

December 27, 2016

Certified Mail No: 91 7199 9991 7036 1841 8822 Federal Minor NSR Permit Coordinator U.S. EPA, Region 8 1595 Wynkoop Avenue, 8P-AR Denver, CO 80202-1129

RECEIVED JAN 0 3 2016

RE: Federal Minor NSR Registration

To Whom It May Concern:

Slawson Exploration Co., Inc. (Slawson) is submitting this Tribal Minor Source Registration in accordance with Title 40 Code of Federal Regulations 49.160. The registration is for the Pad 98 facility, a new minor source oil and gas facility consisting of the following 11 new wells.

- Torpedo Federal 1H 33-061-03687
- Torpedo Federal 2H, 33-061-03688
- Torpedo Federal 3H, 33-061-03689
- Torpedo Federal 4H, 33-061-03690
- Torpedo Federal 5H, 33-061-03691
- Torpedo Federal 6H, 33-061-03692
- Torpedo Federal 7H, 33-061-03693
- Torpedo Federal 8H, 33-061-03694
- Torpedo Federal 9H, 33-061-03695
- Torpedo Federal 10H, 33-061-03696
- Rebel Federal 4-32-5TFH, 33-061-03697

The attached registration includes the recommended form.

If you have any questions or require additional information regarding this registration, please contact me at (720) 420-6975 or esundberg@slawsoncompanies.com.

Sincerely,

Eric Sundberg

Environmental & Regulatory Manager

Rocky Mountain Division

1675 Broadway, Suite 1600 Denver, Colorado 80202 (303) 592-8880 - FAX (303) 592-8881



Part 1: Submit 30 Days Prior to Beginning Construction -- General Facility Information

FEDERAL IMPLEMENTATION PLAN FOR TRUE MINOR SOURCES IN INDIAN COUNTRY IN THE OIL AND NATURAL GAS PRODUCTION AND NATURAL GAS PROCESSING SEGMENTS OF THE OIL AND NATURAL GAS SECTOR Registration for New True Minor Oil and Natural Gas Sources and Minor Modifications at Existing True Minor Oil and Natural Gas Sources

Please submit information to:

[Reviewing Authority Address Phone]

A. GENERAL SOURCE INFORMATION (See Instructions Below)

| Company Name Slawson Exploration Co., Inc. | | 2. Source Name | Pad 98 | |
|--|------------|-----------------------|-------------------|--|
| 3. Type of Oil and Natural Gas Operation | | 4. New Minor Source? | X Yes No | |
| Oil & gas well sites with Central Tank Battery | | 5. Minor Source Modif | ication? Yes X No | |
| 6. NAICS Code | | 7. SIC Code | 7. SIC Code | |
| 211111 | | 131 | 1311 | |
| 8. U.S. Well ID(s) or API Number(s) [if applicable] 33-061-03687, 33-061-03688, 33-061-03689, 33-061-03691, 33-061-03692, 33-061-03693, 33-061-03694, 33-061-03695, 33-061-03696, 33-061-03697 | | | | |
| 9. Area of Indian Country | 10. County | 11a. Latitude | 11b. Longitude | |
| Fort Berthold | Mountrail | 47.95009 | -102.369268 | |

B. CONTACT INFORMATION (See Instructions Below)

| 1. Owner Name | Title | |
|--|--|--|
| Eric Sundberg | Environmental & Regulatory Manager | |
| Mailing Address | | |
| 1675 Broadway, Suite 1600, Denver, Colorado, 80202 | | |
| Email Address | | |
| esundberg@slawsoncompanies.com | | |
| Telephone Number | Facsimile Number | |
| (720) 420-6975 | N/A | |
| 2. Operator Name (if different from owner) | Title | |
| Eric Sundberg | Environmental & Regulatory Manager | |
| Mailing Address 1675 Broadway, Suite 1600, Denver, Colorado, 80202 | | |
| Email Address | | |
| esundberg@slawsoncompanies.com | | |
| Telephone Number | Facsimile Number | |
| (720) 420-6975 | N/A | |
| 3. Source Contact Eric Sundberg | Title Environmental & Regulatory Manager | |
| Mailing Address 1675 Broadway, Suite 1600, Denver, Colorado, 80202 | | |
| Email Address | | |
| esundberg@slawsoncompanies.com | | |
| Telephone Number | Facsimile Number | |
| (720) 420-6975 | N/A | |
| | | |

| Eric Sundberg | Environmental & Regulatory Manager | | | |
|--|---|--|--|--|
| Mailing Address 1675 Broadway, Suite 1600 Denver, Colorado 80202 | | | | |
| Email Address | | | | |
| esundberg@slawsoncompanies.com | | | | |
| Telephone Number | Facsimile Number | | | |
| (720) 420-6975 | N/A | | | |
| C. ATTACHMENTS | | | | |
| Include all of the following information as attac | hments to this form: | | | |
| X Narrative description of the operations. | | | | |
| X Identification and description of all emission exempt emissions units and activities listed | n units and air pollution generating activities (with the exception of the in §49.153(c). | | | |
| X Identification and description of any air poll that are expected to be used at the facility. | lution control equipment and compliance monitoring devices or activities | | | |
| Estimated operating schedules. | | | | |
| If satisfying the requirements under §49.104(a)(1), documentation that another federal agency has complied with its requirements under the Endangered Species Act (ESA) and the National Historic Preservation Act (NHPA) when authorizing the activities for the facility/activity covered under this registration. The appropriate documents shall clearly show that the other federal agency had met its obligations under both the ESA and NHPA. A simple reference to a Record of Decision or other final decision document will not be acceptable. Examples of acceptable documentation would be a letter from the U.S. Fish and Wildlife Service field office (for ESA) or a historic preservation office (for NHPA) stating they agree with the assessment conducted by the other federal agency for the subject project and that the requirements of those statutes have been met. The documentation shall be submitted within the Part 1 registration. | | | | |
| If satisfying the requirements under §49.104(a)(2), the letter provided by the Reviewing Authority indicating satisfactory completion of the specified screening procedures to address threatened and endangered species and historic properties. The documentation shall be submitted under the Part 1 registration. (The procedures are contained in the following document: "Procedures to Address Threatened and Endangered Species and Historic Properties for the Federal Implementation Plan for True Minor Sources in Indian Country in the Oil and Natural Gas Production and Natural Gas Processing Segments of the Oil and Natural Gas Sector," http://www.epa.gov/air/tribal/tribalnsr.html). | | | | |
| Other. | | | | |

Title

4. Compliance Contact

C. ATTACHMENTS

Process Description

Wells associated with this pad:

- Torpedo Federal 1H 33-061-03687
- Torpedo Federal 2H, 33-061-03688
- Torpedo Federal 3H, 33-061-03689
- Torpedo Federal 4H, 33-061-03690
- Torpedo Federal 5H, 33-061-03691
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- Torpedo Federal 8H, 33-061-03694
- Torpedo Federal 9H, 33-061-03695
- Torpedo Federal 10H, 33-061-03696
- Rebel Federal 4-32-5TFH, 33-061-03697

This is a new pad associated with the 11 new wells listed above. Product flows from the wells through a flow line which transports the oil and gas emulsion in a closed system to a 2-phase liquid/gas separator. Gas from the separator is sent to a natural gas pipeline for sale, and the remaining emulsion is transported a heater treater where additional gas, oil, and water are separated. The separated gas is either sold, utilized in a heater treater or engine, or is sent to the smokeless flare. The separated water is pumped to a holding tank, and the separated oil flows to production tanks. All the tank vapors are routed through the vapor collection system to a smokeless flare. The gas routed to a flare is combusted in a 98% engineered flare onsite. The crude oil is pumped from the production tanks and is then sent through a buried oil pipeline or sold via truck transport to be transported off-site for eventual sale. The produced wastewater is periodically trucked away to a processing facility for further treatment.

Emission units and air pollution generating activities at the pad include:

- Twenty-eight (28) steel oil storage tanks, 500 bbl capacity
- Six (6) fiberglass water storage tanks, 500 bbl capacity
- Fugitive emissions
- Three (3) emission control devices
 - One (1) low pressure flare (controls storage tanks)
 - o Two (2) produced gas flares



TRIBAL HISTORIC PRESERVATION

Mandan Hidatsa Arikara
Elgin Crows Breast, Director and Tribal Historic
Preservation Officer.
404 Frontage Road,
New Town, North Dakota 58763
Ph/701-862-2474 fax/701-862-2490

redhawk@mhanation.com

Slawson Oil & Gas Corporation

The Three Affiliated Tribes Tribal Historic Preservation Office (TAT-THPO) has reviewed the documents provided for:

Torpedo Federal - Section 30 of T. 152 N., R. 91 W, Mountrail County, North Dakota

BLM fieldwork authorization #:MT-030-M99326-2820

BLM permit #: M99326

Juniper LLC Report of investigation #: 35

and has conducted a class I & III cultural Resources survey of the Area of Potential Effect (APE) and concurs with the determination of 'no historic Properties affected' for the project.

Please call me at your convenience for any further questions or comments.

Pete Coffey, Compliance TAT-THP Office 701.862.2474 701.421.8710 July 21, 2015

JUNIPER

Torpedo Well Locations 1-7 and Access Road: Class III Cultural Resource Inventory, Mountrail County, North Dakota

BLM Fieldwork Authorization #: MT-030-M99326-2820 BLM Permit #: 99326

> Prepared For: Slawson Exploration Company Denver, Colorado

> > John G. Morrison
> >
> > Principal Investigator

Prepared By:
John G. Morrison
Juniper LLC
Bismarck, North Dakota

Report of Investigation: 35

May 2010

Small Survey Report Submitted by Juniper, LLC

905 N. Anderson Street, Bismarck, N. D. 58501

Phone: (701) 400-3575, Email: j.morrison@bis.midco.net

Field Personnel: John G. Morrison, Principal Investigator. The Mandan, Hidatsa, and Arikara Nation Tribal Historic Preservation Office (MHATHPO) was contacted and informed of the inventory. Mr. Gerry Driver accompanied the Juniper archaeologist while conducting the field review of the location. Mr. Driver did not indicate that the MHATHPO had concerns with the location.

Field Methods and Conditions: The 40 acre block was inventoried using parallel pedestrian transects spaced no more than 30 meters apart to cover the block. The planned access road will be within the inventoried area.

The 40 acre location is situated on the first terrace overlooking Lake Sakakawea to the west and south. The terrace is relatively flat to gently sloping. The entire inventory block lies within an active agricultural field that was recently plowed. Ground surface visibility within the project area was approximately 90%.

Results and Recommendations: No new or previously recorded historic properties were encountered during the inventory. The MHATHPO did not identify any areas of concern within the project area. Because no new or previously recorded historic properties were encountered within the project area, Juniper recommends a finding of *No Historic Properties Effected* for the proposed project as inventoried, mapped, photographed, and described herein.

References Cited:

State Historical Society of North Dakota (SHSND)

NDSHPO Manual for Cultural Resource Investigations Revised Edition. Produced by and available at the Division of Archaeology and Historic Preservation, State Historical Society of North Dakota, Bismarck.



United States Department of the Interior

FISH AND WILDLIFE SERVICE

Ecological Services, North Dakota Field Office 3425 Miriam Avenue Bismarck, North Dakota 58501 (701) 250-4481, ndfieldoffice@fws.gov



JUN - 3 2016

In reply, please refer to: 2016-I-0390

Mr. Allen Olilla, Acting BLM Manager North Dakota Field Office 2933 Third Ave. West Dickinson, North Dakota 58601-2619

Dear Mr. Olilla:

This is the U.S. Fish and Wildlife Service's (Service) response to your April 26, 2016, request for concurrence with the Bureau of Land Management (BLM) effects determinations related to the proposed issuance of a federal minerals permit to Slawson Exploration Company, Inc. (Company). The permit, if granted, is expected to result in the construction of a 14.48 ac industrial site that will encompass an 8.72 ac well pad and roadway. The site will host oil drilling, pumping, and truck traffic, and is linked to the construction of a 1 mi-long steel pipeline within an easement right-of-way that will move produced oil and water to an existing 5-ac site hosting the tank batteries.

The construction and production activities will occur entirely on lands under private ownership and are considered to be inter-related or interdependent to the federal permit. These activities and associated effects will involve extracting federal minerals from below Lake Sakakawea in North Dakota following the construction of a multi-well pad located in Mountrail County referred to as the Torpedo-Rebel-Bandit Federal Well Pad (SE¼ SE¼, S30, T152N, R91W). Your letter and accompanying April 2016 final Biological Assessment (BA), prepared by SWCA Environmental Consultants (SWCA), were received on April 26 via email.

The BLM initiated informal consultation for this anticipated federal action on August 19, 2015. After numerous meetings and telephone conversations, the BLM submitted a February 2016 draft BA prepared by SWCA February 11, 2016. The Service provided comments on the Draft BA on February 23, 2016, and the BLM and Company adopted additional measures to reduce both the potential exposure and response of threatened and endangered species that historically have occurred in close proximity to the proposed Project location. Most notable was the Company's decision to relocate the Project well pad approximately 250 meters farther from nesting and rearing areas that have documented annual use by the threatened piping plover (*Charadrius melodus*). The nesting areas have also been designated as critical habitat for this species.

In accordance with section 7 of the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 et seq.) (Act), the BLM requested Service concurrence with the determinations that the Project "may affect, are not likely to adversely affect" the endangered whooping crane (Grus americana), endangered interior least tern (Sternula antillarium), threatened piping plover, designated critical habitat for the piping plover, endangered pallid sturgeon (Scaphirynchus albus), northern long-eared bat (Myotis septentrionalis), and rufa red knot (Calidris canutus rufa). The Service has concluded the effects of the proposed well pads are either insignificant or discountable. Thus, the Service concurs with the BLM's determinations.

In addition, the BA included "no effect" determinations for the endangered gray wolf (Canis lupus) and Dakota skipper (Hesperia dacotae). There is no requirement under the implementing regulations of the Act (50 CFR Part 402) for action agencies to receive Service concurrence with "no effect" determinations, therefore the responsibility for this "no effect" determination remains with the BLM. Accordingly, we recommend the BLM retain the documentation of the "no effect" determination in the decisional record for this federal action.

The Service's concurrence is based on the information contained within the April 2016 BA and other communications with the BLM, Company, and SWCA. Pursuant to the implementing regulations of the Act (50 CFR 402.13), this letter concludes informal consultation on the above action. The BLM should re-analyze these actions and reinitiate consultation if: (1) new information reveals effects of the actions that may affect listed species or critical habitat in a manner or to an extent not considered in this consultation; (2) the actions are subsequently modified in a manner that causes an effect to the listed species or critical habitat that was not considered in this consultation; or (3) a new species is listed or critical habitat is designated that may be affected by the construction and operation of the Project.

We appreciate your efforts to insure the conservation of listed species as part of our joint responsibilities under the Act. If you have any questions, please feel free to contact me directly at (701) 355-8512 or at the letterhead address.

Sincerely,

Kevin J. Shelley State Supervisor

North Dakota Field Office

- S. Larson, U.S. Fish and Wildlife Service, ND and SD Field Supervisor, Pierre, SD
- J. Towner, SWCA Environmental Consultants, Bismarck, ND

cc:

E. Sunberg, Slawson Exploration Company, Inc., Denver, CO