

UTILITY OCCUPANCY APPLICATION AND PERMIT

North Dakota Department of Transportation, Design Division
SFN 7995 (Rev. 11-2012)

Document Number 73006	(FOR STATE USE ONLY)	Permit Number 7-023-030.9794
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APPLICANT INFORMATION

Prepared Company Name Tesoro Logistics Operations LLC		Prepared by Aaron B. Donat	
Owner of Facility Tesoro Logistics Operations LLC	City Salt Lake City	State UT	Zip Code 84103
Mailing Address 474 W 900 S			Telephone Number (801) 521-4962
Owner's Agent Aaron B. Donat	City Salt Lake City	State UT	Zip Code 84103
Owner's Contractor JOMAX			Telephone Number (701) 572-3280

TYPE OF FACILITY (Complete appropriate spaces only.)

Description of Proposed Facility Tesoro will be installing a 12 inch x52 carbon steel pipeline flowing Bakken Crude at a maximum 120F and 780psi. The cathodically protected line will be bored under State Highways 23 & 1806. Please see included exhibits.		
Size of Facility 12 inch	Number of Cables ---	Length of Down Guys ---
Pipeline Pressure 780 psi	Size of Casing ---	Length of Casing ---
Location of Pole(s) ---	Location of Appurtenances ---	Location - Others ---

TERMS AND CONDITIONS: Installation and maintenance of said facilities on highway right of way shall be subject to the North Dakota Department of Transportation's (NDDOT's) "A Policy for Accommodation of Utilities on State Highway Right of Way", current edition, and the following terms and conditions, attached hereto and made a part hereof.

- (A) Installation/maintenance of said facilities shall be done in a manner satisfactory to the NDDOT district engineer,
- (B) Owner shall notify the NDDOT district engineer forty-eight (48) hours prior to installing, maintaining, relocating, or removing said facilities. All disturbed areas shall be restored to their original condition in a manner satisfactory to the NDDOT district engineer.
- (C) The owner shall be required to wear an ANSI/ISEA 107-2004 Class II height visibility garment while within the highway right-of-way as per the requirements of 23 CFR 634.
- (D) Owner shall repair or replace highway structures and appurtenances, and any existing facilities located on, over, or under highway right of way, which may be damaged as a result of the installation and maintenance of said facilities on highway right of way.
- (E) The Risk Management Appendix, attached, is hereby incorporated and made a part of this agreement.
- (F) Owner shall promptly remove said facilities from highway right of way, or shall relocate or adjust said facilities, at its sole cost and expense when requested to do so by NDDOT.
- (G) NDDOT specifically reserves the right to revoke, or change the terms and conditions of, this Permit with or without cause and upon notice to the Owner.
- (H) The Owner, for him or herself, his or her personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (1) no person, on the grounds of race, color, national origin, sex, age, disability/handicap, or income status**, shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person, on the grounds of race, color, national origin, sex, age, disability/handicap, or income status**, shall be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination, (3) that the Owner shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

That in the event of breach of any of the above nondiscrimination covenants, the NDDOT shall have the right to terminate this Permit and to re-enter and repossess said land and the facilities thereon and hold the same as if said Permit had never been made or issued.

**The Act governs race, color, and national origin. Related Nondiscrimination Authorities govern sex, 23 U.S.C. 324; age, 42 U.S.C. 6101; disability/handicap, 29 U.S.C. 790; and low income, E.O. 12898.

(I) The installation shall be completed on or before December 31, 2015

Company Name Tesoro Logistics Operations LLC	Owner's Name (Please Print) Tesoro Logistics Operations LLC
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10/8/2015

DATE

Aaron B. Donat

OWNER'S SIGNATURE

The Owner is hereby granted permission to install and maintain the facilities applied for, as shown on the plans attached hereto and made a part hereof. Approved by NDDOT this 19 day of OCTOBER, 2015.

R 72649

NORTH DAKOTA DEPARTMENT OF TRANSPORTATION

Joel M. Wilt
DISTRICT ENGINEER (TYPE OR PRINT)

SIGNATURE

LOCATION NO. _____ (FOR STATE USE ONLY) Begin Ref. Point _____ End Ref. Point 30.9794

Highway No. 23 Along or Across Lanes of traffic 2 4

Direction N S E W Begin 109 feet from reference marker MM 31

Direction N S E W End 5171/5280 ^{0.9794} feet from reference marker MM 30

N S E W from city of _____ or .37 miles from junction highway 1806

LOCATION NO. _____ (FOR STATE USE ONLY) Begin Ref. Point _____ End Ref. Point 267.0972

Highway No. 1806 Along or Across Lanes of traffic 2 4

Direction N S E W Begin 4767 feet from reference marker MM 268

Direction N S E W End 513/5280 ^{0.9772} feet from reference marker MM 267

N S E W from city of _____ or 1.1 miles from junction highway 23

LOCATION NO. _____ (FOR STATE USE ONLY) Begin Ref. Point _____ End Ref. Point _____

Highway No. _____ Along or Across Lanes of traffic 2 4

Direction N S E W Begin _____ feet from reference marker _____

Direction N S E W End _____ feet from reference marker _____

N S E W from city of _____ or _____ miles from junction highway _____

LOCATION NO. _____ (FOR STATE USE ONLY) Begin Ref. Point _____ End Ref. Point _____

Highway No. _____ Along or Across Lanes of traffic 2 4

Direction N S E W Begin _____ feet from reference marker _____

Direction N S E W End _____ feet from reference marker _____

N S E W from city of _____ or _____ miles from junction highway _____

LOCATION NO. _____ (FOR STATE USE ONLY) Begin Ref. Point _____ End Ref. Point _____

Highway No. _____ Along or Across Lanes of traffic 2 4

Direction N S E W Begin _____ feet from reference marker _____

Direction N S E W End _____ feet from reference marker _____

N S E W from city of _____ or _____ miles from junction highway _____

LOCATION NO. _____ (FOR STATE USE ONLY) Begin Ref. Point _____ End Ref. Point _____

Highway No. _____ Along or Across Lanes of traffic 2 4

Direction N S E W Begin _____ feet from reference marker _____

Direction N S E W End _____ feet from reference marker _____

N S E W from city of _____ or _____ miles from junction highway _____

INTERSTATE HIGHWAYS - Applicant's description of the proposed method of ingress and egress to and from interstate right of way, as attached to the plan.

NOTICE: The Recipient must comply with ALL applicable Federal, State and local laws, rules, regulations, codes, ordinances, etc., including, but not limited to North Dakota Century Code, Chapter 49-23. (ONE-CALL EXCAVATION NOTICE SYSTEM)

INSTALLATION AND MAINTENANCE: Installation and maintenance of said facilities on highway right of way shall conform to the following provisions:

1. Within thirty (30) days after construction, maintenance, relocation, or removal of said facilities, any right of way scars shall be removed and disturbed areas restored to original condition. Existing topsoil shall be removed prior to excavation and stockpiled until all disturbed areas are restored to original grade. The stockpiled topsoil shall be evenly and smoothly replaced over the areas disturbed by the trenches or pits.
2. Vehicles and other work equipment used to install or maintain said facilities within highway right of way shall, where possible, use established access points, service roads, driveways and approaches to enter or leave the outer portion of the right of way for the performance of necessary work operations. Such vehicles and work equipment shall not be parked on the through-traffic lanes or shoulders of the highway during installation or maintenance of said facilities. **The parking of equipment, vehicles, and storing of materials in the median on divided roadways is not permitted. On all roadways, parking and storing of materials may be permitted only if equipment, vehicles and material are located a minimum of 60 feet from the outside edge of the driving lane.**
3. Protection to the free and safe flow of the highway traffic shall be as required in accordance with the "Manual on Uniform Traffic Control Devices", current edition.
4. The Recipient will notify the District Engineer of the Department of Transportation forty-eight (48) hours prior to beginning this installation. Immediately following the final clean up of the area, the Recipient shall again notify the District Engineer of the Department of Transportation.
5. The Department of Transportation may not be the total fee owner and does not warrant the title to the highway right of way covered by the terms of this permit. The Recipient shall be responsible for reviewing the public records to determine ownerships and any encumbrances to the title of the properties covered by the terms of this permit.
6. Trenches and pits opened within the right of way shall be cut to O.S.H.A. Standards and shall be of minimum width necessary to accommodate installation of said facilities. **Trenches and Pits shall not be left open overnight, or unattended. Slopes shall not have more than a 2" drop off, all slopes shall be 4:1.**
7. Trenches and pits opened within the right of way shall be backfilled with the same material originally in place, compacted to a density equal to that of the adjacent undisturbed soil and restored to the original grade. The backfill shall be tamped in layers not exceeding six (6) inches in compacted thickness. Consolidation of the backfill by saturation or ponding is not permissible.

8. The pipeline shall have a minimum of thirty-six (36) inches of cover within highway right of way.
9. On longitudinal installations, where the buried cable or pipe is installed by plowing, the plowed ridges shall be mechanically compacted and made flush with the original ground.
10. Casing pipe, where installed, shall extend a minimum of two (2) feet beyond the toe of the highway inslopes. The casing pipe shall be sealed at both ends to prevent formation of a waterway through the casing.
11. The pipeline shall be installed under the surfaced section of the highway by boring or jacking pipe through the roadbed between the clear zone limits. Wet boring or jetting of the pipe under the roadway is not permissible.
12. The diameter of the hole for bored or jacked installations shall not exceed by more than one (1) inch the outside diameter of the facility. Oversized bores, overbreaks, and unused holes shall be backfilled with grout.
13. The location of the pipeline crossing shall be indicated by a marker post installed on each side of the highway at the right of way line. An identification sign shall be attached to one of the marker posts showing the name, address, and telephone number of the pipeline company.
14. The Department of Transportation shall be notified in advance of any proposed change in the type of transmittant carried by the pipeline, or any increase in the maximum working pressure specified in the application for the permit.
15. The casing pipe shall be continuous and shall extend a minimum of two (2) feet beyond the clear zone or two (2) feet beyond the toes of outer inslopes of the highway, whichever is further from the highway center line. The casing pipe shall be adequately sealed at both ends with suitable material that will prevent the formation of a waterway.
16. Casing is not required if approved extra wall thickness pipe is installed.
17. The Recipient shall indemnify, save, hold harmless, the State of North Dakota, its agencies, offices and employees, from any and all claims of any nature arising from any direct, indirect, or consequential damage to real property or business, including all costs, expenses, and attorney's fees, which may in any manner arise out of or result from this project.
18. The topsoil will be replaced on all disturbed areas and seeded as determined below (provide a temporary cover crop):

Seed Class Mix Requirements		
Class II – Early Season		
Grass Species	Variety	Pounds Pure Live Seed Per Acre

Western Wheatgrass	Rodan, Rosana, Walsh, Flintlock, W.R. Poole, Recovery	9.6
Switchgrass	Dacotah, Forestburg, or Sunburst, Summer	3.2
Green Needlegrass	Lodorm, AC Mallard, Fowler	2.4
Sideoats Grama	Killdeer, Pierre, Butte	3.6
Slender Wheatgrass	Revenue, Primar, Adanac, Pryor, Firststrike	5.0
Total		23.8

Seed Class Mix Requirements		
Class II – Late Season		
Grass Species	Variety	Pounds Pure Live Seed Per Acre
Western Wheatgrass	Rodan, Rosana, Walsh, Flintlock, W.R. Poole, Recovery	9.6
Switchgrass	Dacotah, Forestburg, or Sunburst, Summer	1.6
Green Needlegrass	Lodorm, AC Mallard, Fowler	3.6
Canada Wild-rye	Mandan	5.2
Slender Wheatgrass	Revenue, Primar, Adanac, Pryor, Firststrike	5.0
Total		25.0

Tesoro Logistics Operations, LLC
Attn: Aaron B. Donat
474 W 900 N
Salt Lake City, UT 84103

Dear Permittee:

You have submitted to the North Dakota Department of Transportation (NDDOT), in connection with your certificate of insurance, additional pages or language on the certificate which either purports to limit or qualify the information reflected on the certificate of insurance or which purports to change, modify or amend your company's insurance policies. NDDOT policy is to not solicit, review or approve contractors' insurance policies, endorsements or amendments to insurance policies, or insurance documents other than properly completed certificates of insurance. NDDOT contracts specify that contractors are responsible for acquiring and maintaining specified coverages and proof of insurance.

Please have a company executive authorized to execute contract documents sign and date the statement below attesting that your company has insurance coverage consistent with the contract provisions and immediately fax and mail it back to us.

Be advised that execution of this contract will be delayed until these issues have been resolved.

Sincerely,

Joel M. Wilt
Williston District Engineer

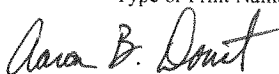
UTILITY OCCUPANCY APPLICATION AND PERMIT

UTILITY COMPANY NAME/PERMITTEE NAME; states that the company has, and will maintain in force, insurance coverages (including proof of coverages) consistent with the contract specifications.

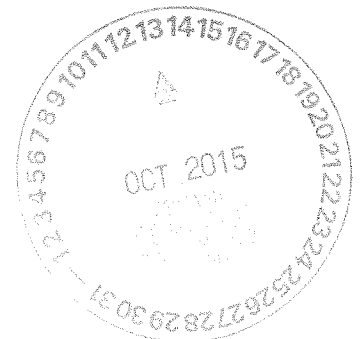
Date 10-7-2015

Aaron B. Donat, Manager, Right of Way & Real Estate

Type or Print Name & Title



Signature



By

Risk Management Appendix

Permits and Licenses with Private Individuals, Companies, Corporations, Etc. (referred to as Recipient):

Recipient agrees to defend, indemnify, and hold harmless the state of North Dakota, its agencies, officers and employees (State), from and against claims based on the vicarious liability of the State or its agents, but not against claims based on the State's contributory negligence, comparative and/or contributory negligence or fault, sole negligence, or intentional misconduct. The legal defense provided by the Recipient to the State under this provision must be free of any conflicts of interest, even if retention of separate legal counsel for the State is necessary. Recipient also agrees to defend, indemnify, and hold the State harmless for all costs, expenses and attorneys' fees incurred if the State prevails in an action against the Recipient in establishing and litigating the indemnification coverage provided herein. This obligation shall continue after the termination of this agreement.

Recipient shall secure and keep in force during the term of this agreement, from insurance companies, government self-insurance pools or government self-retention funds authorized to do business in North Dakota, the following insurance coverages:

- 1) **Commercial general liability and automobile liability insurance** – minimum limits of liability required are **\$250,000 per person and \$1,000,000 per occurrence.**
- 2) **Workers compensation insurance** meeting all statutory limits.
- 3) The State of North Dakota and its agencies, officers, and employees (State) shall be endorsed as an **additional insured** on the commercial general liability and automobile liability policies.
- 4) Said endorsements shall contain a **"Waiver of Subrogation"** in favor of the state of North Dakota.
- 5) The policies and endorsements may not be canceled or modified without **thirty (30) days prior written notice** to the undersigned State representative.

Recipient shall furnish a certificate of insurance evidencing the requirements in 1, 3, and 4 above to the undersigned State representative prior to commencement of this agreement.

The State reserves the right to obtain complete, certified copies of all required insurance documents, policies, or endorsements at any time. If Recipient's insurance will expire prior to the term of this agreement, Recipient shall renew the above requirements and furnish a certificate of insurance evidencing the renewal to the undersigned State representative prior to the expiration of the insurance. Any attorney who represents the State under this policy must first qualify as and be appointed by the North Dakota Attorney General as a Special Assistant Attorney General as required under N.D.C.C. Section 54-12-08.

When a portion of a Contract is sublet, the Recipient shall obtain insurance protection (as outlined above) to provide liability coverage to protect the Recipient and the State as a result of work undertaken by the Subcontractor. In addition, the Recipient shall ensure that any and all parties performing work under the Contract are covered by public liability insurance as outlined above. All Subcontractors performing work under the Contract are required to maintain the same scope of insurance required of the Recipient. The Recipient shall be held responsible for ensuring compliance with those requirements by all Subcontractors.

Recipient's insurance coverage shall be primary (i.e., pay first) as respects any insurance, self-insurance or self-retention maintained by the State. Any insurance, self-insurance or self-retention maintained by the State shall be excess of the Recipient's insurance and shall not contribute with it. The insolvency or bankruptcy of the insured Recipient shall not release the insurer from payment under the policy, even when such insolvency or bankruptcy prevents the insured Recipient from meeting the retention limit under the policy. Any deductible amount or other obligations under the policy(ies) shall be the sole responsibility of the Recipient. This insurance may be in policy or policies of insurance, primary and excess, including the so-called umbrella or catastrophe form and be placed with insurers rated "A-" or better by A.M. Best Company, Inc. The State will be indemnified, saved, and held harmless to the full extent of any coverage actually secured by the Recipient in excess of the minimum requirements set forth above.