



**MANDAN, HIDATSA & ARIKARA NATION**  
*Three Affiliated Tribes \* Fort Berthold Indian Reservation*  
404 Frontage Road \* New Town, North Dakota 58763-9402

TRIBAL BUSINESS COUNCIL  
(701) 627-8100  
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**Sent via email and certified mail**

December 14, 2011

Mr. James Stafslie  
P.O. Box 0094  
Makoti, ND 58756

RE: MHA Nation Refinery NPDES Permit Appeal Letter

Dear Mr. Stafslie:

We received a copy of your appeal letter regarding the U.S. EPA's August 4, 2011, issuance of the NPDES Permit for the MHA Nation Clean Fuels Refinery ("Refinery"). To discuss your concerns, our environmental consultant, Mr. Jerry Koblitz with ARCADIS US, Inc., had a telephone conversation with you on November 11, 2011, and a subsequent call on November 17, 2011.

We understand that your primary concern is in relation to the existing conditions of the relatively flat drainage that conveys storm water from your property through the Refinery Site and ultimately to the East Fork of Shell Creek. You are also concerned that any modification to this drainage could reverse the current flow pattern which could cause storm water or Refinery discharge water to back up onto your property.

As Mr. Koblitz explained, any modifications to the Refinery Site will be engineered and, if necessary, the drainage will be protected from any changes in flow patterns as a result of storm water or process water discharged from the operations.

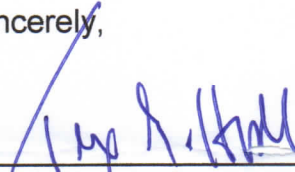
As the Refinery proceeds with construction activities, we will communicate and coordinate our plans with you to ensure that you are aware of any modifications to the drainage and will have the opportunity to comment on our plans. Based on your conversations with Mr. Koblitz, I understand that we have addressed and are working to

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conclusively resolve your concerns as expressed in your appeal letter. I trust that you will inform the Environmental Appeals Board of our actions.

Should you have other questions on the Refinery project, please do not hesitate to contact Mr. Richard Mayer, the Chief Executive Officer of the Refinery, Mr. Jerry Koblitz with ARCADIS, or myself.

Sincerely,



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Tex G. Hall  
Chairman

Mandan, Hidatsa, and Arikara Nation Tribal Business Council

Cc Richard Mayer, MHA Nation  
Tom Fredericks, Fredericks Peebles & Morgan LLP  
Jerry Koblitz, ARCADIS US, Inc.