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March 14, 2007

Dr. Robert Brooks
Oklahoma Archaeological Survey
111 E. Chesapeake
Norman, Oklahoma 73019

RE: Phase I Cultural Resources Survey of the Keystone Pipeline Project Corridor, Cushing Extension, Oklahoma Segment, Kay, Noble, and Payne Counties, Oklahoma. SHPO File No. 0820-07. ARG CRM 1529.

Dear Dr. Brooks:

I am writing to update you on the status of the above referenced project. Between February 7 and 11, 2007, Geo-Marine, Inc., began the Phase I cultural resources survey of the Cushing Extension project corridor. The proposed Cushing Extension pipeline route, an extension of the proposed Keystone pipeline route, begins approximately 2.42 miles north of the Nebraska-Kansas border and extends southward to Cushing, Oklahoma (see enclosed map). Shortly after beginning the fieldwork for the Cushing Extension survey, ENSR International replaced Geo-Marine with American Resources Group, Ltd. (ARG).

The total length of the Oklahoma Segment of the Cushing Extension pipeline route is 79.69 miles (Table 1). The majority of the proposed pipeline route traverses green field areas and, consequently, the survey corridor is in most places 300 feet wide. However, in some places, the proposed pipeline corridor is co-located with an existing pipeline or pipelines, and in these areas the width of the survey corridor narrows to 200 feet. Both 200- and 300-foot-wide portions of the project corridor were surveyed during the initial round of fieldwork.

Geo-Marine, Inc., submitted a research design for conducting a comprehensive Phase I survey of the Oklahoma portion of the Cushing Extension to the Oklahoma State Historic Preservation Office (OK SHPO) in March 2006. This research design was subsequently approved by the OK SHPO. Geo-Marine surveyed 14.52 miles (18.2 percent) of the 79.69-mile-long project corridor between February 7 and 11, 2007. The survey methods employed during the initial field investigation included both surface survey and shovel testing conducted along transects spaced 30 m apart. No archaeological sites or cultural features were identified during the investigation.

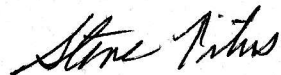
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In February 2007, American Resources Group submitted a proposed methodology for conducting the Phase I investigation of the Cushing Extension project corridor to the OK SHPO and the Oklahoma Archaeological Survey. The proposal described methods for completing the cultural resources survey of the remaining 65.17 miles of project corridor and for conducting the geomorphological/geoarchaeological investigations at selected stream crossings along the full length of the proposed pipeline route. The revised methodology was approved by the OK SHPO on March 1, 2007.

To keep you apprised of our progress, we will periodically submit a letter report to you until all the Phase I fieldwork has been completed. Once the fieldwork has been completed, we will prepare a full technical report describing the results of the archaeological and geomorphological investigations for your review.

If you have any questions or concerns regarding this project, please do not hesitate to call. Thank you.

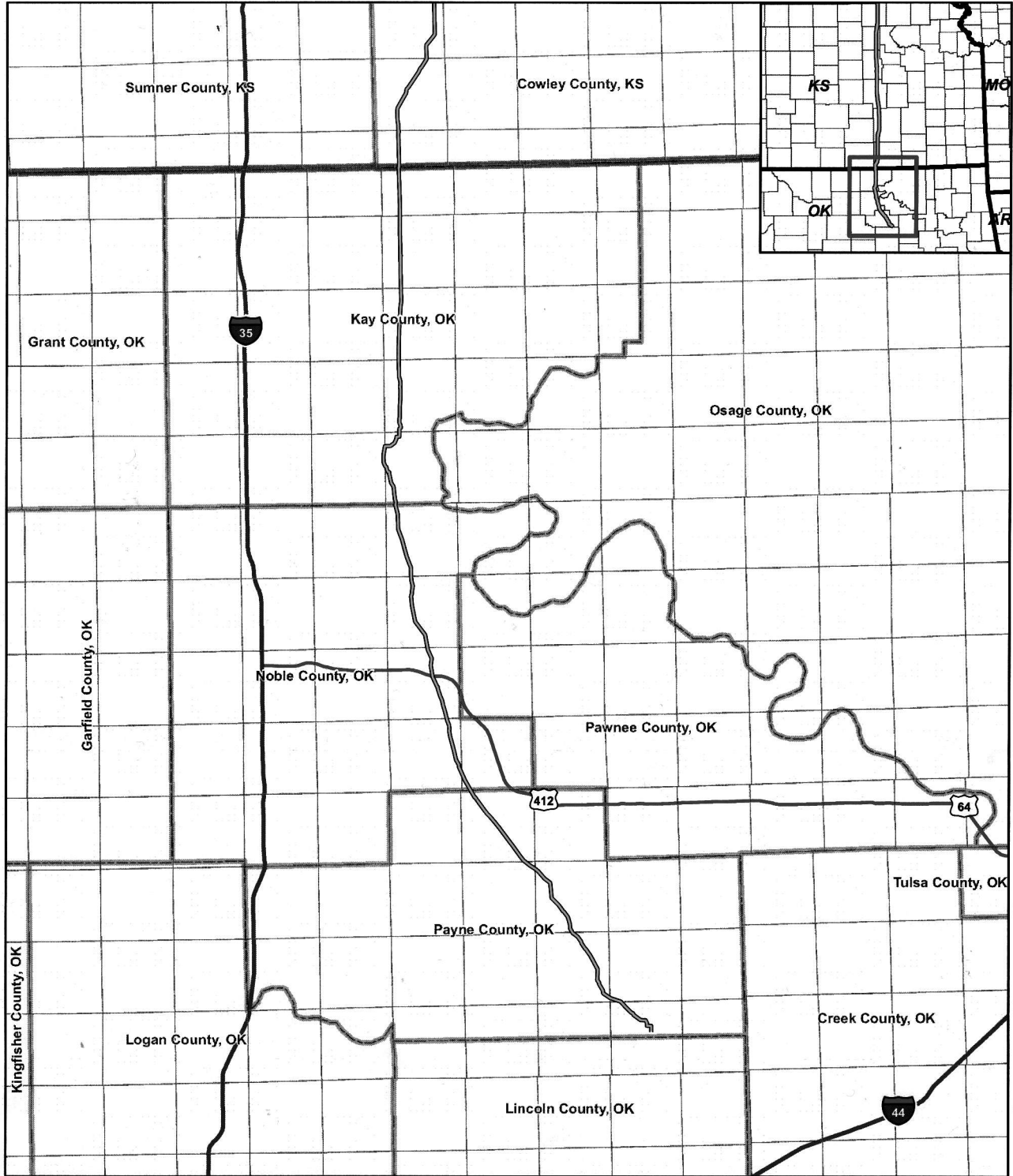
Sincerely,



Steve Titus, President

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copied: Ms. Kim Munson - ENSR International
Mr. Charles Wallis - State Historic Preservation Office



Legend
~ Proposed Cushing Extension

Keystone Pipeline Project
Cushing Extension
- Oklahoma -

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