

# United States Department of the Interior

BUREAU OF INDIAN AFFAIRS Great Plains Regional Office MC-208 115 Fourth Avenue S.E., Suite 400 Aberdeen, South Dakota 57401



IN REPLY REFER TO: DESCRM MC-208

APR 2 2 2011

### **MEMORANDUM**

TO:

Superintendent, Fort Berthold Agency

FROM:

Actin 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 authorize land use for a right-of-way width increase for the Henry Bad Gun 9C-4-1H/16B-21-1H well pad access road and to authorize four additional wells on the Henry Bad Gun 9C-4-1H/16B-21-1H and Henry Bad Gun 8D-5-1H/17A-20-1H well pads by Enerplus on the Fort Berthold Reservation, an Environmental Assessment (EA) 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 require that there be a public notice of availability of the FONSI (40 C.F.R. Part 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, THPO (with attachment)
Derek Enderud, BLM, Dickenson, ND (with attachment)
John Shelman, U.S. Army Corps of Engineers

John Shelman, US Army Corps of Engineers

Jeffrey Hunt, Fort Berthold Agency

### Finding of No Significant Impact

### **Zenergy Operating Company, LLC**

#### **Environmental Assessment for:**

Addendum to Environmental Assessment to Authorize Land Use for a Right-of-Way Width Increase for the Henry Bad Gun 9C-4-1H/16B-21-1H Well Pad Access Road and to Authorize Four Additional Wells on the Henry Bad Gun 9C-4-1H/16B-21-1H and Henry Bad Gun 8D-5-1H/17A-20-1H Well Pads

### Fort Berthold Indian Reservation Dunn County, North Dakota

The U.S. Bureau of Indian Affairs (BIA) has received a proposal to authorize land use for a right-of-way width increase for the Henry Bad Gun 9C-4-1H/16B-21-1H well pad access road and to authorize four additional wells on the Henry Bad Gun 9C-4-1H/16B-21-1H and Henry Bad Gun 8D-5-1H/17A-20-1H wells from two pads in Dunn County, North Dakota. 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. 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 actions are designed to avoid adverse effects to historic, archeological, 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.
- 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.

4/22/11

A Regional Director

# ENVIRONMENTAL ASSESSMENT Addendum

**United States Bureau of Indian Affairs** 

Great Plains Regional Office Aberdeen, South Dakota



**Enerplus Resources (USA) Corp.** 

Addendum to Environmental Assessment to Authorize Land Use for a Right-of-Way Width Increase for the Henry Bad Gun 9C-4-1H/16B-21-1H Well Pad Access Road and to Authorize Four Additional Wells on the Henry Bad Gun 9C-4-1H/16B-21-1H and Henry Bad Gun 8D-5-1H/17A-20-1H Well Pads

**Fort Berthold Indian Reservation** 

April 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 Access Road Rights-of-Way, Site Quantities, and Well Plats for the Henry Bad Gun 8D-5-1H/17A-20-1H and Henry Bad Gun 9C-4-1H/16B-21-1H for the ROW Expansion and Addition of Four Wells

# 1. Purpose and Need for the Proposed Action

Enerplus Resources (USA) Corp. (Enerplus) is drilling four exploratory oil and gas wells from two pads 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 Enerplus to increase the approved the Henry Bad Gun 9C-4-1H/16B-21-1H dual-well pad access road right-of-way (ROW) width from 66 feet to 100 feet to allow for road construction and an underground utility corridor that would include pipelines (6" gas, 4" oil, 4" water) and fiber optic and electric lines. Enerplus is also requesting authorization to add two additional wells to this well pad and also to the Henry Bad Gun 8D-5-1H/17A-20-1H well pad.

### 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 Henry Bad Gun 9C-4-1H/16B-21-1H access road is located on tribal land originating from BIA 17, approximately 13 miles southeast of Mandaree, North Dakota, in the NW<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub> of Section 16, Township (T) 147 North (N), Range (R) 93 West (W), 5<sup>th</sup> Prime Meridian (P.M.), Dunn County, North Dakota. The proposed access road would terminate at the dual well pad in the SW<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub> of Section 9, T147N, R93W, 5<sup>th</sup> P.M., Dunn County, North Dakota.

The Henry Bad Gun 9C-4-1H/16B-21-1H and Henry Bad Gun 8D-5-1H/17A-20-1H dual-well pads are located in the SW¼ SW¼ of Section 9, NW¼ NW¼ of Section 16, SE¼ SE¼ of Section 8, NE¼ NE¼ of Section 17, T147N, R93W, 5<sup>th</sup> P.M., Dunn County, North Dakota.

# 4. Scope of Work for Proposed Action

In total, approximately 1,156 feet of new access road would be constructed to the two pads from BIA #17. The access road to the Henry Bad Gun 8D-5-1H/17A-20-1H pad is sufficiently

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short that it is unnecessary to expand the ROW width. However, the access road to the Henry Bad Gun 9C-4-1H/16B-21-1H pad would require added width to make it possible to install the underground utility corridor.

Both well pads would be expanded to accommodate two additional wells on each pad. In keeping with Enerplus' drilling program, a semi-closed loop drilling system would be used. The Henry Bad Gun 8D-5-1H/17A-20-1H would be expanded on the northwestern and eastern edges of the current location and the Henry Bad Gun 9C-4-1H/16B-21-1H pad would be expanded on the east and southeast sides.

The total disturbance as a result of the ROW width increase and pad expansions would be no greater than 13.9 acres, an increase of approximately 4.6 acres from the previously analyzed disturbance estimates. Signed agreements would be in place allowing road construction across affected private and allotted land surfaces, and any applicable approach permits and/or easements would be obtained prior to any construction activity.

Construction would follow road design standards outlined in the Bureau of Land Management Gold Book (Bureau of Land Management and U.S. Forest Service 2007<sup>1</sup>). At a minimum, 6 inches of topsoil would be removed from the access road corridors. This stockpiled topsoil would then be placed on the outside slopes of the ditches following road construction. The ditches would be reseeded as quickly as possible using a seed mixture determined by the BIA. Care would be taken during road construction to avoid disturbing or disrupting any buried utilities that may exist near BIA 17. The access road would be surfaced with a minimum of 4 inches of aggregate if the site were to be established as a commercial production site. The roadway is proposed to remain in use for the life of the wells.

BMP requirements for the expanded well pads have been included in the revised plats. Access road and well 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 in September of 2009. No suitable habitat was identified for, nor did SWCA observe any, protected species, including bald or golden eagle individuals and nests.

A Class III Cultural Resource Inventory was conducted in September of 2009 by SWCA. The area surveyed included a 10-acre block around each well pad and approximately 0.41 acres and 2.25 acres (100-foot-wide corridor) along the access roads. A second Class III Cultural Resource Inventory for the Henry Bad Gun 8D-5-1H/17A-20-1H was conducted in November

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Bureau of Land Management and U.S. Forest Service. 2007. Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development. BLM/WO/ST-06/021+3071/REV 07. Bureau of Land Management. Denver, Colorado. 84 pp.

of 2010 by SWCA. The area surveyed included an additional 3.32 acres along the northwestern and eastern edges of the well pad. No additional survey was made along the access road. No cultural resources were identified within the project areas (Kohler 2009a<sup>2</sup>, 2009b<sup>3</sup>, 2010<sup>4</sup>). No additional survey was conducted at the Henry Bad Gun 9C-4-1H/16B-21-1H location; all additional disturbance to the access road and well pad was contained within the original survey area.

### 6. Potential Effects

Potential impacts to cultural resource sites could 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, 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) (October 2010).

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<sup>&</sup>lt;sup>2</sup> Kohler, Todd

<sup>2009</sup>a A Class I and Class III Cultural Resource Inventory of the Simray Henry Bad Gun 8D-5-1H and Henry Bad Gun 17A-20-1H Dual Well Pad and Access Road, Fort Berthold Indian Reservation, Dunn County, North Dakota. Prepared by SWCA Environmental Consultants for Simray Production Company, LLC, Richardson, TX.

<sup>&</sup>lt;sup>3</sup> Kohler, Todd

A Class I and Class III Cultural Resource Inventory of the Simray Henry Bad Gun 9C-4-1H and Henry Bad Gun 16B-21-1H Dual Well Pad and Access Road, Fort Berthold Indian Reservation, Dunn County, North Dakota. Prepared by SWCA Environmental Consultants for Simray Production Company, LLC, Richardson, TX.

<sup>&</sup>lt;sup>4</sup> Kohler, Todd

A Class I and Class III Cultural Resource Inventory of the Enerplus Henry Bad Gun 8D-5-1H/Henry Bad Gun 17A-20-1H, Copper and Rocket Well Pad Expansion, Fort Berthold Indian Reservation, Dunn County, North Dakota. Prepared by SWCA Environmental Consultants for Enerplus Resources (USA) Corp., Denver, CO.

Enerplus would implement the following additional mitigation measures in an effort to mitigate environmental concerns during construction and drilling:

- all utilities would be buried within the approved ROW;
- drilling would be completed using a semi-closed loop system; and
- an 18-inch berm would be constructed along the north and northeastern sides of the Henry Bad Gun 8D-5-1H/17A-20-1H pad expansion to protect a nearby drainage from runoff.

Resource surveys and the supplementary assessment of the potential impacts of the proposed action were completed on February 8, 2011. Based on those surveys and the mitigation measures committed to by Enerplus, no significant impacts to natural and cultural resources are anticipated.

# 7. Applicable NEPA Document(s)

Environmental Assessment: Simray GP, LLC Four Bakken Exploratory Oil Wells: Henry Bad Gun 8D-5-1H, Henry Bad Gun 17A-20-1H, Henry Bad Gun 9C-4-1H, Henry Bad Gun 16B-21-1H (FONSI January 2010).

### 8. NEPA Adequacy Criteria

This document has identified a previously prepared NEPA document, Simray GP, LLC Four Bakken Exploratory Oil Wells: Henry Bad Gun 8D-5-1H, Henry Bad Gun 17A-20-1H, Henry Bad Gun 9C-4-1H, Henry Bad Gun 16B-21-1H (November 2009), 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.

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

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### APPENDIX A

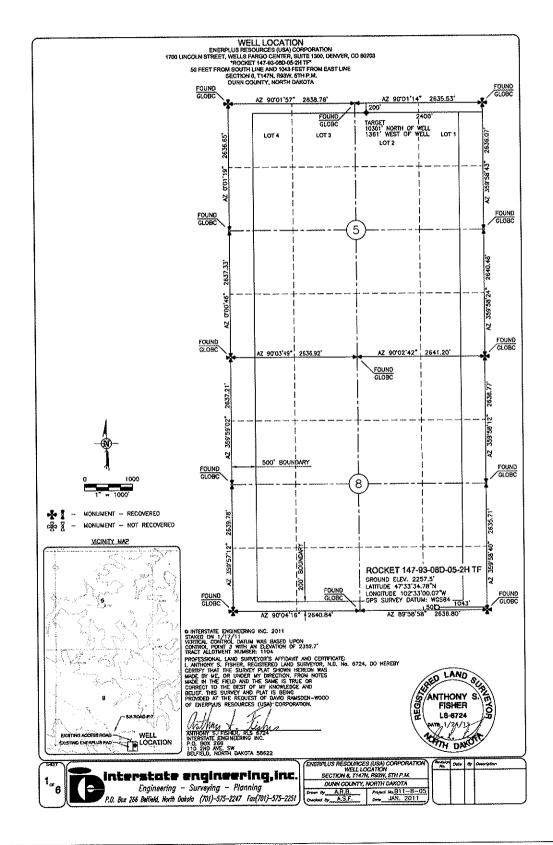
Access Road Rights-of-Way, Site Quantities, and Well Plats for the Henry Bad Gun 8D-5-1H/17A-20-1H ROW Expansion and Addition of Two Wells:

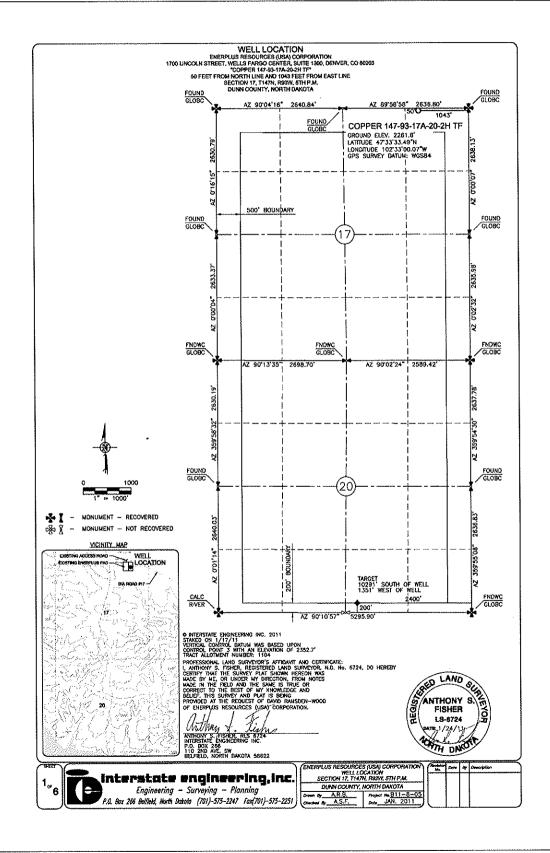
Rocket 147-93-08D-05-2H TF Copper 147-93-17A-20-2H TF

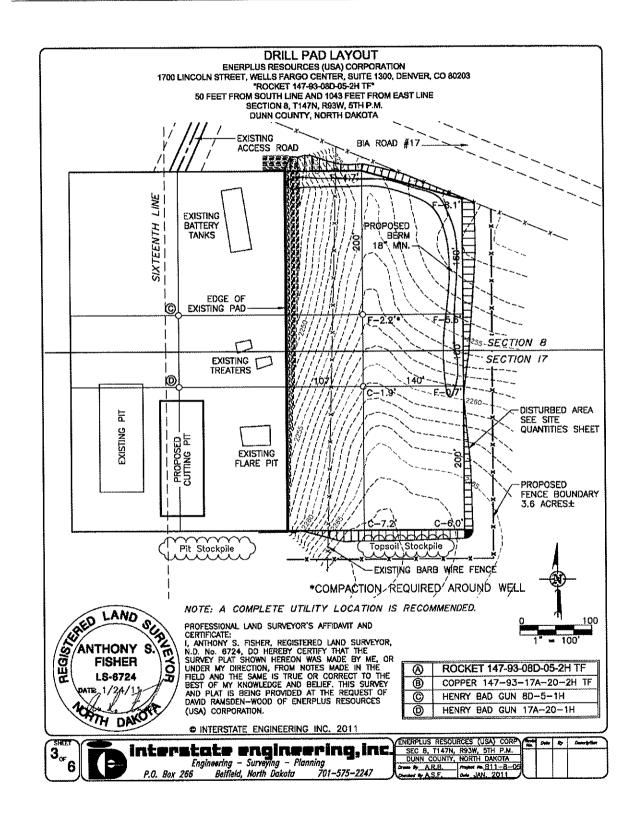
Note: In order to lessen the amount of repeated material, only one set of plats with repeat information is included for each pad.

A-1

SWCA







(March 2011)

#### SITE QUANTITIES

ENERPLUS RESOURCES (USA) CORPORATION
1700 LINCOLN STREET, WELLS FARGO CENTER, SUITE 1300, DENVER, CO 80203
"ROCKET 147-93-08D-05-2H TF"
50 FEET FROM SOUTH LINE AND 1043 FEET FROM EAST LINE
SECTION 8, T147N, R93W, 5TH P.M.

DUNN COUNTY, NORTH DAKOTA

WELL SITE LOCATION: 50' FSL, 1043' FEL

WELL SITE ELEVATION 2257.5
WELL PAD ELEVATION 2259.7

EXCAVATION 5271
PLUS PIT 3150
8421

EMBANKMENT 6174
PLUS SHRINKAGE (30%) 8026

STOCKPILE PIT 3150

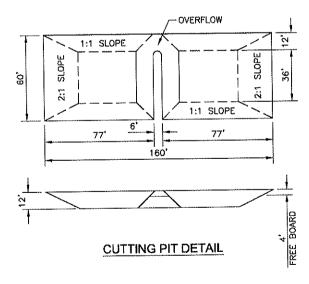
STOCKPILE TOP SOIL (6")

STOCKPILE FROM EXCESS EXCAVATION -5042

DISTURBED AREA FROM PAD

3.00 ACRES

NOTES: ALL QUANTITIES ARE IN CUBIC YARDS (UNLESS OTHERWISE NOTED)
CUT END SLOPES AT 2:1
FILL END SLOPES AT 2:1



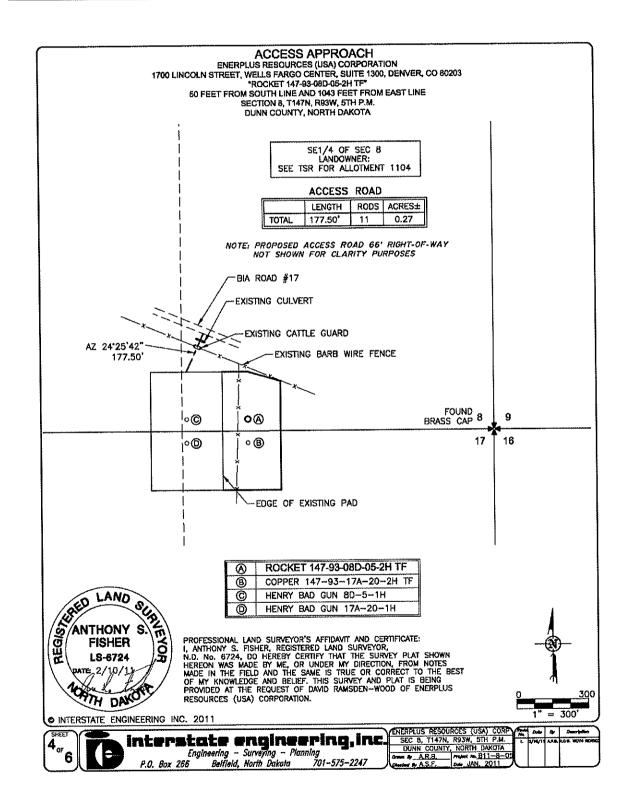
INTERSTATE ENGINEERING INC. 2011



nterstate engineering, inc.

Engineering – Surveying – Planning Box 266 Belfield, North Dakota 701–575–2247 ENERPLUS RESOURCES (USA) CORP
SEC. 13, T148M, R94W, 57H P.M.
DUNN COUNTY, NORTH DAKOTA
DUNN COUNTY, NORTH DAKOTA
DOWN 67 A.B.B.
DAMEN M. 100-00-155
DAMEN A.S.F.
DAMEN M. 100-00-155
DAMEN M. 100-00-155
DAMEN M. 100-00-155

order Dude By Description



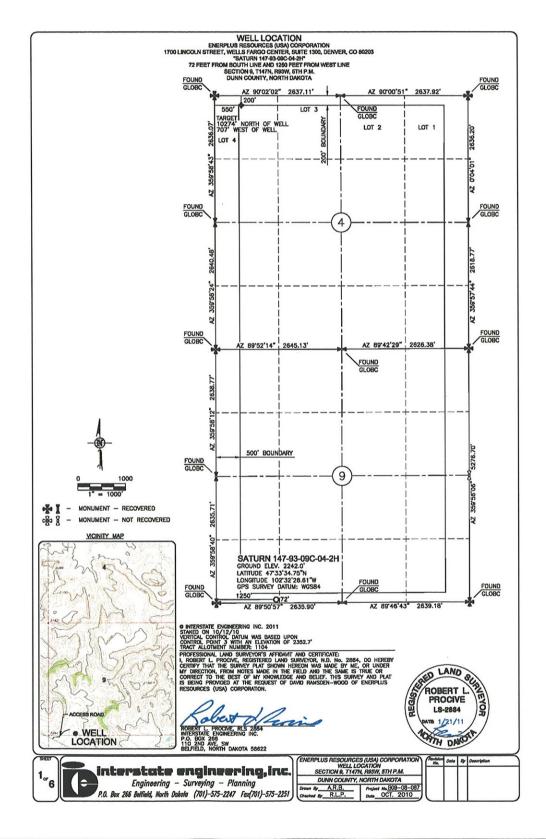
### APPENDIX B

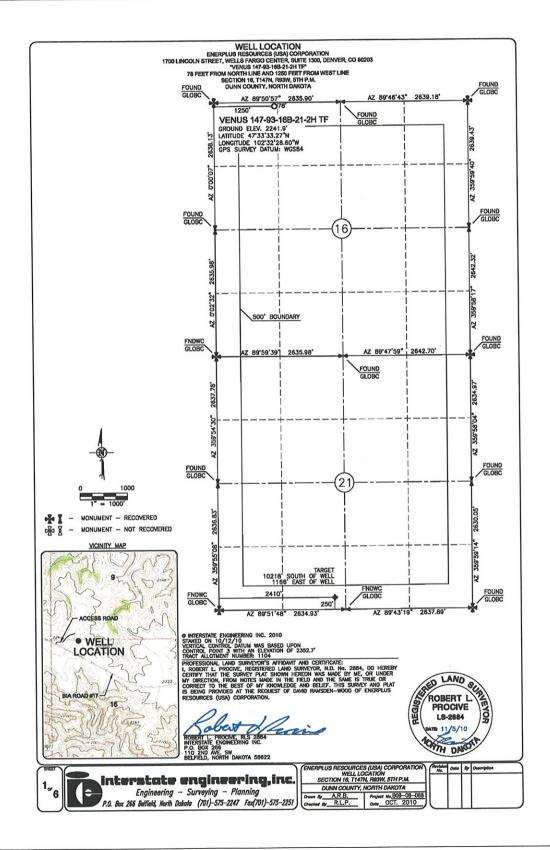
Access Road Rights-of-Way, Site Quantities, and Well Plats for the Henry Bad Gun 9C-4-1H/16B-21-1H ROW Expansion and Addition of Two Wells:

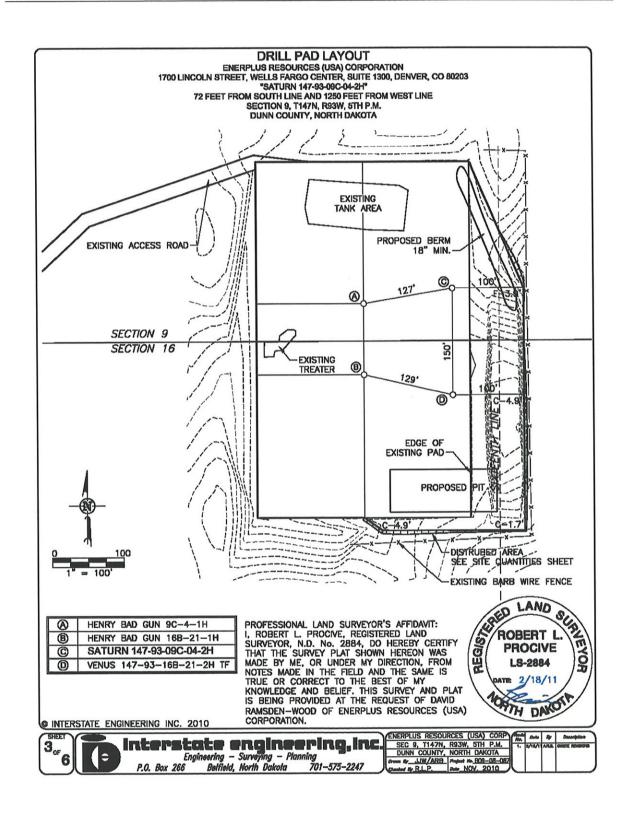
Saturn 147-93-09C-04-2H TF Venus 147-93-16B-21-2H TF

Note: In order to lessen the amount of repeated material, only one set of plats with repeat information is included for each pad.

A-7 SWCA







(March 2011)

#### SITE QUANTITIES

ENERPLUS RESOURCES (USA) CORPORATION 1700 LINCOLN STREET, WELLS FARGO CENTER, SUITE 1300, DENVER, CO 80203

"SATURN 147-93-09C-04-2H"

72 FEET FROM SOUTH LINE AND 1250 FEET FROM WEST LINE SECTION 9, T147N, R93W, 5TH P.M. DUNN COUNTY, NORTH DAKOTA

WELL SITE LOCATION: 72' FSL, 1250' FWL

WELL SITE ELEVATION 2242.0
WELL PAD ELEVATION 2241.9

EXCAVATION 340
PLUS PIT 3150
3490

 EMBANKMENT
 81

 PLUS SHRINKAGE (30%)
 24

 105
 105

STOCKPILE PIT 3150

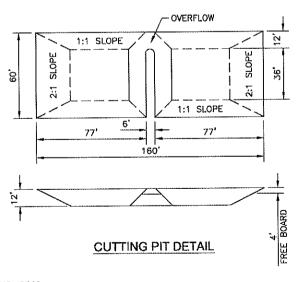
STOCKPILE TOP SOIL (6") 648

STOCKPILE FROM EXCESS EXCAVATION -413

DISTURBED AREA FROM PAD 0.85 ACRES

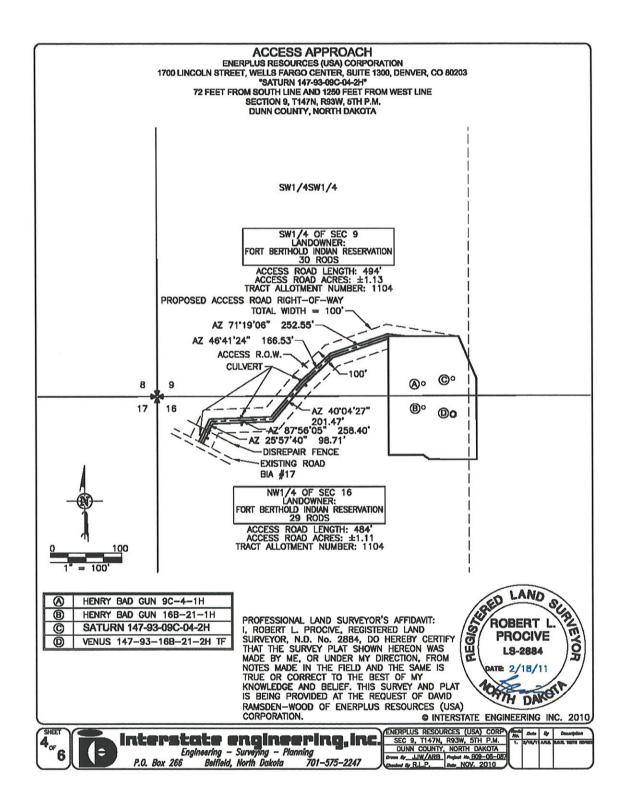
NOTES: ALL QUANTITIES ARE IN CUBIC YARDS (UNLESS OTHERWISE NOTED)
CUT END SLOPES AT 1:1

FILL END SLOPES AT 1.5:1



INTERSTATE ENGINEERING INC. 2010





# Notice of Availability and Appeal Rights

Enerplus: Addendum to Environmental Assessment to Authorize Land Use for a
Right-of-Way Width Increase for the
Henry Bad Gun 9C-4-1H/16B-21-1H Well Pad Access Road and to Authorize Four Additional Wells on the Henry Bad Gun 9C-4-1H/16B21-1H and Henry Bad Gun 8D-5-1H/17A-20-1H Well Pads

The Bureau of Indian Affairs (BIA) is planning to issue administrative approvals to Authorize Land Use for a Right-of-Way Width Increase for the Henry Bad Gun 9C-4-1H/16B-21-1H Well Pad Access Road and to Authorize Four Additional Wells on the Henry Bad Gun 9C-4-1H/16B-21-1H and Henry Bad Gun 8D-5-1H/17A-20-1H wells pads as shown on the attached map. Construction by Enerplus 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 May 22, 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.

