



PU-25-83
Hiland Crude, LLC
Hiland Gullickson Reroute Pipeline
Construction Inspection Report

File No. 193807545

January 2026

Prepared for:

North Dakota Public Service Commission
600 E. Boulevard Avenue
Bismarck, ND 58505-0480

Prepared by:

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1.0 EXECUTIVE SUMMARY

The North Dakota Public Service Commission (PSC) retained Stantec Consulting Services Inc (Stantec) to complete inspection(s) during construction of the Hiland Crude, LLC (i.e. Hiland) Gullickson Reroute Pipeline, PU-25-83 (i.e., the Project) in McKenzie County, North Dakota. The purpose of the inspections is to ensure the Project is constructed in compliance with the siting laws and rules and the applicable PSC Orders for the Project, including requirements regarding pipeline depth and soil segregation, among others.

Construction involving soil disturbance for the Project began November 6th, 2025. Stantec was present to observe the commencement of topsoil salvage and segregation by Shanco, LLC (i.e., Shanco). Stantec was present for a construction inspection on January 5th, 2026 for pertinent construction activities deemed relevant to the applicable PSC orders for the project. At the time of the construction inspection, Shanco was performing various pipeline construction activities with multiple crews spread throughout the project. The Contractor crews' work included trenching, pipeline installation, backfilling and reclamation, and pipe welding. Pipeline construction was approximately 90% complete at the time of inspection, according to the project's third-party inspector, Bobcat, who is contracted through Hiland. All horizontal directional drilling (HDD) activities were completed prior to Stantec's inspection.

This Construction Inspection Report includes documentation of right-of-way (ROW) alignments, topsoil and subsoil segregation, and pipeline depths during the January 5th, 2026 on-site inspection of the Project. Overall, trenching depths and soil removal and storage along the ROW were satisfactory. Portions of the Project occur on steep side slopes and contain large amounts of excavated subsoil. Safe and appropriate reclamation on these areas may be difficult and thorough post-construction inspections will be conducted to assess any issues regarding the replacement and regrading of soil. Lastly, work along wetlands, steep slopes and other sensitive areas indicated in Hiland's Application for Corridor Compatibility appeared to be performed using best management practices (BMP's) and in compliance with PSC Orders.



2.0 BACKGROUND INFORMATION

2.1 INTRODUCTION

Hiland is constructing the Gullickson Reroute Pipeline, a proposed 3.4 mile long, 8-inch steel crude oil pipeline in McKenzie County North Dakota. The Project stretches from Hiland's Operating LLC Pad to a proposed block expansion valve, located West of Alexander, ND.

2.2 PURPOSE & SCOPE

The North Dakota Energy Conversion and Transmission Facility Act (North Dakota Century Code Chapter 49-22) authorizes the Public Service 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 citizens of North Dakota. Construction inspections aim to ensure that such projects are constructed in compliance with the siting laws (North Dakota Century Code Chapter 49-22) and rules (North Dakota Administrative Code Article 69-06) and the applicable PSC Findings of Fact, Conclusions of Law, and Order (Order). The PSC issued its Findings of Fact, Conclusions of Law and Order in Case No. PU-25-083 on August 7th, 2025, granting Certificate of Corridor Compatibility No. 241.

The PSC retained Stantec to complete construction inspections of the Project. The inspection process included a review of the Application, the Project's Order, and other applicable documents. The primary intent of the initial topsoil inspection is to document compliance with PSC's Certificate Relating to Project Order #9, regarding soil handling during winter construction, Order # 12, which states "*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*" and #12: "*Company understands and agrees that topsoil, up to 12 inches, or topsoil to the depth of cultivation, whichever is greater, over and along trench areas, must be carefully stripped and segregated from the subsoil. Any area on which excavated subsoil will be placed must first 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.*"

2.3 INSPECTION METHODOLOGY

Stantec visually inspected the Project by walking and driving within the Project right-of-way. During the inspection, work done by contractors/equipment operators was observed to verify that the topsoil has



PU-25-83 HILAND CRUDE, LLC
HILAND GULLICKSON REROUTE PIPELINE CONSTRUCTION INSPECTION REPORT
Background Information
January 2026

been properly removed, piled, and kept segregated from subsoil. Pipeline depth was measured at several locations in the project to verify PSC requirements were met. An iPhone was used to collect photographs during the inspection with the utilization of Arc GIS's Field Maps application for GPS locating and documentation purposes. Location-referenced photographs are provided in Appendix A and Geographical Information System (GIS) generated map(s) of observation locations are provided in Figures 1-6.

Stantec met with the chief inspector for Bobcat, Ray Skeen, onsite and discussed the applicable PSC orders, provisions, and findings of fact for the Construction Inspection.



3.0 INSPECTION RESULTS

3.1 PIPELINE DEPTH

On the day of inspection, pipeline installation was completed for approximately 90% of the project. During Stantec's visit, Shanco's crews were performing pipeline installation at various locations, mainly tying in open cut installations to HDD installations. Right-of-way reclamation was incomplete for the majority of the project, primarily for access purposes. There were several segments with fully installed but exposed pipe, at locations designated for horizontal directional drilling (HDD) or locations not yet backfilled.

The depth of the pipeline was ≥ 48 inches deep or ≥ 48 below assumed final grades in all inspected areas. There were no exposed pipeline segments under undeveloped section lines at the time of observation, so no verifications were made that the depths of these crossings are ≥ 72 inches. **Observation Points 3 and 10** show pipe depth measurements. Pipe depths were measured at multiple other locations, although not photographed. Stantec did not note any concerns with the depth of trenching and pipe placement accounting for assumed backfill depth at some locations.

3.2 TOPSOIL SEGREGATION

Overall, Stantec observed adequate soil handling techniques with regard for PSC Order #11 (**Observation Points 1, 2, 4, 8, 9, 12, 14, 15, 18, and 19**). Topsoil stockpiles were found to be relatively clear of subsoil mixing. **Observation Point 2** adequately depicted the in-situ soil profile due to the exposed trench being cut relatively vertical. Closer inspection at this observation point showed only small amounts of organic rich topsoil along the top ~2-inches of the trench, which indicates that the topsoil within the right-of-way was adequately stripped to the subsoil with minimal mixing of soils during segregation. Topsoil and subsoil stockpiles, where observed, appeared to be placed separately and parallel to each other with adequate separation distances to minimize the risk of mixing.

Right-of-way areas in general were observed to have topsoil depths of 6 inches or less. With generally shallow topsoil depths, it is expected that the areas stripped of topsoil would not contain any topsoil within the right-of-way (less the segregated stockpiles) as verified during the inspection.

As the majority of construction for the Project is taking place during the winter months, extra precaution must be taken to ensure that topsoil is handled adequately during freezing conditions, as it can prove very difficult to properly segregate topsoil from subsoils. Topsoil within the pipeline right-of-way was stripped prior to Stantec's site visit. Based on observations, topsoil stockpiles along the right-of-way appeared in such conditions that would indicate it was stripped prior to frozen ground conditions.



3.3 GEOLOGICALLY UNSTABLE AREAS AND STEEP SIDE SLOPES

The Findings of Fact document completed for the Project did not indicate any geologically unstable areas. However, the pipeline crosses a large ravine, which has potential for soil movement and erosion due to the steep slopes and significant elevation change. The pipeline crossed this area via HDD, which had been completed at the time of Stantec's visit. Soil handling and BMP practices at these locations (**Observation Point 11**) appeared to be adequate, with no soil erosion present outside of the construction area. The Project corridor contains many other locations with steep terrain. Stripping efforts on steep slopes were observed at various locations, depicted in **Observation Points 1, 7 and 17**. These areas commonly resulted in large stockpiles on the downslope side of the ROW in order to create a flat workspace. These areas were observed to have adequate soil handling practices.

While soil backfilling and grading/slope stabilization of steep areas during reclamation may be difficult due to the large quantity of subsoil excavated for the ROW, this is not a concern within the scope of the construction inspection and will be monitored in future inspections.

3.4 WETLAND AND STREAM CROSSINGS

The Project alignment crosses wetlands and/or streams which were inspected to ensure compliance with the PSC order provisions. Impacts to wetlands can be mitigated through use of BMP's such as HDD, silt fences, bio rolls, or timber mats. Wetland/stream crossings (**Observation Points 5 and 11**) were observed to employ both silt fence and bio rolls. At the time of inspection, pipe installation was complete in this area and was in the process of being reclaimed, so pipe depths were not able to be documented. No eroding soils or soil deposits were observed along the stream banks or in wetlands.

3.5 BEST MANAGEMENT PRACTICES

Several Erosion Control Best Management Practices (BMPs) were observed. Timber mats were used at locations crossing drainage ditches and wetlands (**Observation Points 5 and 7**) where it appeared the natural drainage patterns were successfully maintained. Silt fence and/or bio logs were commonly used adjacent to wetlands and on the downslope side of steeper side slopes (**Observation Points 5, 7, and 11**). BMPs used throughout the site appeared to be maintained and there was no observed erosion or deposition of soils outside of the project right-of-way.



4.0 RECOMMENDATIONS

Construction Inspections for PU-25-83 have verified that the Project, overall, is being constructed in compliance with the siting laws, siting rules, and applicable Commission Orders. Stantec makes the following recommendations to avoid potential issues as the Project continues through the duration of construction:

- Contractors and equipment operators must be careful that subsoil is not mixed with topsoil during reclamation and topsoil must be replaced over areas from which it was stripped only after the subsoil is replaced. This may be challenging along areas of the ROW with steep cuts and Shanco should employ a strategy to ensure this is accomplished.
- Monitor activities of topsoil handling during the winter months. All topsoil stripping must be (and was, to our knowledge) completed prior to topsoil freezing to the point that ground frost inhibits proper soil segregation, unless otherwise authorized by the PSC following INGAA Foundation, Inc., Report No. 2013.04, "Planning Guidelines for Pipeline Construction During Frozen Conditions," December 2013.
- Continue implementing BMPs and stockpile protection measures, especially if stockpiles are to be left over winter when spring melting conditions increase soil erosion.



5.0 SIGNATURE

Stantec's Project Manager and Registered North Dakota Professional Engineer, Jordan Twete prepared this report. The report was reviewed by Matt Retka, North Dakota Professional Soil Classifier.

The conclusions in this Report are Stantec's professional opinion, as of the time of the Report, and concerning the scope described in the Report. The opinions in the document are based on conditions and information existing at the time the document was published and may not take into account subsequent changes. The Report relates solely to the specific project for which Stantec was retained and the stated purpose for which the Report was prepared. The Report is not to be used or relied on for any variation or extension of the project, or for any other project or purpose, and any unauthorized use or reliance is at the recipient's own risk.

Stantec has assumed all information received from the ND PSC and third parties in the preparation of the Report to be correct. While Stantec has exercised a customary level of judgment or due diligence in the use of such information, Stantec assumes no responsibility for the consequences of any error or omission contained therein.

This Report is intended solely for use by the ND PSC in accordance with Stantec's contract with the ND PSC. While the Report may be provided to applicable authorities having jurisdiction and others for whom the ND PSC is responsible, Stantec does not warrant the services to any third party. The report may not be relied upon by any other party without the express written consent of Stantec, which may be withheld at Stantec's discretion.



Jordan Twete
Project Manager
Civil Engineer

January 14, 2026
Date



FIGURES

Figure 1: Construction Observation Locations Map

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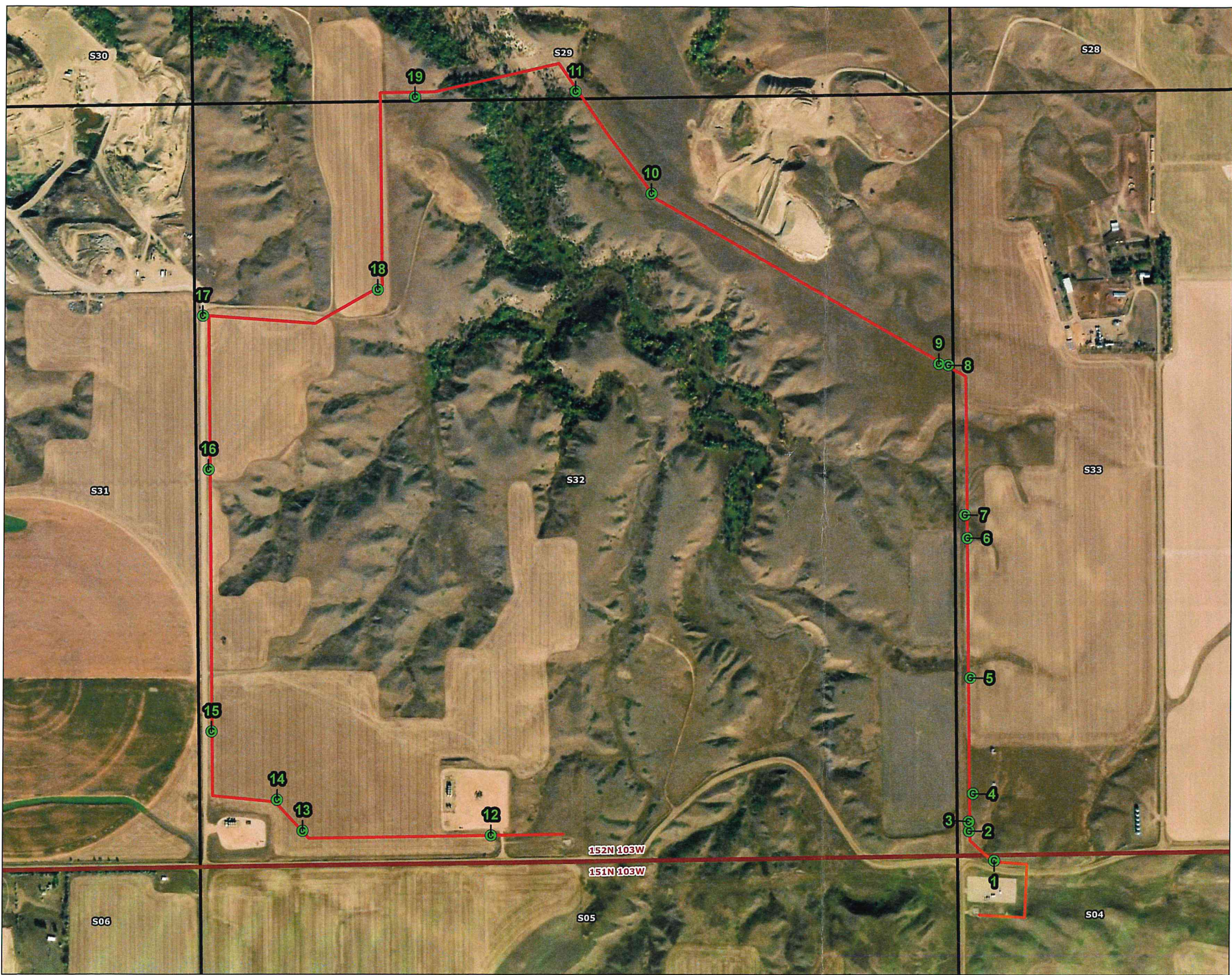


Figure No.
1

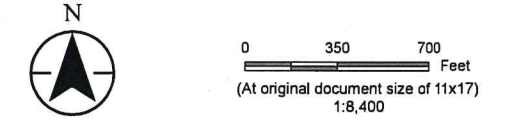
Title
Construction Observation Locations

Client/Project
North Dakota Public Service Commission
PU-25-83 Hiland Gullickson Reroute

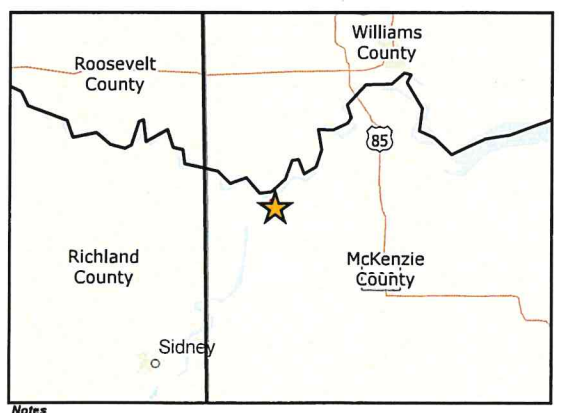
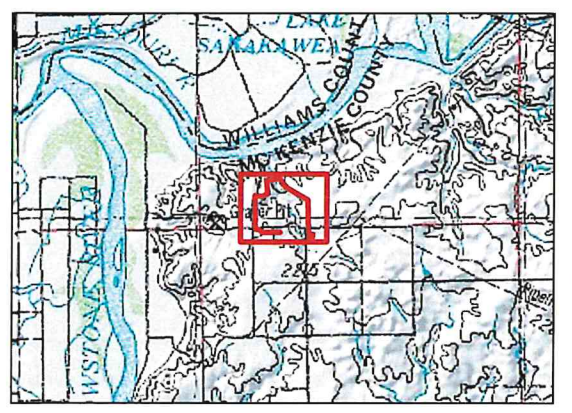
193807545

Project Location
T152N, R103W, S32
McKenzie Co., ND

Prepared by BS on 2026-01-07



- Legend
- Hiland Gullickson Reroute Pipeline
 - Township Boundary
 - Section Boundary
 - C Construction Observation Point Location



Notes

1. Coordinate System: NAD 1983 UTM Zone 13N
2. Data Sources: ESRI, USGS
3. Background: ESRI World Imagery



APPENDIX A

Observation Point Photolog

PU-25-83 (Hiland Gullickson Reroute Pipeline): Observation Point Photolog



Observation Point: 1

Date Taken: January 5, 2026 11:04 AM

Direction Photo is Taken: East

Photo Description: Topsoil stripped and segregated in this area at the very beginning of the project. Appears to be holding up well with minimal erosion.

Latitude: 47.93490401549563

Longitude: -103.88243759207758



Observation Point: 2

Date Taken: January 5, 2026 11:14 AM

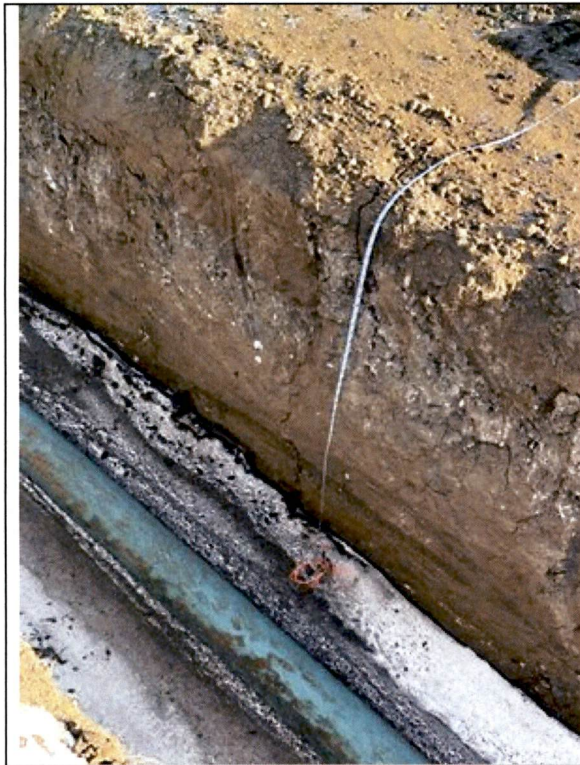
Direction Photo is Taken: North

Photo Description: Exposed pipeline soon to be tied in. Trench area appears to all be subsoil with trace hints of organics in the top 2"-4" which can be considered negligible.

Latitude: 47.93547160149996

Longitude: -103.88315185878191

PU-25-83 (Hiland Gullickson Reroute Pipeline): Observation Point Photolog



Observation Point: 3

Date Taken: January 5, 2026 11:23 AM

Direction Photo is Taken:

Photo Description: Top of pipeline approx. 4.5' from top of subsoil.

Latitude: 47.93565059648115

Longitude: -103.8831561337446



Observation Point: 4

Date Taken: January 5, 2026 11:26 AM

Direction Photo is Taken: North

Photo Description: Pipeline installation complete in this area. Topsoil still appears to be fully segregated and ready to be re spread.

Latitude: 47.93617622541338

Longitude: -103.88303166166983

PU-25-83 (Hiland Gullickson Reroute Pipeline): Observation Point Photolog



Observation Point: 5

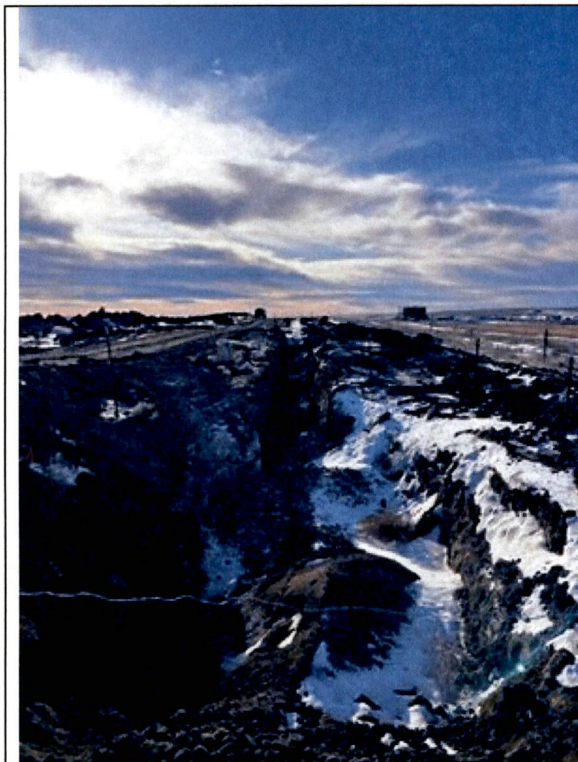
Date Taken: January 5, 2026 11:31 AM

Direction Photo is Taken: North

Photo Description: Pipeline bored through this avoidance area (wetland). Proper use of BMPs, no apparent soil erosion into wetland.

Latitude: 47.93837232618215

Longitude: -103.88307927121356



Observation Point: 6

Date Taken: January 5, 2026 11:39 AM


Direction Photo is Taken: South


Photo Description: Trench area partially backfilled, backfill material appears to not have any topsoil mixed in.


Latitude: 47.9410252399016

Longitude: -103.88312277266583

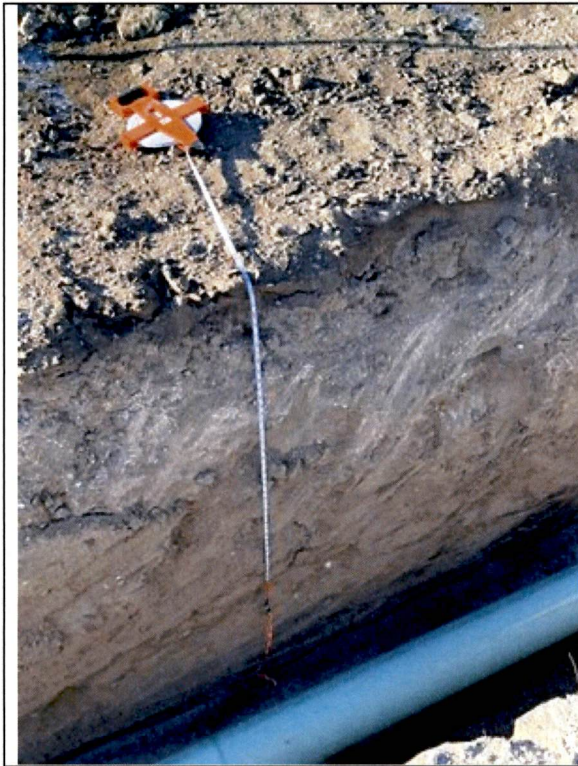
PU-25-83 (Hiland Gullickson Reroute Pipeline): Observation Point Photolog

	<p>Observation Point: 7 Date Taken: January 5, 2026 11:45 AM Direction Photo is Taken: South</p> <p>Photo Description: Bio logs placed adjacent to avoidance area per recommendation from previous site visit (topsoil inspection).</p> <p>Latitude: 47.94146294286103 Longitude: -103.8831928445595</p>
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	<p>Observation Point: 8 Date Taken: January 5, 2026 11:54 AM Direction Photo is Taken: East</p> <p>Photo Description: Trench backfill in progress. No apparent concerns.</p> <p>Latitude: 47.94430814359458 Longitude: -103.88361596087665</p>
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	<p>Observation Point: 9 Date Taken: January 5, 2026 11:56 AM Direction Photo is Taken: Northwest</p> <p>Photo Description: Pipeline installed and backfilled in this area. Topsoil still properly segregated.</p> <p>Latitude: 47.94433964861591 Longitude: -103.88388593980191</p>
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PU-25-83 (Hiland Gullickson Reroute Pipeline): Observation Point Photolog



Observation Point: 10

Date Taken: January 5, 2026 12:05 PM

Direction Photo is Taken: Southeast

Photo Description: Exposed pipeline at a depth of approx. 5 ft

Latitude: 47.94764223000539

Longitude: -103.89202445507297



Observation Point: 11

Date Taken: January 5, 2026 12:14 PM

Direction Photo is Taken: North

Photo Description: Overview of large ravine which pipeline was bored underneath. No above ground disturbance observed in this area.

Latitude: 47.94960164598944

Longitude: -103.89414807213863

PU-25-83 (Hiland Gullickson Reroute Pipeline): Observation Point Photolog



Observation Point: 12

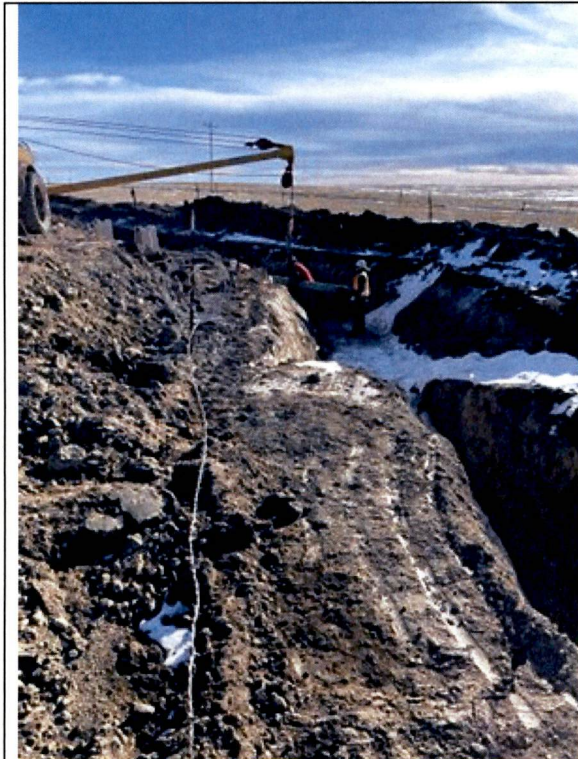
Date Taken: January 5, 2026 12:38 PM

Direction Photo is Taken: West

Photo Description: Exposed pipeline installed and partially backfilled. Confirmed depth greater than required 48".

Latitude: 47.93551199673759

Longitude: -103.89674854333192



Observation Point: 13

Date Taken: January 5, 2026 12:52 PM

Direction Photo is Taken: East

Photo Description: Contractor installing pipeline, confirmed beyond 48" depth

Latitude: 47.93564801320922

Longitude: -103.9020708159574

PU-25-83 (Hiland Gullickson Reroute Pipeline): Observation Point Photolog



Observation Point: 14

Date Taken: January 5, 2026 12:56 PM

Direction Photo is Taken: West

Photo Description: Pipeline installed and yet to be backfilled. Confirmed >48" depth.

Latitude: 47.93624366021147

Longitude: -103.90279442465378



Observation Point: 15

Date Taken: January 5, 2026 12:59 PM

Direction Photo is Taken: North

Photo Description: Pipeline installed and backfilled in this area. Topsoil still properly segregated, ready for reclamation.

Latitude: 47.93755227823946

Longitude: -103.90463627092286

PU-25-83 (Hiland Gullickson Reroute Pipeline): Observation Point Photolog



Observation Point: 16

Date Taken: January 5, 2026 1:04 PM

Direction Photo is Taken: South

Photo Description: Pipeline installed underneath existing pipeline (per engineering drawings).

Latitude: 47.94251650870909

Longitude: -103.9046560439132



Observation Point: 17

Date Taken: January 5, 2026 1:07 PM


Direction Photo is Taken: East


Photo Description: Exposed pipeline to be backfilled, area behind properly backfilled, visible pipe buried beyond req. 48"

Latitude: 47.94543321540751

Longitude: -103.9047768452921

PU-25-83 (Hiland Gullickson Reroute Pipeline): Observation Point Photolog

	<p>Observation Point: 18 Date Taken: January 5, 2026 1:10 PM Direction Photo is Taken: North</p> <p>Photo Description: Pipeline installed and backfilled in this area, topsoil still adequately stockpiled and segregated following pipeline trenching activities.</p> <p>Latitude: 47.94588794790498 Longitude: -103.899810972457</p>
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	<p>Observation Point: 19 Date Taken: January 5, 2026 1:17 PM Direction Photo is Taken: Northeast</p> <p>Photo Description: Contractor demonstrating proper soil segregation while trenching.</p> <p>Latitude: 47.94953447141392 Longitude: -103.89871437299627</p>
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