



CRESTWOOD /ARROW BEAR DEN SPILL

July 8, 2014

Prepared by: Natural Resources Staff

Position Statement of the MHA Nation

Bear Dean Salt Water Spill

On Tuesday July 8th at approximately 1 pm, the Three Affiliated Tribes' Natural Resources Administrator received official notification from the Mckenzie County Department of Emergency Management of a significant salt water spill near the location of the Bear Den Water Intake Station in the west segment of the reservation north of Mandaree. A Tribal Response Team was quickly notified and assembled. It included staff from the following tribal agencies: Environmental, Energy, Game and Fish, Homeland Security, Rural Water, Natural Resources, and TERO. The Natural Resource Committee members of the Tribal Council were also quickly briefed. West Segment Council Representative Randy Phelen also went to the scene immediately. An estimated 25,000 barrels salt water spill occurred from a leak in a fiberspar salt water line owned and operated by Arrow/Crestwood LLC. The spill left the line right of way and ran down an embankment into a deep coulee filled with springs and beaver dams that is a natural tributary to the lake. In total about 12 acres of land was affected with about half of those being directly in the path of the spill. The spill affected primarily three tracts of land, one owned totally by the Tribe, and two allotted tracts one in which the tribe was the majority owner.

Arrow/Crestwood staff estimated that the leak began on July 4th. Together with the Arrow/Crestwood staff and their contractors on the scene, the MHA nation Agency staff worked to accomplish immediate containment through berms and dikes and booms on both land and around the water intake in Lake Sakakawea. Assessment was also done by air and on foot; with the appropriate equipment to assess the extent of the spill and if it had reached the lake. An independent contractor was brought in within 24 hrs to begin a regimen of regular water and soils sampling at 72 hr intervals to determine the extent of the chloride damage and effectiveness of remediation efforts. A joint Tribal/Crestwood Incident command post was set up and joint operations meetings were conducted for the first full week after the spill. All possible precautionary measures were taken. The water Intake plant was shut down at 3 PM on Tuesday July 8th for a period of 24 hours until scientific testing demonstrated that the water source was not contaminated.

Chairman Hall visited the site several times throughout the week and provided direction to the Joint Tribal/ Crestwood Incident command team. A chain of custody was established for test results, evidence and information between the Tribe and Arrow /Crestwood. Federal Agency personnel also assisted in the assessment and remediation planning. These included staff from EPA, BIA, and the Corp of Engineers. Assistance was also provided by State Agencies which included, Mckenzie County Emergency Management, NDIC, and the State Health Department.

Preliminary test results showed that the waters of Lake Sakakawea did not demonstrate higher chloride levels than normal agricultural levels. A EPA field inspector, who walked the entire spill, made a field determination that the contaminate did not reach the lake. Baseline testing was done of other natural beaver dams and springs in the area that were unaffected by the spill in order to compare samples taken from the spill affected areas. All independent test results were provided to the MHA Nation.

Since the spill, a security contractor was established on site and a Remediation contractor has been selected. A post incident analysis for all involved tribal staff was conducted by the Natural Resource Administrator on July 30th 2014. The Tribal investigation is ongoing. A causal analysis is being conducted on the source of the leak. The pipeline has been repaired and pressure tested prior to being placed back into service and is under full operation again. A remediation plan is being developed including but not limited to, flushing of the contaminate, removal of soils and dead vegetation and replanting or restoration of native species. Contractors are on standby to pump the lower beaver dam in the event of a significant rainfall event. In addition the TAT Game and Fish Department continues to monitor impacts to area wildlife. Arrow/Crestwood is cooperating fully in the investigation at this time. A recommendation has been made to the Tribal Administration to hire and qualified independent Environmental Firm to monitor to oversee the remediation. Liability will be determined and appropriate damages and fines assessed on behalf of tribal property by the Three Affiliated Tribes under the MHA Chapter 15 Environmental Code and on behalf Allotted property owners by the Bureau of Indian Affairs under Title 25 CFR. Full remediation of the site, could take up to three years. Attached is water sampling result information released by Crestwood to the Three Affiliated tribes on Chlorides and Specific Conductance.

West Segment Water Sampling and Results Summary as of July 13, 2014

Background

A Soil and Water Testing Sampling plan was developed to assess the progress of Crestwood's West Segment Remedial Action Plan. This plan was prepared (i) to establish baseline/background control parameters of the natural (un-impacted) surroundings; (ii) to determine contaminant levels in the release areas prior to initiating remedial operations; (iii) to determine contaminant levels periodically during remedial operations to gauge their degree of success, providing opportunity for any revision that may be necessary to the Remedial Action Plan; (iv) to confirm that impact areas have been remediated.

After testing criteria were established by consultants chosen jointly by MHA and Crestwood, soil and water field testing is being conducted by a third-party engineering firm at specific intervals. These field tests will be followed up with more detailed laboratory analyses. These baseline control locations included water sampling in Bear Den Bay, other nearby inlet bays, at the Mandaree water intake, and in Lake Sakakawea proper.

Summary

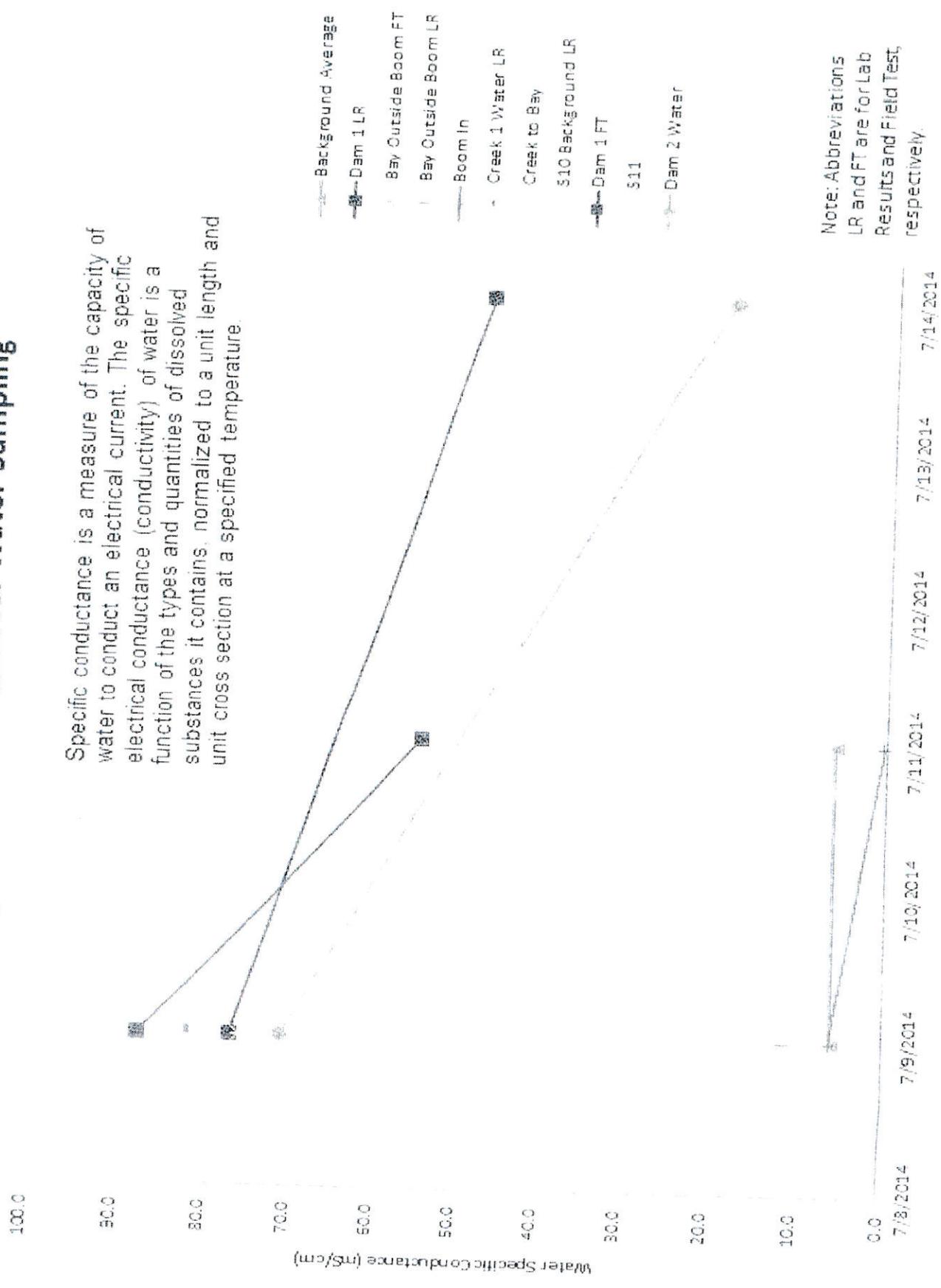
In response to the release from the Arrow Pipeline isolated on July 8th, consultants jointly chosen by MHA and Crestwood identified sampling points to be tested to establish a background standard with which to compare remediation efforts in the affected Bear Den Bay tributary area and gauge whether there has been any impact to Lake Sakakawea. These background sampling points include five bays bordering the lake, two locations east of the incident area and three to the west. Samples were obtained so both field and laboratory analysis could be performed to further confirm any findings. Initial field tests results show that chlorides have not risen to levels of significance in Bear Den Bay, when compared to surrounding background sample locations. Rather, the results seen at the all five background locations, the Mandaree water intake, and Lake Sakakawea proper indicate that Bear Den Bay continues to maintain a comparable level of chloride load as the other outlying locations. Crestwood anticipates that results from the follow-up laboratory testing now being performed will coincide with the initial field testing findings.

Immediately upon isolating the release, preliminary water samples of both Bear Den Bay and the immediately surrounding tributaries were sampled and tested in the lab. These test results have been received, and actual results show that Bear Den Bay itself is less saline than a natural and un-impacted creek that flows into the release pathway. This unimpacted creek has a laboratory-tested chloride level of 20.1 mg/l, while samples retrieved from Bear Den Bay itself have chloride levels as low as 8.9 mg/l. Comparatively, chloride level laboratory results for the Mandaree water intake are in the range of 11-15 mg/l.

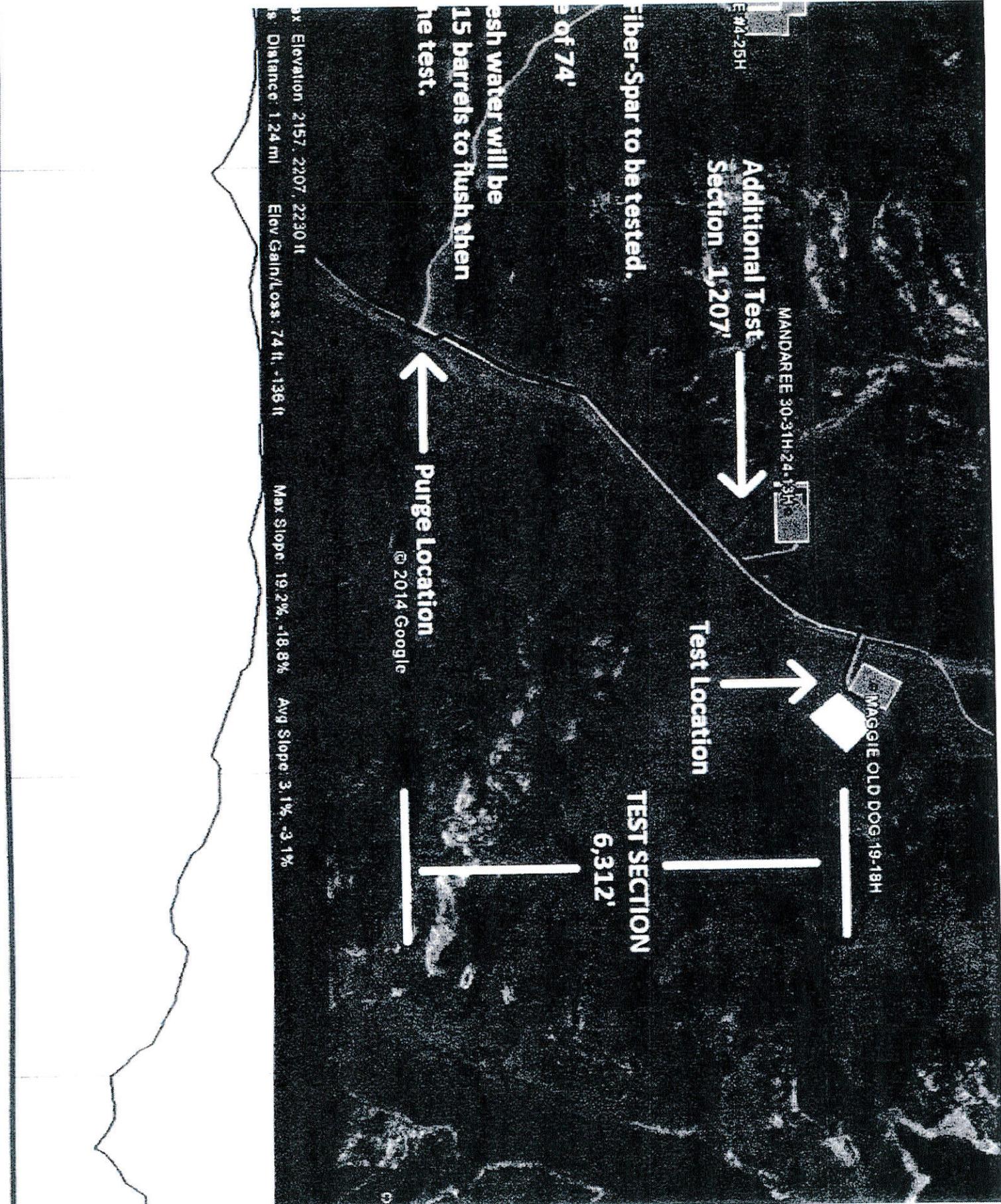
At this time, the laboratory analysis and field testing support that the Arrow Pipeline release has not affected the chloride levels in either Lake Sakakawea or Bear Den Bay. Arrow Pipeline, LLC is a subsidiary of Crestwood Midstream Partners LP. The below graph was provided courtesy of the MHA and Crestwood 3rd party consultant.

Specific Conductance for Water Sampling

Specific conductance is a measure of the capacity of water to conduct an electrical current. The specific electrical conductance (conductivity) of water is a function of the types and quantities of dissolved substances it contains, normalized to a unit length and unit cross section at a specified temperature.



Note: Abbreviations LR and FT are for Lab Results and Field Test, respectively.



E 94-25H

Additional Test Section 1,207'

MANDAREE 30-31H 24-13H

MAGGIE OLD DOG 19-18H

Test Location

TEST SECTION 6,312'

Purge Location

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Max Elevation 2157, 2207, 2230 ft
Distance 1.24 mi
Elev Gain/Loss: 74 ft, -136 ft

Max Slope: 19.2%, -18.8%
Avg Slope: 3.1%, -3.1%

Fiber-Spar to be tested.

of 74'

fresh water will be
15 barrels to flush then
the test.

Organizational Chart

