



United States Department of the Interior

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




IN REPLY REFER TO:
DESCRM
MC-208

AUG 03 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, an Addendum has been completed and a Finding of No Significant Impact (FONSI) has been issued. The addendum authorizes land use for gathering pipelines connecting the KOG Skunk Creek #9-2-3-5H & #9-2-3-5H3 Wells to the Arrow Phase 1B-Prime Pipeline on the Fort Berthold Indian Reservation.

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 (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, Tribal Historic Preservation Officer (with attachment)
Derek Enderud, BLM, Bureau of Land Management (with attachment)
Jonathon Shelman, Corps of Engineers (with attachment)
Jeff Hunt, Fort Berthold Agency

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

**Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines
Connecting the KOG Skunk Creek #9-2-3-5H & #9-2-3-5H3 Wells to the Arrow Phase 1B-
Prime Pipeline**

The U.S. Bureau of Indian Affairs (BIA) received a proposal to authorize land use by Arrow Pipeline, LLC (Arrow) for gathering pipelines connecting the KOG Skunk Creek #9-2-3-5H & #9-2-3-5H3 wells to the Arrow Phase 1B-Prime Pipeline on the Fort Berthold Reservation. 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

8/3/11
Date

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 KOG Skunk Creek #9-2-3-5H & #9-2-3-5H3 Wells 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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Connecting the KOG Skunk Creek #9-2-3-5H & #9-2-3-5H3 Well Pads to the Arrow Phase
1B Prime Pipeline
(August 2011)*

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*Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines
Connecting the KOG Skunk Creek #9-2-3-5H & #9-2-3-5H3 Well Pads to the Arrow Phase
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(August 2011)*

1. Purpose and Need for the Proposed Action

Arrow Pipeline, LLC has proposed to construct gathering oil pipelines within 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 Midstream Holdings, LLC (Arrow) for the construction and installation of gathering pipelines including: 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 KOG Skunk Creek #9-2-3-5H/#9-2-3-5H3 gathering pipelines would be located on trust land originating from the northeast corner of the well pad, in the SE1/4 NE1/4 of Section 2, Township (T) 148 North (N), Range (R) 93 West (W), 5th Prime Meridian (P.M.), Dunn County, North Dakota, and terminating in the SE1/4 NE1/4 of Section 2, T148N, 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 trust land that would join the KOG Skunk Creek #9-2-3-5H/#9-2-3-5H3 well pad to the existing Arrow Phase 1B Prime Pipeline. Lines would originate from the northeast corner of the KOG Skunk Creek #9-2-3-5H/#9-2-3-5H3 well pad and travel approximately 71.9 feet north and 202.91 feet west before connecting to 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 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.

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Approximately 274.81 feet of oil, gas, and water line would be needed to connect the KOG Skunk Creek #9-2-3-5H/#9-2-3-5H3 well pad to the existing Arrow Phase 1B Prime pipeline. All construction disturbances would occur within a 120-foot-wide temporary right-of-way (ROW) and permanent surface disturbance would occur within a 50-foot ROW between the KOG Skunk Creek #9-2-3-5H/#9-2-3-5H3 well pad and the Arrow Phase 1B Prime Pipeline, which has been surveyed for impacts to natural and cultural resources with no significant findings. In total, approximately 0.629 acre 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. Surveys

All construction activities associated with the KOG Skunk Creek #9-2-3-5H/#9-2-3-5H3 gathering pipelines would occur within an area previously surveyed for natural and cultural resources for the Arrow Phase 1B Prime pipeline. SWCA Environmental Consultants (SWCA) conducted natural resource surveys for threatened and endangered species, migratory birds, bald and golden eagles, and wetlands on April 26 and April 27, 2010. BIA Environmental Specialist, Darryl Turcotte, was present during the surveys and approved the location and proposed alignment of the Arrow Pipeline Phase 1B Prime pipeline.

No threatened and/or 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.

The proposed KOG Skunk Creek #9-2-3-5H/#9-2-3-5H3 gathering pipeline construction ROW was surveyed in April and August 2010 during the cultural resources inventory of the Arrow Phase 1B Prime pipeline (Lechert et al., 2010; Smith and Lechert 2010). 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 direct impacts to cultural resource sites would occur as a result of disturbance and/or the loss of sites eligible for the National Register of Historic Places. All 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.

Potential direct impacts to natural resources may include the loss of native vegetation and wildlife habitat, soil disturbance, and erosion during construction that may adversely affect air and water quality. Impacts would be mitigated by using best management practices during construction to minimize disturbance. Once construction activities are completed, reclamation would take place and would include the return of topsoil and contouring, and seeding of native vegetation.

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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 and/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) (July 2010).

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

Environmental Assessment: Arrow Midstream Holdings, LLC Oil and Gas Gathering System Phase 1B-Prime (June 2010)

8. Other Relevant Documentation

Environmental Assessment Addendum: Addendum to Environmental Assessment for Arrow Pipeline, LLC Phase 1B-Prime Gathering System (September 2010)

Environmental Assessment: Kodiak Oil & Gas (USA), Inc. Drilling of Oil and Gas Wells: Skunk Creek #9-2-3-4H, Skunk Creek #9-2-3-5H3, Skunk Creek #9-2-3-5H, Skunk Creek #16-2-3-12H, Skunk Creek #16-2-3-13H3, Skunk Creek #16-2-13-13H, Moccasin Creek #16-10-3-4H3, Moccasin Creek #16-10-3-3H, Moccasin Creek #16-10-3-2H3, Moccasin Creek #16-26-23-1H, Moccasin Creek #16-26-23-1H3, and Moccasin Creek #16-26-23-2H (March 2011)

9. NEPA Adequacy Criteria

This document has identified a previously prepared NEPA document, *Environmental Assessment: Arrow Midstream Holdings, LLC Oil and Gas Gathering System Phase 1B-Prime (June 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.

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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.

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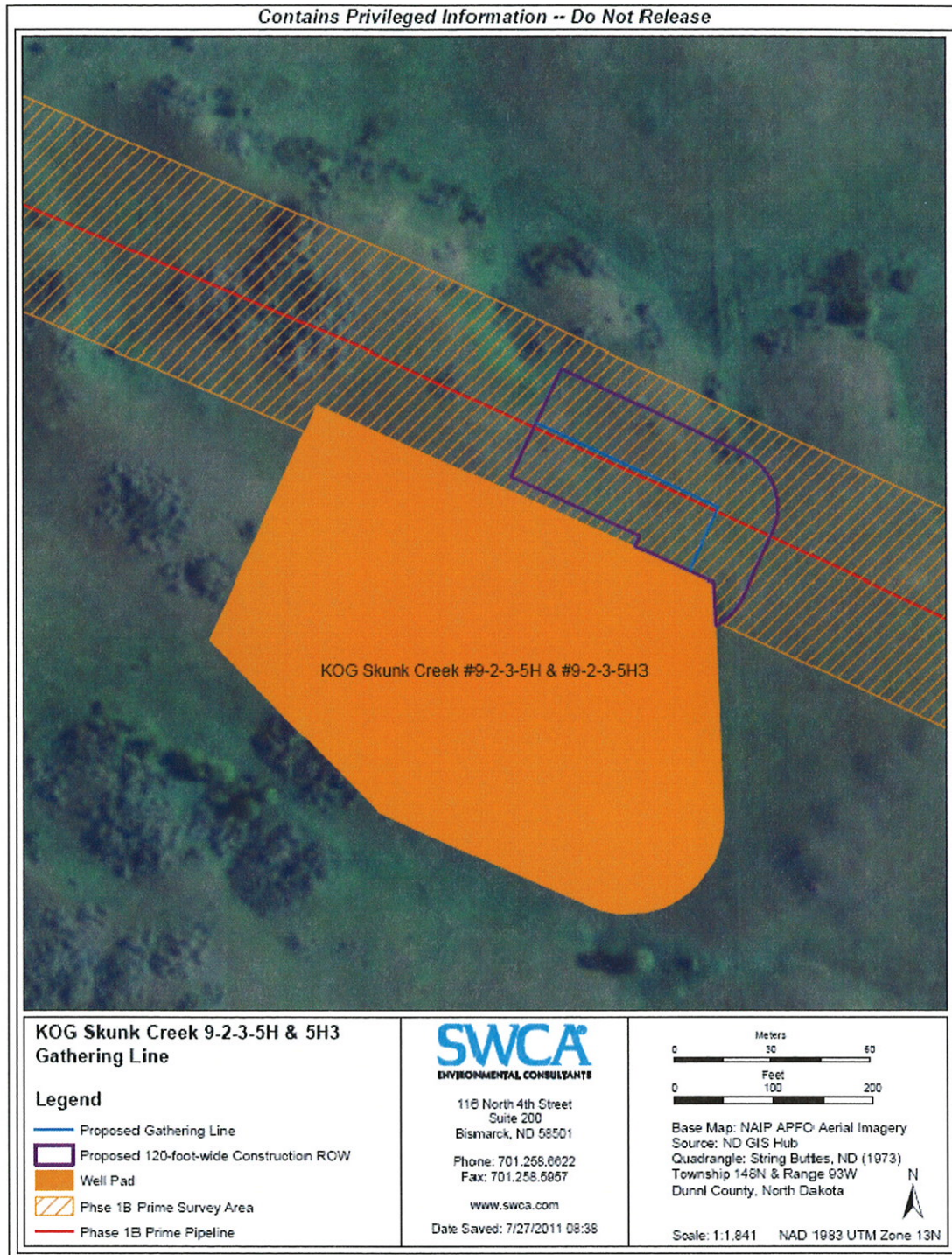


Figure 1. Proposed KOG Skunk Creek #9-2-3-5H & #9-2-3-5H3 gathering pipeline and associated dual well pad.

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REFERENCES

Lechert, Stephanie, Alan Hutchinson, and Norma Crumbley

2010 A Class I and Class III Cultural Resource Inventory of the Arrow Midstream Holdings Phase 1B Prime Pipeline, Fort Berthold Indian Reservation, Dunn County, North Dakota. Prepared by SWCA Environmental Consultants for Arrow Pipeline LLC.

Smith, Nicholas and Stephanie Lechert

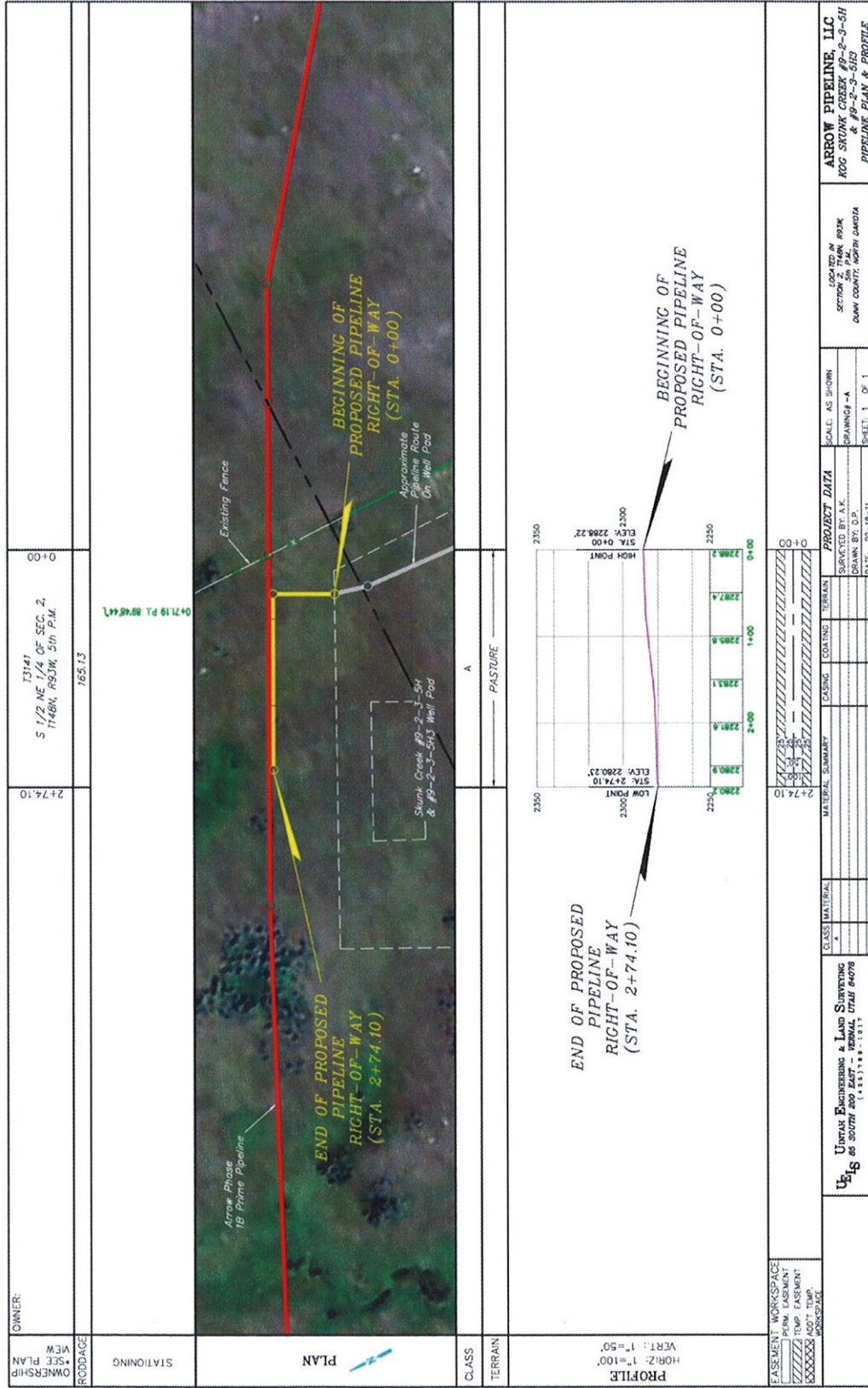
2010 *Addendum to the Class I and Class III Cultural Resource Inventory of the Arrow Pipeline Phase 1B Prime Pipeline, on the Fort Berthold Indian Reservation, Dunn County, North Dakota, Due to Centerline Reroute*. A report prepared by SWCA Environmental Consultants and submitted to the Bureau of Indian Affairs-Great Plains Regional Office.

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(July 2011)*

APPENDIX A

**Pipeline Layout and Pipeline Right-of-Way
For KOG Skunk Creek #9-2-3-5H & #9-2-3-5H3**

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& #9-2-3-5H3 Well Pads to the Arrow Phase 1B Prime Pipeline
(August 2011)*



Notice of Availability and Appeal Rights

Arrow Pipeline: Addendum to Environmental Assessment to Authorize Land Use for Gathering Pipelines Connecting the KOG Skunk Creek #9-2-3-5H & #9-2-3-5H3 Wells to the Arrow Phase 1B-Prime Pipeline

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 KOG Skunk Creek #9-2-3-5H & #9-2-3-5H3 Wells to the Arrow Phase 1B-Prime Pipeline 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 Earl Silk, 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 September 1, 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

Contains Privileged Information -- Do Not Release



**KOG Skunk Creek 9-2-3-5H & 5H3
Gathering Line**

Legend

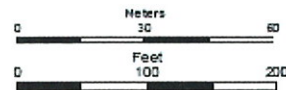
-  Proposed Gathering Line
-  Proposed 120-foot-wide Construction ROW
-  Well Pac
-  Phase 1B Prime Survey Area
-  Phase 1B Prime Pipeline



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Base Map: NAIP APFO Aerial Imagery
Source: ND GIS Hub
Quadrangle: String Buttes, ND (1973)
Township 148N & Range 93W
Dunn County, North Dakota



Scale: 1:1,841 NAD 1983 UTM Zone 13N