

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

NOV 2 8 2011

MEMORANDUM

TO:

Superintendent, Fort Berthold Agency

Acting.

FROM:

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 an access road connecting the Mandaree Warrior #14-11H well pad to the existing EOG Mandaree #4-15H access road 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)
Michael Madson, SWCA (with attachment)
Jonathon Shelman, Corps of Engineers
Jeff Hunt, Fort Berthold Agency

Finding of No Significant Impact Dakota-3 E&P

Addendum to Environmental Assessment to Authorize Land Use for an Access Road Connecting the Mandaree Warrior #14-11H Well Pad to the Existing EOG Mandaree #4-15H Access Road

Fort Berthold Indian Reservation McKenzie County, North Dakota

The U.S. Bureau of Indian Affairs (BIA) has received a proposed Addendum to Environmental Assessment to authorize land use for an access road connecting the Mandaree Warrior #14-11H Well Pad to the existing EOG Mandaree #4-15H access road on the Fort Berthold Indian Reservation in McKenzie 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.

The potential of the proposed actions 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 EA, I have determined that the proposed projects 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.
- 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, archaeological, cultural and traditional properties, sites and practices. Compliance with the procedures of the National Historic Preservation Act is complete.
- 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 projects will improve the socio-economic condition of the affected Indian community.

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Regional Director

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Notice of Availability and Appeal Rights

Dakota-3 E&P: Addendum to Environmental Assessment to Authorize Land Use for an Access Road Connecting the Mandaree Warrior #14-11H Well Pad to the Existing EOG Mandaree #4-15H Access Road

The Bureau of Indian Affairs (BIA) is planning to issue administrative approvals related to an Addendum to Environmental Assessment to Authorize Land Use for an Access Road Connecting the Mandaree Warrior #14-11H Well Pad to the Existing EOG Mandaree #4-15H Access Road on the Fort Berthold Reservation as shown on the attached map. Construction by Dakota-3 E&P Resources is expected to begin in 2011.

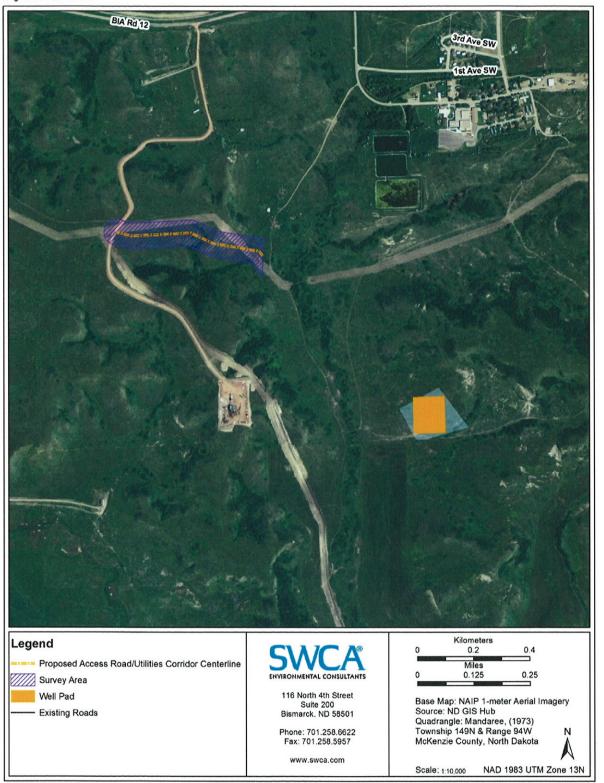
An environmental assessment (EA) determined that proposed activities will not cause significant impacts to the human environment. An environmental impact statement is not required. Contact Earl Silk, Superintendent at 701-627-4707 for more information and/or copies of the EA and the Finding of No Significant 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 December 28, 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.



ENVIRONMENTAL ASSESSMENT Addendum

United States Bureau of Indian Affairs

Great Plains Regional OfficeAberdeen, South Dakota



Dakota-3 E&P Company, LLC

Addendum to Environmental Assessment to Authorize Land Use for an Access Road Connecting the Mandaree Warrior #14-11H Well Pad to the Existing EOG Mandaree #4-15H Access Road

Fort Berthold Indian Reservation

November 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

TABLE OF CONTENTS

		<u>Page</u>
1.	Purpose and Need for the Proposed Action	1
2.	Authorities	1
3.	Legal Land Description for Proposed Action	1
4.	Scope of Work for Proposed Action	
5.	Trust Resources	
6.	Reclamation	
7.	Applicable National Environmental Policy Act (NEPA) Document(s)	4
8.	Other Relevant Documentation	
9.	NEPA Adequacy Criteria	4
	LIST OF FIGURES	
Fig l	ure ure 1. Proposed Mandaree Warrior #14-11H Access Road Alignment	<u>Page</u> 7

LIST OF APPENDICES

Appendix

A. Plats, Layout and Right-of-Way for Mandaree Warrior #14-11H Access Road

1. Purpose and Need for the Proposed Action

Dakota-3 E&P Company, LLC (Dakota-3) is proposing this action for the purpose of authorizing land use by Dakota-3 for the construction and installation of an access road connecting the Mandaree Warrior #14-11H well pad to the existing EOG Mandaree #4-15H access road within the Fort Berthold Indian Reservation. The original access road for this well pad was proposed to originate near the Mandaree School (see *Environmental Assessment: Five Bakken Exploratory Oil Wells: Dakota-3 Joseph Eagle#2-19H, Dakota-3 Sarah Smith #22-23H, Dakota-3 Fox #14-8H, Dakota-3 Gerald Hale #33-28H, and Dakota-3 Mandaree Warrior #14-11H; January 2011).* This new access road will interconnect with the previously proposed alignment at the eastern point shown on Figure 1. This new alignment is being proposed at the landowner's request.

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 offer substantial economic benefits to the Three Affiliated Tribes of the Mandan, Hidatsa, and Arikara Nations and to individual tribal members.

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 Mandaree Warrior #14-11H access road would originate from the north corner of the well pad, in the SW¼ of Section 14, Township (T) 149 North (N), Range (R) 93 West (W), then run northwest and terminate in the SE¼ of Section 15, T149N, R94W, all in McKenzie County, North Dakota.

4. Scope of Work for Proposed Action

Dakota-3 proposes to construct and install an access road that would join a portion of the previously permitted Mandaree Warrior #14-11H Well Pad access road to the existing EOG Mandaree #4-15H access road. Approximately 1,698.05 feet of right-of-way would be required to connect with the existing EOG Mandaree #4-15H access road. All construction disturbances would occur within a purchased 100-foot-wide temporary right-of-way (ROW) and permanent surface disturbance would occur within a 66-foot ROW between the

previously permitted Mandaree Warrior #14-11H Well Pad access road and the existing EOG Mandaree #4-15H access road, which have been surveyed for impacts to natural and cultural resources with no significant findings. In total, approximately 3.90 acres will be temporarily disturbed, and 2.57 acres permanently disturbed, as a result of activities associated with the construction of the proposed access road. Plats are provided in Appendix A.

5. Trust Resources

A cultural resource inventory of this access road reroute was conducted by personnel of SWCA Environmental Consultants, using an intensive pedestrian methodology. Approximately 20.35 acres were inventoried on September 16, 2011 (Schleichert and Reinhart 2011). One previously recorded historic archaeological site was revisited but which does not appear to 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. This determination was communicated to the THPO on October 19, 2011; however the THPO did not respond within the allotted 30 day comment period.

Schleicher, Jolene, and Damien Reinhart (2011)

Addendum to the Class I and Class III Cultural Resources Inventory of the Dakota-3 Mandaree Warrior #14-11H Well Pad, Access Road and Gathering Pipeline, Fort Berthold Indian Reservation, McKenzie County, North Dakota. SWCA Environmental Consultants for Dakota-3 E&P Company, LLC, Denver.

A natural resource inventory of the proposed alignment was conducted by SWCA ecologists on September 16, 2011. BIA environmental specialist Chris McLaughlin approved the proposed location on the September 19, 2011. No threatened or endangered species or habitat, migratory birds and active nests, or bald and golden eagles and active/inactive nests, were observed during the field survey and are not anticipated to be impacted by construction activities.

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 within 6 months and would include the return of topsoil and contouring, and seeding of native vegetation.

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) (January 2011).

6. Reclamation

Interim Reclamation

Reclamation would continue over the life of the access road and would include the return of topsoil, and contouring and seeding of native vegetation. Initial reclamation would be required 6 months after construction, if environmentally feasible, and then following any maintenance work or additions of infrastructure. Reclamation would be required before final abandonment of the decommissioned access road. A successful reclamation would at all times be the responsibility of the operator.

The portions of the access road not used for functionality would be back-filled, assuming frozen or saturated soils are not present. Topsoil piles would be stored on site during construction. If construction is to occur during winter, Dakota-3 will partially use non-frozen back-fill soil to the extent possible and cover the entire ROW with straw. Topsoil would be distributed as soon as practicable after the soil has defrosted. Topsoil piles would be covered to eliminate the potential for rill erosion and subsequent loss of soil during spring snow melt and precipitation events.

Applicable short- and long-term best management practices would be used to minimize and control erosion in disturbed areas. To reduce compaction, the access road ROW would be plowed before the stockpiled topsoil is distributed.

The disturbed areas would be reclaimed and contoured as soon as possible after construction is complete (fall/spring). The access road ROW would be covered with stockpiled topsoil and reseeded with a seed mixture determined by the BIA. Dakota-3 would control noxious weeds within the ROW and other applicable facilities by approved chemical or mechanical methods. If seeding of the ROW does not occur due to growing season constraints, Dakota-3 will deploy approved weed-free hay across the entire ROW. The presence of hay across the ROW will reduce the potential for excessive erosion as a result of spring snow melt and precipitation.

The entire ROW would be monitored for erosion, subsidence, or noxious weeds. In areas where problems are found to occur, reclamation efforts would continue until the BIA feels the ROW is successfully reclaimed. Reclamation is considered successful when:

- seeded areas are established;
- adjacent vegetative communities spread back into the disturbed areas; and
- noxious weeds are under control.

If after two growing seasons the new seeding is not successful, the BIA may require additional efforts to establish vegetation. For noxious weeds, a survey was conducted on the access road ROW and well pad area, prior to the construction commencing. The BIA has developed a weed management plan to treat known or likely to occur noxious weed species.

Final Reclamation

Final reclamation would occur when the access road is decommissioned. All disturbed areas would be reclaimed, reflecting the BIA's view of oil and gas exploration and production as temporary intrusions on the landscape. All facilities would be removed. Access roads and work areas would be leveled or backfilled as necessary, scarified, recontoured, and seeded. Exceptions to these reclamation measures might occur if the BIA approves assignment of an access road either to the BIA roads inventory or to concurring surface allottees.

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

Environmental Assessment: Five Bakken Exploratory Oil Wells: Dakota-3 Joseph Eagle#2-19H, Dakota-3 Sarah Smith #22-23H, Dakota-3 Fox #14-8H, Dakota-3 Gerald Hale #33-28H, and Dakota-3 Mandaree Warrior #14-11H (January 2011).

8. Other Relevant Documentation

A Class I and III Cultural Resource Inventory of the EOG Mandaree 4-15H Well Pad and Access Road, Fort Berthold Indian Reservation, McKenzie County, North Dakota

9. NEPA Adequacy Criteria

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

Addendum to Environmental Assessment to Authorize Land Use for an Access Road Connecting the Mandaree Warrior #14-11H Well Pad to the Existing EOG Mandaree #4-15H Access Road (November 2011)

- 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.

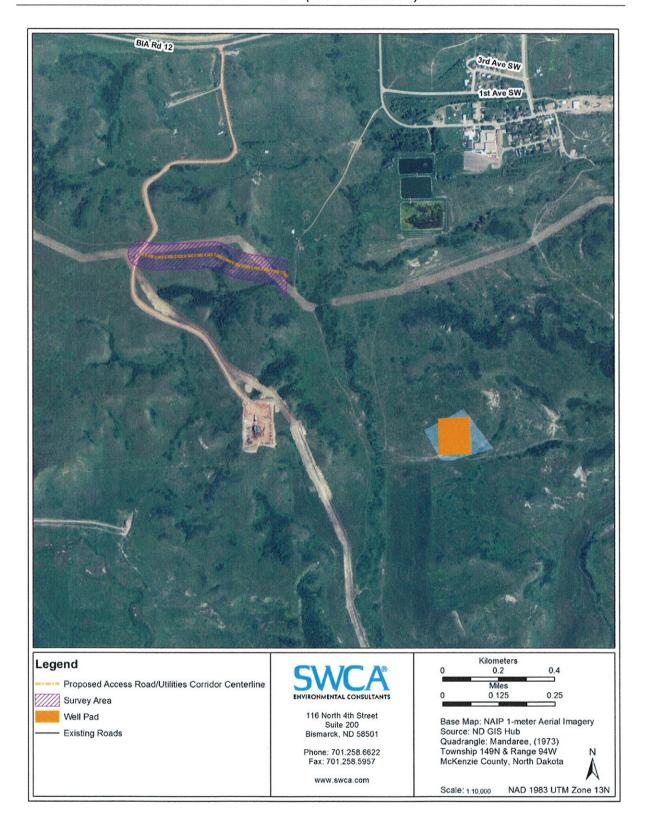


Figure 1. Proposed Mandaree Warrior #14-11H Access Road Alignment



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 OCT 19 2011

Elgin Crows Breast, THPO Mandan, Hidatsa and Arikara Nation 404 Frontage Road New Town, North Dakota 58763

Dear Mr. Crows Breast:

We have considered the potential effects on cultural resources of two proposed oil well pads and an access road reroute in McKenzie and Mountrail Counties, North Dakota. Approximately 100.35 acres were intensively inventoried using a pedestrian methodology. Potential surface disturbances are not expected to exceed the areas depicted in the enclosed reports. One previously recorded non-eligible archaeological site (32MZ2153) was revisited and another archaeological site (32MN898) was located that may possess the quality of integrity and meet at least one of the criteria (36 CFR 60.4) for inclusion on the National Register of Historic Places. No properties were located that appear to qualify for protection under the American Indian Religious Freedom Act (42 USC 1996).

As the surface management agency, and as provided for in 36 CFR 800.5, we have therefore reached a determination of no historic properties affected for this undertaking, as site 32MN898 will be avoided. Catalogued as BIA Case Number AAO-1993/FB/11, the proposed undertakings, locations, and project dimensions are described in the following reports:

Herson, Chandler S., and Damien Reinbart

- (2011a) A Class I and Class III Cultural Resources Inventory of the George Evans #11-2H Well Pad and Utility Corridor, Fort Berthold Indian Reservation, Mountrail County, North Dakota. SWCA Environmental Consultants for Dakota-3 E & P Company, LLC, Denver.
- (2011b) A Class I and Class III Cultural Resources Inventory of the John Evans #14-23H Well Pad and Utility Corridor, Fort Berthold Indian Reservation, Mountrail County, North Dakota. SWCA Environmental Consultants for Dakota-3 E & P Company, LLC, Denver.

Schleicher, Jolene, and Damien Reinhart

(2011) Addendum to the Class I and Class III Cultural Resources Inventory of the Dakota-3 Mandaree Warrior #14-11H Well Pad, Access Road and Gathering Pipeline, Fort Berthold Indian Reservation, McKenzie County, North Dakota. SWCA Environmental Consultants for Dakota-3 E&P Company, LLC, Denver.

Addendum to Environmental Assessment to Authorize Land Use for an Access Road Connecting the Mandaree Warrior #14-11H Well Pad to the Existing EOG Mandaree #4-15H Access Road (November 2011)

Page 2

If your office concurs with this determination, consultation will be completed under the National Historic Preservation Act and its implementing regulations. We will adhere to the Standard Conditions of Compliance.

If you have any questions, please contact Dr. Carson N. Murdy, Regional Archaeologist, at (605) 226-7656.

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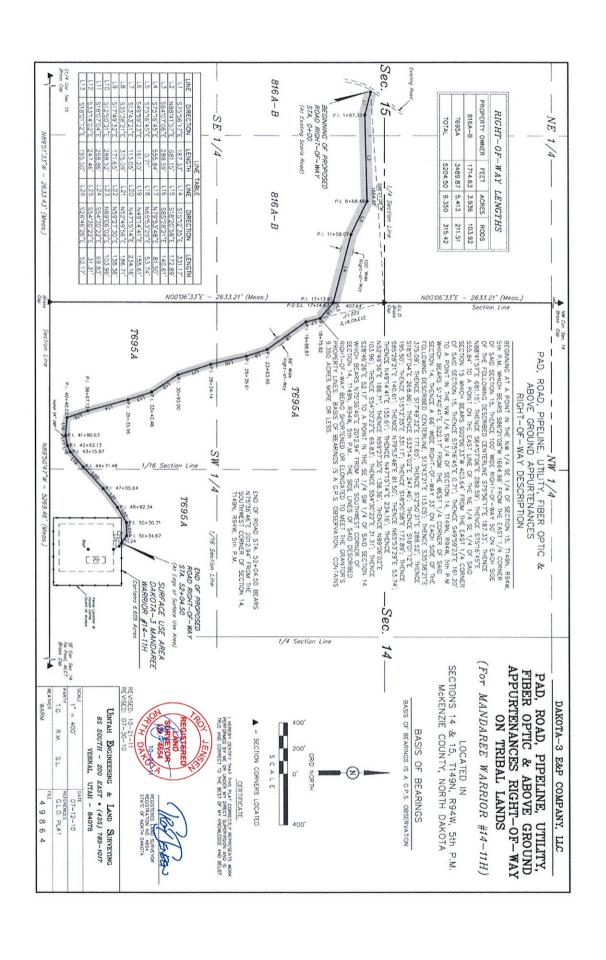
Regional Director

Enclosures

cc: Chairman, Three Affiliated Tribes

Superintendent, Fort Berthold Agency

APPENDIX A Plats, Layout, and Right-of-Way for Mandaree Warrior #14-11H Access Road



DAKOTA-3 E&P COMPANY, LLC MANDAREE WARRIOR #14-11H PAD, ROAD, PIPELINE, UTILITY, FIBER OPTIC & ABOVE GROUND APPURTENANCES RIGHT-OF-WAY SECTIONS 14 & 15, T149N, R94W, 5th P.M.

PAD, ROAD, PIPELINE, UTILITY & ABOVE GROUND APPURTENANCES RIGHT-OF-WAY ON TRIBAL LANDS

TOTAL LENGTH OF RIGHT-OF-WAY IS 5204.50' OR 0.986 MILES. WIDTH OF RIGHT-OF-WAY VARIES AS SHOWN WITH A MAXIMUM WIDTH OF 100' (50' PERPENDICULAR ON EACH SIDE OF THE CENTERLINE) AND A MINIMUM WIDTH OF 66' (33' PERPENDICULAR ON EACH SIDE OF THE CENTERLINE). CONTAINS 9.350 ACRES MORE OR LESS.

ENGINEER'S AFFIDAVIT

STATE OF MONTANA)
COUNTY OF RICHLAND)

TROY JENSEN, BEING FIRST DULY SWORN DEPOSES AND STATES THAT HE IS THE REGISTERED LAND SURVEYOR, FOR DAKOTA-3 E&P COMPANY, LLC, THAT THESE SURVEYS WERE MADE BY HIM (OR UNDER HIS SUPERVISION): THAT HE HAS EXAMINED THE FIELD NOTES OF THE SURVEYS OF THE PAD, ROAD, PIPELINE, UTILITY & ABOVE GROUND APPURTENANCES RIGHT-OF-WAY AS DESCRIBED AND SHOWN ON THIS MAP, THAT THIS MAP WAS PREPARED UNDER HIS DIRECTION FROM SAID FIELD NOTES; AND THAT SAID RIGHT-OF-WAY, 0.986 MILES IN LENGTH BEGINNING AND ENDING AS SHOWN ON THIS MAP IS ACCURATELY REPRESENTED.



REGISTERED LAND SURVEYOR REGISTRATION NO. 4654 STATE OF NORTH DAKOTA

APPLICANT'S CERTIFICATE

APPLICANT		