



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

DEC 17 2010

MEMORANDUM

TO: Superintendent, Fort Berthold Agency

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, for an addendum for the enlargement of one proposed well to accommodate up to 10 wells from the same location by QEP Energy on the Fort Berthold Reservation, an Environmental Assessment (EA) 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 (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, US Army Corps of Engineers
Jeffrey Hunt, Virtual One Stop Shop

Finding of No Significant Impact

Questar Exploration and Production Company (QEP)

Addendum to:

*Questar Exploration and Production Company September 2009 Environmental Assessment
Four Bakken Formation Exploratory Wells at Four Locations:*

*MHA 1-06H-149-91, MHA 1-01H-149-92, MHA 1-31H-150-91
and MHA 1-06-31H-150-92*

*Fort Berthold Indian Reservation
Dunn County North Dakota*

The U.S. Bureau of Indian Affairs (BIA) has received a proposal for an addendum to the above referenced Environmental Assessment (EA). The proposal is to enlarge one of the proposed well pads addressed in the previous EA to accommodate the drilling of up to ten wells from the same location. The well pad addressed in this document is currently named MHA-1-31-36H-150-92; this well pad was referred to as MHA-1-31H-150-91 in the September 2009 EA/Finding of No Significant Impact (FONSI). The spacing units for the ten proposed wells from this location will be contained within Sections 30 and 31, T150N, R91W and Sections 25 and 36, T150N, R92W. These spacing units would be further discussed in the Application for Permit to Drill (APD). The previously authorized well access road alignment is proposed to remain in the same location. The well pad is located in Section 31, Township 150 North, Range 91 West. The well pad extension is located within the ten acre block that was previously surveyed and approved. Associated federal actions by BIA include determinations of impacts and effects regarding environmental resources and positive recommendations 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 addendum to an existing 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 solicited for the preceding NEPA document was sufficient to ascertain potential environmental concerns associated with the currently proposed project.
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 actions 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). 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.
4. Environmental justice was fully considered.
5. Cumulative effects to the environment are either mitigated or minimal.
6. No regulatory requirements have been waived or require compensatory mitigation measures.
7. The proposed projects will improve the socio-economic condition of the affected Indian community.


Regional Director

12-17-10
Date

ENVIRONMENTAL ASSESSMENT

Addendum

United States Bureau of Indian Affairs

Great Plains Regional Office
Aberdeen, South Dakota



Questar Exploration and Production Company

Addendum to:

Questar Exploration and Production Company September 2009 Environmental Assessment
Four Bakken Formation Exploratory Wells at Four Locations

Fort Berthold Indian Reservation

December 2010

*For information contact:
Bureau of Indian Affairs, Great Plains Regional Office
Division of Environment, Safety and Cultural Resources
115 4th Avenue SE
Aberdeen, South Dakota 57401
605-226-7656*

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1 PURPOSE AND NEED FOR THE PROPOSED ACTION

Questar Exploration and Production Company (QEP) proposes to authorize the expansion of one of the four well pads covered by the previously authorized EA dated September 2009, for which a FONSI was issued. The well pad is located in the SE¼ of the SE¼ of Section 31, Township 150 North, Range 91 West. The proposed well pad expansion is within the original survey area addressed in the EA/FONSI and would impact the same general native rangeland land use as the original well pad location. Please refer to **Figure 1 Well Pad Vegetation**. The access road location remained as previously proposed and authorized. Please refer to **Figure 2 Project Overview Map**.



Figure 1 Well Pad Vegetation

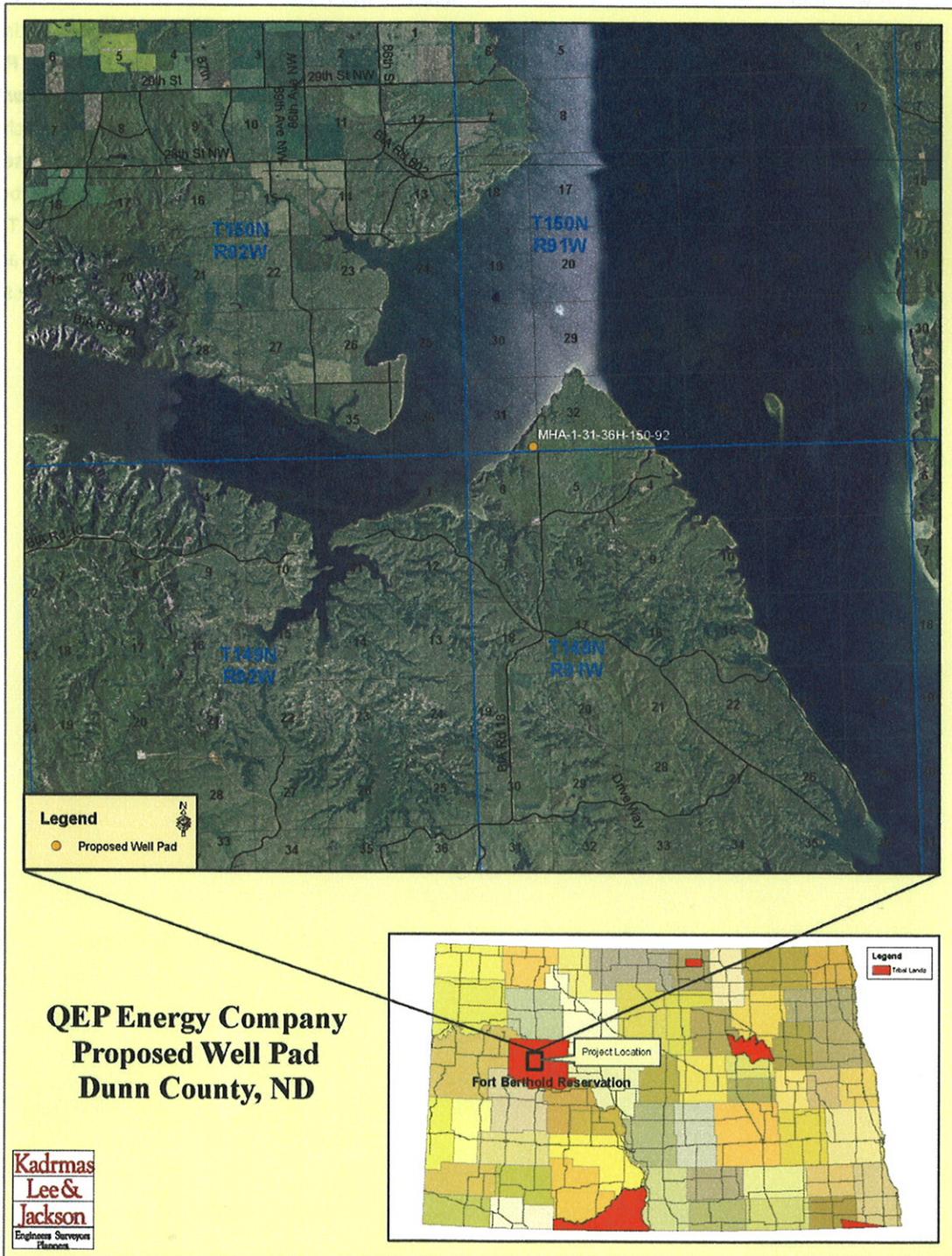


Figure 2 Project Overview Map

The well pad expansion would increase the dimensions from 350 X 380 feet to 505 X 590 feet. The northwest corner of the well pad would be rounded to keep the construction from impacting the nearby US Army Corps of Engineers (USACE) surface acreage. Please refer to **Figure 2 Project Overview Map** for the well pad expansion location, and **Figure 3 Well Pad Dimension Comparisons**. Construction activities for the new well pad location would take place atop areas that have achieved a FONSI approval by the BIA. By expanding the well pad, the area of disturbance would increase from 3.31 acres to 7.12 acres, along with increasing the number of wells to be drilled from this location from two to ten. The spacing units for the ten wells would be located in Sections 25, 36, T150N, R92W and Sections 30 and 31, T150N, R91W. These will be further defined in the APD. The area of disturbance per well would be minimized from 1.50 acres/well to 0.71 acre/well. The ten acre survey area and access road was re-evaluated during an on-site assessment September 30, 2010.



Figure 3 Well Pad Dimension Comparisons

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 OF PROPOSED ACTION

The proposed well pad expansion would be constructed in the SE¼ of the SE¼ of Section 31, T150N, R91W within the ten acre survey area of the previously authorized well pad to further minimize cut and fill disturbances. The access road would follow the same road alignment as was previously proposed and authorized for the proposed wells.

4 SCOPE OF WORK FOR PROPOSED ACTION

The proposed well pad expansion would be constructed atop the previously approved well pad and within the previously surveyed ten acre survey area. The access road would remain in the previously approved location. Please refer to **Figure 4, Well Pad Expansion Layout**. The dimensions of the proposed well pad would be increased from 350 X 380 feet to 505 X 590 feet. As such, no additional environmental impacts aside from those disclosed in the previously referenced NEPA documents are anticipated from construction of the proposed well pad expansion.

Should the wells be determined to be producing wells, construction of ancillary facilities, including pipelines and electrical lines, would be preceded by all necessary agency approvals and guidelines for the installation of these utilities. Any additional ROW corridors would follow the constructed well site access road.

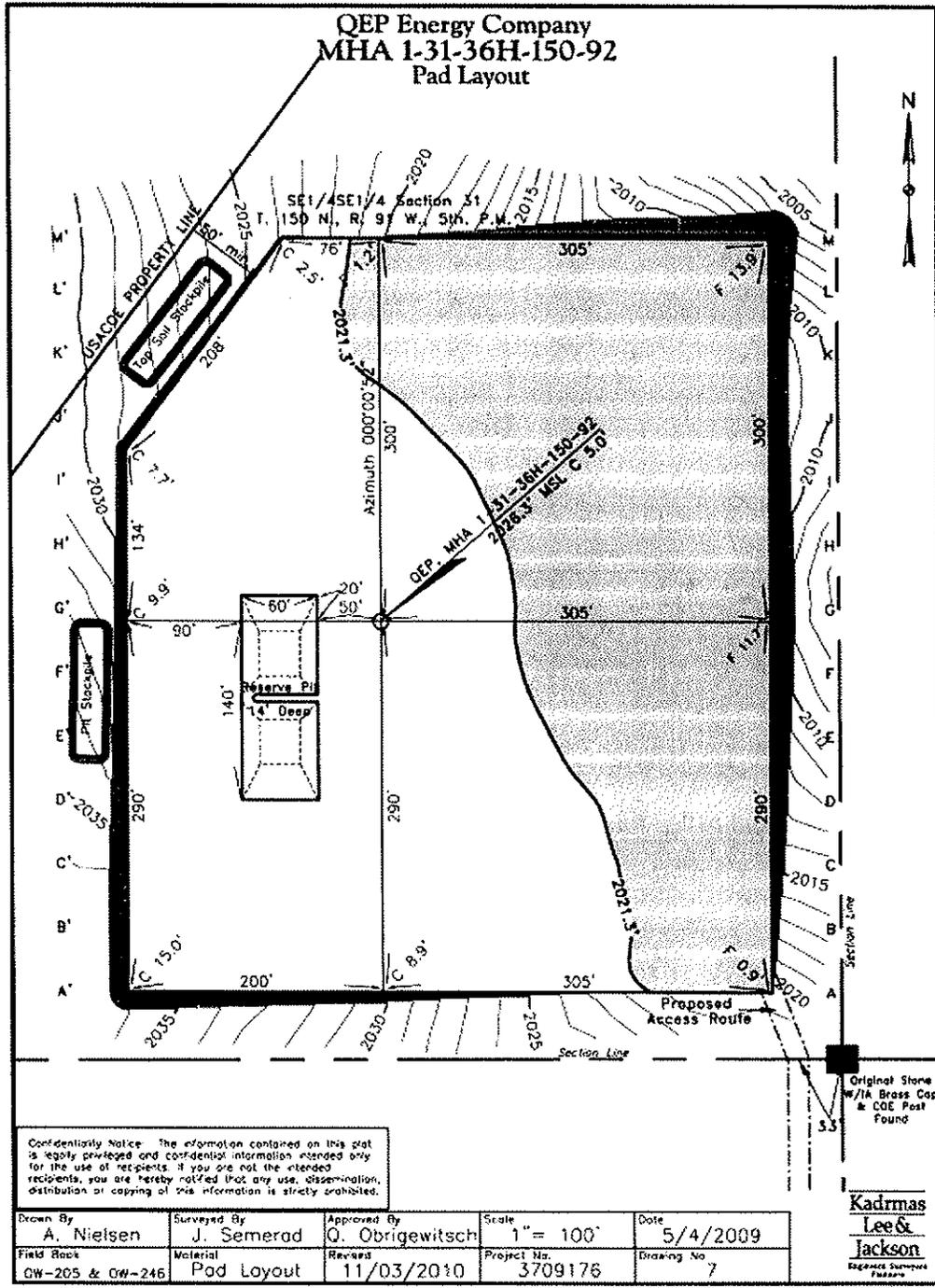


Figure 4, Well Pad Expansion Layout

5 APPLICABLE NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) DOCUMENTS

The following NEPA documents have been previously approved by BIA for the proposed action:

- Environmental Assessment, QEP, MHA 1-06H-149-91, MHA 1-01H-149-91, MHA 1-31H-150-91 and MHA 1-06-31H-150-92 Bakken Exploratory Oil Wells, Fort Berthold Indian Reservation, September 2009. The EA FONSI was issued September 2009.
- Addendum to the above mentioned QEP EA to delete the MHA 1-06H-149-91 well and to add (drill) the MHA 1-06-01H-149-92 and MHA 2-06-01H-149-92 wells at the same location. Addendum to EA authorized by BIA on December 17, 2009.
- CATEX to above mentioned QEP EA to install oil and gas production pipelines within the existing access road ROW. CATEX authorized by BIA on June 28, 2010.

6 ASSESSMENT OF ENVIRONMENTAL IMPACTS

The following discussion addresses environmental and social impacts as a result of the well pad expansion. Impacts are only discussed if the well pad expansion has changed the impact assessment reflected in the September 2009 EA, or to note why the impact assessment has not changed.

A. Cultural Resources

A cultural resource inventory of this well pad expansion was conducted by personnel of Kadrmass, Lee & Jackson, Inc., using an intensive pedestrian methodology. Approximately 11 acres (for the MHA 1-31-36H-150-92 well pad) were inventoried on September 30, 2010 (Ó Donnchadha 2010). No historic properties were located that 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 November 16, 2010; however the THPO did not respond within the allotted 30 day comment period.

Ó Donnchadha, Brian (2010) MHA 1-31-36H-150-92 Well Pad and Access Road: A Class III Cultural Resource Inventory, Dunn County, North Dakota. KIJ Cultural Resources for QEP, Denver.

B. Piping Plover Critical Habitat

Lake Sakakawea shoreline has been designated critical habitat for the piping plover by the USFWS. During the September 30, 2010 on-site, BIA recommended that additional spring surveys be conducted for migratory birds. QEP has committed to completing additional surveys during the spring of 2011 for migratory birds at this location. Well pad design included a receptor trench per the USACE guidance, and placing the spoil stock piles in locations to act as a secondary containment for the well pad (northwest corner).

7 NEPA ADEQUACY CRITERIA

This document has identified three previously prepared NEPA documents: Environmental Assessment, Questar Exploration and Production Company, MHA 1-06H-149-91, MHA 1-01H-149-91, MHA 1-31H-150-91 and MHA 1-06-31H-150-92 Bakken Exploratory Oil Wells, Fort Berthold Indian Reservation, September 2009; an Addendum to the EA on December 17, 2009 and a CATEX on June 28, 2010 which adequately describes the environmental consequences of the newly proposed actions described herein, and meets the following NEPA Adequacy Criteria:

1. The proposed actions are substantially the same actions and at the sites specifically analyzed in the existing NEPA documents.
2. The range of alternatives is reasonable with respect to the current proposed actions in the existing NEPA documents, which appropriately considers and analyzes 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 and/or resource assessment information.
4. The methodology and analytical approach used in the existing NEPA documents continues to be appropriate for the proposed actions.
5. The direct and indirect impacts of the proposed actions are unchanged from those identified in the existing NEPA documents.
6. The cumulative impacts that would result from implementation of the proposed actions 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.



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Aberdeen, South Dakota 57401



NOV 16 2010

IN REPLY REFER TO:
DESCRM
MC-208

Perry 'No Tears' Brady, THPO
Mandan, Hidatsa and Arikara Nation
404 Frontage Road
New Town, North Dakota 58763

Dear Mr. Brady:

We have considered the potential effects on cultural resources of three oil well pad and access road projects in McLean and Dunn Counties, North Dakota. Approximately 21 acres were intensively inventoried using a pedestrian methodology. Potential surface disturbances are not expected to exceed the areas depicted in the enclosed reports. No historic properties were located that appear to 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 these undertakings. Catalogued as **BIA Case Number AAO-1883/FB/11**, the proposed undertakings, locations, and project dimensions are described in the following reports:

- Ó Donnchadha, Brian
- (2010a) MHA 1-11-14H-149-91 & MHA 2-10-15H-149-90 Well Pad and Access Road: A Class III Cultural Resource Inventory, Mc Lean County, North Dakota. KLJ Cultural Resources for QEP, Denver.
 - (2010b) MHA 1-31-36H-150-92 Well Pad and Access Road: A Class III Cultural Resource Inventory, Dunn County, North Dakota. KLJ Cultural Resources for QEP, Denver. Ó Donnchadha, Brian
 - (2010c) MHA 1-26-25H-149-91 Well Pad and Access Road: A Class III Cultural Resource Inventory, Dunn County, North Dakota. KLJ Cultural Resources for QEP, Denver.

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

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

Sincerely,

ACPM Regional Director

Enclosures

cc: Chairman, Three Affiliated Tribes
Superintendent, Fort Berthold Agency

Notice of Availability and Appeal Rights

QEP: MHA 1-31-36H-150-91

The Bureau of Indian Affairs (BIA) is planning to issue administrative approvals related to enlarging one proposed well pad to accommodate up to 10 wells as shown on the attached map. Construction by QEP is expected to begin in the Winter 2010.

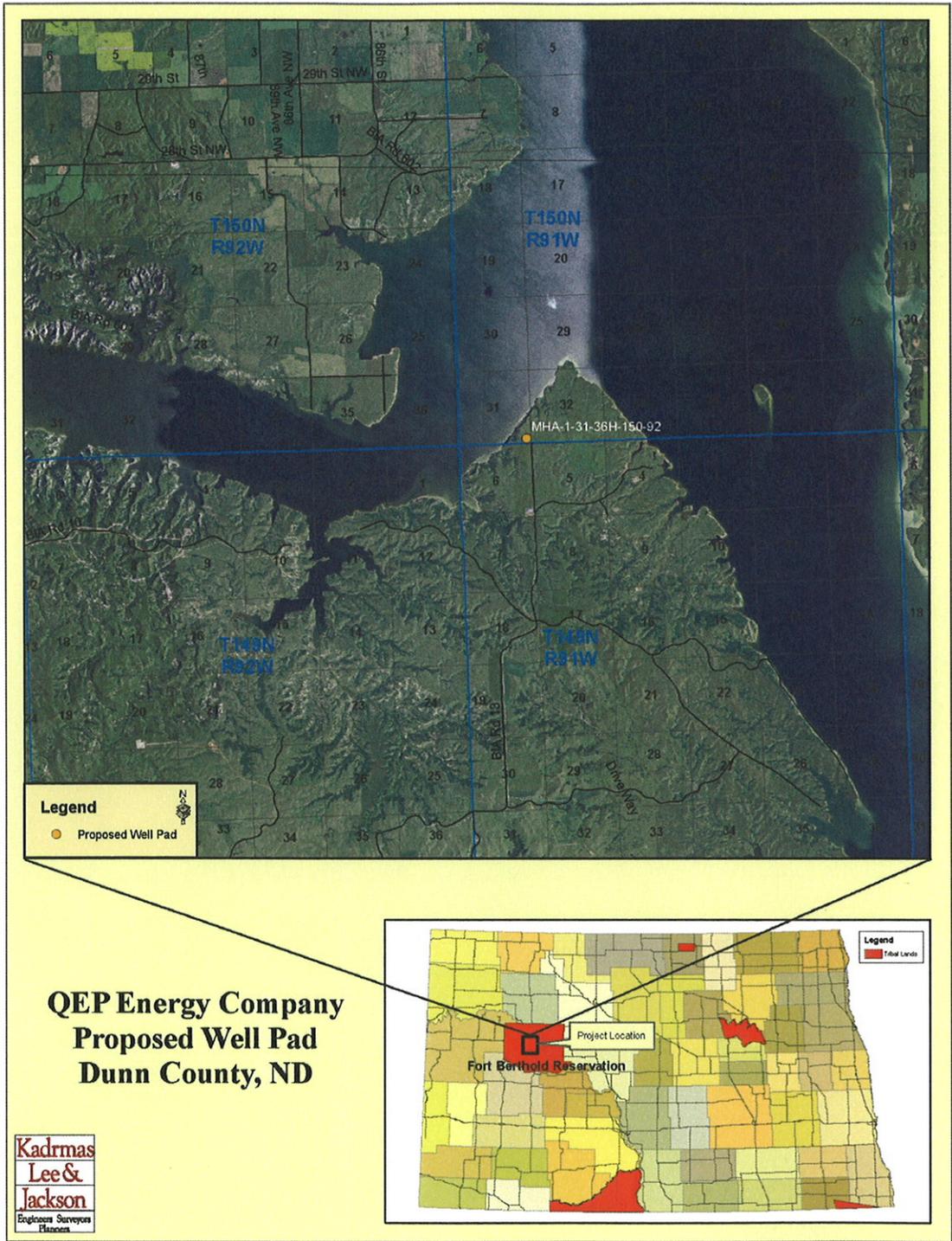
An environmental assessment (EA) determined that proposed activities will not cause significant impacts to the human environment. An environmental impact statement is not required. Contact Howard Bemer, Superintendent at 701-627-4707 for more information and/or copies of the EA and the Finding of No 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 January 17, 2010, 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.



**QEP Energy Company
Proposed Well Pad
Dunn County, ND**

**Kadmas
Lee &
Jackson**
Engineers Surveyors
Planners