

DNRC-Trust Land Management Division

DS-252{PRIVATE }

**{PRIVATE } CHECKLIST ENVIRONMENTAL ASSESSMENT**

**Project Name:** Proposed Exploratory Natural Gas Test Well - State #43-16, Pipeline, & Access Road

**Proposed Implementation Date:** August 25, 2004

**Proponent:** Athena Energy LLC, 2100 Harrison Avenue, Suite C, Butte, MT 59701

**Type and Purpose of Action:** Athena Energy LLC has requested permission to drill a shallow natural gas well on the below referenced tract of state land. If the well is capable of commercial production, the gas would be directly transported via pipeline from the wellhead to the southwest, where there is more suitable land for this type of improvement. The monitoring shed and access trail would be located in this area to minimize impacts to the wetland area. The depth of the well is approximately 1351', which is located in the Eagle Formation. The State of Montana owns the mineral rights on this tract of state land.

**Location:** NE4SE4, Sec. 16, T37N, R12E

**County:** Hill

**{PRIVATE } PROJECT DEVELOPMENT**

1. **PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:** Provide a brief chronology of the scoping and ongoing involvement for this project.

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POLICY OFFICE

The Montana Department of Natural Resources and Conservation has been petitioned by Athena Energy, LLC. to drill an exploratory natural gas test well and construct an access road into the well site on the above referenced tract of state land. The mineral rights are owned by the State of Montana. Paul Zemljak, Engineering Technician for Athena Energy, LLC. Will have to contact state surface lessees, William L. & Janas A. Strauser, regarding their intentions to drill a natural gas well and construct an access road into the well site on this tract of state land. Damages to the native rangeland resource will be settled with the state's surface lessees within a reasonable time period following the completion of the proposed well. If the gas well is capable of commercial production, Athena Energy, LLC. will install a pipeline to transport the natural gas from the wellhead to more suitable land located southwest of the well. If successful the proposed natural gas well would generate additional revenue for the Trust beneficiaries of Montana in the form of royalties from the sale of natural gas.

2. **OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:**

The Montana DNRC's; Havre Unit Office, Minerals Management Bureau, and the Montana Board of Oil and Gas are the only agencies that have jurisdiction for this type of activity on State School Trust land.

3. **ALTERNATIVES CONSIDERED:**

**Action Alternative:** Grant Athena Energy, LLC. permission to drill an exploratory natural gas test well and construct an access road on this tract of State School Trust land. Mitigation measures will be used to limit the impact to the native rangeland resource and the wetland surrounding the proposed natural gas wellhead. Athena Energy, LLC shall construct a 2' high dike around the wellhead to keep surface and groundwater away from the wellhead.

**No Action Alternative:** Deny Athena Energy, Inc. permission to drill an exploratory natural gas test well and construct an access road on this tract of State School Trust land.

{PRIVATE }IMPACTS ON THE PHYSICAL ENVIRONMENT

4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE: Are fragile, compactable or unstable soils present? Are there unusual geological features? Are there special reclamation considerations?

**Action Alternative:** The proposed natural gas test well is located approximately 30 miles northwest of Havre, Montana. Athena Energy, LLC. will disturb the soils on this tract of state land by drilling an exploratory natural gas test well. The proposed natural gas well is located in a prairie pothole wetland area that has hydric soils that contain very dense clays. Athena Energy, LLC. will construct a 2' high dike around the wellhead to keep surface and groundwater out of the wellhead area. They will also have to bury a pipeline to bring the gas back to the southwest, where the well shed and access road will be located to limit the impacts to the wetland. The soil in this area is suitable for this type of activity, as long as Athena Energy follows the stipulations outlined within this Environmental Assessment Checklist. During construction of the site, mitigation measures will be used to stockpile the topsoil upslope from the project, so that it may be used for reclaiming the site. The subsoil and excessive dirt will be stock piled in a separate pile, down-slope from the project and used first for fill. The same mitigation measures will be used for the pipeline installation back to the well shed, if the well is capable of commercial production. Athena Energy, LLC. may have to blade parts of the native rangeland in order to get the drill rig into the well site. The topsoil will be scraped off and located upslope of the road to control erosion. The duff layer will be rolled over onto the bladed areas and reseeded with the specified seeding recommendations established by the Havre Unit Office in the drilling stipulations. There are no special reclamation considerations for this proposed project. No unusual geologic features are present in the area of disturbance. The Montana DNRC has already set up a reclamation plan located with the drilling stipulations for reclaiming the well site and the trail into the natural gas well.

**No Action Alternative:** The Montana DNRC will deny Athena Energy, LLC. permission to drill an exploratory natural gas test well and construct an access road and pipeline on this tract of state land. The soils on this tract of state land will not be disturbed. The wetland area will not be altered.

5. WATER QUALITY, QUANTITY AND DISTRIBUTION: Are important surface or groundwater resources present? Is there potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality?

**Action Alternative:** The area of the proposed project is located in a seasonal wetland. There would be a small dike, approximately 2' high built around the proposed well site to keep out water. The well monitoring shed and access road would be located to the southwest, out of the wetland and on more suitable land. The project will have a minimal impact on surface and groundwater resources in the surrounding area, as long as Athena Energy, LLC. follows the stipulations that the Montana DNRC has set in place for this project. Drilling an exploratory natural gas test well will not impact the water quality, quantity, and distribution in this area. The location of the proposed drill site is very rural and the area is used exclusively for livestock grazing purposes. There is no potential for violating any ambient water quality standards. Drinking water will not be contaminated with this type of activity. The water quality will not be degraded. Athena Energy, LLC. will distribute the clays that are brought up in the drilling process to line the pit, if the well is capable of commercial production.

**No Action Alternative:** The water quality, quantity, and distribution currently found on this tract of state land will not be altered. Athena Energy, LLC. will not be issued a permit to drill an exploratory natural gas test well and construct an access road and pipeline on this tract of State School Trust land. The seasonal wetland will not be disturbed and there will be no need for a reclamation plan on this tract.

{PRIVATE } IMPACTS ON THE PHYSICAL ENVIRONMENT

<p>6. AIR QUALITY: Will pollutants or particulate be produced? Is the project influenced by air quality regulations or zones (Class I airshed)?</p>	<p><b>Action Alternative:</b> Drilling an exploratory natural gas test well and constructing an access road and pipeline across this tract of state land will produce some particulates, throughout the entirety of the drilling process. The project is not influenced by air quality regulations or zones. Once the gas well is drilled and the pad is completed, the air quality will return to normal. There will no longer be substantial traffic on the designated trails, in and out of this tract of state land.</p> <p><b>No Action Alternative:</b> The air quality will not be impacted and no dust particulates will be produced. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
<p>7. VEGETATION COVER, QUANTITY AND QUALITY: Will vegetative communities be permanently altered? Are any rare plants or cover types present?</p>	<p><b>Action Alternative:</b> The vegetative communities found in the immediate area of the disturbance will be permanently altered with this type of project. The proposed project area does not contain any rare plants or cover types. The area of disturbance is on native rangeland in a seasonal wetland. This area is used exclusively for livestock grazing purposes. The topsoil excavated from the site will be stock piled upslope from the project and used last to cover the disturbed area. The area of disturbance will be reclaimed with a mixture of native and tame grasses and yellow sweetclover. The reclamation plan will be incorporated as a stipulation as part of the well drilling permit. Mitigation measures will be used to limit the impact to the vegetation within the seasonal wetland. The well shed and access road will be placed to the southwest to avoid disturbing the wetland any more than possible.</p> <p><b>No Action Alternative:</b> The vegetative communities currently found on this tract of state land will not be permanently altered. Native grasses, forbs, and shrubs will not be destroyed. The vegetative cover, quantity, and quality will remain in its natural state. The topsoil will not be disturbed and there will be no need for a reclamation plan. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>

<p>8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS: Is there substantial use of the area by important wildlife, birds or fish?</p>	<p><b>Action Alternative:</b> The habitat found in the immediate area of disturbance will be impacted with the construction of the drill pad area, pipeline, and access road. The area of disturbance will be small in scope and shall be reclaimed with the terms and conditions outlined in the reclamation plan. The disturbed area will be reclaimed with a mixture of native and tame grasses as well as yellow sweetclover. The area of the proposed well site is located in a seasonal wetland that contains mostly annual weeds in the dense clay soils. The area of disturbance where the well shed and access road will be located primarily consists of needle-and-thread (<i>Stipa comata</i>), blue grama (<i>Bouteloua gracilis</i>), green needlegrass (<i>Stipa viridula</i>), prairie junegrass (<i>Koeleria pyramidata</i>), fringed sagewort (<i>Artemisia frigida</i>), western wheatgrass (<i>Agropyron smithii</i>), and silver sagebrush (<i>Artemisia cana</i>). The area surrounding the proposed project is best described as a short grass prairie habitat type. Many different types of wildlife species use this area for habitat. The proposed project will not have any long-term impacts on the wildlife species that currently inhabit this area. Wildlife species may be temporarily displaced during the drilling process. However, wildlife species will not be permanently relocated with this type of activity. Once the well is completed and the drill crew leaves the area, wildlife species will return to normal everyday activities.</p> <p><b>No Action Alternative:</b> The terrestrial and avian life and their habitats found in this area will not be altered. Wildlife and birds species will continue to use this area and will not be disturbed. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
<p>9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES: Are any federally listed threatened or endangered species or identified habitat present? Any wetlands? Sensitive Species or Species of special concern?</p>	<p><b>Action Alternative:</b> The proposed natural gas test well, pipeline, and access road will have a minimal impact on the unique, endangered, fragile, and limited environmental resources present in this area. There would be minimal impacts to the seasonal wetland, where the wellhead and pipeline would be located. If the well is productive, the monitoring shed and access route would be located out of the wetland to the southwest to limit impacts to the surrounding wetland. Motorized vehicle use would not be permitted in the wetland area, once the well is drilled and it is capable of commercial production. No sensitive species or species of special concern will be threatened by this project. Listed, threatened, or endangered species will be able to migrate through this area with minimal impact. Sensitive species and species of special concern will not be permanently relocated with this type of activity.</p> <p><b>No Action Alternative:</b> The unique, endangered, fragile and limited environmental resources found on this tract of State School Trust land will not be altered. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
<p>10. HISTORICAL AND ARCHAEOLOGICAL SITES: Are any historical, archeological, or paleontological resources present?</p> <p>(Continued on Next Page)</p>	<p><b>Action Alternative:</b> Staff from the Montana Department of Natural Resources and Conservation has inspected the proposed well site and access road for historical and archaeological resources. The proposed well site is located on native rangeland in a seasonal wetland. No visual surface features were identified in the immediate area to be disturbed. If historical or archaeological resources are discovered at any time during construction of the access road or the well site, the proponent will cease all activity and contact the MT DNRC's, Havre Unit Office (406)--265-5236.</p> <p>(Continued on Next Page)</p>

<p>10. HISTORICAL AND ARCHAEOLOGICAL SITES: Are any historical, archeological, or paleontological resources present?</p> <p>(Continued from Previous Page)</p>	<p>(Continued from Previous Page)</p> <p><b>No Action Alternative:</b> There are no known historical or archaeological resources present in the area of the proposed project. Unknown historical or archaeological features under the surface will not be altered. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
<p>11. AESTHETICS: Is the project on a prominent topographical feature? Will it be visible from populated or scenic areas? Will there be excessive noise or light?</p>	<p><b>Action Alternative:</b> The proposed natural gas well will not be located on a prominent topographic feature. The natural gas well will not be visible to the public. The project is located approximately 30 miles northwest of Havre, Montana. The tract of state land is used exclusively for livestock grazing purposes. The project will produce some excessive noise, throughout the entire length of time it takes to drill the well. Once the well is drilled and the drill crew leaves the area, the noise levels will return to normal. The area of the proposed project is slowly being developed for natural gas production. The aesthetic character of the land will not be diminished with this project.</p> <p><b>No Action Alternative:</b> The aesthetics that are currently found on this tract of state land will not be altered. The natural gas well will not be on a prominent topographic feature. This tract of grazing land will continue to be used exclusively for livestock grazing purposes. No excessive noise will be produced by the drilling rig and its crew and wildlife species will not be temporarily displaced. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
<p>12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENGERGY: Will the project use resources that are limited in the area? Are there other activities nearby that will affect the project?</p>	<p><b>Action Alternative:</b> This project will demand the environmental resources of natural gas and a small portion of land for the drill pad area, access road, and pipeline. The demand on the environmental resource of air will be minimal. Once the project is completed, the proponent will reclaim the site, if the well does not produce justifiable gas flow. If the well is capable of commercial natural gas production, the proponent will need to install a natural gas pipeline to transport the natural gas off the state land. The wetland area around the well site will be avoided by all Athena Energy, LLC. employees, once the well is drilled.</p> <p><b>No Action Alternative:</b> There will be no demands on the environmental resources of land, water, air, or energy that are currently found on this tract of state land. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
<p>13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA: Are there other studies, plans or projects on this tract?</p> <p>(Continued on Next Page)</p>	<p><b>Action Alternative:</b> The Montana DNRC will continue to explore for natural gas resources on tracts of land that have mineral rights owned by the State of Montana. The mineral rights belong to the State of Montana's, School Trust Fund and revenue brought in from these developments will continue to be used for educational purposes by the Trust beneficiaries. The MT DNRC will continue to explore and develop natural gas facilities as long as they are environmentally safe. The goal of the Montana DNRC/TLMD is to manage the State of Montana's trust land resources to produce revenue for the trust beneficiaries, while considering environmental factors and protecting the future income-generating capacity of the land. The Montana DNRC/TLMD will continue to monitor the surface licensed grazing activity and set stocking rates on this tract of grazing land every ten years in accordance with State of Montana law.</p> <p>(Continued on Next Page)</p>

<p>13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA: Are there other studies, plans or projects on this tract?</p> <p>(Continued from Previous Page)</p>	<p>(Continued from Previous Page)</p> <p><b>No Action Alternative:</b> The project will not impact other studies, plans, or projects that the DNRC has for this tract of land. The Hill County NRCS has plans in this area to hold and maintain water to the north of the proposed well site. However, their plans have not been implemented to date. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
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{PRIVATE }III. IMPACTS ON THE HUMAN POPULATION

<p>14. HUMAN HEALTH AND SAFETY: Will this project add to health and safety risk in the area?</p>	<p><b>Action Alternative:</b> Athena Energy, LLC., its subcontractors, and/or their employees understand the risks associated with drilling an exploratory natural gas test well. Athena Energy, LLC., its subcontractors, and their employees assume these risks as an occupational hazard. This project will not add to the human health and/or safety risks found in this area.</p> <p><b>No Action Alternative:</b> Athena Energy, LLC. will not be given permission to drill an exploratory natural gas well and construct an access road and pipeline on the this tract of state land. The project will not add to the health or human safety risks that are currently found in this area. Athena Energy, LLC. will not assume any occupational hazards, if they are no allowed to drill the well on this tract of state land.</p>
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<p>15. INDUSTRIAL, COMMERCIAL AND AGRICULTURAL ACTIVITIES AND PRODUCTION: Will the project add to or alter these activities?</p>	<p><b>Action Alternative:</b> Drilling an exploratory natural gas test well and constructing an access road and pipeline will add to the industrial activity to this tract of state land. If Athena Energy, LLC. is successful in drilling a producing natural gas well; the School Trust Fund of Montana will generate additional revenue through royalties from the sale of natural gas. The forage production on the native rangeland will be reduced somewhat, due to the well pad disturbance. However, after the reclamation process is completed, forage production on this tract of grazing land will be enhanced in the wetland area. In the long run, the reclamation plan to seed native and tame grasses back into this area will increase the long-term productivity and enhance erosion control on these soils.</p> <p><b>No Action Alternative:</b> The industrial, commercial, and agricultural activities will not be altered on this tract of state land. There will be no additional revenue generated in the form of royalties to the School Trust Fund of Montana or for Athena Energy, LLC.. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
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<p>16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT: Will the project create, move or eliminate jobs? If so, estimated number.</p>	<p><b>Action Alternative:</b> The project will provide Athena Energy, LLC. with additional revenue generated by the sale of natural gas. The State of Montana's, School Trust Fund will also benefit from this project, if the well is capable of commercial production. This project will not move or eliminate jobs within the surrounding area. The project will provide Athena Energy, LLC.'s employees with additional work.</p> <p><b>No Action Alternative:</b> The quality and distribution of employment will not be impacted in this area. Athena Energy, LLC. may propose to drill several more natural gas wells in this area, if this well is successful. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
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{PRIVATE }III. IMPACTS ON THE HUMAN POPULATION

<p>17. LOCAL AND STATE TAX BASE AND TAX REVENUES: Will the project create or eliminate tax revenue?</p>	<p><b>Action Alternative:</b> The project will create additional tax revenue within Hill County, if the well is capable of commercial production. The project will have an impact on the local and state tax base, if successful.</p> <p><b>No Action Alternative:</b> The local and state tax base will remain the same. Tax revenue will not be impacted in Hill County by not drilling the natural gas well. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
<p>18. DEMAND FOR GOVERNMENT SERVICES: Will substantial traffic be added to existing roads? Will other services (fire protection, police, schools, etc.) be needed?</p>	<p><b>Action Alternative:</b> The project will create some substantial traffic, throughout the entire time it takes to drill the natural gas well. Athena Energy, LLC. has been informed, as to where the access road and well shed will be placed separate from the well head. The project will not create a demand for government services. The project will not require the services of fire protection, police, or schools.</p> <p><b>No Action Alternative:</b> There will be no demand for government services on this tract of state land. The Montana DNRC/TLMD will continue to monitor grazing management activity and set stocking rates for this tract of grazing land owned by the State of Montana. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
<p>19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS: Are there State, County, City, USFS, BLM, Tribal, etc., zoning or management plans in effect?</p>	<p><b>Action Alternative:</b> The project will not interfere with any other locally adopted environmental plans or goals that the Montana DNRC has for this tract of land. No zoning plans will be in effect for the construction of the natural gas well, access road, or pipeline. The Montana DNRC will continue to explore and develop natural gas facilities on lands that the State of Montana owns the mineral rights. Environmental Assessment Checklist's will continue to be the basis of conclusion for future development or further study of projects such as this.</p> <p><b>No Action Alternative:</b> There are no other known locally adopted environmental plans or goals for this tract of state land at this time. The Montana DNRC will continue to work with natural gas companies to explore and develop natural gas facilities on tracts of land in which the State of Montana owns the mineral rights. Environmental factors will continue to be the basis for determining the outcome of permitting these wells. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
<p>20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES: Are wilderness or recreational areas nearby or accessed through this tract? Is there recreational potential within the tract?</p>	<p><b>Action Alternative:</b> The proposed natural gas well is not located on a legally accessible tract of state land. People wishing to recreate on this tract of state land must have permission from the surrounding landowner to cross his deeded land in order to recreate on this tract of state land. This tract of state land does have recreational potential for hunting, hiking, and bird watching. The main recreational activities that occur here are hunting and hiking. The natural gas well, access road, and pipeline will have a minimal impact on the recreational activities that may occur on this tract of state land in the future.</p> <p><b>No Action Alternative:</b> This tract of state land is not legally accessible to the public for recreational purposes. The recreational potential for this tract of land will continue to be low to moderate. People wishing to recreate on this tract of state land will have to obtain permission from the surrounding landowner to access this tract of state land. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>

{PRIVATE }III. IMPACTS ON THE HUMAN POPULATION

<p>21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING: Will the project add to the population and require additional housing?</p>	<p><b>Action Alternative:</b> The project will not add to the population or require additional housing. The density and distribution of population and housing will continue to be low in this very rural area. The project will be completed in two to three days and the drill crew will leave the site. If the natural gas well is capable of commercial production, Athena Energy, LLC. will have to bury a pipeline from the wellhead to the well shed and access road on more suitable land to the southwest. This activity may require the presence of Athena Energy, LLC. employees for an additional day or two.</p> <p><b>No Action Alternative:</b> The density and distribution of population and housing will continue to be very low in this rural ranching and farming community. The Montana DNRC/TLMD is the agency responsible for all surface and subsurface activity on this tract of state land. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
<p>22. SOCIAL STRUCTURES AND MORES: Is some disruption of native or traditional lifestyles or communities possible?</p>	<p><b>Action Alternative:</b> The project will not disrupt any native or traditional lifestyles currently found in this area. Drilling an exploratory natural gas test well will not change the social structures and mores found in this area. Natural gas exploration, development, and production are slowly becoming somewhat high in this area.</p> <p><b>No Action Alternative:</b> The native and traditional lifestyles found in this area will not be altered in this rural ranching and farming community. The people who live in this area are open-minded to natural gas exploration, development, and production on their own lands. The native and traditional lifestyles in this area will continue to remain the same. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
<p>23. CULTURAL UNIQUENESS AND DIVERSITY: Will the action cause a shift in some unique quality of the area?</p>	<p><b>Action Alternative:</b> The proposed natural gas well will not cause a shift in any of the unique qualities that are found in this area. No cultural artifacts or surface features were observed or noted in the area of disturbance. Natural gas production is important to the people in this area, because it provides jobs and additional income for the people who live in the surrounding area.</p> <p><b>No Action Alternative:</b> The cultural uniqueness and diversity of this area will remain the same. This tract of state land will continue to be used exclusively for livestock grazing purposes, in which the Montana DNRC/TLMD administers through a surface grazing lease. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>
<p>24. OTHER APPROPRIATE SOCIAL AND ECONOMICAL CIRCUMSTANCES:</p>	<p><b>Action Alternative:</b> The project will generate additional revenue for the Montana DNRC/School Trust Fund and Athena Energy, LLC. through royalties from the sale of natural gas. The surrounding communities will benefit from projects such as this through lodging, gas, and food purchased by the drilling crew. The people in the surrounding area may be more willing to explore for natural gas on their own lands in which they own the mineral rights.</p> <p><b>No Action Alternative:</b> The potential for additional revenue to the State of Montana, Athena Energy, LLC., and the people in the surrounding area will be lost. The Montana DNRC will not issue Athena Energy, LLC. a permit to drill the exploratory natural gas test well on this tract of State School Trust land.</p>

EA Checklist Prepared By: Dan Dobler, Havre Unit Manager, Northeastern Land Office

Dan Dobler  
Signature

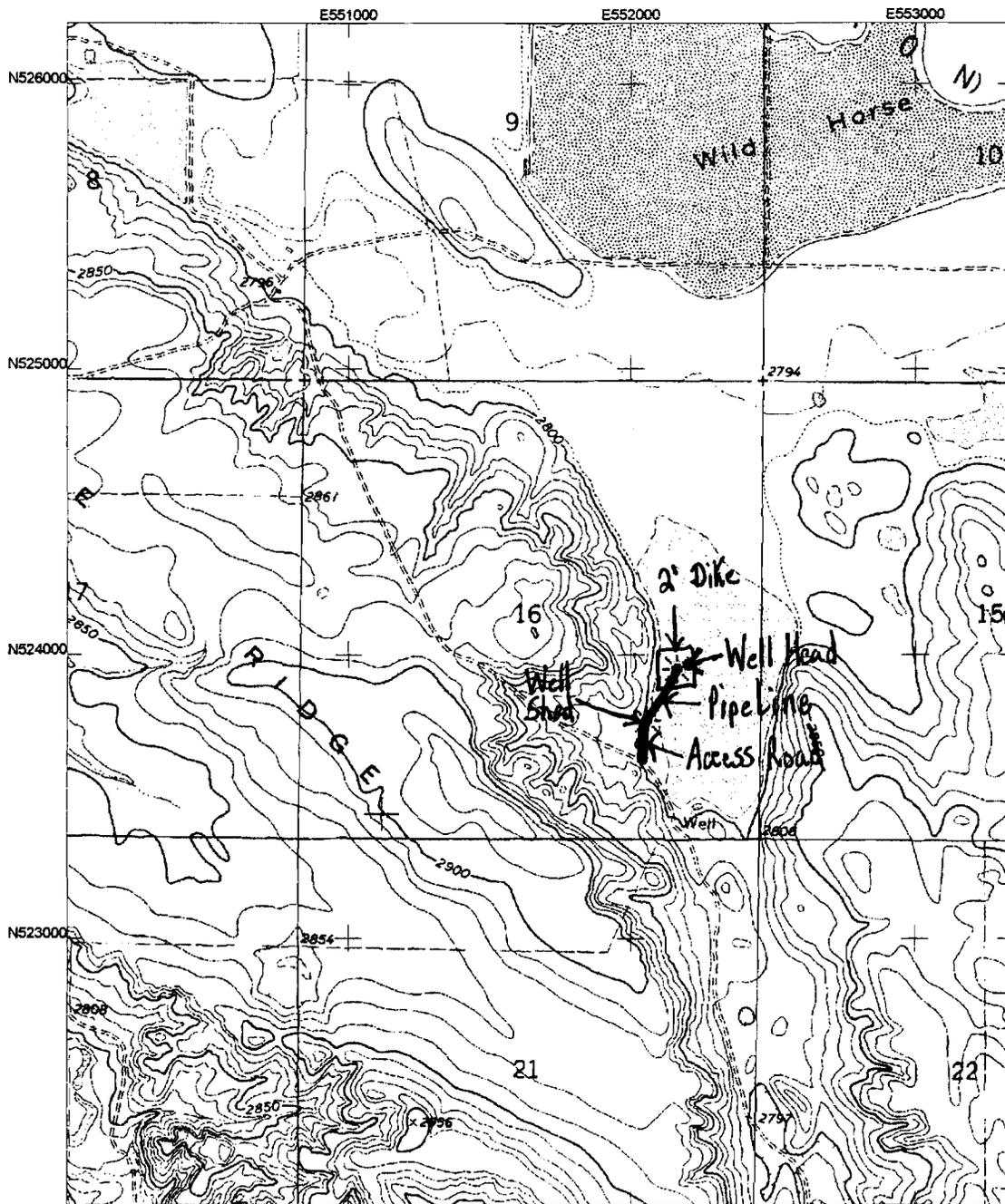
Date: June 4, 2004

{PRIVATE }IV. FINDING	
25. ALTERNATIVE SELECTED:	Action
26. SIGNIFICANCE OF POTENTIAL IMPACTS:	N. S. I
27. Need for Further Environmental Analysis: <input type="checkbox"/> EIS <input type="checkbox"/> More Detailed EA <input checked="" type="checkbox"/> No Further Analysis	

EA Checklist Approved by: Clive Rooney, Area Manager, Northeastern Land Office

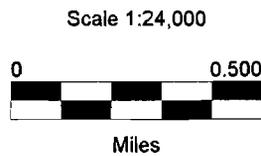
Clive Rooney  
Signature

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Athena Energy, LLC - State #43-16 Well NESE

US State Plane 1983  
 Montana 2500  
 NAD 1983 (Conus)



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GPS Pathfinder<sup>®</sup> Office

