

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name: Area B Rosebud County Proposed Implementation Date: September 2009

Proponent: Western Energy Company

Type and Purpose of Action: MTDEQ Prospecting permit to Drill or core 64 sites (2 holes each) in Rosebud County.

Predominant coal ownership private, state, federal (BLM). No site disturbance allowed until site pre-drill inspection is completed.

A Pre-drilling site and access inspection of the 64 sites was conducted by MTDEQ and BLM July 30, 2009.

Location: T1N, R40E, Sections 26, 28, 34 and T1S, R41E, Section 6, M.P.M. County: Rosebud

N = Not present or No Impact will occur.

Y = Impacts may occur (explain under Potential Impacts).

IMPACTS ON THE PHYSICAL ENVIRONMENT	
RESOURCE	[Y/N] POTENTIAL IMPACTS AND MITIGATION MEASURES
1. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE: Are fragile, compactible or unstable soils present? Are there unusual geologic features? Are there special reclamation considerations?	[N]
2. WATER QUALITY, QUANTITY AND DISTRIBUTION: Are important surface or groundwater resources present? Is there potential for violation of water quality standards, drinking water maximum contaminant levels, or degradation of water quality?	[N] There are scattered private household and stock wells in the general area. No impacts to these sources are predicted. No significant surface water resources are in close proximity to the drill sites, and special measures (cuttings control) or relocation are stipulated for holes close to ephemeral tributaries. Immediate reclamation to Department standards should result in no impacts to water quality or quantity.
3. AIR QUALITY: Will pollutants or particulate be produced? Is the project influenced by air quality regulations or zones (Class I airshed)?	[N]
4. VEGETATION COVER, QUANTITY AND QUALITY: Will vegetative communities be permanently altered? Are any rare plants or cover types present?	[N] Access primarily by existing trails with occasional incidental cross-country travel. No permanent alteration expected. No rare plants or cover types noted in close proximity to the drill sites.
5. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS: Is there substantial use of the area by important wildlife, birds or fish?	[N] The area is used by the normal range of wildlife for this setting. Some raptors were observed, but no nesting sites identified near the proposed activities. No active prairie dog towns in the vicinity of drilling sites.
6. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES: Are any federally listed threatened or endangered species or identified habitat present? Any wetlands? Species of special concern?	[N] No threatened or endangered species or habitats in evidence within the scope of the project. No projected impacts to wetlands.
7. HISTORICAL AND ARCHAEOLOGICAL SITES: Are any historical, archaeological or paleontological resources present?	[Y] A prior cultural resources inventory provided guidance on acceptable drill locations. Further, more specific, visual inspection led to the relocation of one site. No cultural materials found during pre-drill inspection. No trail improvements are planned.

8. AESTHETICS: Is the project on a prominent topographic feature? Will it be visible from populated or scenic areas? Will there be excessive noise or light?	[N] The sites are not expected to be visible from any public road.
9. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY: Will the project use resources that are limited in the area? Are there other activities nearby that will affect the project?	[N]
10. IMPACTS ON OTHER ENVIRONMENTAL RESOURCES: Are there other studies, plans or projects on this tract?	[N]
IMPACTS ON THE HUMAN POPULATION	
RESOURCE	[Y/N] POTENTIAL IMPACTS AND MITIGATION MEASURES
11. HUMAN HEALTH AND SAFETY: Will this project add to health and safety risks in the area?	[N]
12. INDUSTRIAL, COMMERCIAL AND AGRICULTURAL ACTIVITIES AND PRODUCTION: Will the project add to or alter these activities?	[N] Lands primarily used for cattle grazing which have been addressed via access agreements with surface owners.
13. QUANTITY AND DISTRIBUTION OF EMPLOYMENT: Will the project create, move or eliminate jobs? If so estimated number	[N]
14. LOCAL AND STATE TAX BASE AND TAX REVENUES: Will the project create or eliminate tax revenue?	[N]
15. DEMAND FOR GOVERNMENT SERVICES: Will substantial traffic be added to existing roads? Will other services (fire protection, police, schools, etc) be needed?	[N]
16. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS: Are there State, County, City, USFS, BLM, Tribal, etc. zoning or management plans in effect?	[N]
17. ACCESS TO AND QUALITY OF RECREATIONAL AND	[N]

WILDERNESS ACTIVITIES: Are wilderness or recreational areas nearby or accessed through this tract? Is there recreational potential within the tract?	
18. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING: Will the project add to the population and require additional housing?	[N]
19. SOCIAL STRUCTURES AND MORES: Is some disruption of native or traditional lifestyles or communities possible?	[N]
20. CULTURAL UNIQUENESS AND DIVERSITY: Will the action cause a shift in some unique quality of the area?	[N]
21. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:	

22. Alternatives Considered: Denial or relocation of selected drilling sites or access routes to avoid potential impacts to identified resources.

23. Regulatory Impact on Private Property: None identified from the proposed action.

24. Public Involvement, Agencies, Groups or Individuals contacted: U.S. Department of the Interior (Bureau of Land Management), Montana DNRC and private surface owner's permission via required access agreements between operator (Western Energy) and private owners.

25. Other Governmental Agencies with Jurisdiction, List of Permits Needed: Montana DNRC Special Use License (mineral, surface access); U. S. Department of the Interior, Bureau of Land Management exploration license.

26. Magnitude and Significance of Potential Impacts: Potential impacts should be minimal or non-existent.

Recommendation for Further Environmental Analysis:

EIS More Detailed EA No Further Analysis

EA Checklist Prepared By: David Adair, PE
Name

Environmental Engineer
Title

Approved By: Chris Yde
Name

Section Supervisor
Title

Signature

9/02/09
Date