

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Proposed Bill Barrett Corporation Microseismic Project
Proposed Implementation Date:	Fall 2012
Proponent:	Bill Barrett Corporation, C/O Louise Sandberg, 325 Front Street, Box 165, Evanston, WY 82930
Location:	See tract description below.
County:	Toole County
Trust:	Common Schools (CS).

I. TYPE AND PURPOSE OF ACTION

Bill Barrett Corporation has requested permission to conduct a microseismic project to aid in the completion of a well that they are drilling on adjacent deeded land. The microseismic project will use the well fracture process to generate source energy. There will be approximately 25 wireless sensors placed 18” deep on the state land to accomplish this project.

Bill Barrett Corporation Microseismic Project

Township	Range	Section	Portion	State Surface	Private Surface	State Oil&Gas	Private Oil&Gas	Trust
37N	3W	36	ALL	640.00		640.00		CS

II. PROJECT DEVELOPMENT

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

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

Bill Barrett Corporation, C/O Louise Sandberg-Proponent
 DNRC-Surface and Mineral Owner
 Montana Board of Oil and Gas Conservation
 Jay and Alex McAlpine-Surface Lessee
 Plain Energy USA, LLC-Oil and Gas Lessee

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

The DNRC Trust Land Management Division and Minerals Management Bureau have jurisdiction over this proposed project on State surface and mineral ownership. A County permit and proof of qualification to conduct business in the State of Montana will also be required.

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) – Deny Bill Barrett Corporation permission to conduct the microseismic survey.

Alternative B (the Proposed action) –Grant Bill Barrett Corporation permission to conduct the microseismic survey using the Conrad Unit Office’s recommendations to minimize adverse environmental impacts.

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.

The soils within the proposed project areas are silty, sandy, dense clays, clays, thin hilly and rough breaks. The terrain of the proposed project area is mostly rolling hills, brush filled coulees, and alkali flats consisting of native rangeland. The proposed action may cause localized areas of soil erosion and compaction from the manipulation of vehicles and equipment on the surface. The proposed seismic project work may only be done when the topsoil is dry or frozen to minimize soil erosion and compaction. The proposed action will temporarily disturb a small portion of the landscape. Any impacts to the soil are expected to be minor, and temporary.

Standard Special Stipulations including no vehicle operation during wet or muddy conditions, which will minimize any impacts.

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.

There are numerous documented and/or recorded water rights associated with the proposed project area.

The source energy will be generated during the adjacent well fracturing process, so no vibratory operations will occur on the surface which could potentially damage the water resources.

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

Other water quality and/or quantity issues will not be impacted by the proposed action.

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.

The proposed microseismic project will consist of only minor disturbance to soils, so 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 vegetation within the proposed project area consists primarily of native rangeland grasses, forbs, and shrubs. Woody draws and riparian areas will be avoided. Restricting the vehicle activity to only frozen and/or dry conditions will minimize any impacts to the vegetation. Vehicle traffic will flatten some standing, native and tame vegetation. Compacted (trampled) vegetation is expected to recover quickly and naturally.

A review of Natural Heritage data through the NRIS was conducted for T37N, R3W: There were no plant species of concern noted or potential species of concern noted.

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 areas are not considered critical wildlife habitat. However, these tracts provide habitat for a variety of big game species (mule deer, whitetail deer, and pronghorn antelope), predators (coyote, fox, and badger), upland game birds (ring neck pheasant, sharp tail grouse, Hungarian partridge), other non-game mammals, raptors and various songbirds. The proposal does not include any land use change which would yield changes to the wildlife habitat. The proposed action will not impact wildlife forage, cover, or traveling corridors. Nor will this action change the juxtaposition of wildlife forage, water, or hiding and thermal cover. Wildlife usage is expected to return to "normal" (pre-action usage) following the seismic operations. Physical ground disturbing activities are not planned. The proposed action will not have long-term negative effects on existing wildlife species and/or wildlife habitat.

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.

There are no threatened or endangered species, sensitive habitat types, or other species of special concern associated with the proposed project area. At this time, no known unique, endangered, fragile or limited environmental resources have been identified within the proposed project area. Physical ground disturbing activities are not planned.

A review of Natural Heritage data through the NRIS was conducted for T37N, R3W. There was one animal species of concern and one potential species of concern noted on the NRIS survey: Mammals-Hoary Bat. Birds-Barrow's Goldeneye. This particular tract of grazing land does not contain many, if any of these species. If any are present, they will be dispersed into the surrounding permanent cover and return to the project area once it is completed.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

A review of previous field evaluations as well as on site inspections indicated the presence of numerous stone circles and rock cairns. This type of seismic activity has very low impacts to historical, archaeological, and paleontological resources.

The proponent will be required to avoid and report any historical, archeological, and paleontological resources encountered in the project area as well to conduct microseismic activities only during dry and frozen conditions.

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 the microseismic operations, a variety of vehicles, including ATVS and pickups will be seen and possibly heard by people in the vicinity of the operations. The survey vehicles and equipment will only be visible during the microseismic 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 a remote area, 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.

The demand on environmental resources such as land, water, air, or energy will not be affected by the proposed action. The proposed action will not consume resources that are limited in the area. There are no other projects in the area that will affect the proposed project.

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 no other projects or plans being considered on the tracts listed on this EA.

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.*
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14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

The proposed microseismic project will not impact human health or safety in the area.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

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

The local economy (motels, restaurants, etc.) will benefit from this project. This project will not add to or deter from other industrial, agricultural, or commercial activities in this area.

This proposed oil and gas exploration project could lead to increased oil and gas drilling activity in the area. There is a potential for increased industrial activity associated with oil and gas production in this area.

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 microseismic project will temporarily increase the tax base or tax revenues through payroll taxes and vehicle registrations.

There are no other 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 a temporary increase in local traffic if this project is approved, but the traffic levels will return to normal, "pre-action", levels once the project is completed.

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.

The proposed action is in compliance with State and County laws. No other management plans are in effect for the area.

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.

This tract of state land is rural and generally has a low recreational value. This tract is not legally accessible and the proposed action is not expected to impact general recreational and wilderness activities on the state tracts.

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.

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 action will not impact the cultural uniqueness or diversity 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 proposed Bill Barrett Corporation Microseismic Project will traverse approximately 240.00 Common Schools Trust Surface acres as the 25 sensors are placed. The DNRC will not receive any compensation for this project as it is covered under the oil and gas lease. There is, however, potential for the proposed project to locate extractable gas and/or oil resources on state land.

The development of gas and oil resources would generate additional revenue to the trusts.

EA Checklist Prepared By:	Name: Tony Nickol	Date: October 30, 2012
	Title: Land Use Specialist, Conrad Unit, Central Land Office	

V. FINDING

25. ALTERNATIVE SELECTED:

Alternative B (the Proposed action) – Alternative B (the Proposed action) –

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

EIS

More Detailed EA

No Further Analysis

EA Checklist Approved By:	Name: Monte Mason
	Title: Chief, Minerals Management Bureau, DNRC
Signature: 	Date: 11-13-12

