

CHECKLIST ENVIRONMENTAL ASSESSMENT

<p>Project Name: Spear/Carney Land Conversion on L#5731. Convert approximately 1,218.3 acres of existing/expiring Conservation Reserve Program acreage to dryland agriculture for the future production of small grains and pulse crops.</p>	<p>Proposed Implementation Date: May 1st, 2011</p>
<p>Proponents: Nidia Spear, PO Box 972, Scobey, Montana 59263 Adam Carney, PO Box 1122, Scobey, Montana 59263</p>	
<p>Type and Purpose of Action: State Surface Lessees: Nidia Spear and Adam Carney made a written request to the Montana DNRC's, Glasgow Unit Office to convert approximately 1,218.3 acres of existing/expiring Conservation Reserve Program acreage to dryland agriculture across five tracts of state land. The lessees have requested permission to convert old decadent stands of crested wheatgrass-CRP to dryland agriculture for the future production of small grain and pulse crops. 770.7 acres of the proposed 1,218.3 acres of CRP expired on 9/30/2010 and the remaining 517.6 acres of CRP in Section 1, will expire in 2011. Adam Carney is a young, progressive small grains/pulse crop producer that has acquired these parcels of state land for future agricultural production. This acquisition is part of a federal farm program through the Daniels County Farm Service Agency to promote new young farmers in conjunction with Conservation Reserve Program contract holders. By converting approximately 1,218.3 acres of crested wheatgrass-CRP to dryland agriculture, both the surface lessees and the Common School beneficiary on these parcels will benefit substantially from increased revenue due to this land conversion.</p>	
<p>Location: Sec.1-T37N-R43E; Sec.2-T37N-R43E; Sec.11-T37N-R43E; Sec. 12-T37N-R43E; & Sec.7-T37N-R44E</p>	<p>County: Daniels</p>

I. PROJECT DEVELOPMENT

<p>1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED: Provide a brief chronology of the scoping and ongoing involvement for this project.</p>	<p>State surface lessees, Nidia Spear and Adam Carney have made a request to convert approximately 1,218.3 acres (more or less) of crested wheatgrass-Conservation Reserve Program acreage across five tracts of state school trust land in State Lease No. 5731. The request was sent to the Department of Natural Resources and Conservation's, Glasgow Unit Office for further review. The request was then sent to the Ag & Grazing Management Bureau in Helena to complete, due to high administrative work loads within the Glasgow Unit Office and to complete in a timely manner. The Glasgow Unit Office sent out scoping letters to the Montana Audubon, Montana Fish Wildlife and Parks, The Nature Conservancy, and The National Wildlife Federation. The scoping letters were sent out to notify these special interest groups of the proposed action and to provide them with an opportunity to comment on the proposed project.</p>
<p>2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED :</p>	<p>The Montana Department of Natural Resources and Conservation (DNRC) is the only governmental agency that has jurisdiction for this type of project on State School Trust Lands. If the proponents are successful in obtaining permission from the DNRC to convert approximately 1,218.3 acres of crested wheatgrass-CRP to dryland agriculture, they will have to obtain an approved Soil Conservation Plan from the United States Department of Agriculture's; Daniels County Farm Service Agency (FSA) and the Daniels County Natural Resources & Conservation Service (NRCS).</p>

<p>3. ALTERNATIVES CONSIDERED :</p>	<p>No Action Alternative: The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The current CRP acreage across these tracts of state land will have to be classified as hayland, hay when cut acreage, or grazing land in the future. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.</p> <p>Action Alternative: The Montana DNRC will grant Adam Carney and Nidia Spear permission to convert 1,218.3 acres of crested wheatgrass-Conservation Reserve Program acreage to dryland agriculture for the future production of small grains and pulse crops. The Montana DNRC’s Glasgow Unit Office, Adam Carney, and Nidia Spear will work with the Daniels County FSA and NRCS to develop a soil conservation plan to farm this acreage. Staff from the Glasgow Unit Office will flag out drainage and hilly areas that are unsuitable for dryland agricultural production and they will be left in permanent vegetation.</p>
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<p>II. IMPACTS ON THE PHYSICAL ENVIRONMENT</p>	
<p>RESOURCE</p>	<p>POTENTIAL IMPACTS</p>
<p>4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE: Are fragile, compactible or unstable soils present? Are there unusual geologic features? Are there special reclamation considerations?</p>	<p>No Action Alternative: The soils located across these tracts of state land will not be disturbed. The existing stands of crested wheatgrass (existing/expiring Conservation Reserve Program acreage) will be classified as hayland, hay when cut acreage, or tame pasture for future livestock use. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.</p> <p>Action Alternative: This type of project will impact the soils that are currently producing crested wheatgrass vegetation across this acreage. The soils will be altered for the purpose of converting crested wheatgrass to dryland agriculture for the future production of small grains and pulse crops. The Daniels County Soil Survey shows that there are two primary soil types that would be disturbed across the proposed project acreage, if this project is approved by the DNRC. The two main soil types are the Turner sandy loam with 2 to 8% slopes and the Turner-Beaverton Complex with 2 to 8% slopes. These soils are classified as “Highly Erodible Lands” (HEL) by the Daniels County NRCS. This classification is due to the susceptibility of wind and water erosion. This categorization simply means that good conservation practices must be used to protect the soils, if they are to be used for dryland agricultural practices. The Turner sandy loam with 2-8% slopes is a Class IVe soil that is suitable for dryland agricultural production.</p> <p style="text-align: center;">(CONTINUED ON NEXT PAGE)</p>
<p>4. GEOLOGY AND SOIL QUALITY, STABILITY AND</p>	

II. IMPACTS ON THE PHYSICAL ENVIRONMENT

MOISTURE: Are fragile, compactible or unstable soils present? Are there unusual geologic features? Are there special reclamation considerations?

(CONTINUED)

Action Alternative: (CONTINUED) This soil type does have some hazards of soil blowing. This soil meets 12 out of the 14 total criteria factors for converting lands to dryland agriculture that contain vegetation other than native sod. The two factors that this soil does not meet are: Soil Loss Tolerance (T Factor) is only 3 tons per acre and it has a Wind Erodibility Group (WEG) of 3 as well. The T Factor and the WEG need to be a minimum of 5 tons per acre. The Daniels County Soil Survey shows it having a potential yield of spring wheat at 20 bushels per acre. The Turner Beaverton complex with 2-8% slope is a Class Vs soil that is suitable for dryland agriculture with the exception that the producer must use progressive farm management practices to ensure soil stability over the long run. This soil has some hazard of soil blowing and droughtiness. This soil meets 11 out of the 14 total criteria factors for converting lands to dryland agriculture that contain vegetation other than native sod. The three factors that this soil does not meet are: Soil Loss Tolerance (T Factor) is only 3 tons per acre, it has a Wind Erodibility Group of 3 as well, and the Daniels County Soil Survey shows it only having a potential yield of spring wheat at 18 bushels per acre. The T Factor and the WEG need to be a minimum of 5 tons per acre and the expected yield for spring wheat needs to be at least 20 bushels per acre per the DNRC conversion criteria. This soil is best used for dryland agriculture purposes under annual cropping regimes with the addition of fertilizers and no-till/minimum tillage farming practices. This acreage is very capable of producing normal to above normal spring wheat yields, while keeping soil loss to a minimum by using annual cropping regimes and implementing no-till/minimum tillage farming practices. The onsite inspection of these tracts showed no salinity present in the topsoil profile. The 1,218.3 acres requested for land conversion will maintain current soil qualities and soil sustainability under dryland agriculture management. There are no unusual geologic features located within the area of the proposed project. The intermittent drainages, hilly areas, and other areas of unsuitable soils will be left in permanent vegetation to control potential wind and water erosion events in the future.

Mitigation: Upon approval from the DNRC to convert the proposed acreage, the Glasgow Unit Office will stipulate that Adam Carney and Nidia Spear will sign a Supplemental Lease Agreement with the Department to address future management practices. The SLA will address areas of future concern with the management of the newly developed dryland agricultural acreage. The lessee will be required to seed perennial vegetation on all designated acres deemed unsuitable for dryland agricultural production per the SLA. DNRC personnel will flag out all areas of unsuitable soils before land conversion and those areas will be left in permanent vegetation.

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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?

No Action Alternative: The water quality, quantity, and distribution currently found across these tracts of state land will not be altered for future small grain/pulse crop production. Surface and groundwater resources will remain as they are. The current CRP acreage across these tracts of state land will have to be classified as hayland, hay when cut acreage, or grazing land. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.

Action Alternative: Staff from the Glasgow Unit Office will flag out all areas of soil unsuitability such as, hilly areas, drainages, and gravelly areas. These areas will be left in permanent vegetation as a buffer to control any future erosion events. This type of project will not have the ability to degrade water quality in this area. There is no potential to violate any ambient water quality standards by converting crested wheatgrass-CRP to dryland agriculture. The lessee will implement no-till/minimum tillage farming practices to conserve soil moisture, control annual weeds, prevent wind and water erosion, increase the organic matter in the A horizon, and overall to increase the potential yield of small grain or pulse crops that are planted on these tracts of state land.

6. AIR QUALITY: Will pollutants or particulates be produced? Is the project influenced by air quality regulations or zones (Class I airshed)?

No Action Alternative: The air quality currently found across the five tracts of state land in this area will not be disturbed in the future. The current CRP acreage on these tracts of state land will have to be classified as hayland, hay when cut acreage, or grazing land. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops.

Action Alternative: Converting approximately 1,218.3 acres of crested wheatgrass-CRP to dryland agriculture will not impact the long term air quality currently found across this area. The land surrounding this acreage is made up of native grazing land, tame pasture grazing land, and dryland agriculture for the production of small grains and pulse crops. Some dust particulates will be produced by farm implements working on the project. There will be no more dust particulates produced in this project, as there is during any other time when surrounding farmers are working their adjacent state and deeded lands. The lessee will be using no-till/minimum tillage farming practices to limit erosion levels across this acreage by wind and water. The lessee will also control dust particulates in the future by using continuous cropping practices to hold soil in place, while producing a crop on an annual basis.

II. IMPACTS ON THE PHYSICAL ENVIRONMENT

7. VEGETATION COVER, QUANTITY AND QUALITY: Will vegetative communities be permanently altered? Are any rare plants or cover types present?

The vegetative plant communities that currently exist across the Conservation Reserve Program acreage consists primarily of crested wheatgrass, club moss, and a few isolated stands of yellow sweet clover.

No Action Alternative: The vegetative community currently found across the proposed project area will not be permanently altered. The CRP fields of crested wheatgrass, club moss, and isolated pockets of yellow sweet clover will be left in their current state. The expired CRP acreage will be classified in the future as hayland, hay when cut acreage, or grazing land for livestock use. The Montana DNRC will deny Nidia Spear and Adam Carney's proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State's surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.

Action Alternative: There are no rare plants or cover types located on the area of the proposed project. The crested wheatgrass fields that make up a majority of the plant community across the CRP acreage will be permanently altered with this type of land conversion. Native rangeland that occupies the remainder of the acreage contained within this lease will not be disturbed. The surrounding landscape in this area is composed of native rangeland, dryland agriculture, and Conservation Reserve Program. Management activities will continue in this area, as they have in the past, with the exception that there will be an additional 1,218.3 acres of dryland agriculture in this area instead of decadent stands of crested wheatgrass that provide marginal habitat for wildlife in this area. The lessee will be using no-till/minimum tillage farming practices to limit erosion levels across this acreage by wind and water. The lessee will also control dust particulates in the future by using continuous cropping practices to hold soil in place, while producing a crop on an annual basis. Adam Carney and the State of Montana's, Common School trust beneficiary will benefit from this land conversion by doubling the income they are currently receiving through the Conservation Reserve Program. Adjacent state land dryland agricultural leases located in Section 2, Township 37 North, Range 43 E are currently averaging around \$18-20 per acre without farm program payments. The current CRP payments being made to the State of Montana across this acreage are returning around \$11 per acre. Once the CRP contracts expire with the Daniels County FSA, this acreage will automatically convert to classified grazing land and give the State of Montana a return of approximately \$6-7 per acre. If this acreage was to be classified as hayland or hay when cut acreage, the Department would most likely expect a return of around \$15-18 per acre. The State's surface lessee would also have to renovate this acreage with a new grass and alfalfa seeding for haying.

II. IMPACTS ON THE PHYSICAL ENVIRONMENT

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS: Is there substantial use of the area by important wildlife, birds or fish?

Mark Sullivan, Wildlife Manager, Region 6, Montana Department of Fish, Wildlife and Parks, noted, “this particular stand of CRP is very decadent and consists primarily of crested wheatgrass, club moss, and a few isolated stands of yellow sweet clover. The CRP acreage is surrounded primarily by native prairie waterways and coulees. Although some antelope were observed on the property while reviewing this request, we (FWP) felt this CRP, in its existing condition provides little wildlife value for both game and non-game species. Converting the existing CRP acreage to small grain production could possibly remove some cover the land currently may provide for upland game birds, big game, and non-game species, but given its current condition, it is possible the proposed conversion could provide edge habitat as well as provide other wildlife values as cropped fields. In view of the surrounding land use adjacent to the location of the proposed project, and the fact that this land is currently in CRP seeded to crested wheatgrass, FWP does not object to the proposed land conversion to small grains and pulse crop production.”

No Action Alternative: The CRP fields of crested wheatgrass, club moss, and isolated pockets of yellow sweet clover will be left in their current state. The expired CRP acreage will be classified in the future as hayland, hay when cut acreage, or grazing land for livestock use. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.

Action Alternative: The area of the proposed project is located on Conservation Reserve Program acreage that is dominated by decadent crested wheatgrass plant communities. This type of activity will permanently alter the existing terrestrial and avian habitat currently found on the state land. Crested wheatgrass has a marginal value for wildlife habitat. By converting the CRP acreage to small grain/pulse crop production it is possible that these agricultural fields will provide edge habitat as well as other wildlife values such as nesting cover for song birds, upland game birds, and big game. Native rangeland areas located amongst the CRP fields will produce desirable plant communities for both wildlife and livestock use. The native plant communities located on surrounding state and private lands will continue to provide habitat for song birds, upland game birds, waterfowl, antelope, whitetail deer, and non-game species. The intermittent drainages, hilly areas, and other areas of unsuitable soil will be left in permanent crested wheatgrass stands. These areas will provide an additional habitat type and offer wildlife species more diversity with the conversion to small grain/pulse crop production in the future.

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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?

No Action Alternative: The CRP fields of crested wheatgrass, club moss, and isolated pockets of yellow sweet clover will be left in their current state. The expired CRP acreage will be classified in the future as hayland, hay when cut acreage, or grazing land for livestock use. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.

Action Alternative: The project area contains no known unique, endangered, fragile, or limited environmental resources. There are no federally listed or endangered species in this area. There are no wetlands located within the area of the proposed project. The proposed project will take place on crested wheatgrass fields that were previously in production of small grains over 25 years ago. These fields are located on nearly flat to gently rolling upland benches that drain into native rangeland that consists of rolling hills and intermittent coulees. The areas of native rangeland located on these tracts will be left in their current status. These areas are not part of the proposed project and will not be impacted by this proposed land conversion.

10. HISTORICAL AND ARCHAEOLOGICAL SITES: Are any historical, archaeological or paleontological resources present?

No Action Alternative: The CRP fields of crested wheatgrass, club moss, and isolated pockets of yellow sweet clover will be left in their current state. The expired CRP acreage will be classified in the future as hayland, hay when cut acreage, or grazing land for livestock use. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.

Action Alternative: There are no known historical, archaeological, or paleontological sites located within the area of the proposed project. Staff from the Glasgow Unit Office have inspected these parcels of state land in the past and have found no evidence of historical or archeological sites. The location of the proposed project will take place on previously farmed acreage. Any features that may have existed on this acreage in the past have been disturbed. The crested wheatgrass stands that currently occupy this acreage were seeded over 20 years ago. This acreage was used for small grain production in the past. Previous farm management practices were not as progressive and sustainable as they are today, with the implementation of no-till and minimum tillage farming practices. There is a new surface lessee on these tracts and that will also make a substantial difference in the future management of this state land.

II. IMPACTS ON THE PHYSICAL ENVIRONMENT

11. 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?

No Action Alternative: The aesthetic values that currently exist across these tracts of state land in northern Daniels County will not be impacted. The CRP fields of crested wheatgrass, club moss, and isolated pockets of yellow sweet clover will be left in their current state. The expired CRP acreage will be classified in the future as hayland, hay when cut acreage, or grazing land for livestock use. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.

Action Alternative: The proposed project is located approximately 15 miles northeast of Richland, MT in a very rural area along the US-Canadian border in northern Daniels County. The proposed project will be visible to the general public from a county road or from the air. The land conversion from crested wheatgrass-CRP to future small grain/pulse crop production will have no impacts on the current of future aesthetic values associated with these tracts of state land. Farming and ranching operations are essentially the only two activities that occur in this rural area.

12. 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?

No Action Alternative: The demand on environmental resources such as air, land, water, and energy will not fluctuate in this area. The CRP fields of crested wheatgrass, club moss, and isolated pockets of yellow sweet clover will be left in their current state. The expired CRP acreage will be classified in the future as hayland, hay when cut acreage, or grazing land for livestock use. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.

Action Alternative: The proposed project will shift the use of land and water from the production of crested wheatgrass for the Conservation Reserve Program to the production of spring wheat, durum wheat, peas, and lentils. The land conversion will shift the overall demands on the environmental resources of land and water to produce crops on an annual basis, since that is what is required for the best management practices on these types of soils. Small grain and pulse crop production, livestock grazing, haying, and Conservation Reserve Program are pretty much the only surface use of lands in this rural area. The State’s surface lessee will be using no-till/minimum tillage farming practices to limit soil erosion levels across this acreage.

II. IMPACTS ON THE PHYSICAL ENVIRONMENT

13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA: Are there other studies, plans or projects on this tract?

No Action Alternative: There are no other environmental documents pertinent to this area. The proposed project will not impact other studies, plans, or projects that the Montana DNRC may have for these tracts of state land in the future. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.

Action Alternative: The Montana DNRC will continue to administer the agricultural and grazing lease that currently exists across these tracts of state land within State Surface Lease No. 5731. Converting CRP to small grain/pulse crop production will not impact any other current or future studies, plans, or projects that the MT DNRC may have for these tracts of state land at this time. The MT DNRC – Trust Land Management Division’s (TLMD) mission statement states that, “Our goal 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 Glasgow Unit Office will meet or exceed the goals of the TLMD by converting crested wheatgrass-CRP acreage to future small grain/pulse crop production. Dryland agriculture is the highest and best use of this acreage across these tracts of state land.

III. IMPACTS ON THE HUMAN POPULATION

RESOURCE

POTENTIAL IMPACTS AND MITIGATION MEASURES

14. HUMAN HEALTH AND SAFETY: Will this project add to health and safety risks in the area?

No Action Alternative: The human health and safety risks that currently exist across these tracts of state land will not be altered. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.

Action Alternative: Converting crested wheatgrass-CRP acreage for future small grain/pulse crop production will not add to the human health and safety risks that currently exist on these tracts of state land. The proponent is a dryland farmer and this project will not pose any additional threats to his human health or safety. Converting the CRP acreage to dryland agriculture will decrease the future potential impact of wildland fire across this acreage in this area.

<p>15. INDUSTRIAL, COMMERCIAL AND AGRICULTURAL ACTIVITIES AND PRODUCTION: Will the project add to or alter these activities?</p>	<p><u>No Action Alternative:</u> These tracts of state school trust land will continue to be used for livestock grazing and most likely hay production. The CRP acreage on these tracts will not be eligible for a renewal contract in their current status. The State’s surface lessee would have to be agreeable to the renovation of this acreage with a native grass and forb mixture as well as accepting a lower rental rate per acre from the Daniels County FSA. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.</p> <p><u>Action Alternative:</u> The proposed project will add to the existing agricultural activities that are currently found in this area. The project will increase the surface lessee’s opportunity to produce small grains and pulse crops across these tracts of state land. The proponent and the State of Montana will benefit from this land conversion by increasing the overall return per acre across the existing CRP acreage currently found across these tracts of state land. Industrial and commercial activities currently do not exist in this area. Thus, there would be no impact to those types of activities within the area of the proposed project.</p>
<p>16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT: Will the project create, move or eliminate jobs? If so, estimated number.</p>	<p><u>No Action Alternative:</u> The quantity and distribution of employment will not be impacted in this area. If the MT DNRC denies this project, it is inevitable that the potential for increased revenue in this area will be lost. Local elevators, fertilizer, herbicide, and seed distributors as well as implement dealers would lose out on potential future business, if these tracts are not converted to small grain/pulse crop production. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.</p> <p><u>Action Alternative:</u> The proposed project could potentially create additional jobs for hired men to assist the proponent with the activities associated with operating a dryland farm. Local elevators, fertilizer, herbicide, and seed distributors as well as implement dealers may also benefit in the future from the proposed project by selling more inputs and equipment to the proponent. The Conservation Reserve Program had some unintended consequences by taking land out of dryland agricultural production. Elderly farmers used the CRP program as a stable source of new income without the risks associated with farming. Some of these folks used CRP money to move out of the state and retire, thus having a less than desired impact on the local communities within this area.</p>

III. IMPACTS ON THE HUMAN POPULATION	
RESOURCE	POTENTIAL IMPACTS AND MITIGATION MEASURES
<p>17. LOCAL AND STATE TAX BASE AND TAX REVENUES: Will the project create or eliminate tax revenue?</p>	<p><u>No Action Alternative:</u> The local and state tax base will remain the same in this area. If the MT DNRC denies this project, tax revenue in Daniels County will not be impacted. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.</p> <p><u>Action Alternative:</u> If the MT DNRC approves this project, tax revenue from the sale of small grains and pulse crops will increase. The local and state tax base will not be impacted with this type of project. The DNRC will continue to own these tracts of land. Daniels County will continue to receive Payments In-Lieu-of-Taxes (PILT), since the State of Montana owns more than 5% of the land in the county.</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><u>No Action Alternative:</u> If the MT DNRC denies this project, there will be no additional demand for government services in this area. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.</p> <p><u>Action Alternative:</u> Converting approximately 1,218.3 acres of crested wheatgrass-CRP to dryland agriculture for the future production of small grains and/or cereal crops will not create an additional demand for government services. There will be no increase of traffic in this rural area. The Glasgow Unit Office will continue to administer the surface lease across these tracts of state land in northern Daniels County. If this project is approved by the MT DNRC, the proponent will have to present a conservation plan and get approval from the Daniels County FSA/NRCS.</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><u>No Action Alternative:</u> There are no other known locally adopted environmental plans or goals for these tracts of state land at this time. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.</p> <p><u>Action Alternative:</u> The project will not impact locally adopted environmental plans and goals. The United States Department of Agriculture agencies will review this land breaking request by our lessee. The writer of this document envisions that they will approve of the land breaking request with there specific management plan of operation.</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><u>No Action Alternative:</u> These tracts of state land are legally accessible to the public for general recreational use under the MT DNRC’s rules and statutes. The recreational potential for these tracts of state land will continue to remain moderate to low with the primary uses being upland game bird and big game hunting. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.</p> <p><u>Action Alternative:</u> There are no wilderness or recreational areas adjacent to these parcels of state land located along the US-Canadian border. The proposed project will not change the legally accessible status currently found on these tracts of state land. The recreational potential for upland game bird and big game hunting will continue to remain the same in this area. Converting crested wheatgrass-CRP to dryland agriculture for the future production of small grains and pulse crops will have a minimal impact on the future recreational potential of these legally accessible state lands. Wildlife species will continue to use this area as they have in the past to take advantage of cover and food provided by these agricultural crops.</p>
<p>21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING: Will the project add to the population and require additional housing?</p>	<p><u>No Action Alternative:</u> The density and distribution of population and housing in this area will continue to remain very low in this rural area of northern Daniels County. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.</p> <p><u>Action Alternative:</u> The proposed project is located approximately 15 miles northeast of Richland, MT along the US-Canadian border. There are very few people who live in this area. The proposed project will not impact the density and distribution of the population and housing on this rural area. The proponent has deeded land adjacent to these parcels of state land that will be managed at the same time.</p>
<p>22. SOCIAL STRUCTURES AND MORES: Is some disruption of native or traditional lifestyles or communities possible?</p>	<p><u>No Action Alternative:</u> The social structures and mores will remain the same in this area. The traditional lifestyle in this area will continue to be dominated by the agricultural industry. Farming and ranching operations are the only activities that occur in this area. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops.</p> <p><u>Action Alternative:</u> The proposed project will not impact the social structures and mores currently found in this rural farming community. The project will not disrupt the native or traditional lifestyles that currently exist in this area.</p>

<p>23. CULTURAL UNIQUENESS AND DIVERSITY: Will the action cause a shift in some unique quality of the area?</p>	<p><u>No Action Alternative:</u> The cultural uniqueness and diversity of this area will remain the same. There will be no shift in the quality of life in this area. The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.</p> <p><u>Action Alternative:</u> The proposed project will not disrupt the cultural uniqueness and diversity currently found across these tracts of state land. This acreage was used for dryland agricultural production of small grains for decades prior to being enrolled in the CRP program back in the late 1980’s. The native rangeland currently found across these tracts will not be altered. Wildlife will continue to be the sole beneficiaries from the forage produced off the native rangeland as well as the cover and food habitat provided by the agricultural crops.</p>
<p>24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:</p>	<p><u>No Action Alternative:</u> The Montana DNRC will deny Nidia Spear and Adam Carney’s proposal to convert 1, 218.3 acres of Conservation Reserve Program acreage for future dryland agricultural production of small grains and pulse crops. The Common Schools trust beneficiary and the State’s surface lessees will lose out on a tremendous amount of potential revenue from the future production of small grains and pulse crops from these tracts of state land.</p> <p><u>Action Alternative:</u> The cumulative effects of this project will provide economic benefit to the State’s surface lessee and the Department of Natural Resources and Conservation. The conversion from CRP to dryland agriculture acreage on the state land will increase the lessee’s annual revenue from his state land lease holdings. The Common Schools trust beneficiary will benefit from additional revenue generated through a crop share or cash lease for the production of small grains and pulse crops on these tracts of state land.</p>

EA Checklist Prepared By: s:/ Dan Dobler, Land Use Specialist, AGMB, TLMD Date: 4/25/2011
Dan Dobler, Land Use Specialist, Ag & Grazing Management Bureau, TLMD, MT DNRC

IV. FINDING	
25. ALTERNATIVE SELECTED:	<p>Action Alternative is selected due to the facts that: 1) the land was previously farmed; 2) no anticipated impacts were projected by the EA to be significant; 3) farming of this tract of land will help state and local economy; 4) former state lessee will continue to receive payments from CRP on TIPP program; and 5) the current lessee is a beginning as a new farmer and will undoubtedly be a good dryland farmer and lessee for the State of Montana.</p>
26. SIGNIFICANCE OF POTENTIAL IMPACTS:	<p>No significant impacts are identified.</p>
<p>27. Need for Further Environmental Analysis:</p> <p><input type="checkbox"/> EIS <input type="checkbox"/> More Detailed EA <input checked="" type="checkbox"/> No Further Analysis</p>	

EA Checklist Approved By: **R. Hoyt Richards** **Glasgow Unit Manager**
Name Title

 s:/ R Hoyt Richards **6/20/2011**
Signature Date