

**Late Filed Exhibit 12: Resident Mitigation Plan**

October 19, 2018

Mr. Patrick Fahn  
North Dakota Public Service Commission  
600 E. Boulevard, Dept. 408  
Bismarck, ND 58505-0480

**RE: Landowner Mitigation Plan  
Case No. PU-18-277  
Hiland Partners Holdings LLC  
Roosevelt Gas Plant Expansion Project**

To Mr. Fahn:

On September 27, 2018, the North Dakota Public Service Commission (the “Commission”) held a public hearing concerning the proposed Roosevelt Gas Plant Expansion Project to be constructed and operated by Hiland Partners Holdings LLC (“Hiland”) in Case No. PU-18-277 before the Commission. At the hearing, the Commission heard public testimony from two (2) landowners whose residences are near the existing Roosevelt Gas Plant, namely Mr. Denton Zubke and Mr. Keith Helmuth. The purpose of this letter is to address the concerns expressed by Mr. Zubke and Mr. Helmuth and the mitigative measures Hiland has or will put in place to address said concerns as it moves forward with this project and other projects which may impact the residents of North Dakota.

1. Landowner Concerns

At the hearing, Mr. Zubke testified regarding two specific concerns he has with the existing plant and the proposed expansion project. First, Mr. Zubke expressed his concerns regarding the night light exposure at his residence caused by the use of flood lights during construction and the flaring which occurs during normal operations. Second, Mr. Zubke expressed concerns over the amount of noise emanating from the plant at certain times during normal operations. Mr. Zubke believes that the value of his property has been diminished as a result of these issues.

Mr. Helmuth expressed concerns related to the processes and procedures utilized by certain companies with respect to proposed pipelines on his property and access to his land for surveying or construction purposes. Mr. Helmuth also raised concerns regarding (i) the noise levels at the plant, (ii) the capacity of certain transmission pipelines connected to the plant, (iii) the handling of increased amounts of hydrogen sulfide gas (H<sub>2</sub>S) as a result of aging oil and gas wells in the area, and (iv) the flaring of enriched gas.

Both Mr. Zubke and Mr. Helmuth testified as to the lack of communication from Hiland regarding the expansion project.

## 2. Landowner Follow Up and Mitigation

Since the date of the hearing, representatives of Hiland have had the opportunity to speak directly with Mr. Zubke and Mr. Helmuth regarding the concerns set forth above. Hiland Right of Way Agent Myles Fisher spoke to Mr. Zubke on the evening of October 2, 2018, and set up a meeting for the next day. Myles and another Hiland employee, Steve Lindquist, both met with Mr. Zubke on October 3, 2018 to discuss his concerns and possible resolutions. Mr. Zubke called Myles later that day with tax questions. During the same telephone conversation, Hiland made a verbal monetary offer in settlement of all claims Mr. Zubke may have with respect to the Roosevelt Plant. On October 4, 2018, Mr. Zubke denied the verbal settlement offer and counteroffered. Written settlement offers were sent to Mr. Zubke on October 16, 2018, to which Hiland has not yet received a response from Mr. Zubke.

Myles Fisher and Ben Scheeler, a Diamond Resources employee, met with Keith Helmuth on October 3, 2018. Mr. Helmuth expressed concerns about how he was initially contacted for survey permission related to a Hiland gathering line. Myles apologized to Mr. Helmuth for any miscommunication and he and Mr. Helmuth discussed the logistics surrounding a potential gathering line. Mr. Helmuth granted Hiland written survey permission for such purposes.

In response to the concerns expressed at the hearing and the one-on-one talks with Mr. Zubke and Mr. Helmuth, Hiland has instituted mitigative measures for the proposed Roosevelt Gas Plant Expansion Project and ongoing operations at the Roosevelt Plant. Such mitigative measures include, but are not limited to: (i) a continuing, good faith effort to resolve Mr. Zubke's concern regarding the lighting at the plant and the diminution of his property value, (ii) a grant of access and survey permissions from Mr. Helmuth concerning survey for the potential new gathering line, and (iii) providing reliable points of contact of Hiland personnel to respond to any concerns involving the Roosevelt Plant both during and after construction and proposed gathering pipelines associated therewith.

Patrick Fahn  
October 19, 2018  
Page 3

3. Conclusion

Hiland takes very seriously the concerns of all landowners and residents which may be impacted by its energy development in the State of North Dakota. As Hiland moves forward with the Roosevelt Gas Plant Expansion Project and other projects in the state, Hiland will strive to better communicate with all those who may be affected and implement processes and procedures to mitigate the negative effects of such development. If the Commission desires additional information related to Hiland's mitigation plan or its communications with Mr. Zubke or Mr. Helmuth, please advise.

Sincerely,

A handwritten signature in black ink, appearing to read "Johnny McGee". The signature is fluid and cursive, with a large initial "J" and a long horizontal stroke at the end.

Johnny McGee  
Vice President – Right of Way  
Hiland Partners Holdings LLC

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