not reach a sufficient vegetation cover. Hiland performed reseeding activities at this location. Photograph 5 shows the pre-reclamation status of the ROW. Photo 7 shows the re-seeding activities. A copy of the seed ticket is located in Appendix B. The location of the picture in the KLJ Report, using GPS coordinates on the photo caption; indicate that the photo was taken along the New Town pipeline route. However KLJ shows the location of the picture 35,000 feet north of the gps coordinates on the photo caption.

Site 65- Hiland performed visual field observations on this site and indicated that the pipeline corridor was establishing however had not reach a sufficient vegetation cover. Hiland performed reseeding activities at this location. Photograph 6 shows the pre-reclamation status of the ROW. Photo 8 shows the re-seeding activities. A copy of the seed ticket is located in Appendix B. The location of the picture in the KLJ Report, using GPS coordinates on the photo caption; indicate that the photo was taken along the New Town pipeline route. However KLJ shows the location of the picture 2,275 feet north of the gps coordinates on the photo caption.

Hiland is requesting that these actions be considered final and reclamation activities are completed. If the commission agrees with this statement written correspondence recommending closure these items is requested by Hiland.

Should you need any additional information regarding the reclamation activities discussed above or the process that Hiland took to correct these actions please feel free to contact Travis Beakley at 719-520-3738 or via email at travis_beakley@kindermorgan.com.

Sincerely



Travis Beakley
Specialist- Permitting Compliance SR I
Kinder Morgan, Inc.

Enclosed:
Attachment A- Photo Log of Activities
Attachment B- Supporting Maps and Seed Ticket

Attachment A
PU-15-416 New Town Expansion Project
Reclamation Photos taken May 22, 2017



Photo 1- Site 37 current status



Photo 2- Site 37 Current status



Photo 3- Site 75 (pipeline on left side of active construction)



Photo 4- Site 75 (pipeline on right side of active construction)



Photo 5- Site 62 (Pre-Reclamation)



Photo 6- Site 65 (Pre-Reclamation)



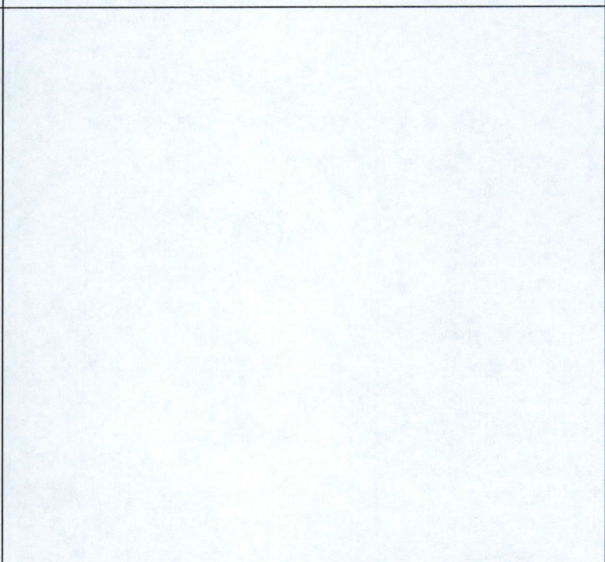
Photo 7- Site 62 (Post- Reclamation)



Photo 8-Site 65 (Post-Reclamation)



Photo 9- Seeder utilized for post-reclamation



Attachment B
Supporting Maps and Seed Ticket

CRESTED WHEAT GRASS, EPHRAIM

Lot: SF1-B1B

Pure: 96.45%
Crop: 0.00%
Inert: 3.55%
Weeds: 0.00%

Noxious Weeds:
NONE FOUND



horizonresources
Solutions for your success.

Germ & Hard: 95%
Germination: 95%
Hard/Dormant: 0%
Net Wt.: 50#
Tested: 1/2017
Origin: WY

Penninton

50 lbs. 152-92-10
5-23-17
Stephen
SW4

317 2nd St West
Williston, ND 58801
701.572.8354



Site 57 and Site 59
KLJ Photo Log
Location

RATH FEDERAL 5-13 TIE IN RATH FEDERAL 5-13 TIE IN