

United States
Department of the Interior
Bureau of Land Management

Miles City Field Office

Dry Cuttings Pit
Continental Resources, Inc.

Determination of NEPA Adequacy
DOI-BLM-MT-C020-2013-0046-DNA

For Further Information Please Contact:

Bureau of Land Management
Miles City Field Office
111 Garryowen Road
Miles City, Montana 59301
406-233-2800

BLM



Worksheet
Documentation of NEPA Adequacy (DNA)
U.S. Department of the Interior
Bureau of Land Management (BLM)

BLM Office: Miles City Field Office

NEPA Number: DNA-MT-020-2013-46

Case File/Project No: MTM93517

Proposed Action Title/Type: The proposed action is to construct a dry cuttings pit.

Location/Legal Description: T. 27 N., R. 53 E., Section 31, SE $\frac{1}{4}$ SW $\frac{1}{4}$ in Richland Co, MT (See Cuttings Pit Location Map 1).

BACKGROUND:

This DNA has been prepared in response to a Sundry Notice submitted by Continental Resources Inc. The off-site cuttings pit is on private surface over private mineral. The original cuttings pit approved in the original APD, when being constructed, encountered a coal seam. The coal seam serves as a conduit to underlying fresh water aquifers. To reduce the potential impacts to the aquifers, Continental proposed in the Sundry Notice to relocate the cuttings pit off the proposed well pad to avoid the coal seam.

Because the surface location of this well is located on private land and off of the Federal lease, the requirements for protection of surface resources and mitigation of environmental impacts resulting from locating and constructing the well site would be primarily subject to state or local regulation.

Description of the Proposed Action: This alternative includes constructing the off-site cuttings pit. The operator proposes to begin these operations upon receipt of permit approval, with operations lasting approximately 2 days.

Table 1. Location of Proposed Well.

Well Name and Number/Lease No.	Surface Location of Proposed Pit		Surface Owner
	Pit location		
Revere 1-31H MTM93517	T27N, R53E, Section 31, SE $\frac{1}{4}$ SW $\frac{1}{4}$		Private

Cuttings Pit

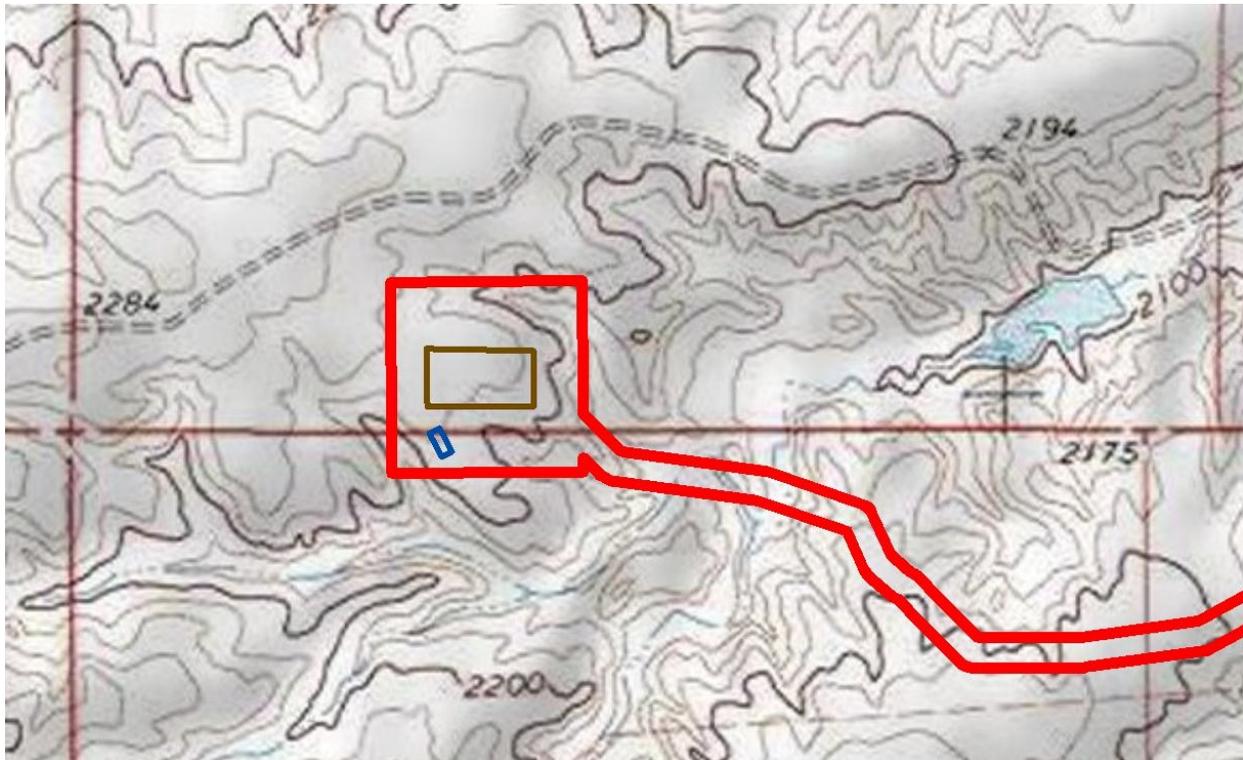
The proposed cuttings pit would be located on private surface. The construction operation would start upon receipt of the approved Sundry Notice, and would take approximately 2 days to complete

At the off-site location, drilling cuttings would be placed into a cuttings-only pit approximately 125' L x 50' W x 15' deep. The pit would be excavated in undisturbed material off location. All drilling fluids,

including any salts and/or chemicals utilized in the mud system would be contained within a closed loop system and then hauled to an approved disposal facility. The water and/or oil based drilling fluids would be stored in 400 barrel (bbl), steel tanks on the location in an area that would be diked. These fluids would be recycled during drilling operation by centrifuging the returns to separate the drilled cuttings from the oil and water based fluids. Upon completion, remaining oil and water based fluids would be collected and disposed of at the Johnson SWD disposal well operated by Continental Resources. The disposal well is located in Richland County, in Township 25 North, Range 55 East Section 33. Fluids that cannot be disposed at the Johnson 1-33 SWD Continental Resources disposal yard would be hauled to Prairie Disposal Inc. This facility is located in Tioga, North Dakota.

The drilling cuttings would be disposed by back filing of the cutting pit. Cuttings left in the pit would be buried at least 3-feet below re-contoured grade.

Map 1. Cuttings Pit (Off-Site Location)



Applicant: Continental Resources Inc.

County: Richland County, MT

DNA Originator: Rick Lang, Natural Resource Specialist

B. Land Use Plan (LUP) Conformance

LUP Name* Big Dry RMP/EIS Date Approved 4/96

Other document** DOI-BLM-MT-C020-2012-155-EA Date Approved 4/17/2012

**List applicable LUPs (for example, resource management plans; activity, project, management, or*

program plans; or applicable amendments thereto)

The proposed action is in conformance with the applicable LUPs because it is specifically provided for in the following LUP decisions:

The proposed action is in conformance with the LUP, even though it is not specifically provided for, because it is clearly consistent with the following LUP decisions (objectives, terms, and conditions)

Big Dry - Production and Development p. 321-325

C. Identify applicable National Environmental Policy Act (NEPA) document(s) and other related documents that cover the proposed action.

List by name and date all applicable NEPA documents that cover the proposed action.

EA#: DOI-BLM-MT-C020-2012-155, 9 Well Continental EA, (Includes the Revere 1-31H well)
Approved April 17, 2012.

List by name and date other documentation relevant to the proposed action (e.g., source drinking water assessments, biological assessment, biological opinion, watershed assessment, allotment evaluation, rangeland health standard's assessment and determinations, and monitoring the report).
Cultural Resource Report: MT-020-13-67

D. NEPA Adequacy Criteria

1. Is the new proposed action a feature of, or essentially similar to, an alternative analyzed in the existing NEPA document(s)? Is the project within the same analysis area, or if the project location is different, are the geographic and resource conditions sufficiently similar to those analyzed in the existing NEPA document(s)? If there are differences, can you explain why they are not substantial? The existing analysis is adequate with regard to the proposed action. The referenced EAs analyzed impacts related to drilling an oil well in the same geographical area. No significant new information or circumstances related to the proposed action have developed since completion of the referenced EAs. The referenced EAs were completed in the year 2012.

2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the new proposed action, given current environmental concerns, interests, resource values? Yes, the RMP and EAs analyzed alternatives, including "No Action".

3. Is the existing analysis valid in light of any new information or circumstances (such as rangeland health standard assessment, recent endangered species listings, updated lists of BLM-sensitive species)? Can you reasonably conclude that new information and new circumstance would not substantially change the analysis of the new proposed action? The existing analysis is adequate with regard to the proposed action. No significant new information or circumstances related to the proposed action and specific to Threatened and Endangered wildlife species or habitat have developed since completion of the referenced EAs. The referenced EAs were completed in 2012. Although the proposed action is within the identified Whooping Crane migration corridor as identified by the U.S. Fish and Wildlife Service it is not within or near wet meadows, marshes, broad drainages or grain and/or stubble fields which are utilized by Whooping Cranes during the spring and fall migration corridor. The proposed action area is within an area consisting of "rough" topography and would not be considered stop-over or roosting habitat. Whooping Cranes are currently listed as Endangered by the U.S. Fish and Wildlife Service and are a BLM Sensitive Species. This statement only pertains to species listed as federally threatened or endangered.

4. **Are the direct, indirect and cumulative effects that would result from implementation of the new proposed action similar (both quantitatively and qualitatively) to those analyzed in the existing NEPA document?** Yes, the actions proposed would have the same direct and indirect impacts as those analyzed in the RMP, and more specifically addressed in the referenced EAs.

5. **Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current proposed action?** Yes, the RMP/FEIS had public and interagency review in its analysis. In addition, the public has had opportunity to review our EAs upon the MCFO posting period, while the specialists were involved in the EAs approval.

E. Interdisciplinary Analysis: Identify those team members conducting or participating in the preparation of this worksheet.

REVIEWERS	TITLE	ASSIGNMENT	DATE/INITIALS
Jesse Hankins	Wildlife Biologist	Wildlife	JCH 12/12/12
Doug Melton	Archaeologist	Cultural Report	12/12/12 DM Cultural Report MT-020-13-67
Dan Benoit	Supervisory NRS	Reviewer	12/12/12 D. Benoit



Environmental Coordinator

12/13/2012
Date

F. Mitigation Measures: List any applicable mitigation measures that were identified, analyzed, and approved in relevant LUPs and existing NEPA document(s). List the specific mitigation measures or identify an attachment that includes those specific mitigation measures. Document that these applicable mitigation measures must be incorporated and implemented.

 See Conditions of Approval Below

CONCLUSION

Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan and that the NEPA documentation fully covers the proposed action and constitutes BLM's compliance with the requirements of NEPA.



 Todd D. Yeager
 Field Manager
 Miles City Field Office

12/13/2012
 Date



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Miles City Field Office
111 Garryowen Road
Miles City, Montana 59301-7000
<http://www.blm.gov/mt>

In Reply To:

3160 (MTC022)
MTM 93517

Continental Resources Inc.
Attn: Christi Scritchfield
P. O. Box 1032
Enid, Oklahoma 73702

Dear Ms. Scritchfield:

Your application to construct an off-site cuttings pit Federal Lease MTM 93517 located in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 31, T. 23 N., R. 54 E., Richland County, Montana, is approved subject to the provisions of the referenced Application for Permit to Drill, plus the following Conditions of Approval.

CONDITIONS OF APPROVAL

As per the USFWS Standard Conditions and Recommendations, work would cease if whooping crane sightings occur within one mile of the proposed project area. In coordination of the Service, work may resume when the crane(s) have left the area.

A. Drilling Operations:

1. The pit shall be fenced on three sides during drilling operations and the fourth side after completion of drilling operations. The fence shall be constructed to the following requirements: posts to be no more than 16' apart; fence wire: four wires of at least 12.5 gauge, double strand twisted; two stays between posts; wire stretched taut between brace panels, wire spacing from the ground up: 14", 22", 30", 42" OR steel panels may be used to fence the pit. If steel panels are used, a steel post shall be placed every 4' to reinforce panels. Fence shall be maintained to prevent livestock and wildlife from entering the area until pit is reclaimed.
2. If cuttings pit contains any fluids, a minimum of 2 feet of freeboard shall be maintained in the pit.
3. The pit shall be lined with a minimum 12 millimeter impermeable synthetic liner and permeability < 10⁻⁷ cm/sec; resistant to UV, weathering, chemicals, punctures, and tearing; and be placed on bedding material if bedrock is abrasive. The liner shall be installed in accordance with the manufactures requirements on material that will not tear or puncture the liner.

B. Pit reclamation:

1. All pit(s) shall be emptied of all fluids within 90 days after well completion.
2. The pit shall be closed properly to assure protection of soil, water and vegetation.
3. The pit may not be cut or trenched.
4. The pit material shall be covered with a minimum of 3' of soil.

2. Verbal Notifications

The following notifications shall be made to the BLM, Miles City Field Office (MCFO) (406) 233-2800, or after business hours to the appropriate individual's home phone shown on the list attached.

- A. Notify this office verbally at least 48 hours prior to beginning construction.
3. If any cultural values (sites, artifacts, human remains, etc.) are observed during operation of this lease/permit/right-of-way, they are to be left intact and the Miles City Field Office notified. The authorized officer will conduct an evaluation of the cultural values to establish appropriate mitigation, salvage or treatment. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is immediately to stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days, the AO will inform operator as to:
 - A. whether the materials appear eligible for the National Register of Historic Places;
 - B. the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
 - C. a timeframe for the AO to complete an expedited review under 35 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

You have the right to request a State Director Review of this decision and these Conditions of Approval pursuant to 43 CFR 3165.3(b). An SDR request, including all supporting documentation must be filed with the Montana State Office, State Director (MT-920) at 5001 Southgate Drive, Billings, Montana 59101-4669 within 20 business days of your receipt of this decision. If adversely affected by the State Director's decision, it can be further appealed to the Interior Board of Land Appeals (IBLA) pursuant to 43 CFR 3165.4, 43 CFR 4.411, and 43 CFR 4.413. Should you fail to timely request an SDR, or after

receiving the State Director's decision, fail to timely file an appeal with IBLA, no further administrative review of this decision will be possible.

Sincerely,

Todd D. Yeager
Field Manager
Miles City Field Office

BUREAU OF LAND MANAGEMENT, MILES CITY FIELD OFFICE
ADDRESS AND CONTACTS:

ADDRESS: 111 Garryowen Road, Miles City, Montana 59301
PHONE: (406) 233-2800
BUSINESS HOURS: 7:45 A.M. to 4:30 P.M. (Mountain Time)

<u>Title</u>	<u>Name</u>	<u>Home Phone</u>
(Manager – Division of Minerals)	David Breisch Cell	(406) 852-3511 (406) 853-2801
Petroleum Engineer	Paul Helland	(406) 951-4550
Supervisor –Natural Resource Specialist	Dan Benoit	(406) 234-7153
Natural Resource Specialist	Jon David	(406) 234-9156
Natural Resource Specialist	Rick Lang Cell	(406) 232-6095 (406) 853-4105
Natural Resource Specialist	Dan Fox Cell	(406) 234-0209 (406) 853-4209
Natural Resource Specialist	Irma Nansel	(406) 234-8981
Petroleum Engineering Technician	Chris DeVault Cell	(406) 234-0784 (406) 853-3643
Petroleum Engineering Technician	Dennis Hutchings Cell	(406) 234-5460 (406) 853-1750
Petroleum Engineering Technician	Brian Nansel Cell	(406) 234-8981 (406) 853-2840
Petroleum Engineering Technician	Brian Hubbell Cell	(406) 234-1667 (406) 852-0078