



May 4, 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.
Alexander Tank Farm Crude Oil Pipeline- McKenzie County
Post Construction Inspection Reclamation Report
Case No. PU-15-486

Mr. Nitschke,

Hiland Partners, LLC (Hiland) received a letter and post construction inspection report, dated November 21, 2016, on March 16, 2017. After review of the report and numerous field visits to confirm items of concern made by Ulteig Engineers, Inc. it was determined that seven of the nine recommendations were applicable to the Alexander Tank Farm Crude Oil Pipeline. Further discussion of each recommendation is provided below. Hiland contracted with H.I.S. to perform reclamation activities on the identified sites. Reclamation activities included regrading/leveling sunken ditch, applying additional topsoil material in areas where insufficient topsoil was present to level sites, removing large diameter rock from the permanent right-of-way, and reseeding portions of the permanent right-of-way which had not re-established. Hiland performed reclamation activities on April 21st and 22nd of 2017. Photographic evidence and descriptions of these reclamation activities is described below as well as provided as Attachment A. Seeding tickets have also been provided for areas receiving seed, Attachment B.

Construction of the Alexander Tank Farm Crude Oil Pipeline occurred during the winter of 2013, completing activities April 2014. Due to construction timeframes the identified issues are not uncommon in the pipeline industry. It should be noted that no landowner complaints had/have been received for any of these properties prior to the Public Service Commission inspection report. Hiland appreciates the oversight from the Public Service Commission.

Ulteig provided nine (9) recommendations for resolution of issues identified during their site visit on June 30, 2016. As discussed above, seven of the nine items appeared to be applicable to this pipeline project. All nine recommendations are discussed below with the original Ulteig comment in italics and remediation efforts by Hiland in bold below each respective statement.

- 1) *Reduced quality and quantity of crop growth between PI#1 and PI# 8 station 0+00 thru 29+94 is an indication that top soil was not properly managed during construction. The addition of fertilizer and organics may provide the necessary improvements to the soil to improve crop conditions.*

Hiland performed additional post-construction grading activities between PI#1 and PI#8 as indicated in Photos 1 and 2. The affected lands had a small portion of sunken ditch but contained sufficient topsoil to regrade and level the sites. No additional material was added to these locations. The site was left in an acceptable condition for the landowner to begin seeding his lands.

- 2) *Reduced quality and quantity of crop growth between PI#10 and PI#14 station 31+82 thru 51+98 is an indication that top soil was not properly managed during construction. The addition of fertilizer and organics may provide the necessary improvements to the soil to improve crop conditions.*

Hiland performed additional post- construction grading activities between PI#10 and PI#14 as indicated in Photos 3, 4, and 5. Additional topsoil was added to the areas with excessive sunken ditch. Other areas contained enough top soil to regrade and level the sites. Photo 4 shows additional topsoil placement between PI #10 and PI #14. The site was left in an acceptable condition for the landowner to begin seeding his lands.

- 3) *Several rock of this size and smaller were observed from PI#15 thru PI#17(station 57+78 thru station 75+90) in the easement. The rocks need to be removed. There is also indications of reduced crop growth in sporadic locations within this area. The addition of fertilizer and organics may provide the necessary improvement to the soil to improve crop conditions.*

Hiland performed additional post-construction grading activities between PI #15 and PI#17 as indicated in Photos 6, 7, 8, and 9. The affected lands had sufficient topsoil to regrade and level the sites. Hiland did remove rock as per Recommendation 3 along the permanent right-of-way as shown in Photo 8. However it should be noted (and supported by photo 9) that similar diameter rock was present throughout the field and not isolated to the ROW. The site was left in an acceptable condition for the landowner to begin seeding his lands.

- 4) *Reduced quality and quantity of crop growth between stations PI# 27 to PI#21 is an indication that top soil was not properly managed during construction. The addition of fertilizer and organics may provide the necessary improvements to the soil to improve crop conditions.*

Hiland performed additional post-construction grading activities between PI#21 and PI# 27 as indicated in Photos 10 and 11. Additional topsoil was added to the areas with excessive sunken ditch. Other areas contained enough top soil to regrade and level the sites. Photo 11 shows the placement of additional topsoil placement between PI#21 and PI#27. The site was left in an acceptable condition for the landowner to begin seeding his lands.

- 5) *Reduced quality and quantity of crop growth near station #49 and between stations #41 thru #45 is an indication that top soil was not properly removed and replaced. The addition of fertilizer and organics may provide the necessary improvements to the soil to improve crop conditions.*

Hiland performed additional post-construction reseeding activities for sections of non-agriculture croplands between PI#41 and PI#45 as indicated in Photos 12 and 13. North Dakota State Land Mix was used at a rate of 38lbs per acre.

- 6) *Reduced quality and quantity of crop growth between stations PI#51 and PI#52 is an indication that top soil was not properly managed during construction.*

Hiland performed additional post-construction reseeding activities between PI# 51 and PI#52 as indicated in Photos 14 and 15. It should be noted that coordinates for Photo 15 indicate that it was taken at PI#52 not PI#49 as indicated on the photo. North Dakota State Land Mix was used at a rate of 38lbs per acre.

- 7) *Station 187+91 thru 204+38: conditions show recent excavation of the subject oil pipeline. It appears that a repair or connection was made to the pipeline at this location. Rehabilitation will need to follow.*

Hiland did not perform any reclamation activities at this site. This location was identified by Ultieg, however it is not associated with PU-15-486 and should be removed from the recommendation list.

- 8) *Near the quarter section line of section (25) PI#55 to PI#56 (Station 215+62 to Station 220+83) the finished grade was not returned to the original ground elevation. This area is some .80 lower, this area needs to be returned to the same elevation and reseeded.*

Hiland performed additional post-construction grading activities between PI#55 and PI#56 as indicated in Photos 16 and 17. The affected lands had sufficient topsoil to regrade and level the sites. No additional material was added at this location. The site was left in an acceptable condition for the landowner to begin seeding his lands.

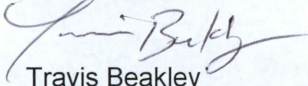
- 9) *1000 feet south of McKenzie County Highway 16, and some 300 feet west of 144th Ave. The surface appears to have been stripped of vegetation in preparation of installing a pipeline. However, it appears that the pipeline excavation has not started. Inspector was unable to confirm that this surface stripping was part of the subject property.*

Hiland did not perform any reclamation activities at this site. This location was identified by Ulteig; however it is not associated with PU-15-486 and should be removed from the recommendation list.

Based upon the corrective actions taken by Hiland and the recommendation from Ulteig stating that no further site visits should be required, 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- Seed Tickets

Attachment A
PU-15-486 Alexander Tank Farm Crude Oil Loop Pipeline
Reclamation Photos taken April 21 and 22, 2017

PU-15-486 Photo Location Map

38th

MN

Photo 17

Photo 16

Photo 14

Photo 15

Photo 12

Photo 13

Photo 11

Photo 6

Photo 8 and 9

Photo 7

Photo 4 and 5

Photo 3

Photo 2

Photo 1

Legend

Photo



2 mi

Google earth

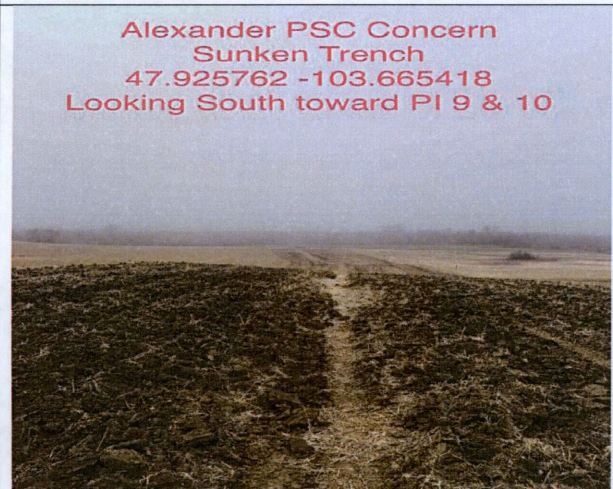
© 2016 Google



Photo 1- Addresses Recommendation 1 (Pre-Reclamation)



Photo 2- Addresses Recommendation 1 (Post-Reclamation)



Alexander PSC Concern
Sunken Trench
47.925762 -103.665418
Looking South toward PI 9 & 10

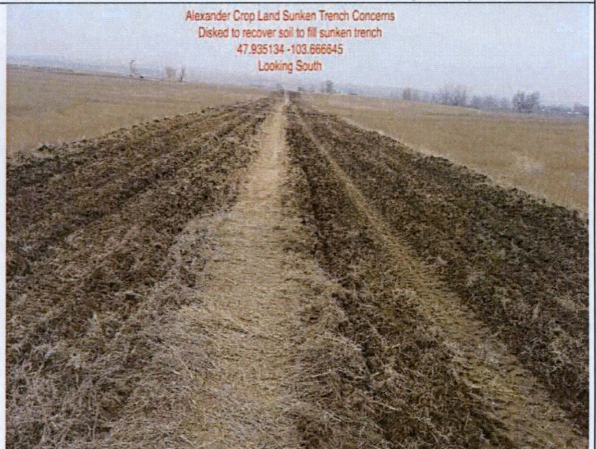
Photo 3- Addresses Recommendation 2 (Pre-Reclamation)



Photo 4- Addresses Recommendation 2 (top soil placement)



Photo 5- Addresses Recommendation 2 (Post-Reclamation)



Alexander Crop Land Sunken Trench Concerns
Disked to recover soil to fill sunken trench
47.935134 -103.666645
Looking South

Photo 6- Addresses Recommendation 3 (Pre-Reclamation)



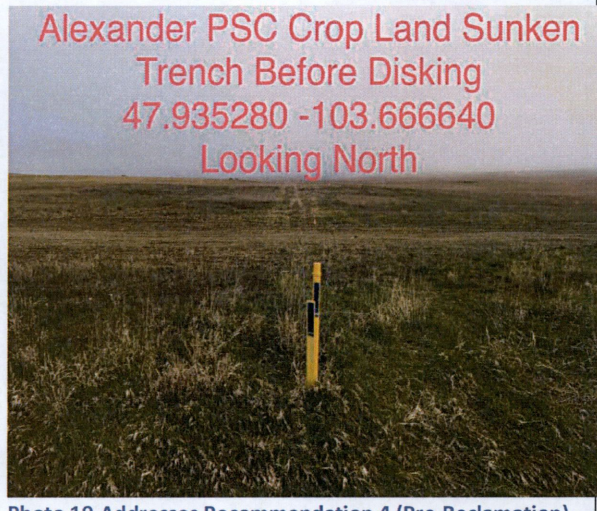
Photo 7- Addresses Recommendation 3 (Post- Reclamation)



Photo 8-Addresses Recommendation 3 Rocks



Photo 9- Addresses Recommendation 3 Rocks



Alexander PSC Crop Land Sunken
Trench Before Disking
47.935280 -103.666640
Looking North

Photo 10-Addresses Recommendation 4 (Pre-Reclamation)



Photo 11- Addresses Recommendation 4 (Post-Reclamation)



Alexander Pasture Land Concerns
before seeding looking South from
PI# 45
47.956509 -103.668966

Photo 12- Addresses Recommendation 5 (Pre-Reclamation)



Photo 13- Addresses Recommendation 5 (Post-Reclamation)

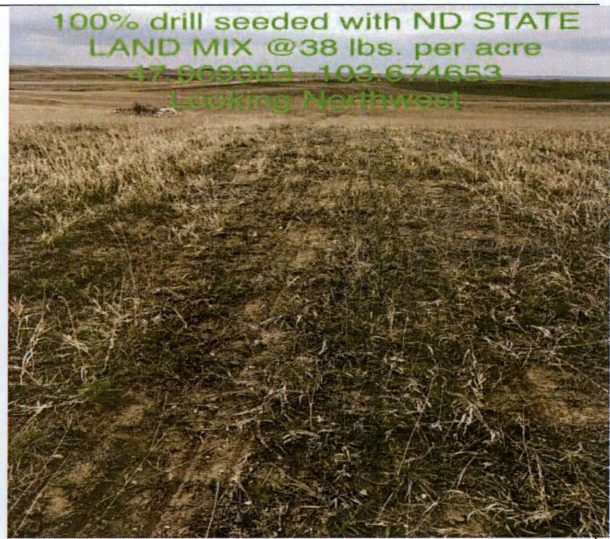


Photo 14- Addresses Recommendation 6 (Post-Reclamation)

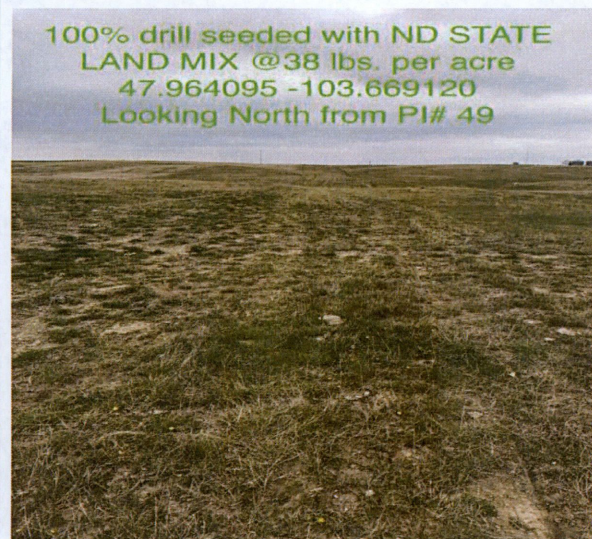


Photo 15- Addresses Recommendation 6 (Post-Reclamation)
Incorrect PI#, Coordinates for PI #52



Photo 16- Addresses Recommendation 8 (Pre-Reclamation)



Photo 17- Addresses Recommendation 8 (Post- Reclamation)



Photo 18- Tractor and disk used for reclamation activities



Photo 19- Tractor and Seeder used for this project

Attachment B
Seed Tickets

NORTH DAKOTA STATE LAND MIX

LOT #: G-170530

Mixture / Variety:	Purity, %	Germ%	Origin:
OATS, JERRY	34.53%	90.00%	SD
WESTERN WHEATGRASS, ROSANA	25.89%	96.00%	ID
SLENDER WHEATGRASS, PRYOR	16.19%	96.00%	CAN
GREEN NEEDLE, LODORM	12.95%	96.00%	ND
SIDEOATS GRAMA, BUTTE	6.69%	93.00%	KS

Crop: 0.11% Inert: 3.57% Weeds: 0.07% Net Wt. ~~92.2~~ #

EACH BAG COVERS APPROX. 1 ACRE

Noxious Weeds: NONE FOUND

Tested: 12/16

Alexander
PSC
4/22/13
22nd



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317 2nd St West
Williston, ND 58801
701.572.8354

NORTH DAKOTA STATE LAND MIX

LOT # : G-170530

Mixture / Variety:	Purity %	Germ%	Origin:
OATS, JERRY	34.53%	90.00%	SD
WESTERN WHEATGRASS, ROSANA	25.89%	96.00%	ID
SLENDER WHEATGRASS, PRYQR	16.19%	96.00%	CAN
GREEN NEEDLE, LODORM	12.95%	96.00%	ND
SIDEOATS GRAMA, BUTTE	6.69%	93.00%	KS

Crop: 0.11% Inert: 3.57% Weeds: 0.07% Net Wt. 32.2 #

EACH BAG COVERS APPROX. 1 ACRE

Noxious Weeds: NONE FOUND

Tested: 12/16

Alexander
PKC
4/22/15
32.2 #15
32.2 #2



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Williston, ND 58801
701.572.8354

NORTH DAKOTA STATE LAND MIX

LOT #: G-170530

Mixture / Variety:	Purity %	Germ %	Origin:
OATS, JERRY	34.53%	90.00%	SD
WESTERN WHEATGRASS, ROSANA	25.89%	96.00%	ID
SLENDER WHEATGRASS, PRYOR	16.19%	96.00%	CAN
GREEN NEEDLE, LODORM	12.95%	96.00%	ND
SIDEOATS GRAMA, BUTTE	6.69%	93.00%	KS

Crop: 0.11% Inert: 3.57% Weeds: 0.07% Net Wt. 32.2 #

EACH BAG COVERS APPROX. 1 ACRE

Noxious Weeds: NONE FOUND

Tested: 12/16

Alexander
PS
4/22/15
322 #15



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701.572.8354

NORTH DAKOTA STATE LAND MIX

LOT #: G-170530

Mixture / Variety:	Purity %	Germ%	Origin:
OATS, JERKY	34.53%	90.00%	SD
WESTERN WHEATGRASS, ROSANA	25.89%	96.00%	ID
SLENDER WHEATGRASS, PRYOR	16.19%	96.00%	CAN
GREEN NEEDLE, LODORM	12.95%	96.00%	ND
SIDEOATS GRAMA, BUTTE	6.69%	93.00%	KS

Crop: 0.11% Inert: 3.57% Weeds: 0.07% Net Wt. 32.2 #

EACH BAG COVERS APPROX. 1 ACRE

Noxious Weeds: NONE FOUND

Tested: 12/16

Alexander
PS
4/22/17
#
222



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Williston, ND 58801
701.572.8354

NORTH DAKOTA STATE LAND MIX

LOT #: G-170530

Mixture / Variety:	Purity %	Germ %	Origin:
UA15, JEKKY	34.53%	90.00%	SD
WESTERN WHEATGRASS, ROSANA	25.89%	96.00%	ID
SLENDER WHEATGRASS, PRYOR	16.19%	96.00%	CAN
GREEN NEEDLE, LODORM	12.95%	96.00%	ND
SIDEOATS GRAMA, BUTTE	6.69%	93.00%	KS

Crop: 0.11% Inert: 3.57% Weeds: 0.07% Net Wt. 32.2 #

EACH BAG COVERS APPROX 1 ACRE

Alexander
PSS

Noxious Weeds: NONE FOUND

Tested: 12/16



4/22/17
32.2 #15

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Williston, ND 58801
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NORTH DAKOTA STATE LAND MIX

LOT #: G-170530

Mixture / Variety:

Purity %

Germ%

Origin