

**RENEWABLE RESOURCE GRANT APPLICATION**

FOR THE

**CHESTER IRRIGATION PROJECT**  
Preliminary Engineering Design

Submitted to the

**LONG-RANGE PLANNING COMMITTEE**

**2005 MONTANA LEGISLATURE**

Submitted by:

**The Liberty County Conservation District**

January 20, 2005

**CHESTER IRRIGATION PROJECT**  
**RENEWABLE RESOURCE GRANT APPLICATION**

**FACT SHEET**

1. This Renewable Resource Project envisions the sprinkler irrigation of 20,000 to 40,000 acres of presently dry land farmland.
2. The Renewable Resource Grant will be used to complete a Preliminary Engineering Design.
3. Renewable Resource Grant Application is for \$100,000.
4. Water for the project is available from Lake Elwell (Tiber Dam).
5. The expenditure of these funds will help the Chester Irrigation Project do the following:
  - A. Determine the area that can feasibly be sprinkler irrigated.
  - B. Develop a Preliminary Engineering Design and the cost of the pump station(s) located on Lake Elwell.
  - C. Develop a Preliminary Design and cost estimate for the water delivery system to the sprinkler irrigation system.
  - D. Develop a Preliminary Design and cost for the auxiliary pumps and surface sprinkler equipment.
  - E. Determine pumping costs based on various energy alternatives.
  - F. Develop cost alternatives associated with the irrigation of various acreages.
6. Upon completion of the Preliminary Engineering Design, the Chester Irrigation Project will be in a position to determine if the project can move ahead to the Engineering Design Phase of the project.



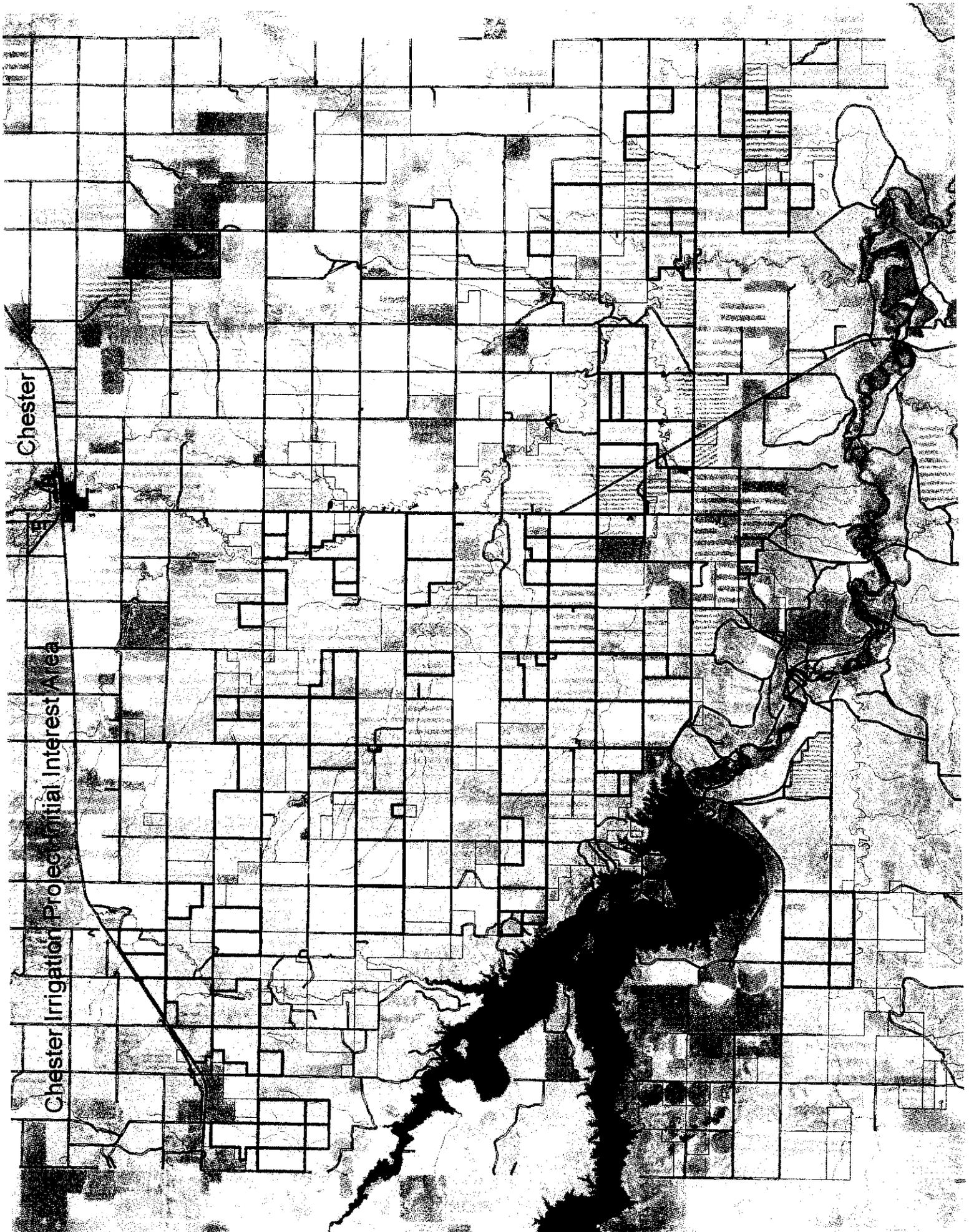


EXHIBIT 3  
DATE 1/20/05  
HB 6, 8

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# United States Department of the Interior

BUREAU OF RECLAMATION

Great Plains Region

Montana Area Office

P.O. Box 30137

Billings, Montana 59107-0137

JAN 19 2005



IN REPLY REFER TO:

MT-750  
ADM-13.00

Representative Jack Wells, Chairman  
Long Range Planning Committee  
Montana State Capital  
Room 350  
Helena, MT 59240

Subject: Letter of Support for the Chester Irrigation Project Steering Committee's Renewable Resource Grant Application

Dear Chairman Wells:

This letter is in support of the Chester Irrigation Project Steering Committee's (CIP) Renewable Resource Grant application. The Bureau of Reclamation has worked with the CIP and the Montana Department of Natural Resources and Conservation during the past year to conduct some reconnaissance level economic feasibility work relative to the CIP proposed irrigation development.

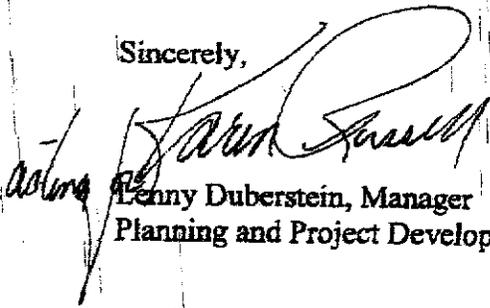
Reclamation supports the CIP's request for funding to conduct additional studies to determine the economic feasibility of the proposed project. Reclamation will continue to work with the local CIP to the extent possible. Congressional authorization is required for Reclamation to conduct any project studies beyond the appraisal level.

In a June 10, 2004 letter to Mr. Kelly Christernot, Reclamation indicated that there are approximately 230,000 acre feet of water in Lake Elwell available for new irrigation subject to compliance with federal law and policy. A copy of the June 10, 2004 letter is enclosed.

Lake Elwell and Tiber Dam are part of the Bureau of Reclamation's Lower Marias Unit of the Pick-Sloan Missouri River Basin Program. Tiber Dam was authorized and constructed to supply 256,000 acre-feet of water to irrigate 127,000 acres.

Please feel free to contact Brent Esplin at 406-247-7489, if you have any questions or require additional information.

Sincerely,



Lenny Duberstein, Manager  
 Planning and Project Development Division

Enclosure

cc: Mr. Kelly Christenot  
 Chester Irrigation Project  
 CIP Steering Committee  
 Box 582  
 Chester, MT 59522

Bureau of Reclamation



United States Department of the Interior  
BUREAU OF RECLAMATION



Great Plains Region  
Montana Area Office  
P.O. Box 30137  
Billings, Montana 59107-0137

IN REPLY  
REFER TO:  
MT -730  
WTR 4.03

JUN 10 2004

Mr. Kelly Christenot  
Chester Irrigation Project  
CIP Steering Committee  
Box 582  
Chester, MT 59522

Subject: Availability of Water For New Contracts From Lake Elwell, Lower Marias  
Unit, Pick-Sloan Missouri Basin Program, Montana

Dear Mr. Christenot:

Thank you for your letter of March 31, 2004, concerning the availability of water from Lake Elwell for possible development of sprinkler irrigation of 20,000 to 40,000 acres of land for the proposed Chester Irrigation Project (CIP), north of Tiber Dam.

Lake Elwell and Tiber Dam are part of the Bureau of Reclamation's Lower Marias Unit of the Pick-Sloan Missouri Basin Program (P-SMBP), located on the Marias River in North Central Montana. The reservoir was designed with a total storage capacity of over 1,368,157 acre-feet (AF) with 389,694 AF of conservation capacity.

Tiber Dam, completed in 1956, was authorized and constructed to provide an average annual water supply of 256,000 AF to irrigate 127,000 acres. The intended irrigation district was never formed, and presently there are only a few individual contractors irrigating with the project water. A permanent allocation of 10,000 AF was granted to the Chippewa Cree Tribe of the Rocky Boy's Reservation in 1999 as part of their reserved water rights settlement. There are approximately 230,000 AF in Lake Elwell available to contract.

We understand that presently CIP is intending to construct the irrigation distribution facilities without Reclamation funds and may be interested in receiving subsidized electrical power through the P-SMBP. Subsidized power would require federal legislation to obtain authorization as a district under the P-SMBP.

As you are aware from meetings with Reclamation staff, requirements of the National Environmental Policy Act (NEPA), the National Historic Preservation Act (NHPA), and the Endangered Species Act (ESA), and Reclamation land classification requirements must all be addressed prior to a contract being issued. A part of NEPA compliance includes an analysis of Indian Trust Assets that may be affected, including Federal Reserved Water Rights.