



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 16 2011

MEMORANDUM

TO: Superintendent, Fort Berthold Agency

FROM: Regional Director, Great Plains Region 

SUBJECT: Supplemental to Environmental Assessment

A Categorical Exclusion has been completed in compliance with the regulations of the National Environmental Policy Act (NEPA) of 1969, as amended. The proposed Supplemental Categorical Exclusion is for information tiering off of an existing Environmental Assessment for Dakota-3 E & P Company, LLC, and authorizes two additional wells on the existing Fast Dog #16-6H well pad. No new surface disturbances will be associated with the proposed action.

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



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS
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EXCEPTION CHECKLIST FOR BIA CATEGORICAL EXCLUSIONS

Project: Fastdog #16-6H Addendum to drill two additional wells from an existing pad.

Date: 8/15/2011

Nature of Proposed Action: To authorize Dakota-3 to drill two additional wells to explore the potential of the Middle Bakken Formation, on the approved Fast Dog #16-6H well pad. There will be no additional surface disturbance to the well pad or access road.

Exclusion category and number: 516DM 10.5 (g3)

Evaluation of Exceptions to use of Categorical Exclusion:

1. This action would have significant adverse effects on public health or safety. No 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 Yes
3. The action will have highly controversial environmental effects. No Yes
4. The action will have highly uncertain environmental effects or involve unique or unknown environmental risks. No Yes
5. This action will establish a precedent for future actions. No Yes
6. This action is related to other actions with individually insignificant, but cumulatively significant environmental effects. No Yes
7. This action will affect properties listed or eligible for listing in the National Register of Historic Places. No Yes
8. This action will affect a species listed, or proposed to be listed as endangered or threatened. No 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: Jeffery Davis, NEPA Coordinator

Regional Archeologist Concurrence with Item 7 Sebastian C. L. Bean

Concur: Jeffery Davis
Regional/Office/Agency Environmental Coordinator

Date: 8-15-2011

Concur: [Signature]
Regional Director/Superintendent

Date: 8-16-11

**ENVIRONMENTAL ASSESSMENT
Addendum**

United States Bureau of Indian Affairs

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



Dakota-3 E&P Company, LLC

**Addendum to Environmental Assessment as Documentation for the Accompanying
Categorical Exclusion Form to Authorize Two Additional Wells on the Existing
Fast Dog #16-6H Well Pad**

Fort Berthold Indian Reservation

August 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

Dakota-3 E&P Company, LLC (Dakota-3) is proposing to drill exploratory Middle Bakken Formation 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 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.

This action would qualify under the BIA regulations as a categorical exclusion. Information in this addendum is provided to document analysis of impacts leading to this designation. See accompanying CATEX form. The purpose of the proposed action is to authorize Dakota-3 to drill two additional wells to explore the potential of the Middle Bakken Formation, on the approved Fast Dog #16-6H 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 Fast Dog #16-6H well pad is located approximately 7.5 miles south of Mandaree, North Dakota, in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 6, Township 148 North, Range 94 West, Dunn County, North Dakota (Figure 1). The proposed two Fast Dog #16-6H wells will have bottom holes located approximately:

- **Fast Dog #6-7D:** 5,329 feet south and 300 feet west of the surface location, in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 7, Township 148 North, Range 94 West, Dunn County (Figure 1).
- **Fast Dog #6HD:** 4,364 feet north and 347 feet west of the surface location, in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 6, Township 148 North, Range 94 West, Dunn County (Figure 1).

4. Scope of Work for Proposed Action

Dakota-3 proposes to drill two additional wells, which will enter the Middle Bakken Formation, on the approved Fast Dog #16-6H well pad. **There will be no additional surface disturbance to the well pad or access road.**

5. Cultural Resources

The cultural resource inventory of this well pad and associated access road was conducted by personnel of SWCA Environmental Consultants (SWCA), using an intensive pedestrian methodology. Approximately 20.2 acres were inventoried on July 08, 2010, for the well pad and access road (Smith 2011¹). 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: *Dakota-3 E&P Company, LLC: Three Bakken Exploratory Wells; Dakota-3 Blue Buttes #3-21H, Dakota-3 Delores Sand #29-32H, Dakota-3 Fast Dog #16-6H (June 2011).*

7. Other Relevant Documentation

N/A

8. NEPA Adequacy Criteria

This document has identified the above-mentioned previously prepared NEPA document, 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.

¹ Smith, Nicholas Stephanie Lechert. 2011. A Class I and Class III Cultural Resource Inventory of the Zenergy Dakota-3 Fast Dog #16-6H Well Pad and Access Road, Fort Berthold Indian Reservation, Dunn County, North Dakota (April 20, 2011).

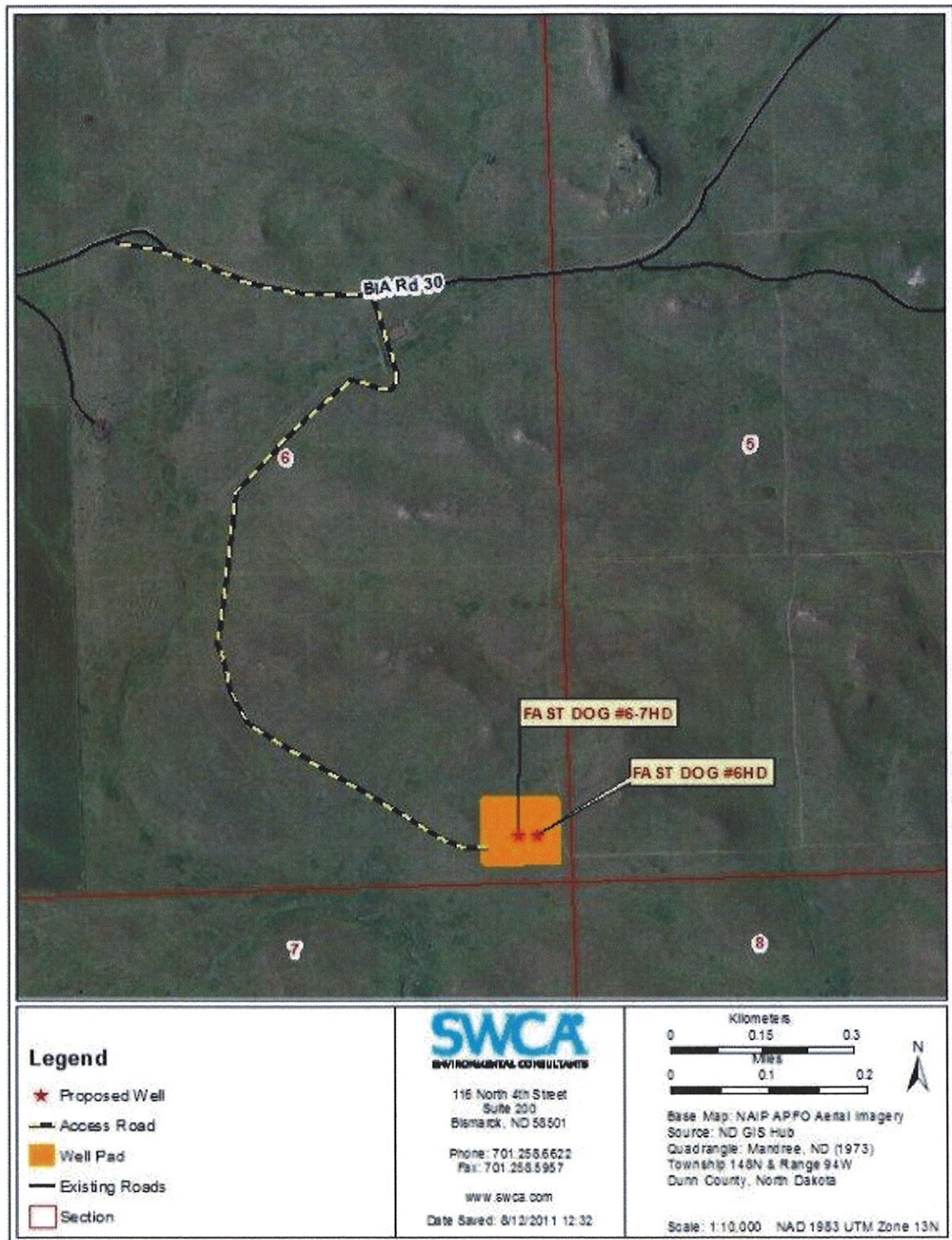
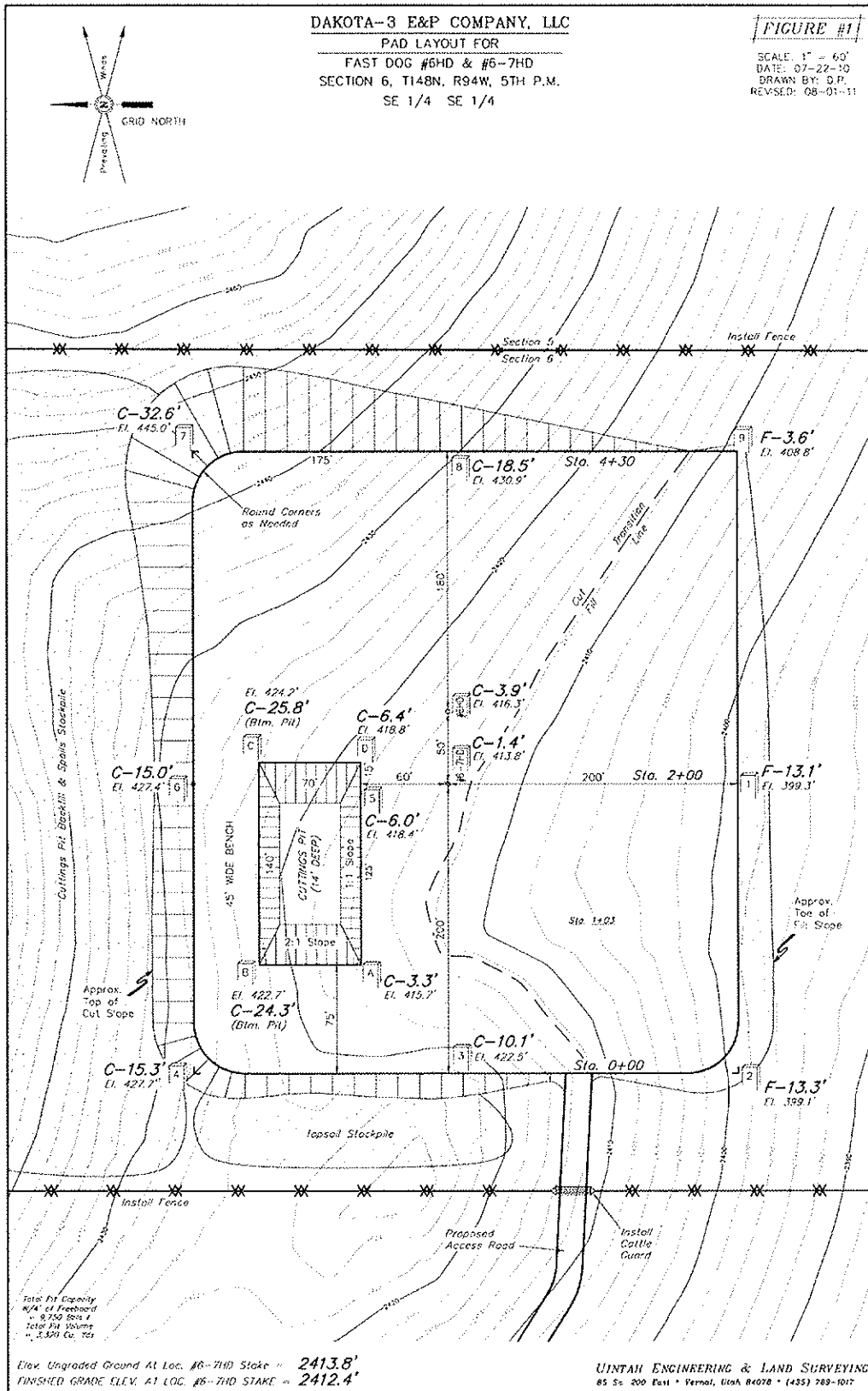


Figure 1. Map of the Fast Dog #16-6H Well Pad Location.

APPENDIX A

**Plats, Drawings, and Diagrams for the Fast Dog #6HD and #6-7HD
Locations**

Addendum to Environmental Assessment as Documentation for the Accompanying Categorical Exclusion Form to Authorize Two Wells on the Fast Dog #16-6H Well Pad (August 2011)

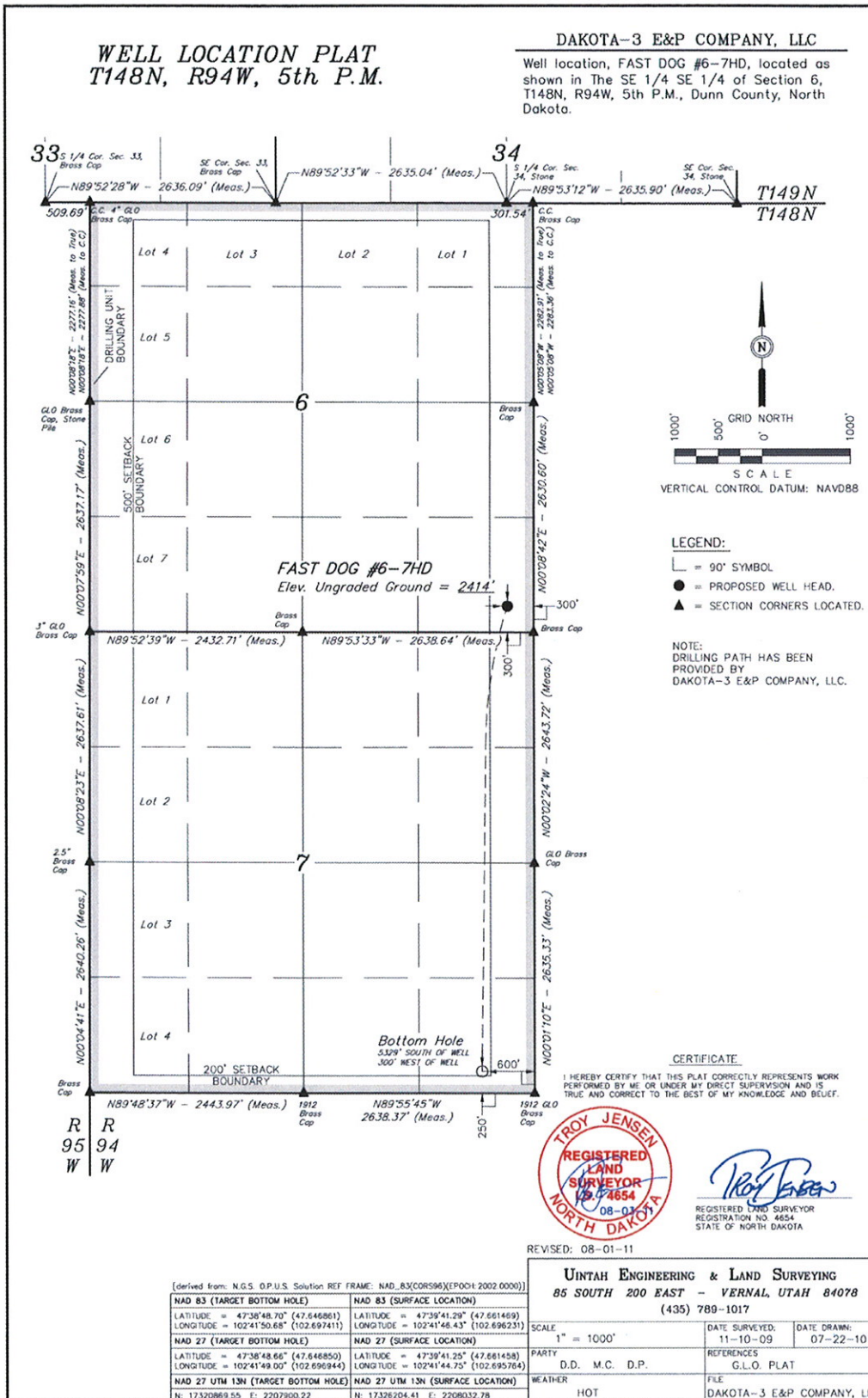


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WELL LOCATION PLAT
T148N, R94W, 5th P.M.

DAKOTA-3 E&P COMPANY, LLC

Well location, FAST DOG #6-7HD, located as shown in The SE 1/4 SE 1/4 of Section 6, T148N, R94W, 5th P.M., Dunn County, North Dakota.



Troy Jensen
REGISTERED LAND SURVEYOR
REGISTRATION NO. 4654
STATE OF NORTH DAKOTA

REVISED: 08-01-11

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

[derived from: N.G.S. O.P.U.S. Solution REF FRAME: NAD_83(CORS96)(EPOCH: 2002.0000)]	
NAD 83 (TARGET BOTTOM HOLE)	NAD 83 (SURFACE LOCATION)
LATITUDE = 47°38'48.70" (47.646861)	LATITUDE = 47°39'41.29" (47.661469)
LONGITUDE = 102°41'50.68" (102.697411)	LONGITUDE = 102°41'46.43" (102.696231)
NAD 27 (TARGET BOTTOM HOLE)	NAD 27 (SURFACE LOCATION)
LATITUDE = 47°38'48.66" (47.646850)	LATITUDE = 47°39'41.25" (47.661458)
LONGITUDE = 102°41'49.00" (102.696944)	LONGITUDE = 102°41'44.75" (102.695764)
NAD 27 UTM 13N (TARGET BOTTOM HOLE)	NAD 27 UTM 13N (SURFACE LOCATION)
N: 17320869.55 E: 2207900.22	N: 17326204.41 E: 2208032.78

SCALE	DATE SURVEYED:	DATE DRAWN:
1" = 1000'	11-10-09	07-22-10
PARTY	REFERENCES	
D.D. M.C. D.P.	G.L.O. PLAT	
WEATHER	FILE	
HOT	DAKOTA-3 E&P COMPANY, LLC	

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