



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

MAR 17 2011

MEMORANDUM

TO: Superintendent, Fort Berthold Agency

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

SUBJECT: Supplemental to Environmental Assessment

In compliance with the regulations of the National Environmental Policy Act (NEPA) of 1969, as amended, for the proposed Supplemental tiering off of an existing Environmental Assessment for Petro Hunt, LLC Inc., to drill two additional wells (Fort Berthold #148-94-19D-18-1H and Fort Berthold #148-94-30A-31-1H) on previously approved dual well pads, on the Fort Berthold Reservation, a Categorical Exclusion has been completed.

All the necessary requirements of the National Environmental Policy Act have been completed. Attached for your files is a copy of the Categorical Exclusion.

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, THPO (with attachment)
Derek Enderud, BLM, Dickenson, ND (with attachment)
John Shelman, US Army Corps of Engineers
Jeffrey Hunt, Virtual One Stop Shop



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EXCEPTION CHECKLIST FOR BIA CATEGORICAL EXCLUSIONS

Date: March 14, 2011

Project: Addendum to Environmental Assessment to Authorize Two Additional Wells on the Fort Berthold #148-94-19D-18-1H & Fort Berthold #148-94-30A-31-1H Dual Well Pad

Nature of Proposed Action: Petro-Hunt proposes to drill two additional wells (Fort Berthold #148-94-19D-18-2H and Fort Berthold #148-94-30A-31-2H) on the approved Fort Berthold #148-94-19-D-18-1H and Fort Berthold #148-94-30A-31-1H dual well pad to explore the potential of the Upper Three Forks Formation. There will be no additional surface disturbance to the well pads or access roads as the result of drilling these two additional wells from previous approved locations. This document is tied to an Addendum to Environmental Assessment to Authorize Two Additional Wells on the Fort Berthold #148-94-19D-18-1H & Fort Berthold #148-94-30A-31-1H Dual Well Pad (March 2011).

Exclusion category and number: 516 DM 10.5 F (1)

Evaluation of Exceptions to use of Categorical Exclusion:

1. This action would have significant adverse effects on public health or safety. No X Yes _____
2. This action would have an adverse effect on unique geographical features, such as wetlands, wild or scenic rivers, refuges, floodplains, rivers placed on nationwide river inventory, or prime or unique farmlands. No X Yes _____
3. The action will have highly controversial environmental effects. No X Yes _____
4. The action will have highly uncertain environmental effects or involve unique or unknown environmental risks. No X Yes _____
5. This action will establish a precedent for future actions. No X Yes _____
6. This action is related to other actions with individually insignificant, but cumulatively significant environmental effects. No X Yes _____
7. This action will affect properties listed or eligible for listing in the National Register of Historic Places. No X Yes _____

8. This action will affect a species listed, or proposed to be listed as endangered or threatened. No X Yes _____
9. This action threatens to violate federal, state, local or tribal law or requirements imposed for protection of the environment. No X Yes _____
10. This action will have a disproportionately high and adverse effect on low income or minority populations. No X Yes _____
11. This action will limit access to, and ceremonial use of Indian sacred sites on federal lands by Indian religious practitioners, or significantly adversely affect the physical integrity of such sacred sites. No X Yes _____
12. This action will contribute to the introduction, continued existence, or spread of noxious weeds or non-native invasive species known to occur in the area, or may promote the introduction, growth, or expansion of the range of such species. No X Yes _____

A "yes" to any of the above exceptions will require that an EA be prepared.

NEPA Action - - - CE X EA _____

Preparer's Name and Title: Jeffrey Davis, Environmental Protection Specialist

Regional Archeologist Concurrence with Item 7 Carson B. Mendenhall

Concur: Jeffrey Davis
Regional Office/Agency Environmental Coordinator

Date: 3/14/2011

Concur: Tim L. L. L.
Acting Regional Director/Superintendent

Date: 3-17-11

ENVIRONMENTAL ASSESSMENT Addendum

United States Bureau of Indian Affairs

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



Petro-Hunt, LLC

**Addendum to Environmental Assessment to Authorize Two Additional Wells on the
Fort Berthold #148-94-19D-18-1H & Fort Berthold #148-94-30A-31-1H Dual Well Pad**

Fort Berthold Indian Reservation

March 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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- A Plats, Drawings, and Diagrams for the Fort Berthold #148-94-19D-18-1H, Fort Berthold #148-94-19D-18-2H, Fort Berthold #148-94-30A-31-1H, and Fort Berthold #148-94-30A-31-2H Well Pad Location

1. Purpose and Need for the Proposed Action

Petro-Hunt, LLC (Petro-Hunt) is proposing to drill two exploratory oil wells 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 the 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 Nation and to individual tribal members.

The purpose of the proposed action is to authorize Petro-Hunt to drill two additional wells (Fort Berthold #148-94-19D-18-2H and Fort Berthold #148-94-30A-31-2H) on the approved Fort Berthold #148-94-19D-18-1H and Fort Berthold #148-94-30A-31-1H dual well pad to explore the potential of the Upper Three Forks Formation. The Fort Berthold #148-94-19D-18-1H and Fort Berthold #148-94-30A-31-1H wells will also explore the Three Forks Formation.

2. Authorities

Oil and gas exploration and development activities are conducted under the 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 well pad is approximately 8.7 miles south of Mandaree, North Dakota, in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 19, Township (T) 148 North (N), Range (R) 94 West (W), Dunn County, North Dakota (Figure 1). The proposed Fort Berthold #148-94-19D-18-2H well will have a bottom hole located approximately 9,533 feet north and 480 feet west of the surface location, in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 18, T148N, R94W, Dunn County, North Dakota. The proposed Fort Berthold #148-94-30A-31-2H well will have a bottom hole located approximately 11,231 feet south and 635 feet west of the surface location, in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 31, T148N, R94W, Dunn County, North Dakota (Appendix A).

4. Scope of Work for Proposed Action

Petro-Hunt proposes to drill two additional wells, which will each enter the Upper Three Forks Formation, on the approved dual well pad. There will be no additional surface disturbance to the well pad or access road.

5. Sensitive Resource Surveys

SWCA Environmental Consultants (SWCA) conducted natural resource surveys for wetlands, threatened and endangered species and associated habitat, as well as raptors and raptor nests including bald and golden eagles, on May 12, 2010. No protected species or nests were observed during the field surveys.

SWCA archaeologists surveyed approximately 10.95 acres, including the dual well pad and associated access road, on May 12, 2010 (Lechert et al. 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.

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

Environmental Assessment: *Petro-Hunt, LLC: Three Forks Exploratory Oil Wells: Fort Berthold #148-94-19D-18-1H, Fort Berthold #148-94-30A-31-1H, and Fort Berthold #148-94-29B-32-1H* (November 2010).

7. Other Relevant Documentation

Environmental Assessment: *Addendum to Environmental Assessment to Authorize Land Use for a Right-of-Way Width Increase for the Fort Berthold #148-94-19D-18-1H/Fort Berthold #148-94-30A-31-1H and Fort Berthold #148-94-29B-32-1H Access Roads* (February 2011 – Pending)

8. NEPA Adequacy Criteria

This document has identified the above-mentioned previously prepared NEPA documents, which adequately describe the environmental consequences of the newly proposed action described herein, and meet the following NEPA Adequacy Criteria.

1. The proposed action is substantially the same action and at the site specifically analyzed in the existing NEPA documents.
2. The range of alternatives is reasonable with respect to the current proposed action in the existing NEPA documents, which appropriately consider and analyze current environmental concerns, interests, and resource values.
3. The existing analysis and conclusions are adequate in the existing NEPA documents. 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 documents continues to be appropriate for the proposed action.

¹ Lechert, Stephanie, Jon Markman, and Judith Cooper. 2010. A Class III Cultural Resource Inventory of the Petro-Hunt Fort Berthold 148-94-19D-18-1H and Fort Berthold 148-94-30A-31-1H Dual Well Pad and Access Road, Dunn County, North Dakota (October 14, 2010).

5. The direct and indirect impacts of the proposed action are unchanged from those identified in the existing NEPA documents.
6. The cumulative impacts that would result from implementation of the proposed action are unchanged from those analyzed in the existing NEPA documents.
7. A 30-day comment period involving public input and interagency review was used in the development of the existing NEPA documents.

*Addendum to Environmental Assessment to Authorize Two Additional Wells on the
Fort Berthold #148-94-19D-18-1H & Fort Berthold #148-94-30A-31-1H Dual Well Pad
(March 2011)*

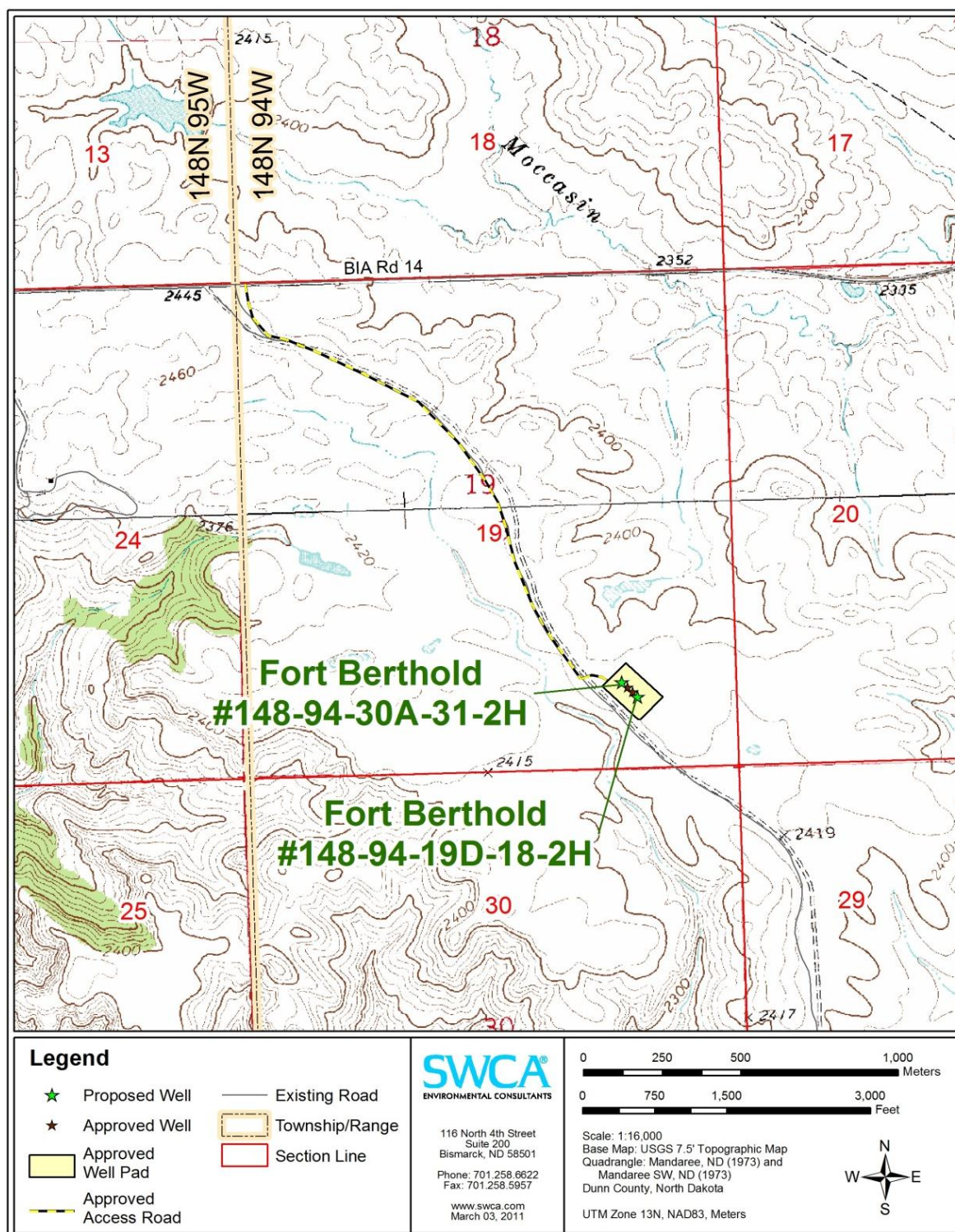
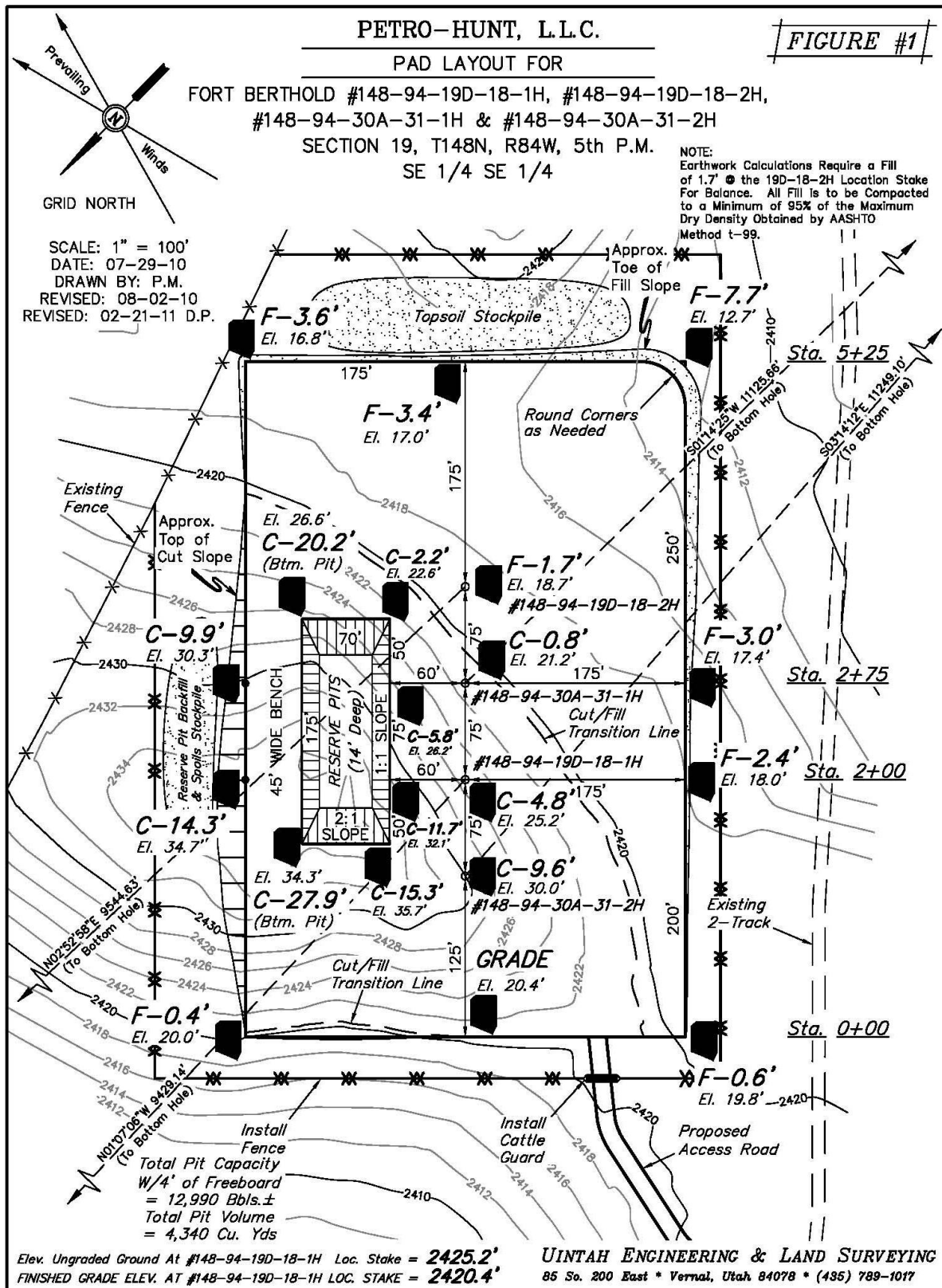


Figure 1. Map of the Fort Berthold #148-94-19D-18-1H, Fort Berthold #148-94-19D-18-2H, Fort Berthold #148-94-30A-31-1H, and Fort Berthold #148-94-30A-31-2H Well Locations.

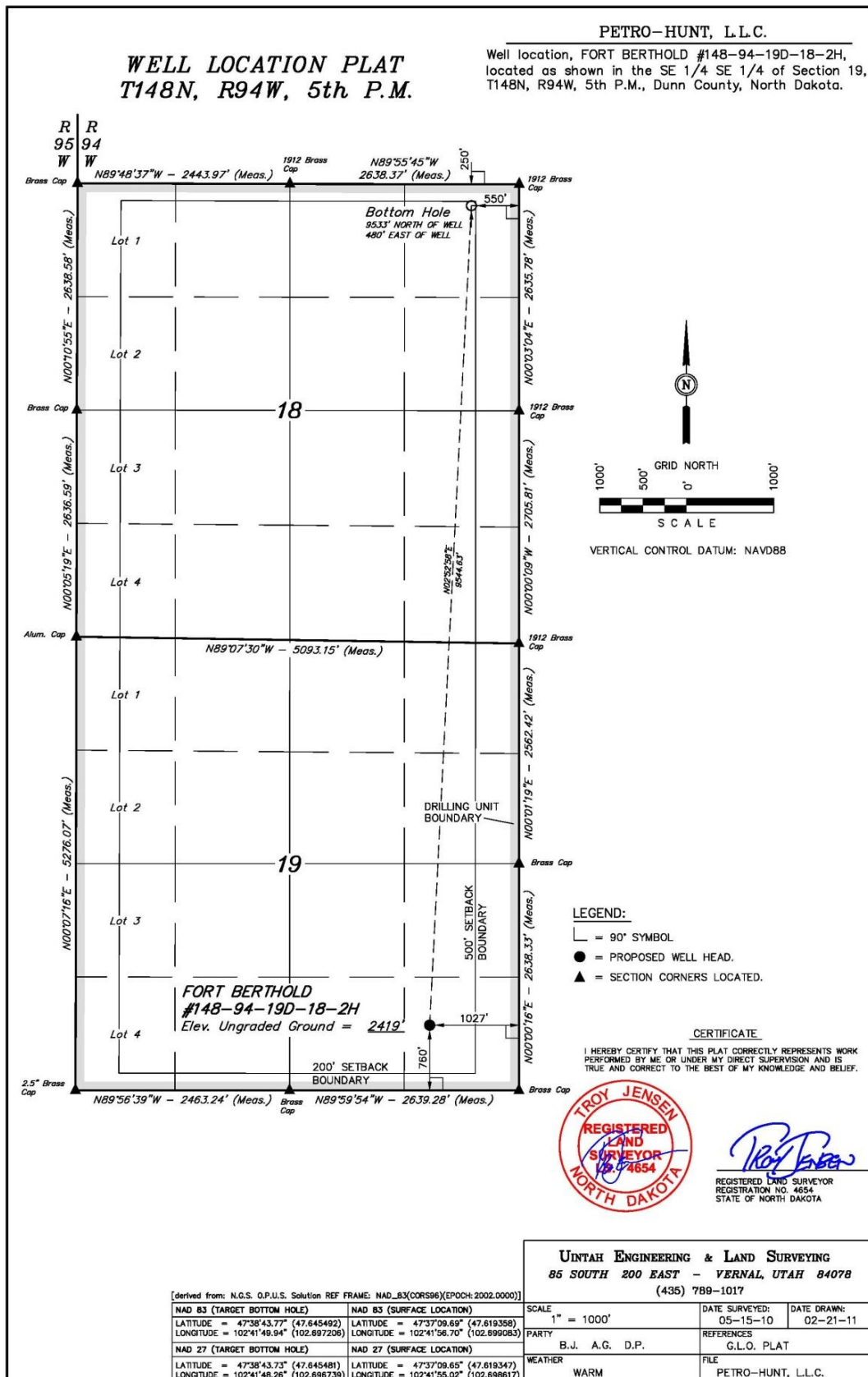
APPENDIX A

**Plats, Drawings, and Diagrams for the Fort Berthold #148-94-19D-18-1H,
Fort Berthold #148-94-19D-18-2H, Fort Berthold #148-94-30A-31-1H, and
Fort Berthold #148-94-30A-31-2H Well Pad Location**

*Addendum to Environmental Assessment to Authorize Two Additional Wells on the
Fort Berthold #148-94-19D-18-1H & Fort Berthold #148-94-30A-31-1H Dual Well Pad
(March 2011)*



*Addendum to Environmental Assessment to Authorize Two Additional Wells on the
Fort Berthold #148-94-19D-18-1H & Fort Berthold #148-94-30A-31-1H Dual Well Pad
(March 2011)*



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(March 2011)*

