



United States Department of the Interior

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




IN REPLY REFER TO:
DESCRM
MC-208

AUG 30 2010

MEMORANDUM

TO: Superintendent, Fort Berthold Agency

FROM: Regional Director, Great Plains Region 

SUBJECT: Environmental Assessment and Finding of No Significant Impact

In compliance with the regulations of the National Environmental Policy Act (NEPA) of 1969, as amended, for the proposed Addendum to Authorize Land Use for Gathering Pipelines Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H to the Arrow Phase 1B Prime Pipeline on the Fort Berthold Reservation, an Environmental Assessment (EA) has been completed and a Finding of No Significant Impact (FONSI) has been issued.

All the necessary requirements of the National Environmental Policy Act have been completed. Attached for your files is a copy of the EA, FONSI and Notice of Availability. The Council on Environmental Quality (CEQ) regulations require that there be a public notice of availability of the FONSI (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: Marcus Levings, Chairman, Three Affiliated Tribes (with attachment)
Perry "No Tears" Brady, THPO (with attachment)
Roy Swalling, BLM, Dickenson, ND (with attachment)
John Shelman, US Army Corps of Engineers
Dawn Charging, Virtual One Stop Shop
Jeffrey Towner, Field Supervisor, U.S. Fish and Wildlife Service

Finding of No Significant Impact

Arrow Pipeline, LLC

Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines Connecting Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H to the Arrow Phase 1B Prime Pipeline

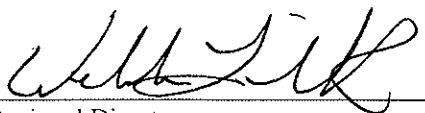
Fort Berthold Indian Reservation Dunn County, North Dakota

The U.S. Bureau of Indian Affairs (BIA) has received a proposal for an addendum to authorize land use for gathering pipelines connecting Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H to the Arrow Phase 1B Prime Pipeline located on tribal land off of the south side of the Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H well pad, approximately 10.5 miles east-southeast of Mandaree, North Dakota, in the SE¼ SW¼ of Section 33, Township (T) 149 North (N), Range (R) 92 West (W), 5th Prime Meridian (P.M.), Dunn County, North Dakota, and terminating in the SE¼ NE¼ of Section 1, T148N, R93W, 5th P.M., Dunn County, North Dakota. The proposed gathering pipelines would transport oil, gas, and produced water from productive wells to markets and disposal facilities on the Fort Berthold Indian Reservation. Associated federal actions by BIA include determinations of effect regarding cultural resources, approvals of leases, rights-of-way and easements, and a positive recommendation to the Bureau of Land Management regarding the Applications for Permit to Drill.

Potential of the proposed actions to impact the human environment is analyzed in the attached addendum to an existing Environmental Assessment (EA), as required by the National Environmental Policy Act. Based on the recently completed addendum to the EA, 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 was solicited and environmental issues related to the proposal were identified.
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 action 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.



Regional Director

8/30/10

Date

**ENVIRONMENTAL ASSESSMENT
Addendum**

United States Bureau of Indian Affairs

**Great Plains Regional Office
Aberdeen, South Dakota**



Arrow Pipeline, LLC

**Addendum to Environmental Assessment to Authorize Land Use for Gathering
Pipelines Connecting Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H
to the Arrow Phase 1B Prime Pipeline**

Fort Berthold Indian Reservation

August 2010

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

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1 Proposed Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H gathering lines and associated well pad.	6
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Appendix

A Pipeline Layout and Pipeline Right-of-Way for Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H	
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1. Purpose and Need for the Proposed Action

Kodiak Oil & Gas (USA), Inc. (Kodiak) is drilling an exploratory oil and gas well on the Fort Berthold Indian Reservation to evaluate and possibly develop the commercial potential of natural resources. Developments have been proposed on land held in trust by the United States in Dunn County, North Dakota. The Bureau of Indian Affairs (BIA) is the surface management agency for potentially affected tribal lands and individual allotments. The BIA also holds title to subsurface mineral rights. The economic development of available resources and associated BIA actions are consistent with BIA's general mission. Leasing and development of mineral resources offers substantial economic benefits to the Three Affiliated Tribes of the Mandan, Hidatsa, and Arikara Nations and to individual tribal members.

The purpose of the proposed action is to authorize the land use by Kodiak for the construction and installation of three gathering pipelines: one 6-inch-diameter oil line, one 6-inch-diameter gas line, and one 6-inch-diameter water line. The proposed gathering pipelines would transport oil, gas, and produced water from productive wells to markets and disposal facilities. A buried electrical line may be installed in the future.

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 for Proposed Action

Two Shields Buttes #14-33-6H and Two Shields Butte #14-33-28H gathering lines would be located on tribal land off of the south side of the Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H well pad, approximately 10.5 miles east-southeast of Mandaree, North Dakota, in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 33, Township (T) 149 North (N), Range (R) 92 West (W), 5th Prime Meridian (P.M.), Dunn County, North Dakota, and terminating in the SE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 1, T148N, R93W, 5th P.M., Dunn County, North Dakota (Figure 1).

4. Scope of Work for Proposed Action

Kodiak proposes to construct and install oil, gas, and water gathering pipelines on tribal land originating from the south side of the Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H well pad and joining the existing Arrow Phase 1B Prime Pipeline. Oil, gas, and water pipelines would be buried in either two 2.5-foot-wide trenches, spaced 5.0 feet apart, or one 5.0-foot-wide trench. Oil and gas pipelines would be 6 inches in diameter and constructed of steel. Water pipelines would be 6 inches in diameter and constructed of Fiberspar[®] or similar material. Approximately 2,891 feet of oil, gas, and water line would be needed to connect the Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H well pad to the Arrow Phase 1B Prime Pipeline (Appendix A). During the onsite with BIA Environmental Specialist, Darryl Turcotte, natural resource surveys for threatened and endangered species,

migratory birds, bald and golden eagles, and wetlands were conducted. All construction disturbance would occur within a 100-foot temporary right-of-way and permanent surface disturbance would occur within a 50-foot right-of-way between the Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H well pad and the Arrow Phase 1B Prime Pipeline, which has been surveyed on June 28, 2010 for impacts to natural and cultural resources with no significant findings. In total, approximately 14 acres will be disturbed as a result of activities associated with the construction of the proposed gathering pipelines. Pipeline plats are provided in Appendix A.

5. Applicable National Environmental Policy Act (NEPA) Document(s)

Environmental Assessment: Kodiak Oil & Gas (USA), Inc., Six Bakken Exploratory Wells at Three Locations: 16-8, 16-12, and 14-33 (October 2008).

6. Other Relevant Documentation

Environmental Assessment: Arrow Midstream Holdings East Mandaree Oil, Gas, and Water Gathering System (December 2009).

7. NEPA Adequacy Criteria

This document has identified a previously prepared NEPA document, *Kodiak Oil & Gas (USA), Inc., Six Bakken Exploratory Wells at Three Locations: 16-8, 16-12, and 14-33 (October 2008)*, which adequately describes the environmental consequences of the newly proposed action described herein, and meets the following NEPA Adequacy Criteria.

1. The proposed action is substantially the same action and at the site specifically analyzed in the existing NEPA document.
2. The range of alternatives is reasonable with respect to the current proposed action 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 or resource assessment information.
4. The methodology and analytical approach used in the existing NEPA document continues to be appropriate for the proposed action.
5. The direct and indirect impacts of the proposed action are unchanged from those identified in the existing NEPA document.
6. The cumulative impacts that would result from implementation of the proposed action are unchanged from those analyzed in the existing NEPA document.
7. A 30-day comment period involving public input and interagency review was used in the development of the existing NEPA document.

8. Cultural Resources

A cultural resource inventory of this pipeline route was conducted by personnel of SWCA Environmental Consultants, using an intensive pedestrian methodology. Approximately 14 acres were inventoried on June 28, 2010 (Lechert 2010). No historic properties were located that appear to possess the quality of integrity and meet at least one of the criteria (36 CFR 60.6) for inclusion on the National Register. As the lead federal agency, and as provided for in 36 CFR 800.5, on the basis of the information provided, BIA reached a determination of **no historic properties affected** for this undertaking. This determination was communicated to the THPO on August 3, 2010 and the THPO concurred on August 20, 2010.

Lechert, Stephanie

(2010) A Class I and Class III Cultural Resource Inventory of the Arrow Two Shields Butte #14-33-6H and #14-33-28H Gathering Line on the Fort Berthold Indian Reservation, Dunn County, North Dakota. SWCA Environmental Consultants for Arrow Pipeline, LLC, Tulsa, OK.

*Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines Connecting
Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H to the Arrow Phase 1B Prime
Pipeline (August 2010)*



United States Department of the Interior

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



IN REPLY REFER TO:
DESCRM
MC-208

AUG 03 2010

Perry 'No Tears' Brady, THPO
Mandan, Hidatsa and Arikara Nation
404 Frontage Road
New Town, North Dakota 58763

Dear Mr. Brady:

We have considered the potential effects on cultural resources of the proposed Arrow gathering line in Dunn County, North Dakota. Approximately 14 acres were intensively inventoried using a pedestrian methodology. Potential surface disturbances are not expected to exceed the area depicted in the enclosed report. No historic properties were located that appear to possess the quality of integrity and meet at least one of the criteria (36 CFR 60.4) for inclusion on the National Register of Historic Places. No properties were located that appear to qualify for protection under the American Indian Religious Freedom Act (42 USC 1996).

As the surface management agency, and as provided for in 36 CFR 800.5, we have therefore reached a determination of **no historic properties affected** for this undertaking. Catalogued as **BIA Case Number AAO-1815/FB/10**, the proposed undertaking, location, and project dimensions are described in the following report:

Lechert, Stephanie
(2010) A Class I and Class III Cultural Resource Inventory of the Arrow Two Shields Butte #14-33-6H and #14-33-28H Gathering Line on the Fort Berthold Indian Reservation, Dunn County, North Dakota. SWCA Environmental Consultants for Arrow Pipeline, LLC, Tulsa, OK.

If your office concurs with this determination, consultation will be completed under the National Historic Preservation Act and its implementing regulations. The Standard Conditions of Compliance will be adhered to.

If you have any questions, please contact Dr. Carson N. Murdy, Regional Archaeologist, at (605) 226-7656.

Sincerely,


Acting Regional Director

Enclosure

cc: Chairman, Three Affiliated Tribes
Superintendent, Fort Berthold Agency

*Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines Connecting
Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H to the Arrow Phase 1B Prime
Pipeline (August 2010)*



TRIBAL HISTORIC PRESERVATION

Mandan Hidatsa Arikara
Perry 'No Tears' Brady, Director
404 Frontage Road.
New Town, North Dakota 58763
Ph/701-862-2474 fax/701-862-2490

August 20, 2010

Dr. Carson Murly
BIA
Great Plains Regional Office
115 Fourth Ave. S.E.
Aberdeen, South Dakota 57401

RE: Recommendation and Concurrence:

As Director of the Tribal Historic Preservation Office and the Tribal Historical Preservation Office representing the Mandan Hidatsa Arikara Nation, I Concur with the Standard condition of compliance should be adhered.

Lechert, Stephanie
(2010) A Class I and Class III Cultural Resource Inventory of the Arrow Two Shields Butte #14-33-6H and 14-33-28H Gathering Line on the Fort Berthold Indian Reservation, Dunn County, North Dakota. SWCA Environmental Consultants for Arrow Pipeline, LLC, Tulsa, OK

If your office has any questions or need additional information, you can contact me at (701) 862-2474 or Cell number (701) 421-0547

Sincerely,

Perry "No Tears" Brady
Director of the THPO

Cc. file

*Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines Connecting
Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H to the Arrow Phase 1B Prime
Pipeline (August 2010)*

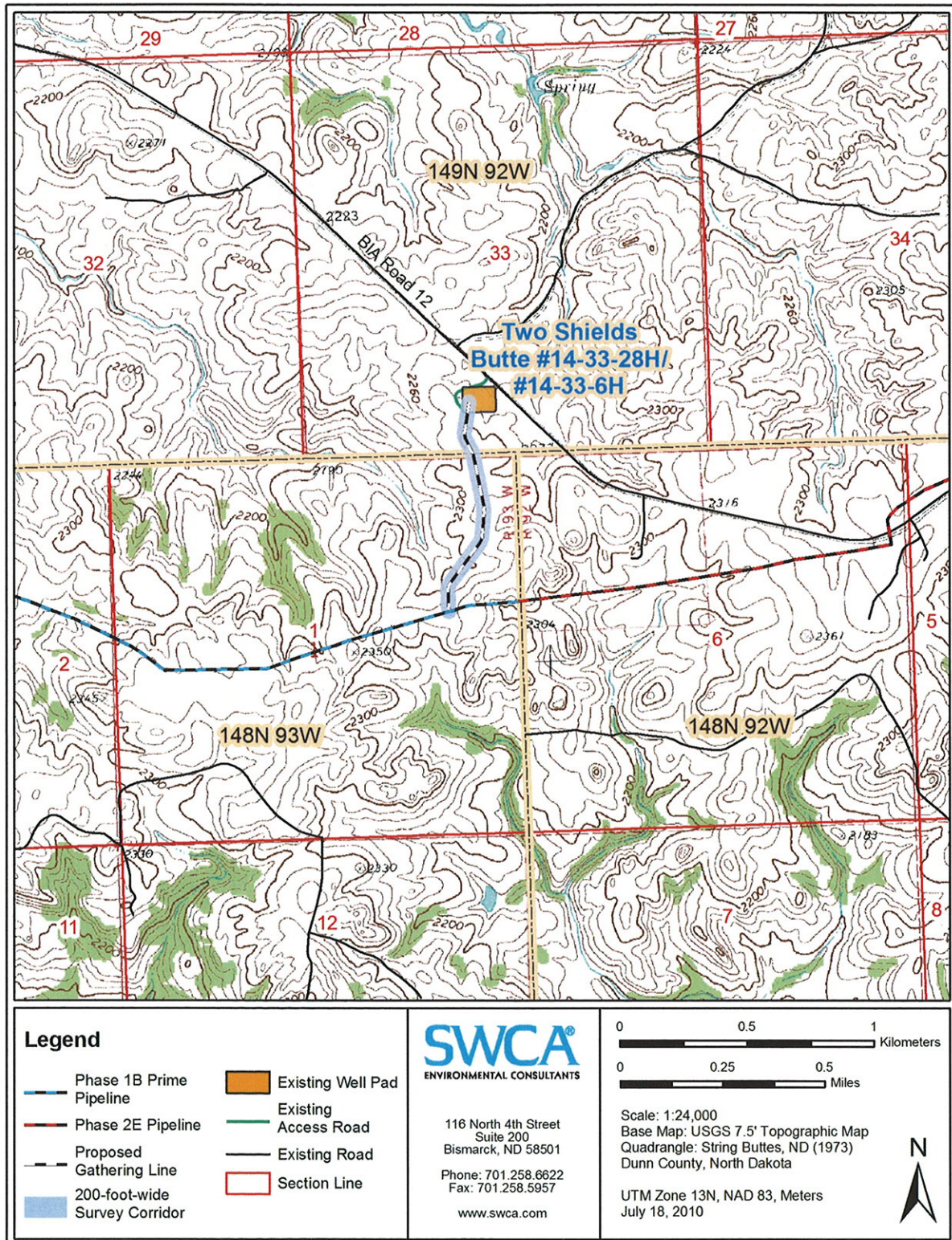
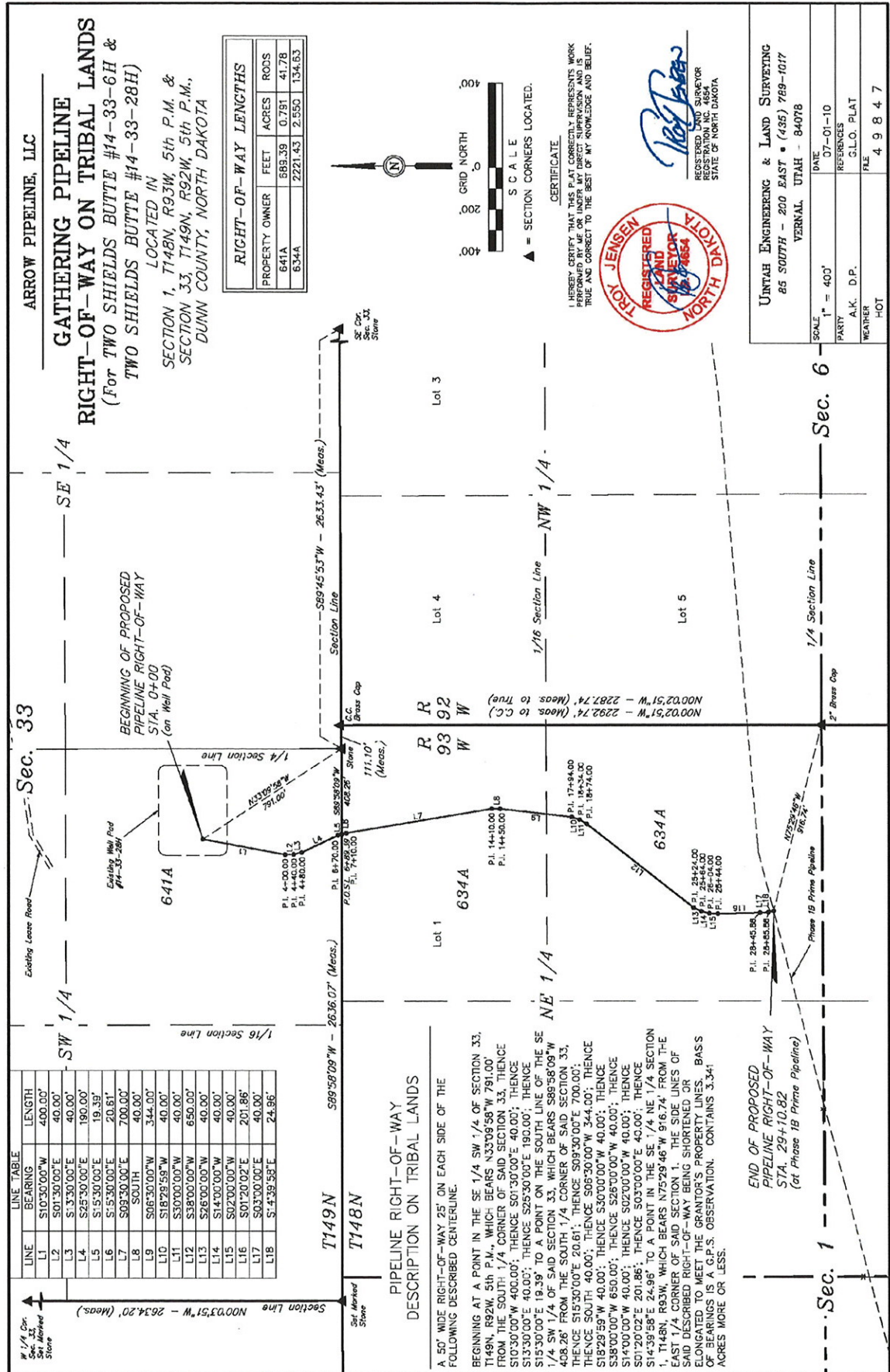


Figure 1. Proposed Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H gathering lines and associated well pad.

APPENDIX A

**Pipeline Layout and Pipeline Right-of-Way
for Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H**

Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines Connecting Two Shields Butte #14-33-6H and Two Shields Butte #14-33-28H to the Arrow Phase IB Prime Pipeline (August 2010)



LINE	BEARING	LENGTH
L1	S10°30'00"W	400.00'
L2	S01°30'00"E	40.00'
L3	S°33'00"E	40.00'
L4	S25°30'00"E	190.00'
L5	S°15'30"E	19.39'
L6	S°15'30"E	20.81'
L7	S09°30'00"E	700.00'
L8	S04°30'00"E	40.00'
L9	S06°30'00"W	344.00'
L10	S18°29'58"W	40.00'
L11	S30°00'00"W	40.00'
L12	S36°00'00"W	650.00'
L13	S26°00'00"W	40.00'
L14	S14°00'00"W	40.00'
L15	S02°00'00"W	40.00'
L16	S01°20'02"E	201.86'
L17	S03°00'00"E	40.00'
L18	S°41'39.58"E	24.96'

RIGHT-OF-WAY LENGTHS			
PROPERTY OWNER	FEET	ACRES	RODS
641A	689.39	0.791	41.78
634A	2221.43	2.550	134.63

PIPELINE RIGHT-OF-WAY DESCRIPTION ON TRIBAL LANDS

A 50' WIDE RIGHT-OF-WAY 25' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.
 BEGINNING AT A POINT IN THE SE 1/4 SW 1/4 OF SECTION 33, T149N, R92W, 8th P.M., WHICH BEARS N33°09'58"W 791.00' FROM THE SOUTH 1/4 CORNER OF SAID SECTION 33, THENCE S10°30'00"W 400.00'; THENCE S01°30'00"E 40.00'; THENCE S13°30'00"E 40.00'; THENCE S25°30'00"E 190.00'; THENCE S°15'30"E 19.39' TO A POINT ON THE SOUTH LINE OF THE SE 1/4 SW 1/4 OF SAID SECTION 33, WHICH BEARS S88°58'09"W 408.28' FROM THE SOUTH 1/4 CORNER OF SAID SECTION 33, THENCE S15°30'00"E 20.81'; THENCE S09°30'00"E 700.00'; THENCE SOUTH 40.00'; THENCE S06°30'00"W 344.00'; THENCE S18°29'58"W 40.00'; THENCE S30°00'00"W 40.00'; THENCE S36°00'00"W 650.00'; THENCE S26°00'00"W 40.00'; THENCE S14°00'00"W 40.00'; THENCE S02°00'00"W 40.00'; THENCE S01°20'02"E 201.86'; THENCE S03°00'00"E 40.00'; THENCE S14°39'58"E 24.96' TO A POINT IN THE SE 1/4 NE 1/4 SECTION 1, T148N, R93W, WHICH BEARS N75°29'46"W 976.74' FROM THE EAST 1/4 CORNER OF SAID SECTION 1. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BESS OR BEARINGS IS A C.S.'S. OBSERVATION. CONTAINS 3.341 ACRES MORE OR LESS.

END OF PROPOSED PIPELINE RIGHT-OF-WAY STA. 29+10.82 (at Phase IB Prime Pipeline)

TROY JENSEN
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 4884
 STATE OF NORTH DAKOTA

I HEREBY CERTIFY THAT THIS PLAN CORRECTLY REPRESENTS WORK PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION AND IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

CERTIFICATE

▲ = SECTION CORNERS LOCATED.

SCALE 1" = 400'

DATE 07-01-10

PARTY G.L.O. PLAT

A.K.A. WEATHER

FILE 4 9 8 4 7

UNTARH ENGINEERING & LAND SURVEYING
 85 SOUTH - 200 EAST • (485) 789-1017
 VERNAL, UTAH - 84078

SCALE 1" = 400'

PARTY G.L.O. PLAT

A.K.A. WEATHER

FILE 4 9 8 4 7