

**Oasis Midstream Services, LLC
Wild Basin to Johnsons Corner Pipeline
As-Built Construction Inspection Report**

Case No. PU-15-733



Prepared for:

North Dakota
LEGENDARY
Public Service Commission

Prepared by:

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As-Built Construction Inspection Report
Oasis Midstream, Wild Basin to Johnsons Corner Pipeline Project

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1.0 EXECUTIVE SUMMARY

The North Dakota Energy Conversion and Transmission Facility Act (North Dakota Century Code Chapter 49-22) authorizes the Public Service Commission (Commission) to determine that the location, construction, and operation of jurisdictional energy conversion and transmission facilities will produce minimal adverse effects on the environment and the welfare of the citizens of North Dakota. Commission construction inspections ensure that energy projects are constructed in compliance with the siting laws (North Dakota Century Code Chapter 49-22), rules (North Dakota Administrative Code Article 69-06) and applicable Commission Orders.

The Commission retained ProSource Technologies, LLC (ProSource) to complete construction inspections of the Oasis Midstream Services LLC (Oasis) Wild Basin to Johnsons Corner Pipeline Project (Project), Case No. PU-15-733, which was constructed between April and November 2016 in McKenzie County, North Dakota. The Project involved the construction of approximately 19 miles of 10.75-inch outside diameter pipeline and associated facilities for the transmission of crude oil.

Construction of the Project commenced on April 11, 2016. ProSource conducted the topsoil removal inspection on April 12, 2016 and filed the inspection report with the Commission, which documented the topsoil removal inspection and provided concerns and corrective actions. On June 14-15, 2016, ProSource conducted a construction inspection to document construction activities and identify construction concerns and corrective actions.

According to the Oasis Monthly Construction Report dated November 17, 2016, reclamation was complete, the right of way, workspace and access roads had been seeded and the right of way was being monitored for erosion periodically until the ground was frozen. ProSource conducted the As-Built Construction Inspection on November 16, 2016. The purpose of the As-Built Construction Inspection was to observe and document the restoration of the Project area. The inspection report includes a summary of any issues requiring resolution, areas of concern, recommendations for resolution and a determination whether the transmission facility has been constructed in compliance with the siting laws, siting rules, and applicable Commission Orders.

Prior to the construction inspection, ProSource reviewed Project documents and filings and listened to the audio files from the North Dakota Public Service Commission Hearing held on February 9, 2016 in Williston, North Dakota. During the field inspection, two areas (approximate stations 753+00 and 931+00) of rutting from equipment and one area (approximate station 960+00) with rocks to be removed from the right of way were identified. Mr. Hennen communicated these concerns with the Oasis representative. Overall, the majority of the right of way appeared to be sufficiently restored and reseeded.

The next inspection will occur after a full growing season to confirm revegetation success.

2.0 BACKGROUND AND SCOPE

On November 16, 2015, Oasis filed applications in Case No. PU-15-733 for a Certificate of Corridor Compatibility and a Route Permit for the construction of its Wild Basin to Johnsons Corner Crude Oil Pipeline. The Project consists of 19 miles of 10.75-inch outside diameter pipe, three above-ground storage tanks totaling 200,000 barrels of storage capacity, and block valves. The maximum capacity of the Project is 75,000 barrels per day, with a normal throughput of 50,000 barrels per day. The maximum operating pressure is 1,480 psig with the normal operating pressure of 500 psig. The Project is proposed to be designed, constructed, operated and maintained in compliance with Code of Federal Regulations Title 49 Part 195, Hazardous Liquids Pipeline Safety Regulations. The Commission issued a decision approving a corridor and a route on March 23, 2016 in accordance with the Commission's Findings of Fact, Conclusions of Law and Order.

According to Oasis, the purpose of the Project is to transport crude oil from the Wild Basin Gas Processing and Crude Handling Facility where the crude is housed in above-ground storage tanks to third-party pipeline interconnects near Johnsons Corner (Tesoro Johnsons Corner Station and the proposed Dakota Access Pipeline Johnsons Corner Terminal facility). From these facilities, the product will be transported via interconnecting pipelines for distribution to refineries across the United States.

Oasis selected the proposed pipeline corridor based on several criteria designed to conform to the Commission's siting requirements and to avoid or minimize socioeconomic and environmental impacts, while maximizing the benefits to local resource developers in the Williston Basin. According to Oasis, the location of existing assets were also considered during the selection process. The selection of the corridor was also influenced by the opportunity to parallel or co-locate within other utility corridors. Approximately 13 miles of the Project is co-located with existing corridors.

3.0 AS-BUILT CONSTRUCTION INSPECTION

On November 16, 2016, Mr. David Hennen, Project Manager and Director of Environmental Services at ProSource conducted the As-Built construction inspection. Mr. Hennen met Mr. Alex Sletto, representative for Oasis at the work site to discuss restoration and seeding of the right of way. It was determined that the majority of the route could be driven to inspect the restoration of the right of way. The inspection initiated at station 0+00 and continued until the interconnect at approximate station 983+00. At the time of the inspection, restoration and seeding had recently been completed, and the right of way survey lathe and erosion control devices were removed. In general, the right of way appeared to be properly restored and vegetation was starting to grow in areas along the corridor.

4.0 CONCERNS AND CORRECTIVE ACTIONS

During the inspection, two areas (approximate stations 753+00 and 931+00) of rutting from equipment (Photos 9 and 12) and one area (approximate station 960+00) with rocks (Photo 13) to be removed from the right of way were identified. Mr. Hennen communicated these concerns with the Oasis representative. Overall, the majority of the right of way appeared to be sufficiently restored and reseeded.

The next inspection will occur after a full growing season to confirm revegetation success.

5.0 ORDER CONDITIONS

**Findings of Fact, Conclusions of Law and Order
 March 23, 2016**

Order Number	Order Provision	Reference Confirmation
1	Company understands and agrees that any Certificate of Corridor Compatibility or Route Permit issued by the Commission will be subject to the conditions and criteria set forth in Chapter 49-22 of the North Dakota Century Code and Chapter 69-06-08 of the North Dakota Administrative Code, and that Company shall be responsible for compliance with this order and conditions and criteria set forth in the applicable laws and rules.	Oasis agreed to comply with the conditions and criteria set forth in Chapter 49-22 of the North Dakota Century Code and Chapter 69-06-08 of the North Dakota Administrative Code, the Findings of Fact, Conclusions of Law and Order.
2	Company agrees to comply with the rules and regulations of all other agencies having jurisdiction over any phase of the transmission facility including all city, township, and county zoning regulations.	Oasis agreed to comply with rules and regulations of all other agencies having jurisdiction over the facility. Oasis filed a list of environmental permits with the Commission on 4-11-16 and 4-12-16.
3	Company understands and agrees that it shall obtain all other necessary licenses and permits, and shall provide copies of all licenses and permits to the Commission prior to construction activity associated with the transmission facility that requires said license or permit.	Oasis agreed to comply with rules and regulations of all other agencies having jurisdiction over the facility. Oasis filed a list of environmental permits with the Commission on 4-11-16 and 4-12-16.
4	Company understands and agrees that any Certificate of Corridor Compatibility or Route Permit issued by the Commission is subject to suspension or revocation and may, in an appropriate and proper case, be suspended or revoked for failure to comply with the Commission's order, the conditions and criteria of the certificate or subsequent modification, or failure to comply with the applicable statutes, rules, regulations, standards, and permits of other state or federal agencies.	No issues of non-compliance were identified during the As-Built field inspection.

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Order Number	Order Provision	Reference Confirmation
5	Company agrees to maintain records that will demonstrate that it has complied with the requirements of the Commission's order issuing a Certificate of Corridor Compatibility or Route Permit, and that it will preserve these records for Commission inspection at any reasonable time upon reasonable notice.	Oasis has agreed to maintain the required records.
6	Company understands and agrees that the authorizations granted by any Certificate of Corridor Compatibility or Route Permit issued by the Commission for the transmission facility are subject to modification by order of the Commission if deemed necessary to protect further the public or the environment.	Oasis has agreed to this condition.
7	Company agrees to hold a preconstruction conference prior to commencement of any construction, which must include a Company representative, its construction supervisor, and a representative of Commission Staff, to ensure that Company fully understands the conditions set forth in the Commission's order.	The preconstruction meeting was held on 3-29-16.
8	Company understands and agrees that all cultural resource mitigation plans must be submitted to the North Dakota State Historic Preservation Office and approved prior to the start of any fieldwork and construction activity in the affected area.	Oasis filed the Class I Cultural Resource Investigation Report on 11-16-15. Oasis filed the State Historic Preservation Office concurrence letter on 4-29-16.
9	Company understands and agrees that topsoil removal will begin when the Commission's third-party construction inspector is present at the Project site to observe that topsoil is properly removed and kept segregated from subsoil until replacement occurs. Company shall establish the date and time for the Commission's third-party construction inspector's topsoil removal oversight in the preconstruction conference.	Oasis coordinated with ProSource (Commission's third-party inspector) regarding the topsoil inspection.

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Order Number	Order Provision	Reference Confirmation
10	Company agrees to inform the Commission and the Commission's third-party construction inspector of its intent to start construction on the transmission facility prior to the commencement of construction. Once construction has started, Company shall keep the Commission and the Commission's third-party construction inspector updated on construction activities on a monthly basis.	During the pre-construction meeting, Oasis provided notice to the Commission and ProSource (Commission's third party inspector) of its intent to start construction. Oasis filed monthly construction reports to provide updates during construction.
11	Company understands and agrees that the pipeline will be buried to a minimum depth from the ground surface to the top of the pipe of 48 inches in range land, 48 inches for cultivated land, 48 inches at the bottom of the ditch for road crossings, and 72 inches across undeveloped section lines.	Oasis agreed to this condition.
12	Company understands and agrees that all topsoil, up to 12 inches, or topsoil to the depth of cultivation, whichever is greater, over and along trench areas where cuts will be made, must be carefully stripped and segregated from the subsoil. Any area on which excavated subsoil will be placed must also be stripped of topsoil. The stripped topsoil must not be stockpiled in natural drainages, and must be protected from water erosion. Care must be taken to protect topsoil from unnecessary compaction by heavy machinery. Unless otherwise approved by the Commission, topsoil must be removed before topsoil freezes in the late fall/ early winter to the point that frost inhibits proper soil segregation. After backfilling with subsoil is completed, any excess subsoil must be placed over the excavation area, blending the grade into existing topography. Topsoil must be replaced over areas from which it was stripped only after the subsoil is replaced.	Oasis agreed to this condition. ProSource conducted the topsoil inspection on 4-12-16 to confirm Oasis was properly conducting topsoil separation.
13	Company understands and agrees that all buried facility crossings of graded roads must be bored unless the responsible governing agency specifically permits Company to open cut the road.	Oasis agreed to this condition.

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Order Number	Order Provision	Reference Confirmation
14	Company understands and agrees that staging areas or equipment shall not be located on land owned by a person other than Company unless otherwise negotiated with landowners.	No issues with the location of staging areas or equipment were identified during the field inspection.
15	Company understands and agrees that if any cultural resource, paleontological site, archeological site, historical site, or grave site is discovered during construction, it must be marked, preserved and protected from further disturbances until a professional examination can be made and a report of such examination is filed with the Commission and the State Historical Society and clearance to proceed is given by the Commission.	No discoveries of cultural resources during construction were communicated to the inspection staff.
16	Company understands and agrees that construction must be suspended when weather conditions are such that construction activities will cause irreparable damage to roads or land, unless adequate protection measures are taken by Company.	Oasis agreed to this condition.
17	Company understands and agrees that the Commission has authority to stop Project construction activities in the event of a probable violation of the siting laws, siting rules, or applicable Commission Orders if, in the opinion of the Commission, construction activities are likely to result in irreparable or significant harm.	Oasis agreed to this condition.
18	Company understands and agrees that it shall, as soon as practicable upon the completion of the construction of the transmission facility, restore the area affected by the activities to as near as is practicable to the condition as it existed prior to the beginning of construction.	Oasis agreed to this condition. Restoration was confirmed during the As-Built construction inspection. Two areas of rutting and one area of excess rocks were identified and communicated to the Project representative.
19	Company understands and agrees that all pre-existing township and county roads and lanes used during construction must be repaired or restored to a condition that is equal to or better than the condition prior to the construction of the transmission facility and that will accommodate their previous use, and that areas used as temporary roads or working areas during construction must be restored to their original condition.	The As-Built construction inspection did not identify road restoration issues.

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Order Number	Order Provision	Reference Confirmation
20	Company understands and agrees that reclamation, fertilization, and reseeding is to be done according to the Natural Resources Conservation Service recommendations, unless otherwise specified by the landowner and approved by the Commission.	Oasis agreed to this condition. Restoration was confirmed during the As-Built construction inspection. Two areas of rutting were identified and communicated to the Project representative.
21	Company will fulfil its obligation for reclamation and maintenance of the approved transmission facility right-of-way, transmission facility, and associated facilities continuing throughout the life of the transmission facility.	Oasis agreed to continue the reclamation and maintenance of the right-of-way throughout the life of the transmission facility.
22	Company will repair all fences and gates removed or damaged during all phases of construction and operation of the transmission facility.	No issues of non-compliance related to fences or gates were identified during the As-Built construction inspection.
23	Company will repair or replace all drainage tile broken or damaged as a result of construction and operation of the transmission facility.	No drainage tile issues were communicated to the inspector.
24	Company agrees to comply with the Tree and Shrub Mitigation Specifications, attached.	Oasis agreed to comply with its Tree and Shrub Mitigation Specifications attached to the Commission's Order.
25	Company understands and agrees that it shall remove all waste that is a product of construction and operation, restoration, and maintenance of the site, and properly dispose of it on a regular basis.	No issues of improper disposal of waste was identified during the field inspections.
26	Company understands and agrees that it shall provide any necessary safety measures for traffic control or to restrict public access to the transmission facility.	Oasis agreed to this condition. The Oasis interconnect facilities are fenced with controlled access.

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Order Number	Order Provision	Reference Confirmation
27	Company understands and agrees that, prior to beginning construction of the transmission facility at a location, it shall send a letter to each landowner with whom an easement was executed for that location specifying the name and phone number of the company representative who is responsible for receiving and resolving landowner issues for the life of the easement.	Oasis sent letters to landowners on 4-6-16 providing notification of construction and Oasis contact information.
28	Company understands and agrees that it will file with the commission the name and phone number of the current company representative who is responsible for receiving and resolving landowner issues for the transmission facility. The company will update this information whenever there is a change to the current company representative for the life of all easements for the transmission facility.	Oasis filed the landowner letters with company representative contact information on 4-11-16.
29	Upon request, Company agrees to provide the Commission with engineering design drawings of the transmission facility prior to construction.	Oasis filed alignment sheets prior to construction on 4-8-16.
30	Company understands and agrees that it shall advise the Commission as soon as reasonably possible of any extraordinary events which take place at the site of the transmission facility, including injuries to any person.	No extraordinary events were communicated to the inspection staff.
31	Company agrees to report to the Commission, as soon as reasonably possible, the presence in the permit area of any critical habitat or threatened or endangered species of which Company becomes aware and which were not previously reported to the Commission.	No previously unreported discoveries of threatened or endangered species were communicated to inspection staff.
32	Company understands and agrees that it shall inform the Commission in writing of any plans to modify the transmission facility or of any plans to modify the site plan for the transmission facility.	Oasis filed a route adjustment and maps on 8-01-16. The PSC sent a letter dated 8-03-16 acknowledging Oasis' intent to adjust the route.

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Order Number	Order Provision	Reference Confirmation
33	<p>Company agrees to provide the Commission with both an electronic and a paper copy of the corridor approved by the Commission and the facility design specifications for the construction of the transmission facility showing the location of the transmission facility as built, and will provide this information within 3 months of the completion of the construction. Company also agrees to provide an electronic version of the corridor approved by the Commission and the facility design specifications for the construction of the transmission facility showing the location of the transmission facility as built that can be Imported Into ESRI GIS mapping software within 3 months of the completion of the construction. This electronic map data must be referenced to the North Dakota coordinate system of 1983, North and/or South zones US Survey feet (NAD 83) UTM Zone 13N or 14N feet (NAD 83), or geographic coordinate system (WGS 84) feet. The vertical data must be in the appropriate vertical datum for the coordinate system used. All submissions must specify the datum in which the data was developed.</p>	<p>According to the Monthly Construction Progress Report dated 11-17-16, construction activities were complete.</p> <p>Oasis filed paper copies and an electronic copy of the as-built surveys on 12-15-16.</p>
34	<p>Company shall notify the Commission as soon as reasonably possible if any damage, as defined by North Dakota Century Code Chapter 49-23, occurs to underground facilities during construction conducted under the certificate or permit issued in this proceeding. In the event of any damage to underground facilities, Company shall suspend construction in the vicinity of the damage until compliance with One-Call Excavation Notice System requirements under North Dakota Century Code Chapter 49-23 has been determined.</p>	<p>No reports of damage to underground facilities were reported to the inspection staff.</p>
35	<p>Company agrees to utilize the following procedures if Company seeks a route adjustment before or during construction of the pipeline, pursuant under N.D.C.C. §49-22-16.3</p>	<p>Oasis agreed to this condition.</p>
36	<p>Company will specifically identify which subsection of NDCC 49-22-16.3 it is requesting the adjustment under. Company will file the name and contact information for a key contact person for the purposes of notice and communication during the adjustment application.</p>	<p>Oasis agreed to this Condition.</p>
37	<p>Before conducting any construction activities for any adjustment to the designated route within the designated corridor under NDCC49-22-16.3(1), the Company will file the required documents.</p>	<p>Oasis agreed to this route adjustment Condition.</p>

6.0 CONCLUSION

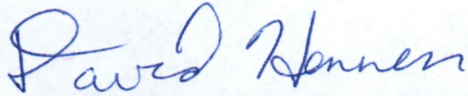
Overall, during the site inspections, the Project area was in satisfactory condition and was constructed as planned with efforts to minimize impacts. The As-Built construction inspection identified two areas of rutting from equipment and one area of excess rock in the right of way. These areas were communicated to the Project representative.

Based on the inspections and review of the records, the Project appears to have been constructed in compliance with siting laws and rules, and applicable Commission Orders.

7.0 SIGNATURE

Recommendations and findings contained in this report are based on available information and technically accepted practices at the present time.

Project Manager David Hennen, Director of Environmental Services, prepared this report.



David E. Hennen, Director of Environmental Services

11-16-16
Inspection Date

8.0 REFERENCES

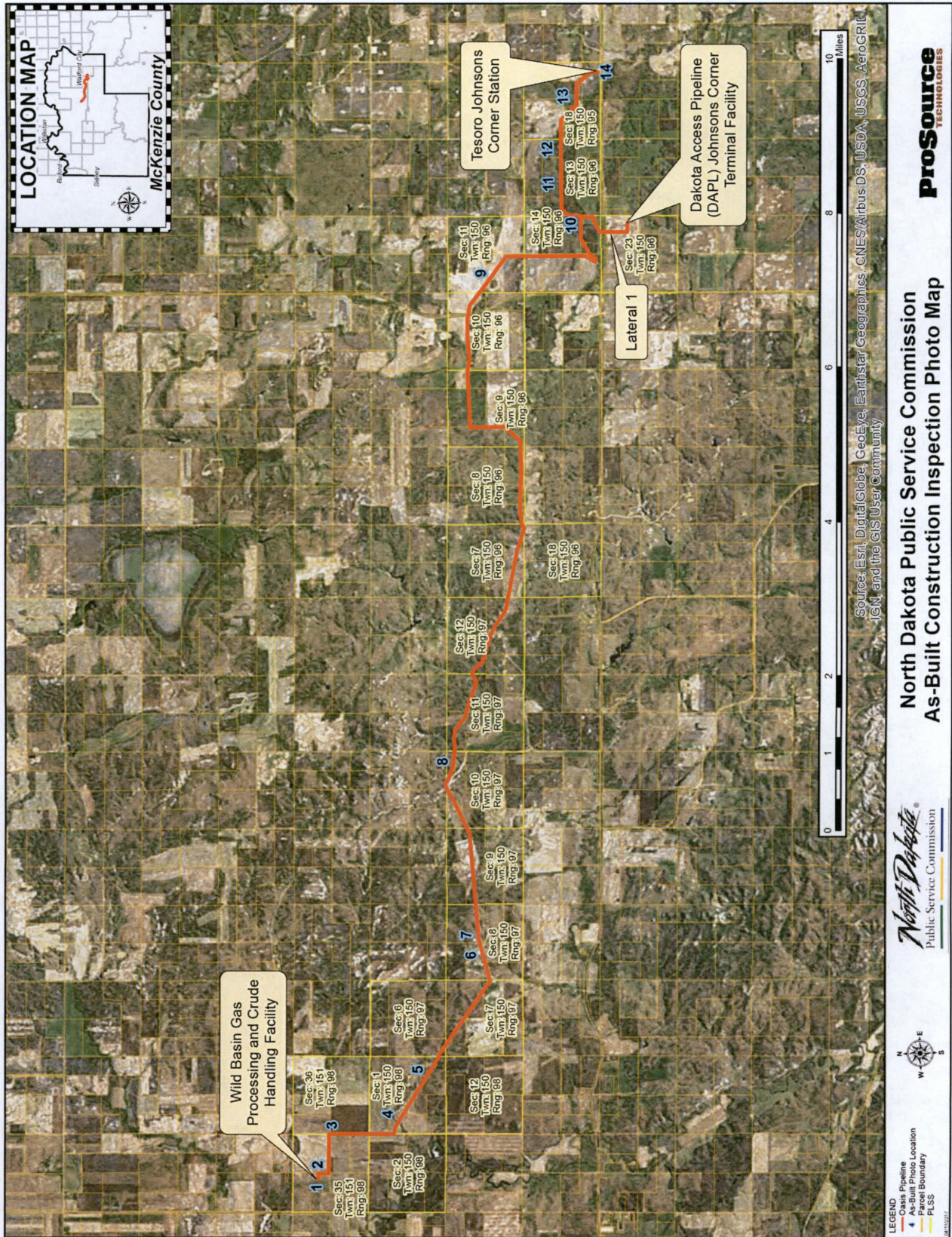
North Dakota Public Service Commission (NDPSC) Online Case Search. Available from <http://www.psc.nd.gov/database/documents>. Accessed December 2016.

9.0 APPENDICES

APPENDIX A

Field Inspection Map

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APPENDIX B

Photographs

PHOTOGRAPHS



Photo 1 – Approx. Station 0+00. View of interconnect with pump house.



Photo 2 – Approx. Station 17+00. View of restored right of way and revegetation.

PHOTOGRAPHS



Photo 3 – Approx. Station 46+00. View of restored and revegetated right of way.



Photo 4 – Approx. Station 100+00. View of restored area and vegetation.

PHOTOGRAPHS



Photo 5 – Approx. Station 140+00. View of restoration.



Photo 6 – Approx. Station 228+00. View of restored HDD workspace.

PHOTOGRAPHS



Photo 7 – Approx. Station 245+00. View of restoration and revegetation.



Photo 8 – Approx. Station 371+00. View of Main Line Valve.

PHOTOGRAPHS



Photo 9 – Approx. Station 753+00. View of minor rutting in right of way.



Photo 10 – Approx. Station 858+00. View of ETP interconnect valve.

PHOTOGRAPHS



Photo 11 – Approx. Station 894+00. View of restoration, adjacent power line, and stakes for an unrelated project.



Photo 12 – Approx. Station 921+00. View of rutting in the right of way.

PHOTOGRAPHS



Photo 13 – Approx. Station 960+00. View of rocks from another project on Oasis right of way.



Photo 14 – Approx. Station 983+00. View of the interconnect valve site.