

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

JAN 1 4 2011

MEMORANDUM

TO:

Regional Director, Great Plains Region

FROM:

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, for Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines Connecting FBIR Ironwoman #21x-10 / Yellowwolf #21x-10 Dual Well Pad to the Arrow Phase 2E Pipeline on the Fort Berthold Reservation, an Addendum 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 requires 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: Tex Hall, Chairman, Three Affiliated Tribes (with attachment) Elgin Crows Breast, Tribal Historic Preservation Officer (with attachment) Derek Enderud, Bureau of Land Management (with attachment) Jonathon Shelman, Corps of Engineers (with attachment) Jeff Hunt, One Stop Shop, Fort Berthold Agency Jeff Towner, US Fish and Wildlife Service

Finding of No Significant Impact Arrow Pipeline, LLC

Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines Connecting the FBIR Ironwoman #21x-10 / Yellowwolf #21x-10 Dual Well Pad to the Arrow Phase 2E Pipeline

The U.S. Bureau of Indian Affairs (BIA) received a proposal for an Addendum to the Environmental Assessment for Environmental Assessment: Arrow Pipeline, LLC, Oil, Gas, and Water Gathering System Phase 2E (August 2010) to authorize XTO to construct and install oil, gas, and water gathering pipelines on tribal from the FBIR Ironwoman #21x-10 / Yellowwolf #21x-10 oil wells. Associated federal actions by BIA include determinations of effect regarding cultural resources and approvals of leases, rights-of-way and easements.

Potential of the proposed action to impact the human environment is analyzed in the attached Environmental Assessment (EA), as required by the National Environmental Policy Act. Based on the recently completed addendum to the EA, I have determined 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:

- Agency and public involvement was solicited and environmental issues related to the proposal were identified.
- Protective and prudent measures were designed to minimize impacts to air, water, soil, vegetation, wetlands, wildlife, water resources, and cultural resources. The 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. This guidance includes the Migratory Bird Treaty Act (16 U.S.C. 703 et seq.) (MBTA), the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 et seq.) (NEPA), the Bald and Golden Eagle Protection Act (16 U.S.C. 668-668d, 54 Stat. 250) (BGEPA), Executive Order 13186 "Responsibilities of Federal Agencies to Protect Migratory Birds", and the Endangered Species Act (16 U.S.C. 1531 et seq.) (ESA).
- 4. The proposed action was designed to avoid adverse effects to historic, archaeological, cultural, and traditional properties, sites, and practices. The Tribal Historic Preservation Officer has concurred with BIA's determination that no historic properties will be affected.
- 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 project will improve the socioeconomic condition of the affected Indian community.

Regional Director - Great Plains Regional Office

ENVIRONMENTAL ASSESSMENT Addendum

United States Bureau of Indian Affairs

Great Plains Regional Office Aberdeen, South Dakota



Arrow Pipeline, L.L.C

Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines Connecting the FBIR Ironwoman #21x-10 / Yellowwolf #21x-10 Dual Well Pad to the Arrow Phase 2E Pipeline

Fort Berthold Indian Reservation

January 2011

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

TABLE OF CONTENTS

		Page
1.	Purpose and Need for the Proposed Action	
2.	Authorities	
3.	Legal Land Description for Proposed Action	1
4.	Scope of Work for Proposed Action	
5.	Surveys	
6.	Potential Effects	
7.	Applicable National Environmental Policy Act (NEPA) Document(s)	
8.	Other Relevant Documentation	
9.	NEPA Adequacy Criteria	
	LIST OF FIGURES	
Figi	<u>ure</u>	Page
1	Proposed FBIR Ironwoman #21x-10 / Yellowwolf #21x-10 gathering line and associated	ciated
well	l pad	4

LIST OF APPENDICES

Appendix

A Pipeline Layout and Pipeline Right-of-Way for FBIR Ironwoman #21x-10 / Yellowwolf #21x-10

1. Purpose and Need for the Proposed Action

XTO Energy (XTO) 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 Arrow Pipeline, LLC (Arrow) for the construction and installation of three gathering pipelines: one oil line, one gas line, and one water line, all of which will not individually exceed a diameter of 8 inches. 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

The FBIR Ironwoman #21x-10 / Yellowwolf #21x-10 gathering lines would be located on tribal land originating from the southwest corner of the well pad, approximately 14 miles southeast of Mandaree, North Dakota, in the NE¼ NW¼ of Section 10, Township (T) 148 North (N), Range (R) 92 West (W), 5th Prime Meridian (P.M.), Dunn County, North Dakota, and terminating in the SE¼ SW¼ of Section 3, T148N, R92W, 5th P.M., Dunn County, North Dakota.

4. Scope of Work for Proposed Action

Arrow proposes to construct and install oil, gas, and water gathering pipelines on tribal land originating from the southwest corner of the FBIR Ironwoman #21x-10 / Yellowwolf #21x-10 well pad and joining the existing Arrow Phase 2E 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 no greater than 8 inches in diameter and constructed of steel. The water pipeline would also be no greater than 8 inches in diameter and constructed of Fiberspar® or similar material. Approximately 6,649 feet of oil, gas, and water line would be needed to connect the FBIR Ironwoman #21x-10 / Yellowwolf #21x-10 dual well pad to the Arrow Phase 2E Pipeline (Appendix A). All construction disturbances would occur within a 100-foot temporary right-of-way (ROW) and permanent surface

disturbance would occur within a 50-foot ROW between the FBIR Ironwoman #21x-10 / Yellowwolf #21x-10 well pad and the Arrow Phase 2E Pipeline, which has been surveyed for impacts to natural and cultural resources with no significant findings. In total, approximately 15.26 acres will be disturbed as a result of activities associated with the construction of the proposed gathering pipeline. Pipeline plats are provided in Appendix A.

5. Surveys

SWCA Environmental Consultants (SWCA) conducted natural resource surveys for threatened and endangered species, migratory birds, bald and golden eagles, and wetlands on August 13, 2010, and September 14, 2010. BIA Environmental Specialist, Darryl Turcotte, approved the location and proposed alignment of the gathering pipelines. No threatened and endangered species, migratory birds or nests, or bald/golden eagles were observed during the natural resource survey. No wetland areas are anticipated to be impacted by the construction of the proposed gathering pipelines.

A cultural resource inventory of this pipeline route was conducted by personnel of SWCA Environmental Consultants, using an intensive pedestrian methodology. Approximately 32.35 acres were inventoried between August 13 and October 8, 2010 (Wesson and Lechert 2010). Two archaeological sites were located that may 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, as the archaeological sites will be avoided. This determination was communicated to the THPO on December 7, 2010; however, the THPO did not respond within the allotted 30 day comment period.

6. Potential Effects

Potential impacts to cultural resource sites would occur as a result of direct disturbance and/or the loss of sites eligible for the NRHP, however all known eligible site will be avoided. Further, potential impacts to natural resources may include the loss of native vegetation and wildlife habitats; soil removal and mixing; and erosion during construction. However, potential impacts as a result of the proposed action were mitigated via field survey and subsequent avoidance of any eligible cultural resource sites within the proposed ROW, implementing a storm water pollution prevention plan and best management practices, completing reclamation of the pipeline corridors with native grasses and other appropriate native vegetation, and stockpiling and re-using topsoil for reclamation.

Potential indirect impacts include noise and other disturbances to wildlife during construction and the introduction of noxious weeds. Impacts would be mitigated through avoidance of any federally listed threatened or endangered species or wetlands, avoidance of nesting migratory birds, implementing best management practices to control the introduction of noxious weeds, and minimizing the length of time between trenching, pipeline burial, and reclamation. These

mitigation measures are consistent with the approved National Environmental Policy Act (NEPA) document, which received a finding of no significant impact (FONSI) (September 2010).

Resource surveys and the supplementary assessment of the potential impacts of the proposed action were completed (August, September, & October of 2010); based on the completed surveys and the mitigation measures committed to by Arrow, no significant impacts to natural and cultural resources are anticipated.

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

Environmental Assessment: Arrow Pipeline, LLC, Oil, Gas, and Water Gathering System Phase 2E (August 2010).

8. Other Relevant Documentation

Final Environmental Assessment: Iron Woman/Yellow Wolf 21X-10 Site, XTO Energy, Inc. (September 2009).

9. NEPA Adequacy Criteria

This document has identified a previously prepared NEPA document, *Environmental Assessment: Arrow Pipeline, LLC, Oil, Gas, and Water Gathering System Phase 2E* (August 2010), 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.

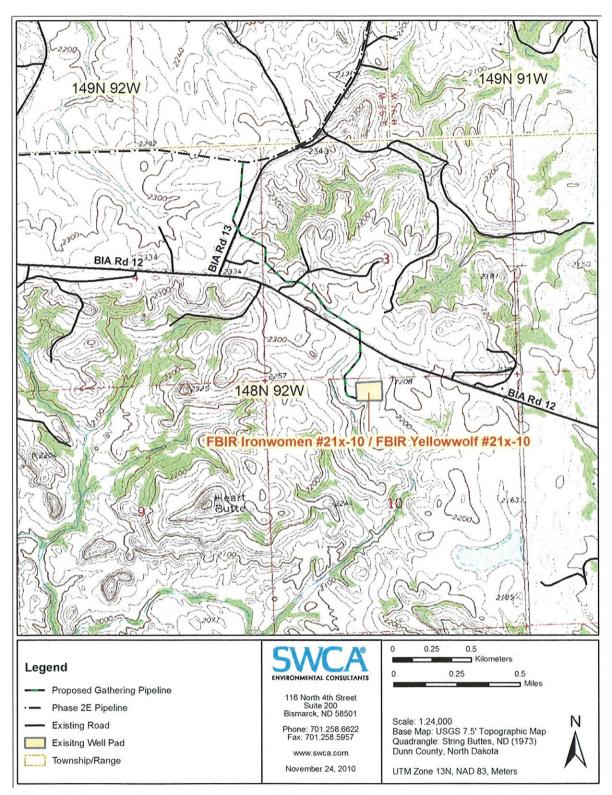


Figure 1. Proposed FBIR Ironwoman #21x-10 / Yellowwolf #21x-10 gathering line and associated dual well pad.



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

DEC 0.7.2010

Elgin Crows Breast, THPO Mandan, Hidatsa and Arikara Nation 404 Frontage Road New Town, North Dakota 58763

Dear Mr. Crows Breast:

We have considered the potential effects on cultural resources of the proposed Arrow Ironwoman — Yellowwolf Pipeline in Dunn County, North Dakota. Approximately 32.35 acres were intensively inventoried using a pedestrian methodology. Potential surface disturbances are not expected to exceed the area depicted in the enclosed report. Two archaeological sites (32DU1543, 32DU1544) were located that may 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, as the archaeological sites will be avoided. Catalogued as BIA Case Number AAO-1804/FB/10, the proposed undertaking, location, and project dimensions are described in the following report:

Wesson, Alex, and Stephanie Lechert

(2010) A Class I and Class III Cultural Resource Inventory of the Arrow XTO Ironwoman — Yellowwolf Gathering Line, 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.

Sincerely,

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

Enclosure

Chairman, Three Affiliated Tribes
Superintendent, Fort Berthold Agency

REFERENCES

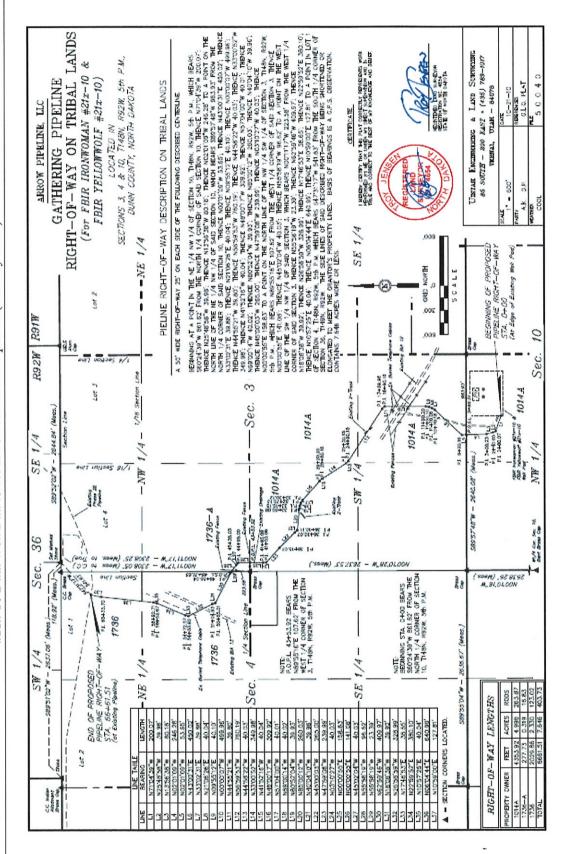
Wesson, Alex and Stephanie Lechert

2010 A Class I and Class III Cultural Resource Inventory of the Arrow XTO Ironwoman — Yellowwolf Gathering Line, Fort Berthold Indian Reservation, Dunn County, North Dakota. Prepared by SWCA Environmental Consultants for Arrow Pipeline LLC.

SWCA

APPENDIX A

Pipeline Layout and Pipeline Right-of-Way for FBIR Ironwoman #21X-10/ Yellowwolf #21X-10



Notice of Availability and Appeal Rights

Arrow Pipeline LLC: Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines Connecting the FBIR Ironwoman #21x-10 / Yellowwolf #21x-10 Dual Well Pad to the Arrow Phase 2E Pipeline

The Bureau of Indian Affairs (BIA) is planning to issue administrative approvals related to Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines Connecting the FBIR Ironwoman #21x-10 / Yellowwolf #21x-10 Dual Well Pad to the Arrow Phase 2E Pipeline as shown on the attached map. Construction by Arrow Pipeline LLC is expected to begin in the Winter/Spring of 2011.

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 Howard Bemer, 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 February 14, 2011 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.