

## CHECKLIST ENVIRONMENTAL ASSESSMENT

<b>Project Name:</b>	<b>Citation Oil and Gas Corp.</b>	<b>Bowes Field Flow line Installation</b>
<b>Proposed Implementation Date:</b>	July, August, 2010	
<b>Proponent:</b>	Citation Oil and Gas Corp. (COGC)	
<b>Location:</b>	Township 32 North, Range 19 East, Section 36	
<b>County:</b>	Blaine County	
<b>Trust:</b>	Common Schools	

### I. TYPE AND PURPOSE OF ACTION

The proponent has requested permission to install a 3" fiberglass flowline on the State Land tract listed below. The buried flowline will transport water to the existing Unit Battery and waterflood plant for Bowes Sawtooth Unit.

This project is part of the ongoing development of the unitized Bowes field. The new flowline will follow existing flowlines.

**Township 32 North, Range 19 East, Section 36, SW1/4**

### II. PROJECT DEVELOPMENT

#### 1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:

*Provide a brief chronology of the scoping and ongoing involvement for this project.*

The Department of Natural Resources and Conservation (DNRC), Minerals Management Bureau (MMB) Trust Land Division (TLMD), and Conrad Farms Inc., the State surface lessees of Lease #1118 have all been informed of the proposed project.

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

The DNRC Trust Land Management Division has jurisdiction over this proposed project.

DNRC is not aware of any other agencies with jurisdiction or other permits needed to complete this project

#### 3. ALTERNATIVES CONSIDERED:

**Alternative A (No Action)** – Under this alternative, the Department does not permit the proponent to install a buried flowline on State Land in Sec 36-T32N-R19E, SW1/4.

**Alternative B (the Proposed Action)** – Under this alternative, the Department does permit the proponent to install a buried flowline on State Land in Sec 36-T32N-R19E, SW1/4.

### III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" if no impacts are identified or the resource is not present.*

#### 4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

*Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.*

There are no fragile, compactable, or unstable soils. There are no unique geologic features.

No cumulative effects to the soils are anticipated.

#### 5. WATER QUALITY, QUANTITY AND DISTRIBUTION:

*Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.*

No important surface or groundwater resources will be impacted by the proposed project.

No cumulative effects to the water resources are anticipated.

#### 6. AIR QUALITY:

*What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.*

There may be an increase in dust during installation of the flowline. These impacts to air quality will be minor and temporary.

No cumulative effects to air quality are anticipated.

#### 7. VEGETATION COVER, QUANTITY AND QUALITY:

*What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.*

The proposed installation will follow an existing pipeline. No new disturbance is expected as part of this request.

No rare plants or cover types are present.

No cumulative effects to vegetation are anticipated.

#### 8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:

*Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify cumulative effects to fish and wildlife.*

The proposed action will not have long-term negative effect on existing wildlife species and/or wildlife habitat.

The area is not considered critical wildlife habitat.

No cumulative effects are anticipated.

**9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:**

*Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.*

These areas are not considered important wildlife habitat.

No cumulative effects to habitat are anticipated.

**10. HISTORICAL AND ARCHAEOLOGICAL SITES:**

*Identify and determine effects to historical, archaeological or paleontological resources.*

No historical, archeological or paleontological resources are known to be present.

The proponent will be required by Special Stipulations to avoid and report any archeological and paleontological resources encountered in the project area.

**11. AESTHETICS:**

*Determine if the project is located on a prominent topographic feature, or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.*

During construction operations, a variety of vehicles, including quads, pickups, and bulldozers will be seen and possibly heard by people in the vicinity of the operations. These vehicles and equipment will only be visible during the construction operation and therefore no long term affects to the aesthetics of this area will occur.

The state land does not provide any unique scenic qualities not also provided on adjacent private lands. The proposed activity will be conducted in the Bowes Sawtooth Unit. This area has extensive oil facilities so there would be no change to the aesthetics in either alternative.

No direct or cumulative effects to aesthetics are anticipated.

**12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:**

*Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.*

No demands on limited resources are required for this project.

No direct or cumulative effects to environmental resources are anticipated.

**13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:**

*List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.*

There are DNRC grazing and Ag leases associated with the surface of the State land where this project is proposed. The installation of the flowline will not have any long term affects to these lease operations.

There are no other projects or plans being considered on the tracts listed in this EA Checklist.

## IV. IMPACTS ON THE HUMAN POPULATION

- *RESOURCES* potentially impacted are listed on the form, followed by common issues that would be considered.
- Explain **POTENTIAL IMPACTS AND MITIGATIONS** following each resource heading.
- Enter "NONE" if no impacts are identified or the resource is not present.

### 14. HUMAN HEALTH AND SAFETY:

*Identify any health and safety risks posed by the project.*

There will be some health and safety concerns associated with the operation of heavy equipment in remote areas. The proponent and their employees are aware of any health and safety hazards and accept them as occupational hazards.

Once the installation has been completed, there will be no health and safety concerns associated with this project.

### 15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

*Identify how the project would add to or alter these activities.*

This project will not add to or deter from agricultural activities in this area. The proposed project may increase the amount of revenue generated for the Trust through increased development of the oil resources within the Bowes Sawtooth Unit.

### 16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

*Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.*

The proposed activity will create a limited number of jobs. These positions are already held by employees of the proponent. No new jobs will be created.

No cumulative effects to the employment market are anticipated.

### 17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

*Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.*

This proposed project will not affect the tax base or tax revenues.

There are no direct or cumulative effects to taxes or revenue for the proposed project.

### 18. DEMAND FOR GOVERNMENT SERVICES:

*Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services*

There will be no direct or cumulative effects on government services.

### 19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:

*List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.*

There are no zoning or other agency management plans affecting these lands.

**20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:**

*Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.*

There are very limited recreational activities associated with this tract. Approval of this proposed project would not affect recreational opportunities in this area.

There will be no direct or cumulative effects on recreation or wilderness activities.

**21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:**

*Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing*

The proposal does not include any changes to housing or developments. Population and housing will not be affected.

No direct or cumulative effects to population or housing are anticipated.

**22. SOCIAL STRUCTURES AND MORES:**

*Identify potential disruption of native or traditional lifestyles or communities.*

There are no native, unique or traditional lifestyles or communities in the vicinity that would be impacted by the proposal.

**23. CULTURAL UNIQUENESS AND DIVERSITY:**

*How would the action affect any unique quality of the area?*

The proposed project will have no effect on any unique quality of the area.

**24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:**

*Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.*

The return to the Trust will be based on increased oil revenue generated from the Bowes Sawtooth Unit.

<b>EA Checklist Prepared By:</b>	<b>Name:</b> Bill Creamer
	<b>Title:</b> Land Use Specialist
<b>Signature:</b> /s/ Bill Creamer	<b>Date:</b>

**V. FINDING**

**25. ALTERNATIVE SELECTED:**

I have selected the Proposed Alternative B, and recommend the proponent be authorized to install a buried flowline on State Land in Sec 36-T32N-R19E, SW1/4.

**26. SIGNIFICANCE OF POTENTIAL IMPACTS:**

I have evaluated the potential environment effects and have determined that no negative long-term environmental impacts will result from the proposed activity.

**27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:**

EIS

More Detailed EA

No Further Analysis

<b>EA Checklist Approved By:</b>	<b>Name:</b> Barny D. Smith
	<b>Title:</b> Unit Manager, Northeastern Land Office
<b>Signature:</b> /s/ Barny Smith	<b>Date:</b>