



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

FEB 18 2011

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, for an Addendum to Environmental Assessment to Authorize Land Use to construct a gathering pipeline that will connect the proposed Kodiak Two Shields Butte #5-7-8-1H well pad to the Arrow East Mandaree Oil and Gas Gathering System pipeline on the Fort Berthold Indian 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 Addendum, 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: Tex Hall, Chairman, Three Affiliated Tribes (with attachment)
Elgin Crows Breast, Tribal Historic Preservation Officer (with attachment)
Roy Swalling, Bureau of Land Management (with attachment)
Jonathon Shelman, Corps of Engineers (with attachment)
Jeff Hunt, One Stop Shop, Fort Berthold Agency

**Finding of No Significant Impact
Arrow Pipeline, LLC**

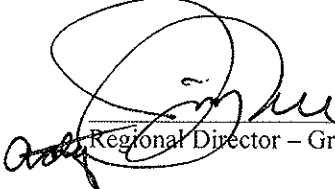
**Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipeline
Connecting the Kodiak Two Shields Butte #5-7-8-1H Well Pad to the East Mandaree Oil
and Gas Gathering System**

The U.S. Bureau of Indian Affairs (BIA) received a proposal for an Addendum to the Environmental Assessment to construct and install oil, gas, and water gathering pipelines on tribal land originating from the north side of the Two Shields Butte #5-7-8-1H well pad and joining the existing East Mandaree Oil and Gas Gathering System. 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:

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, 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

2/18/11

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 Pipeline
Connecting the Kodiak Two Shields Butte #5-7-8-1H Well Pad to the East Mandaree Oil
and Gas Gathering System**

Fort Berthold Indian Reservation

February 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

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1. Purpose and Need for the Proposed Action

Arrow Pipeline, LLC (Arrow) is proposing to construct a gathering pipeline that will connect the proposed Kodiak Two Shields Butte #5-7-8-1H well pad to the Arrow East Mandaree Oil and Gas Gathering System pipeline (East Mandaree) on the Fort Berthold Indian Reservation. 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 for the construction and installation of a gathering pipeline system that consists of 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 pipeline system 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 Two Shields Butte #5-7-8-1H gathering line would be located on trust land originating from the north side of the well pad, approximately 8.5 miles northeast of Mandaree, North Dakota, in the NW¼ NW¼ of Section 7, Township (T) 149 North (N), Range (R) 92 West (W), 5th Prime Meridian (P.M.), Dunn County, North Dakota, and terminating in the NE¼ NE¼ of Section 12, T149N, R93W, 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 north side of the Two Shields Butte #5-7-8-1H well pad and joining the existing East Mandaree Oil and Gas Gathering System. 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 larger than 8 inches in diameter and constructed of steel. The water pipeline would also be no larger than 8 inches in diameter and constructed of Fiberspar[®] or similar material. Approximately 1,489.52 feet of oil, gas, and water pipeline would be needed to connect the Two Shields Butte #5-7-8-1H well pad to the East Mandaree pipeline (Appendix A). All construction disturbances would occur within a 100-foot temporary right-of-way (ROW) between the Two Shields Butte #5-7-8-1H well pad and the

East Mandaree pipeline, which has been surveyed for impacts to natural and cultural resources with no significant findings. Arrow Pipeline will maintain a 50-foot-wide permanent ROW after construction has been completed. In total, approximately 3.42 acres would be disturbed as a result of activities associated with the construction of the proposed gathering pipelines. 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 October 25, 2010. BIA Environmental Specialist Darryl Turcotte approved the location and alignment of the gathering lines. No protected species including threatened and endangered species, migratory birds, or bald/golden eagles were observed during the natural resource survey. Additionally, no wetland areas would be impacted as a result of construction activities.

On October 25, 2010, SWCA inventoried approximately 3.42 acres of ROW and disturbed areas for cultural resources, using an intensive pedestrian methodology (Klitzka and Smith 2010¹). No historic properties were located that appear to possess the quality of integrity and meet at least one of the criteria (Title 36 Code of Federal Regulations 60.6) for inclusion on the National Register of Historic Places.

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 National Register of Historic Places. 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 stormwater 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, implementation of best management practices to control the introduction of noxious weeds, and minimization of 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 (October 2010).

¹ Klitzka, Nelson and Nicholas Smith

2010 A Class I and Class III Cultural Resource Inventory of the Arrow Two Shields Butte #5-7-8-1H Gathering Line on the Fort Berthold Indian Reservation, Dunn County, North Dakota.

Resource surveys and the supplementary assessment of the potential impacts of the proposed action were completed (October 2010); based on those 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 Midstream Holdings, LLC, Oil and Gas Gathering System East Mandaree (February 2010).

8. Other Relevant Documentation

Environmental Assessment: Up to Ten Exploratory Wells with Five Surface Locations: Skunk Creek 2-8-17H, Skunk Creek 4-8-17H, Skunk Creek 4-10-11H, Skunk Creek 12-10-11H, Two Shields Butte 5-7-8H. Fort Berthold Indian reservation (January 2010).

9. Cultural Resources

A cultural resource inventory of this pipeline route was conducted by personnel of SWCA Environmental Consultants, using an intensive pedestrian methodology. Approximately 7.55 acres were inventoried on October 25, 2010 (Klitzka and Smith 2010). One archaeological site was revisited which, in spite of previous construction disturbance, 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 site will be monitored and avoided. This determination was communicated to the THPO on January 14, 2011; however the THPO did not respond within the allotted 30 day comment period.

Klitzka, Nelson, and Nicholas Smith

(2010) A Class I and Class III Cultural Resource Inventory of the Arrow Kodiak Two Shields Butte 5-7-8-1H Gathering Pipeline, Fort Berthold Indian Reservation, Dunn County, North Dakota. SWCA Environmental Consultants for Arrow Pipeline, LLC, Tulsa, OK.

10. NEPA Adequacy Criteria

This document has identified one previously prepared NEPA document, *Environmental Assessment: Arrow Midstream Holdings, LLC, Oil and Gas Gathering System East Mandaree* (February 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.

Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipeline Connecting the Kodiak Two Shields Butte #5-7-8-1H Well Pad to the East Mandaree Oil and Gas Gathering System (December 2010)

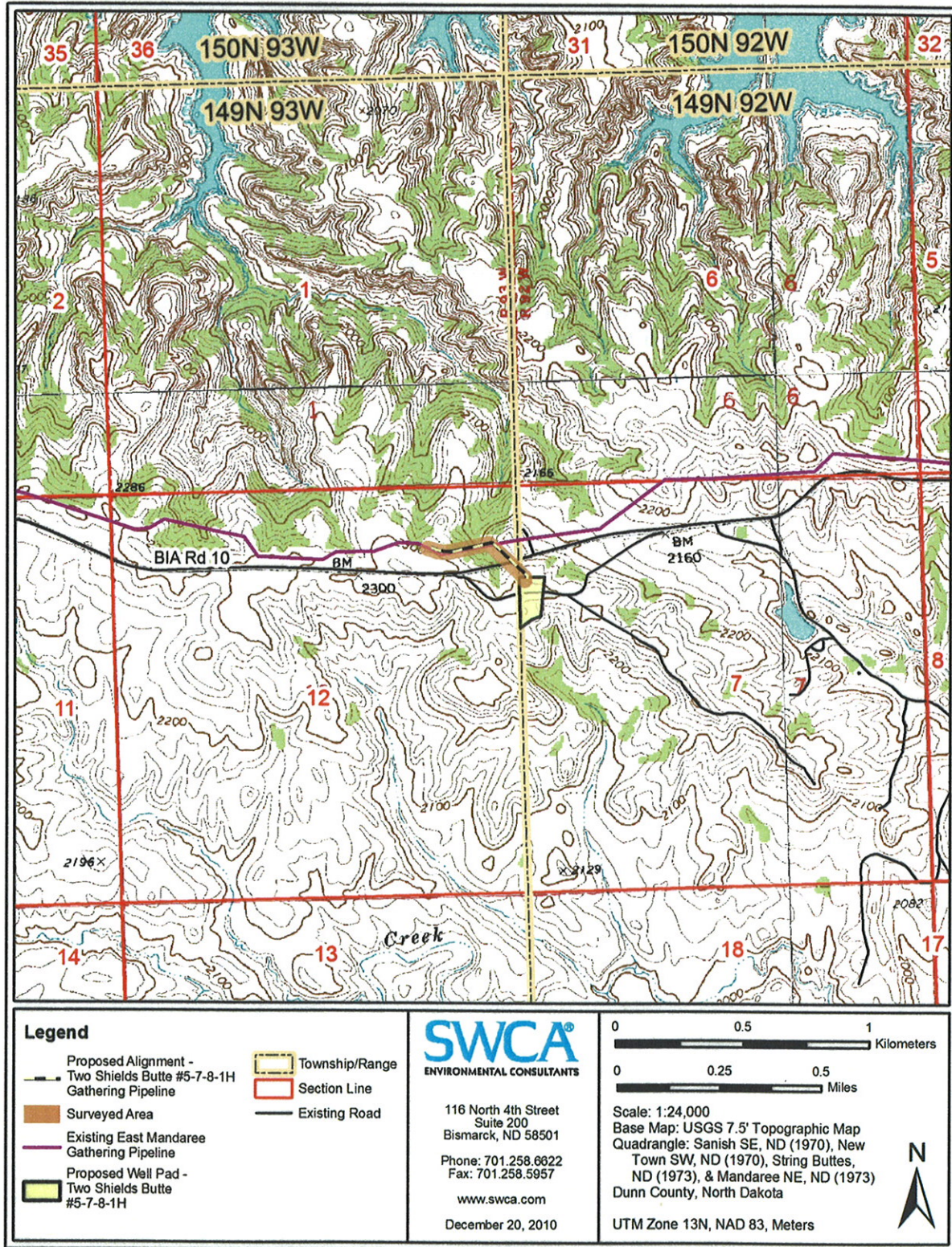
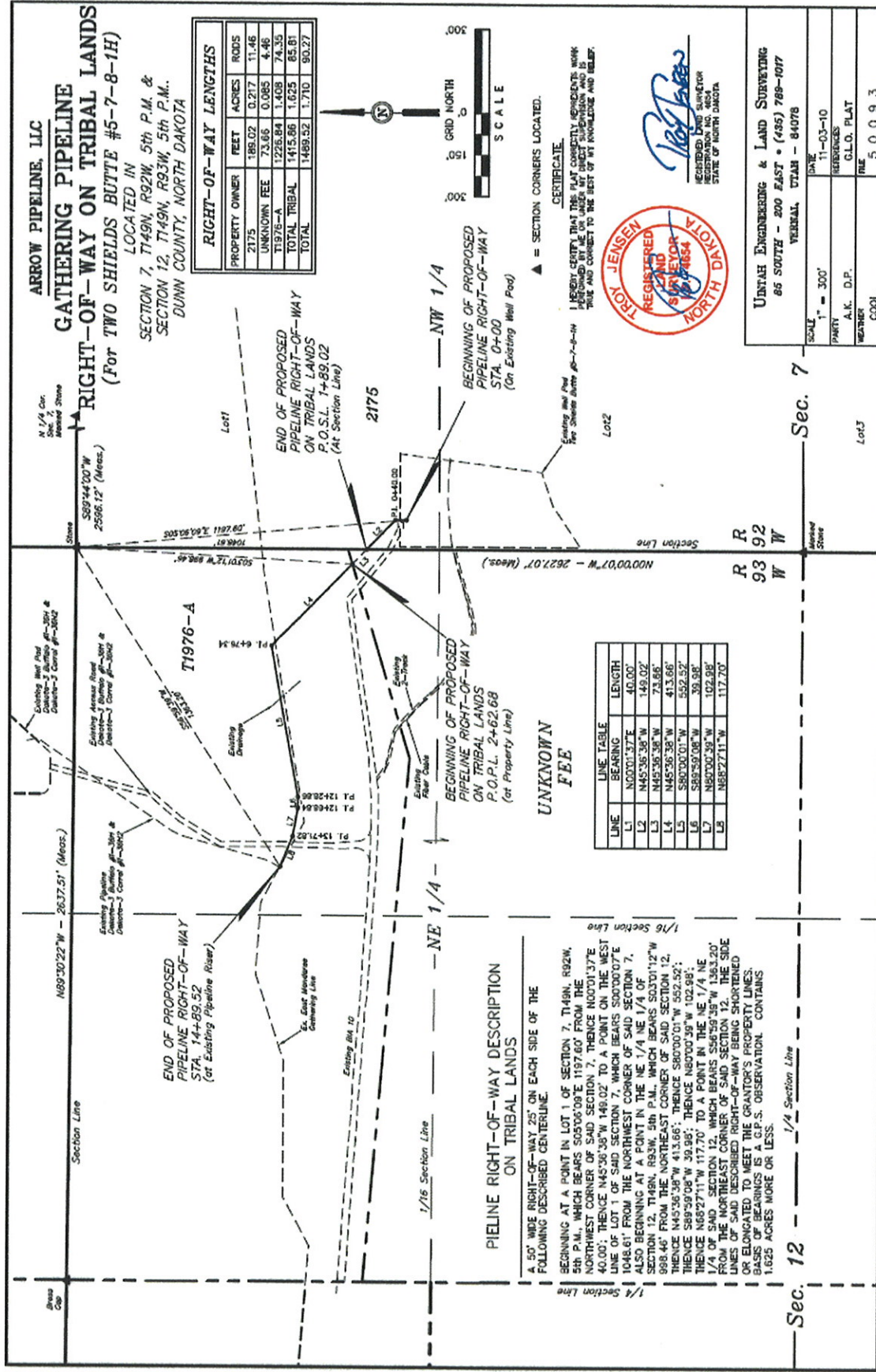


Figure 1. Proposed Two Shields Butte #5-7-8-1H Gathering Pipeline and associated well pad.

APPENDIX A

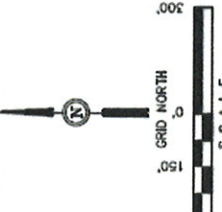
Pipeline Layout and Pipeline Right-of-Way for Kodiak Two Shields Butte #5-7-8-1H Well Pad and Associated Gathering Lines

Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipeline Connecting the Kodiak Two Shields Butte #5-7-8-1H Well Pad to the East Mandaree Oil and Gas Gathering System (December 2010)



ARROW PIPELINE, LLC
GATHERING PIPELINE
RIGHT-OF-WAY ON TRIBAL LANDS
 (For TWO SHIELDS BUTTE #5-7-8-1H)
 LOCATED IN
 SECTION 7, T149N, R92W, 5th P.M. &
 SECTION 12, T149N, R93W, 5th P.M.,
 DUNN COUNTY, NORTH DAKOTA

PROPERTY OWNER	FEET	ACRES	ROADS
2175	189.02	0.217	11.46
UNKNOWN	73.66	0.085	4.46
T1976-A	1226.84	1.408	74.35
TOTAL TRIBAL	1415.66	1.625	65.81
TOTAL	1489.52	1.710	90.27



UNKNOWN F.E.E.

LINE	BEARING	LENGTH
L1	N00°01'37"E	40.00'
L2	N45°36'38"W	149.02'
L3	N45°36'38"W	73.66'
L4	N45°36'38"W	413.66'
L5	S80°00'01"W	552.52'
L6	S89°59'08"W	39.98'
L7	N83°00'30"W	102.98'
L8	N88°27'11"W	117.70'

PIELINE 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 LOT 1 OF SECTION 7, T149N, R92W, 5th P.M., WHICH BEARS S05°05'09"E 1197.60' FROM THE NORTHWEST CORNER OF SAID SECTION 7, THENCE N00°01'37"E 40.00'; THENCE N45°36'38"W 149.02' TO A POINT ON THE WEST LINE OF LOT 1 OF SAID SECTION 7, WHICH BEARS S00°00'07"E 1048.61' FROM THE NORTHWEST CORNER OF SAID SECTION 7, ALSO BEGINNING AT A POINT IN THE NE 1/4 NE 1/4 OF SECTION 12, T149N, R93W, 5th P.M., WHICH BEARS S03°01'12"W 988.46' FROM THE NORTHEAST CORNER OF SAID SECTION 12, THENCE N45°36'38"W 413.66'; THENCE S80°00'01"W 552.52'; THENCE S89°59'08"W 39.98'; THENCE N83°00'30"W 102.98'; THENCE N88°27'11"W 117.70' TO A POINT IN THE NE 1/4 NE 1/4 OF SECTION 12, WHICH BEARS S05°05'09"E 1193.20' FROM THE NORTHWEST CORNER OF SAID SECTION 12, THENCE S05°05'09"E 1193.20' TO THE POINT OF BEGINNING. THE DESCRIBED RIGHT-OF-WAY BEING SHOWN AND ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 1.625 ACRES MORE OR LESS.

RIGHT-OF-WAY LENGTHS

PROPERTY OWNER	FEET	ACRES	ROADS
2175	189.02	0.217	11.46
UNKNOWN	73.66	0.085	4.46
T1976-A	1226.84	1.408	74.35
TOTAL TRIBAL	1415.66	1.625	65.81
TOTAL	1489.52	1.710	90.27

PIELINE RIGHT-OF-WAY DESCRIPTION ON TRIBAL LANDS

P.O.P.L. 2+62.68 (at Property Line)

UNKNOWN F.E.E.

RIGHT-OF-WAY DESCRIPTION ON TRIBAL LANDS

P.O.S.L. 1+89.02 (at Section Line)

RIGHT-OF-WAY DESCRIPTION ON TRIBAL LANDS

STA. 0+00 (on Existing Well Pad)

Notice of Availability and Appeal Rights

Arrow Pipeline: Connecting the Kodiak Two Shields Butte #5-7-8-1H Well Pad to the East Mandaree Oil and Gas Gathering System

The Bureau of Indian Affairs (BIA) is planning to issue administrative approvals related to an Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines Connecting the Kodiak Two Shields Butte #5-7-8-1H Well Pad to the East Mandaree Oil and Gas Gathering System on the Fort Berthold Reservation as shown on the attached map. Construction by Arrow Pipeline, LLC is expected to begin in 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 March 18, 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.

Project locations

