Welcome to the Bakken Missouri River Crossing Project

Project Open House
About Kinder Morgan

- Hiland Partner Holdings LLC, is a Kinder Morgan Company.
- Kinder Morgan is one of the largest energy infrastructure companies in North America.
- We own an interest in or operate approximately 84,000 miles of pipelines and 152 terminals.
- Our pipelines transport natural gas, gasoline, crude oil, carbon dioxide (CO₂) and more.
- Our terminals store and handle petroleum products, chemicals and other products.

Safety at Kinder Morgan

- To protect the public, our employees and the environment, Kinder Morgan invests millions of dollars each year on integrity management and maintenance programs to operate our assets safely.
- In 2017, Kinder Morgan outperformed our industry peers in 31 of 36 environmental, health and safety (EHS) measures.
- We publish our environmental, health and safety performance on our website to be transparent about our work: www.kindermorgan.com/pages/ehs/
- Kinder Morgan is a proud member of several organizations that promote safe digging to prevent third-party damage to pipelines, including being a platinum-level sponsor of the Common Ground Alliance (CGA), the Pipeline Ag Safety Alliance, and the Gold Shovel Standard.
Purpose of this Open House:
The primary reason that Kinder Morgan is holding public open houses for the BMRC Project is a result of the proposed crossing of Lake Sakakawea which triggers the Section 408 process and the National Environmental Policy Act (NEPA) of 1969. The lake and adjacent federal lands are owned and operate by the U.S. Army Corps of Engineers (USACE). The Project would require multiple approvals from the USACE for crossing federal lands which triggers these processes.

A requirement of this process is collecting public comments and this open house is being held to facilitate and encourage that process.

How to Provide Comment:
Comments on the project may be submitted via email, mail or provided in-person at this open house event.

1) Comments via Email:
Travis Beakley  
Specialist- Permitting Compliance SR I, Kinder Morgan  
Travis_Beakley@kindermorgan.com

CC: Brent Cossette  
USACE Natural Resource Specialist, Omaha District  
Brent.J.Cossette@usace.army.mil

2) Comments via Mail:
Travis Beakley  
Specialist- Permitting Compliance SR I, Kinder Morgan  
2 North Nevada Ave., Colorado Springs, CO 80903

CC: Brent Cossette  
Natural Resource Specialist, USACE- Omaha District  
1616 Capitol Ave., Omaha, NE 68102

3) Comments In-Person:
You may provide written comments using the provided comment forms. See a Kinder Morgan or USACE employee for more information.
Kinder Morgan in North Dakota

Economic Impact:
• Kinder Morgan employs over 350 people in North Dakota and maintained a payroll of over $33 million in 2017.
• Kinder Morgan paid approximately $5.5 million to state and local taxing bodies in 2017.

Kinder Morgan Assets in North Dakota:
• Kinder Morgan operates approximately 2,960 miles of natural gas, crude and refined products pipelines throughout 21 counties in North Dakota.

<table>
<thead>
<tr>
<th>Natural Gas Pipeline Systems in North Dakota</th>
<th>Products Pipeline Systems in North Dakota</th>
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</thead>
<tbody>
<tr>
<td>1) Watford City Natural Gas Gathering System</td>
<td>1) Cochin Pipeline System</td>
</tr>
<tr>
<td>2) Bakken Gas Gathering System</td>
<td>2) Double H Pipeline</td>
</tr>
<tr>
<td>3) Norse Natural Gas Gathering</td>
<td>3) Badlands Crude Gathering System</td>
</tr>
<tr>
<td>4) Badlands Gas Gathering System</td>
<td>4) Tioga and Market Center Crude Gathering Systems</td>
</tr>
</tbody>
</table>

Map of North Dakota showing pipeline systems and compressor stations.
Kinder Morgan in Williams County

- Kinder Morgan employs over 155 people in Williams County.
- Kinder Morgan paid over $1.4 million to state and local taxing bodies in Williams County last year.
- Kinder Morgan operates approximately 540 miles of natural gas and crude pipelines in Williams County, including:
  1) Tioga and Market Center Gathering
  2) Watford City Natural Gas Gathering
  3) Norse Natural Gas Gathering
- In Williams County, Kinder Morgan operates the Norse Gas Plant (McGregor, ND), Tioga Station (Tioga, ND), Trenton Station (Williston, ND) and Williston Office (Williston, ND).

Kinder Morgan in McKenzie County

- Kinder Morgan employs over 150 people in McKenzie County.
- Kinder Morgan paid over $1.9 million to state and local taxing bodies in McKenzie County last year.
- Kinder Morgan operates approximately 325 miles of natural gas and crude pipelines in McKenzie County, including:
  1) Tioga and Market Center Gathering
  2) Watford City Natural Gas Gathering
  3) Double-H Pipeline (crude)
- In McKenzie County, Kinder Morgan operates the Watford Yard Office (Alexander, ND), Watford City Gas Plant (Alexander, ND), Johnsons Corner Station (Watford City, ND), East Camp Creek Station (Watford City, ND) and Roosevelt Gas Plant (Watford City, ND).
The Bakken Missouri River Crossing Project (“Project”) is being proposed by Hiland Partner Holdings LLC, a Kinder Morgan company to connect the existing Kinder Morgan Brogger Compressor Station located in Williams County, North Dakota to a Kinder Morgan gathering system located in McKenzie County, North Dakota.

The proposed project would include the installation of approximately 10 miles of 16-inch diameter pipeline between the Brogger Compressor Station and the Kinder Morgan gathering system. A portion of the route would cross beneath the Missouri River and the Lake Sakakawea Reservoir for approximately 2.5 miles using horizontal directional drilling (HDD) techniques to minimize disturbances to the area.

The construction of the project, expected to cost approximately $30 million, will create an estimated 80 local jobs during peak construction activities and provide positive economic impacts from workers residing locally and relying upon nearby businesses, housing and support services. Local businesses would benefit from servicing these workers and the project directly.

When completed, the new facilities will capture approximately 130 million cubic feet/day of natural gas that would otherwise be flared into the atmosphere due to a lack of pipeline availability.

### Project Schedule:

<table>
<thead>
<tr>
<th>Stakeholder Outreach</th>
<th>Ongoing</th>
</tr>
</thead>
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<tr>
<td>Civil &amp; Environmental Surveys</td>
<td>Completed</td>
</tr>
<tr>
<td>Targeted Construction Start Date</td>
<td>Q2 2019</td>
</tr>
<tr>
<td>Proposed In-Service Date</td>
<td>Q4 2019</td>
</tr>
</tbody>
</table>
**Project Regulatory Oversight**

A number of federal and state agencies will be involved with the permitting and oversight of the project, including, but not limited to the following:

- **U.S. Army Corps of Engineers – Omaha District**: Section 408 of the Clean Water Act and Section 10 of the Rivers and Harbors Act
- **U.S. Fish and Wildlife Service (USFWS)**: Consultation under the Migratory Bird Treaty Act, Bald and Golden Eagle Protection Act, and Endangered Species Act
- **North Dakota State Historic Preservation Office**: Consultation under Section 106 of the National Historic Preservation Act
- **North Dakota State Engineer**: Sovereign Lands Permit
- **Natural Resources Conservation Service and Farm Service Agency**: Consultation regarding Reserve Lands
- **North Dakota Game and Fish Department**: Consultation regarding state sensitive species
- **North Dakota Parks and Recreation Department**: Consultation regarding sensitive species and conservation lands
- **North Dakota Department of Health**: Hydrostatic Test Water Discharge Permit
- **Native American Tribes**: Tribal Outreach and Consultation

**NEPA Process / Section 408 Permit**

- A crossing of Lake Sakakawea requires compliance with the National Environmental Policy Act (NEPA) of 1969, and a section 408 permit. See the “Environmental Considerations” display board for additional information.
- A requirement of this process is collecting public comments.
Native American Relations

Kinder Morgan respects the diversity of culture and unique history of Native American tribes. We acknowledge the importance of communicating and co-operating in good faith with Native American tribes during the entire span of the Project. Tribes that are being included in the project consultation process include, but are not limited to, the following:

- The Three Affiliated Tribes—The Mandan, Hidatsa & Arikara Nation (MHA Nation)
- Oglala Sioux Tribe
- Yankton Sioux Tribe
- Flandreau Santee Sioux Tribe
- Crow Creek Sioux Tribe
- Cheyenne River Sioux Tribe
- Northern Cheyenne Tribe
- Lower Brule Sioux Tribe
- Sisseton Wahpeton Oyate
- Rosebud Sioux Tribe
- Spirit Lake Tribe
- Standing Rock Sioux Tribe
- Turtle Mountain Band of Chippewa
- Omaha Tribe of Nebraska
- Santee Sioux Nation
- Ponca Tribe
- Winnebago Tribe of Nebraska

Kinder Morgan’s Indigenous Peoples Policy

In support of its Indigenous Peoples Policy, Kinder Morgan commits to the following principles:

- Kinder Morgan commits to participate in good faith engagement with Indigenous Peoples affected by Kinder Morgan’s development and operations of its assets, projects and activities. Engagement includes communications and cooperation with affected Indigenous Peoples.
- Kinder Morgan commits to continuing its partnership with Indigenous communities including engaging community members in suitable employment opportunities, compliant with laws affecting employment, as well as education, commercial and community development opportunities. This commitment includes potential commercial partnerships.
- Kinder Morgan is committed to collaborating with Indigenous Peoples to identify opportunities to support youth, education, culture and the environment.
- Kinder Morgan will continue to negotiate in good faith, including involving necessary Indigenous and Government entities.
Project Route Alternatives

1. No Action Alternative

- Insufficient gas pipeline capacity in the region results in flaring of excess gas. Flaring can result in the waste of natural resourced, increasing greenhouse gas emissions, and negative air quality and visual impacts.

- Not constructing the proposed pipeline, or the no action alternative, would likely result in future proposals and development of other projects as the need to capture natural gas and transport it to a processing plant for market use will still exist. These foreseeable actions would likely require the same pipeline infrastructure and result in similar impacts as the currently proposed action.

- Therefore, the no action alternative is not considered a reasonable alternative.

2. Eastern Route Alternative

- The eastern alternative is located 2.8 miles downstream (northeast) of the proposed HDD crossing location (refer to Figure 5). This alternative HDD would be approximately 13,800 feet in length; however, the northern HDD workspace would be sited on USACE lands. Should the USACE require the HDD workspace to be sited outside USACE lands, the length of the HDD would increase to over 15,500 feet.

- Although geotechnical evaluations have not been completed along this drill path, we have assumed for this analysis that substrates are similar to the proposed HDD path and suitable for a HDD. However, we note that due to the terrain at this location, the drill rig on the south side of the river would be sited 335 feet higher in elevation than the drill rig at the proposed HDD crossing. This would result in a greater drill depth and curvature of the drill path to complete the drill under Lake Sakakawea, which would increase drilling pressures necessary to remove the drill cuttings from the pilot hole, the potential for an inadvertent return, and pullback stress on the pipeline.

- Based on the potential concerns with successfully completing an HDD at this location; this alternative would most likely require jetting some portion of pipeline in Lake Sakakawea.

3. Western Route Alternative

- The western alternative is located ten miles upstream (west) of the proposed HDD crossing location. This alternative would cross approximately 12,630 feet of USACE-owned lands. The terrain on the north and south side of the alternative HDD is located at the toe of the river bluffs in an area comprised of gently rolling agriculture fields and pasture. However, due to the presence of Highway 29 on the south side of the river and 130 Road NW on the north side of the river, suitable workspace for a pipeline fabrication laydown area is not present at this crossing location.

- Based on the potential concerns with successfully completing an HDD at this location; the crossing would likely have to be completed by jetting and/or open-cut crossing of the river/reservoir.

- The western alternative pipeline route would be 16.8 miles longer than the proposed route and cross an additional 2,330 feet of USACE lands. The western alternative would also cross an additional 23 landowners, 11 roads, 7 NWI wetlands, and 12 NHD waterbodies. Because of the factors described above, the western alternative would not provide an advantage over the proposed route.
Bakken Missouri River Crossing Project

Proposed Route

Eastern Alternative

Western Alternative

GENERAL

TOTAL PIPELINE LENGTH (MILES)

- Eastern Alternative: 20.0
- Western Alternative: 0.0
- Proposed: 20.0

HDD LENGTH (FT.)

- Eastern Alternative: 1230
- Western Alternative: 14,500
- Proposed: 14,500

USACE LAND CROSSED (FT.)

- Eastern Alternative: 10,274
- Western Alternative: 11,540
- Proposed: 12,630

OPEN CUT LAKE CROSSING REQUIRED?

- Eastern Alternative: Yes
- Western Alternative: Possible
- Proposed: Yes

ELEVATION CHANGE (FEET)

- Eastern Alternative: 206
- Western Alternative: 335
- Proposed: NA

WORKSPACE ON USACE LAND

- Eastern Alternative: Yes
- Western Alternative: Yes
- Proposed: Yes

RESOURCES

AGRICULTURAL LAND (MILES)

- Eastern Alternative: 2.1
- Western Alternative: 8.0
- Proposed: 3.1

WETLANDS CROSSED, EXCLUDING LAKE SAKAKAWEA (FT.)

- Eastern Alternative: 0
- Western Alternative: 846
- Proposed: 655

WATERBODIES CROSSED (NUMBER)

- Eastern Alternative: 2
- Western Alternative: 6
- Proposed: 10

HUMAN ENVIRONMENT

LANDOWNERS CROSSED

- Eastern Alternative: 10
- Western Alternative: 25
- Proposed: 36

RESIDENCES WITHIN 500 FT. OF PIPELINE

- Eastern Alternative: 3
- Western Alternative: 3
- Proposed: 6

ROAD CROSSINGS (NUMBER)

- Eastern Alternative: 9
- Western Alternative: 16
- Proposed: 23

**Alternatives Comparison**
Environmental Considerations

A request to issue a USACE real estate easement, and as a requirement of the 408 permitting process, triggers compliance with the National Environmental Policy Act (NEPA) of 1969. Kinder Morgan, on behalf of the USACE, will prepare an Environmental Assessment (EA) to determine potential impacts that may result from construction and operation of the Project across its lands. The EA will provide a comprehensive analysis of impacts, specifically, the discussion will focus on whether the Project will be injurious to the public interest of, or impair the usefulness of, the Garrison Project/Lake Sakakawea Reservoir.

Below are key areas of concern and how Kinder Morgan proposed to address them

Soils:
- Kinder Morgan proposed to reduce soil impacts in multiple ways, including but not limited to; by limiting the area of disturbance to that needed for safe construction and completion of HDD; matting the drill box area; utilizing previously disturbed areas such as cropland or hay field; initiating restoration as soon as reasonably possible; and utilizing existing roads for temporary access to the extent possible.
- Kinder Morgan will further minimize soil impacts by constructing and operating the BMRC Project in accordance with its Erosion and Sediment Control (ESC) Plan and industry best management practices.

Water Resources:
- Kinder Morgan seeks to minimize any impact to the Lake Sakakawea Reservoir by utilizing the HDD drilling method, which will install the new pipeline 140 feet below the bottom of the reservoir.
- The drilling areas will be matted allowing for an additional layer of protection from soil or water contamination. Kinder Morgan will implement its Spill Prevention Control and Countermeasures (SPCC Plan) and ESC Plan to prevent and respond to releases of fuels and other hazardous substances during construction, including measures for cleanup, documentation, and reporting of spills. Implementation of the SPCC Plan will minimize and mitigate soil, surface water, and groundwater impacts.

Wetland Impacts:
- According to field delineation surveys conducted in 2015 and 2018, no wetlands are located within the projects HDD or pipe fabrication workspaces.

Aquatic Resources:
- All surface disturbing activities will be set back from the banks of the Missouri River at the HDD entry points. This provides a buffer of undisturbed land between active construction areas and the reservoir. Operation of the natural gas pipeline is not anticipated to affect aquatic resources or their habitats.
Wildlife Resources:

- Kinder Morgan completed additional habitat assessments for the proposed pipeline and HDD workspace in 2018. Kinder Morgan will continue to consult with the USACE and US Fish and Wildlife Service (USFWS) regarding the currently proposed BMRC Project's potential impacts on wildlife.

⇒ Federally Protected Species: Kinder Morgan has identified eight federally listed species and designated critical habitat for one species within the Project area. As coordinated with the USACE, Merjent will be designated as the nonfederal representative for the USACE to conduct informal consultations with the USFWS.

<table>
<thead>
<tr>
<th>Common Name</th>
<th>Scientific Name</th>
<th>Federal Status</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern long-eared bat</td>
<td>Myotis septentrionalis</td>
<td>Threatened</td>
<td>Williams, McKenzie</td>
</tr>
<tr>
<td>Gray wolf</td>
<td>Canis lupus</td>
<td>Endangered</td>
<td>Williams, McKenzie</td>
</tr>
<tr>
<td>Rufa red knot</td>
<td>Calidris canutus rufa</td>
<td>Threatened</td>
<td>Williams, McKenzie</td>
</tr>
<tr>
<td>Whooping crane</td>
<td>Grus americana</td>
<td>Endangered</td>
<td>Williams, McKenzie</td>
</tr>
<tr>
<td>Least tern</td>
<td>Sterna antillarum</td>
<td>Endangered</td>
<td>Williams, McKenzie</td>
</tr>
<tr>
<td>Palid sturgeon</td>
<td>Scaphirhynchus albus</td>
<td>Endangered</td>
<td>Williams, McKenzie</td>
</tr>
<tr>
<td>Dakota skipper</td>
<td>Hesperia dacotae</td>
<td>Threatened</td>
<td>Williams, McKenzie</td>
</tr>
<tr>
<td>Piping plover</td>
<td>Charadrius melodus</td>
<td>Threatened</td>
<td>Williams, McKenzie</td>
</tr>
</tbody>
</table>

Vegetative Impacts:

- Kinder Morgan will implement active revegetation measures and seed disturbed pasture with annual and perennial herbaceous species to restore most vegetative cover within the first growing season. In areas that require permanent revegetation, Kinder Morgan will utilize the seeding specifications identified in the ESC Plan, and consult with landowners regarding seeding preferences.

- The proposed 11.87-acre pipeline fabrication workspace would be sited in agricultural land and herbaceous upland pasture used for cattle grazing.
The HDD entry points being located far from the banks of the reservoir (approximately 2,400 ft. north and 1,100 ft. south). The HDD workspaces will be located 1,548 and 480 feet from USACE-owned lands on the north and south side of Lake Sakakawea, respectively. No construction or ground disturbing activities are proposed on USACE lands.

The Project will have above ground appurtenances (e.g. valves), however no appurtenances will be located on federal lands.

The pipeline will be installed at least 140 ft. below the bottom of the reservoir.

HDD activities will take place on a continuous 24-hour per day/7-day per week schedule. Hiland’s drilling contractor anticipates the HDD activities will last approximately four months.

Pre-installation and post-installation hydrostatic tests will be conducted to verify the integrity of the fabricated pipeline.

Abutting Landowners: The nearest occupied residence to the southern drilling site is 3.11 miles to the south. The nearest occupied residence to the northern drill site is 1.03 miles to the northwest.

<table>
<thead>
<tr>
<th>Specifications for BMRC Project Pipeline</th>
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</thead>
<tbody>
<tr>
<td><strong>Outside Diameter</strong></td>
</tr>
<tr>
<td><strong>Wall Thickness</strong></td>
</tr>
</tbody>
</table>
*Below Reservoir*: 140 ft. |
| **Maximum Operating Pressure**          | 1,440 psig |
| **Total Length**                        | 10.6 miles total length  
*Horizontal drilling section*: 13,228 ft. (~2.5 miles) |
Kinder Morgan will utilize Horizontal Directional Drilling (HDD) to install the new section of pipeline under Lake Sakakawea. The use of the HDD construction method will allow the pipeline to be installed at a greater depth below the reservoir with minimal local impacts from the installation process.

Installation Process:

1) **Pilot hole:** The first step in the proposed HDD is to drill separate, small diameter pilot holes using drill rigs staged on each side of the crossing. As each pilot hole progresses, segments of drill pipe are inserted into the hole to extend the length of the drill. The drill bits are steered and monitored throughout the process using a gyroscopic drill bit.

2) **Pre-Reaming:** A type of drill called a back reamer is installed on the drill string and it is pulled back through the pilot hole to enlarge the tunnel to the necessary diameter for the pipeline to be installed.

3) **Pullback:** A fabricated segment of pipe is attached to the northern drill string and pulled back through the reamed drill hole toward the other side of the crossing.
Operations & Safety

- If any anomaly is detected, the natural gas pipeline compressor station will automatically isolate that portion of the pipeline and shut it down.

- Internal inspections are conducted periodically by passing sophisticated computerized equipment called "smart pigs" through the pipelines to detect anomalies or defects that could compromise the integrity of the line.

- Visual inspections of pipeline right-of-way are conducted by air and/or ground on a regular basis. Above ground marker signs are displayed along the right-of-way to alert the public and contractors to the existence of the pipeline.

- Kinder Morgan utilizes cathodic protection to prevent corrosion on its pipelines.

- Emergency preparedness and planning measures are in place at Kinder Morgan in the event that a pipeline incident occurs. The company also works closely with local emergency response organizations to educate them regarding our pipelines and how to respond in the unlikely event of an emergency.

- Kinder Morgan's public awareness program is designed to prevent third-party damage to its pipelines.
Figure 2
Hiland Partners Holdings LLC - Bakken Missouri River Crossing Project Aerial
McKenzie and Williams Counties, North Dakota