

BakkenLink Pipeline LLC

2010 Open Season

Notice of Open Season for BakkenLink Pipeline LLC

BakkenLink Pipeline LLC (“BakkenLink Pipeline”) announces an Open Season to elicit binding commitments from prospective shippers interested in transporting crude petroleum over BakkenLink Pipeline’s proposed new 100,000 bpd pipeline, estimated to be in-service in the first quarter of 2013. The BakkenLink Pipeline will transport crude petroleum production from up to nine receipt points in western North Dakota to an interconnect with TransCanada Pipelines Limited’s (“TransCanada”) proposed Bakken Marketlink Pipeline (“Marketlink”) near Baker, Montana.

This Notice of Open Season provides an overview of the BakkenLink Pipeline Project (the “Project” or “BakkenLink”). The deadline for submissions to respond to the Open Season is 4 p.m. (Central Time) on November 10, 2010. Parties who are interested in obtaining detailed open season information, including the pipeline route map, rates, the proposed tariff rules, and a Transportation Services Agreement (“TSA”) must execute a Confidentiality Agreement provided by BakkenLink Pipeline. The detailed information and documents are confidential and shall not be disclosed to any other party except in strict accordance with the provisions of the Confidentiality Agreement.

Further information on the Open Season and the Project may be obtained from Steve Griesser at 713-751-7594.

Need for New Pipeline Infrastructure

Since 2008, crude oil production from North Dakota and Montana has grown by approximately 150,000 bpd. This growth is primarily from the Bakken oil play in the Williston Basin and due to the recent technological advances in horizontal oil well drilling and completion techniques. According to the North Dakota Geological Survey and Department of Mineral Resources, the Bakken pool contains 169 billion barrels of oil in place of which about 4 billion barrels will likely be produced. Several infrastructure expansions and projects, including a 60,000 bpd capacity rail project, have been built since 2008 to accommodate this production increase. However, at the current rate of drilling, internal estimates are that crude production from the Williston Basin is expected to grow another 300,000 bpd by early 2013. Providing direct access to new infrastructure and new market outlets is critical to the continued success of the Bakken oil play.

By this Open Season process, BakkenLink Pipeline proposes to build a comprehensive network of pipelines that will collect incremental barrels of crude production at multiple points across the prolific Bakken oil play. It will deliver this crude to TransCanada’s proposed Marketlink, which will further transport the Bakken crude directly to large markets in Oklahoma and/or Texas. This network is one of several solutions needed to meet the growing infrastructure challenges in the Williston Basin. Before

committing to construct the Project, BakkenLink Pipeline is seeking the commercial support of North Dakota and Montana producers willing to sign long-term pipeline transportation agreements.

Project Description

The Project is a new 305-mile crude petroleum pipeline in western / southwestern North Dakota, to connect areas of the prolific Bakken oil play in the Williston Basin to TransCanada's proposed Marketlink near Baker, Montana. Marketlink is projected to be in-service in the first quarter of 2013. BakkenLink would have an initial capacity of approximately 100,000 bpd and will provide shippers the opportunity to access the Cushing, Oklahoma and Port Arthur, Texas sales markets (via Marketlink), and possibly the Guernsey, Wyoming market (via Butte Pipeline). BakkenLink's commercial operations date is expected to be in the first quarter of 2013 which date would be concurrent with TransCanada's expected in-service schedule for Marketlink.

Subject to regulatory approval, shippers who agree to term volume commitments for transportation for five or seven years will receive priority service ("Priority Shippers"), not generally subject to prorationing. BakkenLink Pipeline is seeking commitments by Priority Shippers for up to 90% of the Project's capacity at the time service commences. Additionally, BakkenLink is reserving a minimum of 10% of the capacity for uncommitted shippers that elect to make timely monthly nominations ("Uncommitted Shippers"). The Priority Shippers will pay a negotiated tariff rate that will be higher than the tariff rate applicable to Uncommitted Shippers, in recognition of the premium nature of priority service.

The BakkenLink common stream is expected to be light sweet crude, comparable to North Dakota Light Sweet, having a gravity range of 37-45 API and a sulfur content of 0.2% or less.

BakkenLink Pipeline is not affiliated with TransCanada, which proposes to construct and own Marketlink.

BakkenLink Pipeline Facilities

If BakkenLink Pipeline receives sufficient long-term support for the Project to go forward, BakkenLink Pipeline intends to construct 305 miles of pipeline network consisting of 10", 12", and 16" diameter high pressure steel pipe that will deliver crude near Baker, Montana. In the rapidly growing production areas of the Bakken play, 165 miles of 10" and 12" pipeline laterals are expected to be constructed from up to nine identified receipt points, as shown on the map below. Crude production collected at these points will be transported to a central point near Watford City, where the 140 mile, 16" trunkline will originate, enabling an initial delivery capacity of 100,000 bpd to Marketlink.

At receipt points, BakkenLink will provide an interconnection point and initial storage equivalent to approximately two days of expected truck receipts. BakkenLink Pipeline also plans to acquire the use of acreage at each truck receipt point to accommodate a limited number of truck shipments. Each shipper's use of such acreage will be at the discretion of BakkenLink Pipeline and subject to availability.

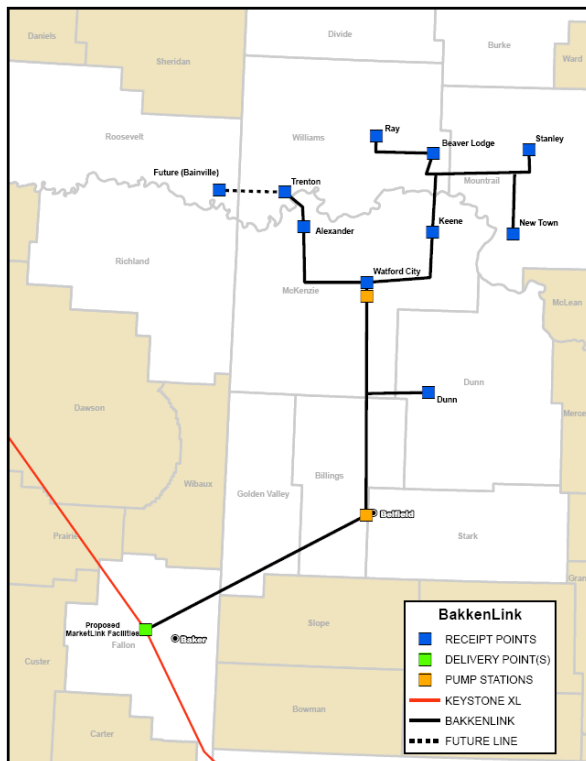
Shippers will be required to provide facilities necessary for the delivery of their crude petroleum into BakkenLink, in a manner satisfactory to BakkenLink Pipeline. Generally, these facilities will include storage tanks sufficient to handle hourly fluctuations in delivered volume and provide accurate measurement, a booster pump, and the custody transfer LACT unit.

At the Marketlink delivery point, BakkenLink will provide an interconnection that will enable delivery of Shippers' crude petroleum to Marketlink. BakkenLink Pipeline also plans to provide surge storage at or near the delivery point to accommodate transient operating conditions. TransCanada has indicated it will own and operate the custody transfer measurement and will provide storage to accommodate their batching requirements.

BakkenLink will be operated as an interstate common carrier pipeline subject to regulation by the Federal Energy Regulatory Commission ("FERC"). BakkenLink will not provide storage service. Tankage provided by BakkenLink will be working tanks only, required in the process of transporting crude petroleum.

Map

The map below shows the BakkenLink route from North Dakota to the interconnection with Marketlink. The next map shows the markets that will be accessed by Marketlink.



Potential Connections to Additional Markets

The terminus of BakkenLink near Baker, Montana provides a potential interconnection opportunity between BakkenLink and Butte Pipeline, which is connected to other hubs and markets. Should Priority Shippers express sufficient interest in an interconnection with Butte at Baker, BakkenLink will consider pursuing such interconnection.

Two Shipper Classes

BakkenLink is offering service to two classes of shippers – Priority Shippers and Uncommitted Shippers.

Priority Shippers must sign a binding TSA with long-term volume commitments and must pay a premium rate. However, subject to regulatory approval, Priority Shippers will not generally be subject to prorationing. Prospective Priority Shippers may submit an executed TSA for a minimum volume commitment of 2,000 bpd, with the choice of a 5-year commitment or a 7-year commitment. Priority Shippers that elect a 7-year commitment will have the option to defer payment and shipment of a percentage of specified volumes that would otherwise be committed volumes over a period of 12-24 months until the 12 month period immediately following the end of the commitment.

Uncommitted Shippers do not make volume or term commitments, are not required to sign a binding TSA, and are charged the uncommitted rate for crude petroleum transportation. However, Uncommitted Shippers will be subject to prorationing.

More detailed information about the projected transportation rates and terms of service for Priority Shippers and Uncommitted Shippers may be obtained by executing a Confidentiality Agreement.

Open Season Process

Potential shippers that wish to receive access to more detailed Project information and documents are required to execute a Confidentiality Agreement

In order to have adequate time to fully evaluate the materials, it is recommended that prospective shippers execute and deliver the Confidentiality Agreement promptly.

Interested parties are advised to review the Open Season documents carefully, and direct any questions concerning the Open Season, or any requests for information, to Steve Griesser using the contact information shown below.

During the course of the open season, BakkenLink will take requests for additional information and clarifications from prospective shippers. Notice of any changes to the open season materials or documents or Project details based on these requests will be provided on the website, and detailed information will be sent to those who have executed the Confidentiality Agreement.

This is a binding open season. Shippers who intend to be bound by their open season bid should complete and execute two originals of the final draft of the TSA, and deliver them to BakkenLink Pipeline

no later than 4 p.m. Central Daylight Time on November 10, 2010. Any executed TSAs received after that deadline will be considered only at the election of BakkenLink Pipeline. BakkenLink Pipeline reserves the right to elect to extend the deadline for submission of executed TSAs.

Executed TSAs must be submitted by mail, fax, courier, hand delivery or e-mail (return receipt requested) to:

Steve Griesser
President
BakkenLink Pipeline LLC
601 Jefferson Street, Suite 3600
Houston, Texas 77002
Telephone (713) 751-7594
Facsimile (713) 751-7502
e-mail: sgriesser@bakkenlink.com

Within 60 days of the close of the open season or any extension thereof, BakkenLink Pipeline will make the determination as to whether there is sufficient market support to proceed with construction of the Project. Further, BakkenLink Pipeline will determine whether any re-allocation of volumes at particular receipt points must take place in the event that aggregate volumes committed in the TSAs exceed the proposed capacity that is being made available at such receipt points on a priority basis. Following a favorable determination as to whether there is sufficient market support to proceed with the construction of the Project and any necessary adjustments to volumes on a nondiscriminatory pro rata basis, BakkenLink will accept each TSA by executing both originals and returning one original to the prospective shipper. The TSA, once executed and delivered by both parties, shall constitute a binding agreement, subject to its terms and conditions.

Provision of Regulatory Support

By executing a TSA, a Priority Shipper will indicate its support for the Project and will be deemed to have agreed to take such actions as may be reasonably requested to assist in obtaining the necessary regulatory authorizations, including FERC approval of the proposed Rates Tariff and the proposed Rules Tariff. In addition, the Priority Shipper will agree to take no action that could delay consideration and approval of BakkenLink's applications to the FERC or other authorities in respect of BakkenLink Pipeline or that could be interpreted as evidence of lack of support for BakkenLink.

Project Completion

After the completion of the Open Season, if BakkenLink determines, at its sole option, to proceed with the Project, then, subject to satisfactory receipt and acceptance of the necessary authorizations, approvals and permits (including regulatory approval of the proposed Rates Tariff and the proposed Rules Tariff), and satisfaction of all other contractual obligations or requirements, BakkenLink will

commence construction and take the necessary steps to complete the Project, with a target in-service date in the first quarter of 2013.

Limitations and Reservations

These Open Season procedures, this Notice and the other Open Season documents are informal marketing documents and they establish no contractual relationship between or among BakkenLink Pipeline or any of its affiliates and any party who receives them. BakkenLink Pipeline is not committing to move forward with the Project unless and until BakkenLink Pipeline has executed TSAs with prospective Priority Shippers, and then, subject to the conditions of the TSAs. BakkenLink Pipeline reserves the right to terminate this process, in its sole discretion, at any time up until all of the TSAs returned to BakkenLink Pipeline by prospective Priority Shippers have been fully executed by both the prospective Priority Shipper and BakkenLink Pipeline. Prospective Priority Shippers should take careful note of all the conditions precedent in the TSA. These Open Season procedures are intended to be used solely for the Project discussed herein and are not intended to be in lieu of the requirements of the FERC or any applicable federal and state laws and regulations.