



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
Great Plains Regional Office
115 Fourth Avenue S.E., Suite 400
Aberdeen, South Dakota 57401



IN REPLY REFER TO:
DESCRM
MC-208

MAR 02 2012

MEMORANDUM

TO: Superintendent, Fort Berthold Agency

FROM: ^{ACTING} Regional Director, Great Plains Region

SUBJECT: Environmental Assessment Addendum and Finding of No Significant Impact

In compliance with the regulations of the National Environmental Policy Act (NEPA) of 1969, as amended, an Addendum has been completed and a Finding of No Significant Impact (FONSI) has been issued. The addendum authorizes land use for cutting pit changes within previously approved locations on the Fort Berthold Indian Reservation.

All the necessary requirements of the National Environmental Policy Act have been completed. Attached for your files is a copy of the EA Addendum, FONSI and Notice of Availability. The Council on Environmental Quality (CEQ) regulations require that there be a public notice of availability of the (40 C.F.R. Section 1506.6(b)). Please post the attached notice of availability at the Agency and Tribal buildings for 30 days.

If you have any questions, please call Marilyn Bercier, Regional Environmental Scientist, Division of Environment, Safety and Cultural Resources Management, at (605) 226-7656.

Attachment

cc: Tex Hall, Chairman, Three Affiliated Tribes (with attachment)
Elgin Crows Breast, Tribal Historic Preservation Officer (with attachment)
Derek Enderud, BLM, Dickinson, North Dakota (with attachment)
Jerry Reinisch, QEP (with attachment)
Jonathon Shelman, Corps of Engineers
Jeff Hunt, Fort Berthold Agency

Finding of No Significant Impact

QEP Energy Company

Addendum to:

February 2011 Environmental Assessment

Drilling of the MHA 1-05-06H-149-90, MHA 3-05-06H-149-90, MHA 1-09-16H-149-90, 3-09-16H-149-90,
MHA 1-04-03H-149-90 and MHA 3-04-03H-149-90

Exploratory Oil and Gas Wells

***Fort Berthold Indian Reservation
McLean County North Dakota***

The U.S. Bureau of Indian Affairs (BIA) has received a proposal for an addendum to the above referenced Environmental Assessments (EA). The proposal is to add a 90' by 150' by 15' cuttings pit approximately 135' from the well center. The cuttings would remain dry as the material would be encapsulated as it is placed in the pit. No drilling fluids would be present in the pit during the process. The pit construction would occur on the previously surveyed and approved well pad that is located in the Southeast Quarter of the Southeast Quarter of Section 5, Township 149 North, Range 90 West. Three wells are planned for the initial drilling activities on this well pad. They are MHA 1-05-06H-149-90, MHA 1-09-16H-149-90 and MHA 6-05-06H-149-90. Associated federal actions by BIA include determinations of impacts and effects regarding environmental resources and positive recommendations to the Bureau of Land Management regarding the Applications for Permit to Drill.

The potential of the proposed actions to impact the human environment is analyzed in the attached addendum to the existing EAs, as required by the National Environmental Policy Act. Based on the recently completed addendum to the EAs, I have determined that the proposed project will not significantly affect the quality of the human environment. No Environmental Impact Statement is required for any portion of the proposed activities.

This determination is based on the following factors:

1. Agency and public involvement solicited for the preceding NEPA document was sufficient to ascertain potential environmental concerns associated with the currently proposed project.
2. Protective and prudent measures were designed to minimize impacts to air, water, soil, vegetation, wetlands, wildlife, public safety, water resources, and cultural resources. The remaining potential for impacts was disclosed for both the proposed actions and the No Action alternative.
3. Guidance from the U.S. Fish and Wildlife Service has been fully considered regarding wildlife impacts, particularly in regard to threatened or endangered species.
4. The proposed actions are designed to avoid adverse effects to historic, archaeological, cultural and traditional properties, sites and practices. Compliance with the procedures of the National Historic Preservation Act is complete.
5. Environmental justice was fully considered.
6. Cumulative effects to the environment are either mitigated or minimal.
7. No regulatory requirements have been waived or require compensatory mitigation measures.
8. The proposed projects will improve the socio-economic condition of the affected Indian community.



ACTING Regional Director

3-2-12

Date

ENVIRONMENTAL ASSESSMENT

Addendum

United States Bureau of Indian Affairs

Great Plains Regional Office
Aberdeen, South Dakota



Addendum to:

QEP Energy Company's
Cutting Pit Changes within Previously Approved Area

February 2011 Environmental Assessment
Drilling of the MHA 1-05-06H-149-90, MHA 3-05-06H-149-90, MHA 1-09-16H-149-90, 3-09-16H-149-90,
MHA 1-04-03H-149-90 and MHA 3-04-03H-149-90
Exploratory Oil and Gas Wells

Fort Berthold Indian Reservation

February 2012

For information contact:
Bureau of Indian Affairs, Great Plains Regional Office
Division of Environment, Safety and Cultural Resources
115 4th Avenue SE
Aberdeen, South Dakota 57401
605-226-7656

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1 PURPOSE AND NEED FOR THE PROPOSED ACTION

QEP proposes to authorize the construction of a 90' by 150' by 15' cuttings pit in the same general location covered by the previously authorized EA for the February 2011 Environmental Assessment: Drilling of the MHA 1-05-06H-149-90, MHA 3-05-06H-149-90, MHA 1-09-16H-149-90, 3-09-16H-149-90, MHA 1-04-03H-149-90 and MHA 3-04-03H-149-90 Exploratory Oil and Gas Wells to provide a location to dispose of drilling cuttings from the closed loop system utilized and approved for this location. Three wells are planned for the initial drilling activities on this well pad. They are MHA 1-05-06H-149-90, MHA 1-09-16H-149-90 and MHA 6-05-06H-149-90. The cuttings would be encapsulated as created during the drilling process. No drilling fluids would be released or stored in the pit location. The proposed pit is located in the SE¼ of the SE¼ Section 5, Township 149 North, Range 90 West. **Please refer to Figure 1, Pad Location.** The proposed pit is located approximately 135 feet north of the well center and within the area surveyed for the previously authorized EAs. **Please refer to Figure 2, Pad Design**

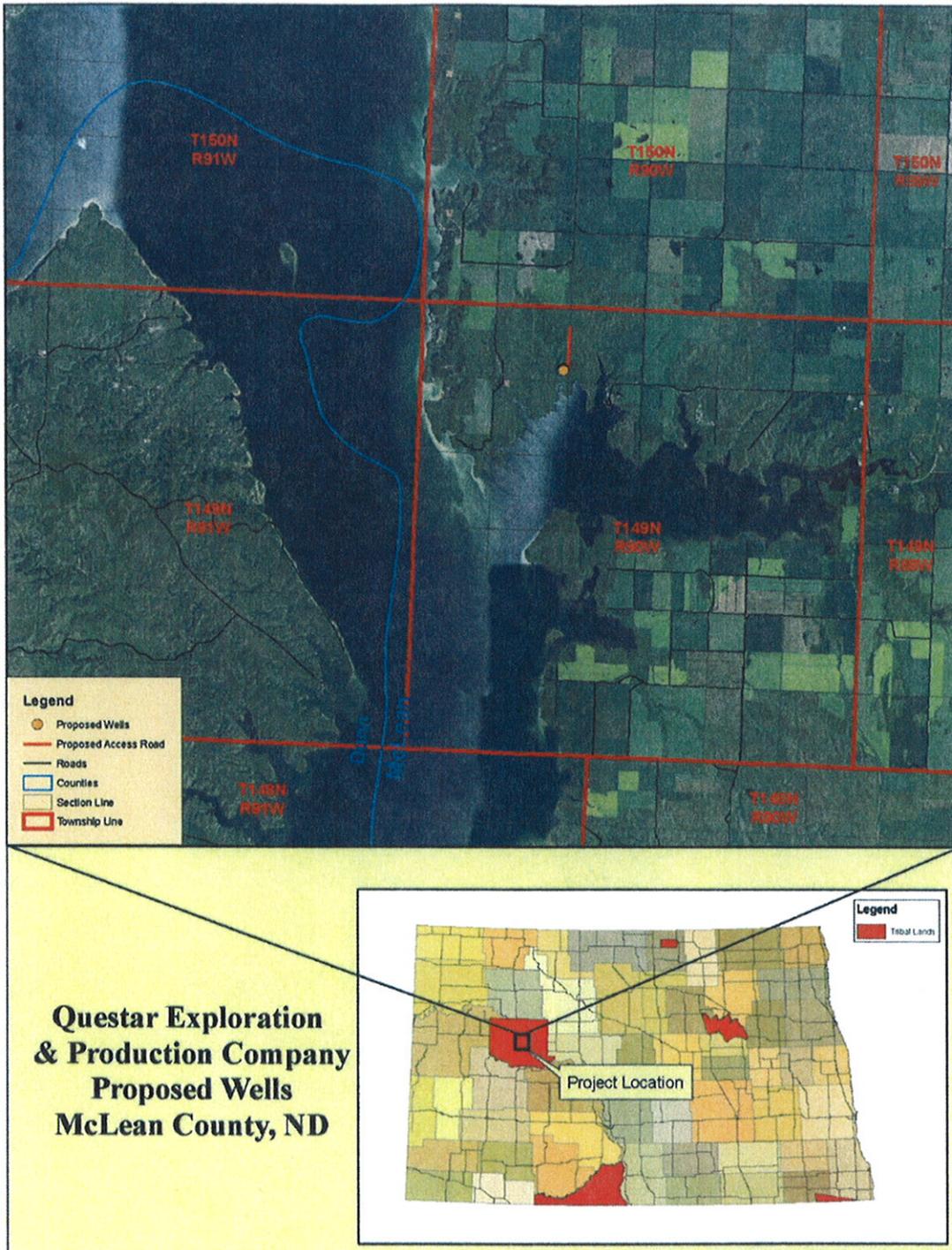


Figure 1, Project Location

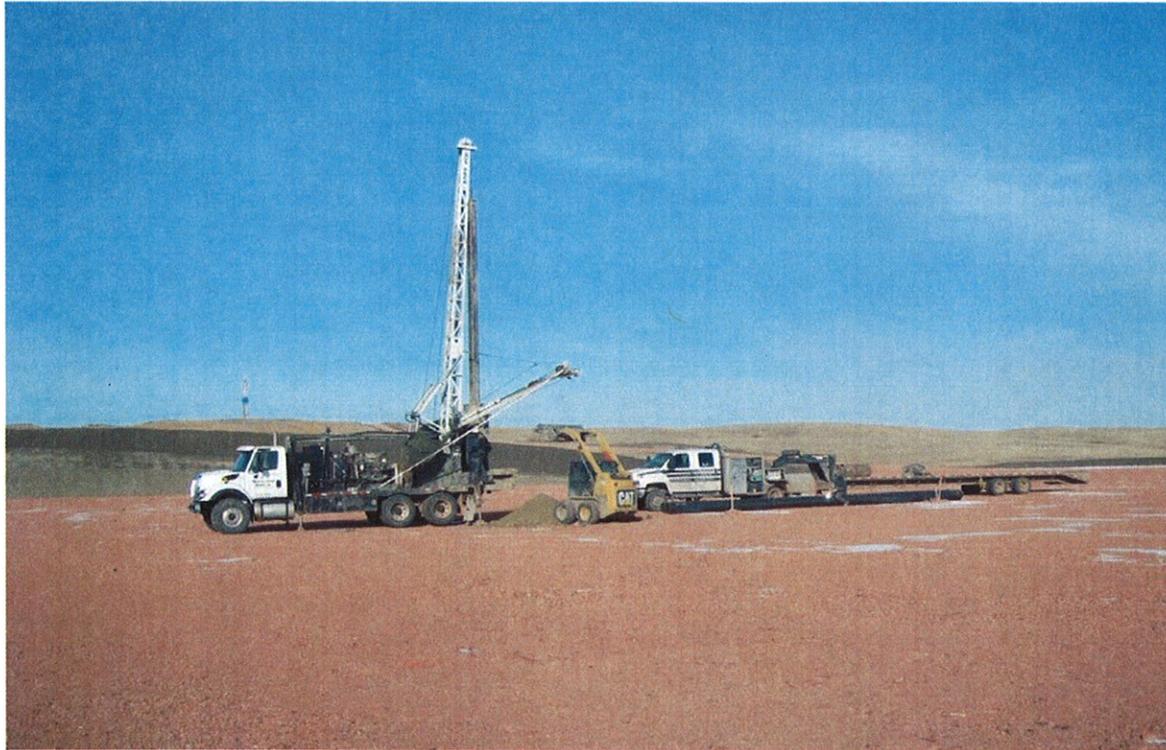


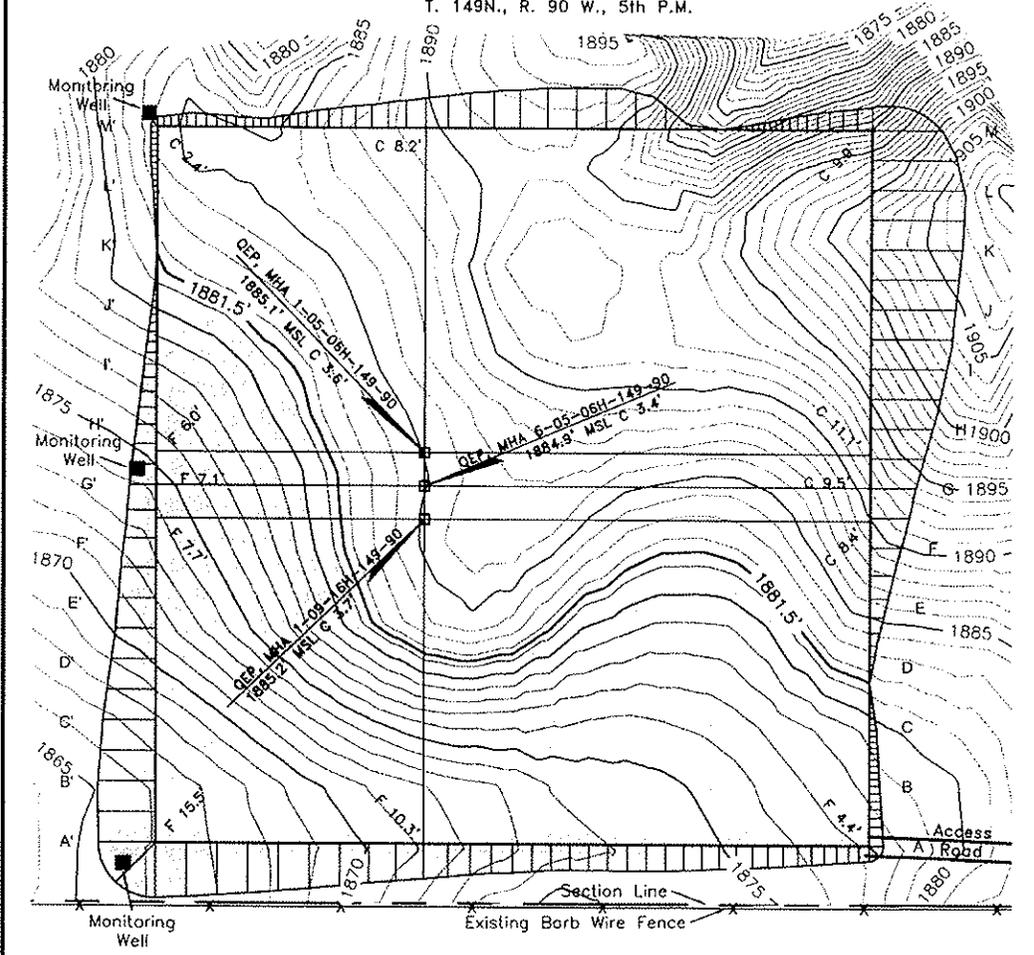
Figure 2, Pad Design

The proposed pit construction would take place on top of the previously approved pad location in Section 8. The pit would be constructed approximately 135 feet north of the well center. This would provide a location for encapsulation and disposal of the drilling cuttings. **Please refer to Figure 3 Original Pad Layout** for the proposed pit location. The proposed pit would be constructed to the following dimensions; 90 feet by 150 feet and 15 feet deep. Construction activities would take place atop areas that have achieved a Finding of No Significant Impact NEPA approval.

MHA 1-05-06H-149-90, MHA 6-05-06H-149-90 & MHA 1-09-16H-149-90
Original Ground



SE1/4SE1/4 Section 5
T. 149N., R. 90 W., 5th P.M.



SW1/4SW1/4 Section 4
T. 149 N., R. 90 W., 5th P.M.

Confidentiality Notice: The information contained on this plot is legally privileged and confidential information intended only for the use of recipients. If you are not the intended recipients, you are hereby notified that any use, dissemination, distribution or copying of this information is strictly prohibited.

Drawn By R.C. / M.B.	Surveyed By Justin Semerad	Approved By Q. Obrigewitsch	Scale 1" = 120'	Date 4/13/2011
Field Book OW-246	Material Original Ground	Revised 6/22/2011	Project No. 3710654	Drawing No. 7

Kadmas
Lee &
Jackson
Engineers Surveyors
Planners

Aug 26, 2011 - 2:46pm - J:\oilfield\Questar\3710654\CADD\CH1 V11\3710654BAS02.dwg

© Kadmas, Lee & Jackson 2011

Figure 3, Original Pad Layout

2 AUTHORITIES

Oil and gas exploration and development activities are conducted under authority of the Indian Mineral Leasing Act of 1938 (25 United States Code [USC] 396a, et seq.), the Indian Mineral Development Act of 1982 (25 USC 2101, et seq.), and the Energy Policy Act of 2005 (42 USC 15801, et seq.).

3 LEGAL LAND DESCRIPTION OF PROPOSED ACTION

The proposed cuttings pit in the SE¼ of the SE¼ of Section 5, T149N, R90W would be located on the previously authorized EA for Drilling of the MHA 1-05-06H-149-90, MHA 3-05-06H-149-90, MHA 1-09-16H-149-90, MHA 3-09-16H-149-90, MHA 1-04-03H-149-90 and MHA 3-04-03H-149-90 Exploratory Oil and Gas Wells also authorized the placement of oil and gas pipelines and electrical utility in the access road ROW. Three wells are planned for the initial drilling activities on this well pad. They are MHA 1-05-06H-149-90, MHA 1-09-16H-149-90 and MHA 6-05-06H-149-90.

4 SCOPE OF WORK FOR PROPOSED ACTION

The proposed pit location would utilize previously approved location *Please refer to Figure 4, Proposed Pit Location*. The proposed pit would be located approximately 135 feet north of the well center. The excavation would 90 feet by 150 feet by 15 feet deep. Construction and surface disturbance would occur within previously approved locations. The drilling cuttings would be encapsulated upon being placed in the pit. No drilling fluids would be released into the pit with the closed loop drilling system. As such, no additional environmental impacts aside from those disclosed in the previously referenced NEPA documents are anticipated from construction of the proposed cuttings pit.

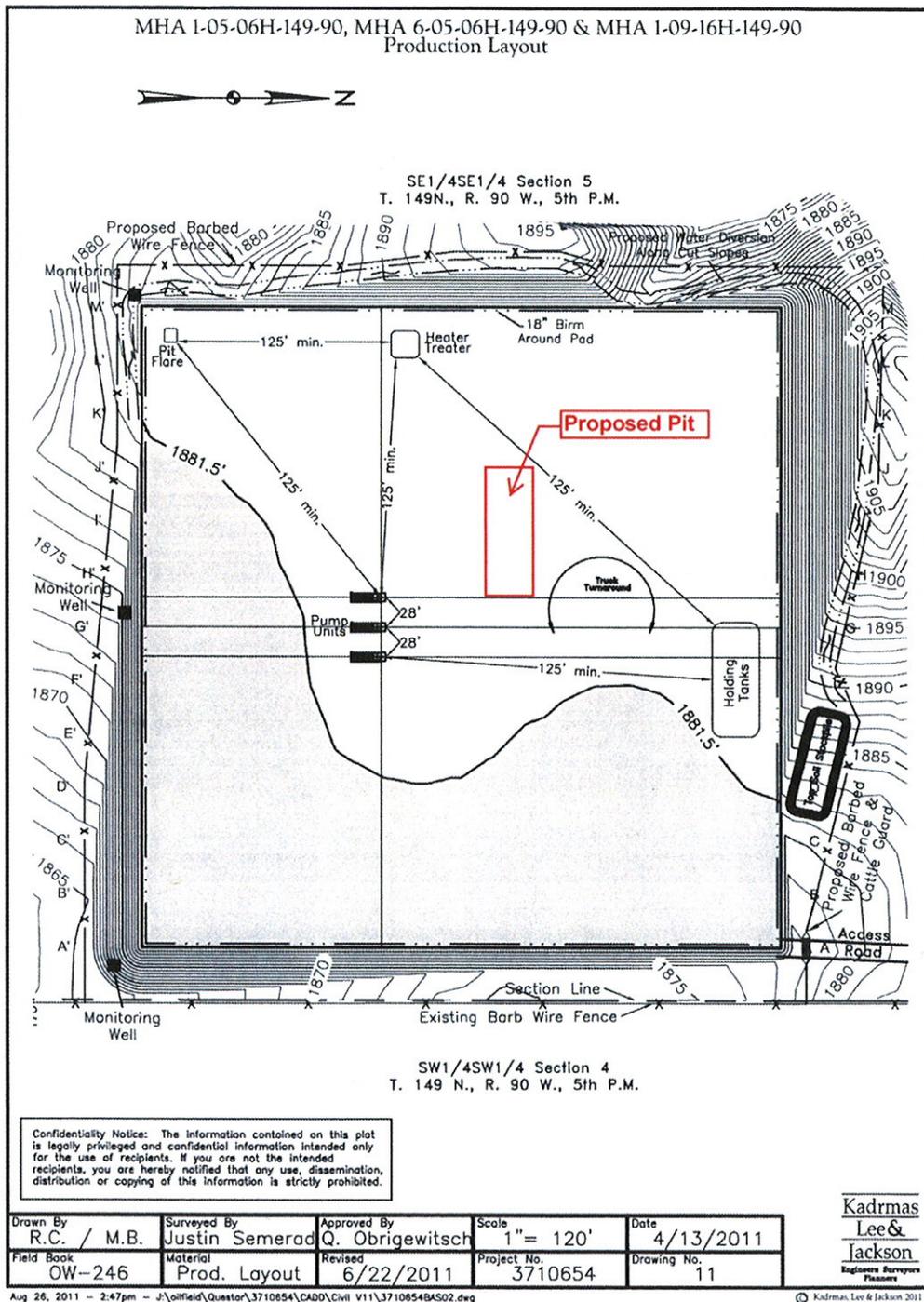


Figure 4, Proposed Pit Location

5 APPLICABLE NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) DOCUMENTS

Environmental Assessment:

The Drilling of the MHA 1-05-06H-149-90, MHA 3-05-06H-149-90, MHA 1-09-16H-149-90, MHA 3-09-16H-149-90, MHA 1-04-03H-149-90 and MHA 3-04-03H-149-90 Exploratory Oil and Gas Wells, February 2011 also included the placement of pipelines and electrical utility in the access road ROW. Three wells are planned for the initial drilling activities on this well pad. They are MHA 1-05-06H-149-90, MHA 1-09-16H-149-90 and MHA 6-05-06H-149-90.

6 CULTURAL RESOURCES

The proposed project area has been surveyed for cultural resources as part of the NEPA processes discussed above. There was a finding of *No Historic Properties Affected*.

As all construction activities associated with the proposed cutting pit would utilize areas that have achieved cultural resource clearance, it is anticipated that the proposed project would not impact cultural resources.

7 NEPA ADEQUACY CRITERIA

This document has identified one previously prepared NEPA document, Drilling of the MHA 1-05-06H-149-90, MHA 3-05-06H-149-90, MHA 1-09-16H-149-90, MHA 3-09-16H-149-90, MHA 1-04-03H-149-90 and MHA 3-04-03H-149-90 Exploratory Oil and Gas Wells, February 2011, also included the placement of pipelines and electrical utility in the access road ROW which adequately describes the environmental consequences of the newly proposed actions described herein, and meets the following NEPA Adequacy Criteria:

1. The proposed actions are substantially the same actions and at the sites specifically analyzed in the existing NEPA document.
2. The range of alternatives is reasonable with respect to the current proposed actions in the existing NEPA document, which appropriately considers and analyzes current environmental concerns, interests, and resource values.
3. The existing analysis and conclusions are adequate in the existing NEPA document. The analysis is still valid in light of new studies and/or resource assessment information.
4. The methodology and analytical approach used in the existing NEPA document continues to be appropriate for the proposed actions.
5. The direct and indirect impacts of the proposed actions are unchanged from those identified in the existing NEPA document.
6. The cumulative impacts that would result from implementation of the proposed actions are unchanged from those analyzed in the existing NEPA document.

Environmental Assessment Addendum

Development of a Cuttings Pit for the Drilling of the MHA 1-05-06H-149-90, MHA 3-05-06H-149-90, MHA 1-09-16H-149-90, MHA 3-09-16H-149-90, MHA 104-03H-149-90 and MHA 3-04-03H-149-90, February 2011.

QEP Energy Company

February 2012

7. A 30-day comment period involving public input and interagency review was used in the development of the existing NEPA document.

Notice of Availability and Appeal Rights

QEP Energy: Addendum to Environmental Assessment to Authorize Land Use for the Installation of cuttings pit in the same general location covered by the previously authorized EA for the February 2011 Environmental Assessment

The Bureau of Indian Affairs (BIA) is planning to issue administrative approvals related to an Addendum to Authorize Land Use for installation of cuttings pit in the same general location covered by the previously authorized EA for the February 2011 Environmental Assessment on the Fort Berthold Reservation as shown on the attached map. Construction by QEP Energy is expected to begin in 2012.

An environmental assessment (EA) determined that proposed activities will not cause significant impacts to the human environment. An environmental impact statement is not required. Contact Earl Silk, Superintendent at 701-627-4707 for more information and/or copies of the EA and the Finding of No Significant Impact (FONSI).

The FONSI is only a finding on environmental impacts – it is not a decision to proceed with an action and *cannot* be appealed. BIA's decision to proceed with administrative actions *can* be appealed until March 31, 2012, by contacting:

**United States Department of the Interior
Office of Hearings and Appeals
Interior Board of Indian Appeals
801 N. Quincy Street, Suite 300, Arlington, Va 22203.**

Procedural details are available from the BIA Fort Berthold Agency at 701-627-4707.

Project locations.

