

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Flat Acre Farms Inc.-Expiring CRP to Agricultural Land Classification
Proposed Implementation Date:	Spring 2013
Proponent:	Flat Acre Farms Inc., PO Box 578, Chester, MT 59522
Location:	Lease #6204, Lots 6, 7, E2SW4, W2SE4, Section 6, T30N, R7E-221.30 Acres Lease #6024, Lot 1, NE4NW4, Section 7, T30N, R7E-73.00 Acres
County:	Liberty
Trust:	Common Schools

I. TYPE AND PURPOSE OF ACTION

CRP contract #782D containing 221.30 acres and CRP contract #783D containing 73.00 acres expires on 09/30/2013. The lessee, Flat Acre Farms Inc., has requested to break these expiring CRP acres. The CRP acres were not offered for re-enrollment due to their relatively high productivity. The tracts were last farmed in 1999. The estimated acres that will be broke and returned to small grain production is 294.30 acres. The remaining 9.54 acres in Section 6 consists of a grass water way which will not be broke. The remaining 2.76 acres in Section 7 consists of a roadway and field boarders. The lessee plans to spray the CRP on May 1st and direct seed the proposed break area to winter wheat the fall of 2013. This will result in a payment reduction for early outing the CRP which the lessee has agreed to pay for.

II. PROJECT DEVELOPMENT

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

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

DNRC-Surface Owner
Flat Acre Farms Inc.-Lessee, Lease #6204.
Ryan Rauscher-MFWP
Montana Salinity Control Association
Montana Audubon Society

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

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 Flat Acre Farms Inc. permission to break the expiring CRP and return it to small grain production.

Alternative B (the Proposed action) – Grant Flat Acre Farms Inc. permission to break the expiring CRP and return it to small grain production.

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.

This tract consists of gently rolling topography. The below table outlines the soil types that will be broke.

Slope	Class	T-Factor	WEG	Estimated WW Yield	Acres	Section
0-4%	3E	5	5	39 bu/acre	144.30	6
0-4%	3E	2	6	38 bu/acre	46.00	6
2-8%	3E	5	6	39 bu/acre	30.00	6
0-4%	4S	2	6	15 bu/acre	1.00	6
0-4%	3E	5	5	39 bu/acre	3.70	7
0-4%	3E	2	6	38 bu/acre	29.20	7
2-8%	3E	5	6	39 bu/acre	14.20	7
0-4%	4S	2	6	15 bu/acre	25.90	7
TOTAL	3E				267.40	
TOTAL	4S				26.90	
TOTAL	BREAK				294.30	

Class 3 soils have severe limitations that restrict the choice of plants and require special conservation practices. Class 4 soils have very severe limitations that restrict the choice of plants or that require very careful management, or both. The letter "e" shows that there is an erosion hazard unless close-growing plant cover is maintained. The letter "s" shows that the soil is limited mainly because it is shallow, droughty, or stony.

The class 3E soils have an expected yield of 38-39 bu/acre for winter wheat are susceptible to wind and water erosion. One of the class 3E soils has a T factor of 2 which is lower than the required rating of 5. These erosion concerns will be mitigated due to the residue produced not being destroyed by the utilization of no-till farming practices. Clearly, the majority of the soils on this tract meet DNRC's land break requirements.

The 4S soils have an expected yield of 15 bu/acre for winter wheat. This soil type has a low T-factor and is listed as shallow, droughty, or stony. A field review showed no evidence to support the claim of the low T-factor and low soil productivity due to the "s" classification. This soil would be more correctly mapped as 4E with a T-factor of 5 and an expected yield of 35 bu/acre. There have been some NRCS soil mapping inaccuracies in this area and this clearly reflects one of the errors.

Any erosion concerns for these soil types will be mitigated due to the residue produced not being destroyed by the utilization of no-till farming practices. Clearly, the majority of the soils on this tract meet DNRC's land break requirements.

The last noted practice type was CP-2 and 25 which is for an existing native reseeding. The reason for initial enrollment in CRP is for increased revenue and due to farming difficulties presented by the utilization of mechanical tillage which destroyed the resided produced by small grain production.

Jane Holzer, Montana Salinity Control Association commented, "Lease 6204 T30N R7E portions of Sections 6 & 7. There is no evidence of salinity problems in 1996 B&W or 2011 color photos."

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 no documented and/or recorded water rights associated with the tracts. 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.

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 existing vegetation is native and introduced species consisting of primarily crested, intermediate, slender and western wheatgrass. The tracts were last farmed in 1999. The vegetative community will be altered by the reclassification. The conversion of CRP to small grain production will increase the overall productivity of the tract as the current grass stand has very low vigor.

A review of Natural Heritage data through the NRIS was conducted and there were no plant species of concern noted or potential species of concern noted on the NRIS survey.

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.

Ryan Rauscher, Wildlife Biologist,-MT Fish, Wildlife, and Parks, commented, "I have reviewed the Liberty County DNRC breaking request #6204 that I received from your office 03/04/2013. Any breaking of permanent vegetative cover and conversion to grain will not be positive for wildlife species in general, and specifically problematic for ground nesting birds, mule deer, and antelope populations. Because of those considerations I would ask that DNRC not allow the tracts to be broken." See attached letter.

These concerns will be somewhat mitigated as the proposed action will remove the permanent vegetative cover, but the residue produced in small grains production will still provide limited cover and food for the area wildlife. FWP did provide site specific comments regarding this proposed break.

Converting existing CRP acres to agricultural land will decrease wildlife thermal and hiding cover. This reduction of cover may adversely impact various wildlife species including songbirds, upland game birds, waterfowl, antelope, white tailed deer, and mule deer. Agricultural land may provide a limited food source for wildlife species including deer, antelope, upland game birds and migrating waterfowl. No comments were received from the Montana Audubon Society.

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. Montana FWP did provide site specific comments regarding wildlife, (see item #8). At this time, no known unique, endangered, fragile or limited environmental resources have been identified within the proposed project area. The project is a 294.30 acre CRP tract, which is only a very small portion of the total CRP acres held within Liberty County.

A review of Natural Heritage data through the NRIS was conducted. There were nine animal species of concern and three potential species of concern noted on the NRIS survey: Birds-Great Blue Heron, Burrowing Owl, Ferruginous Hawk, Chestnut-collared Longspur, Greater Sage-Grouse, Loggerhead Shrike, Long-billed Curlew, and McCown's Longspur. Mammals-Black-tailed Prairie Dog. Fish-Brook Stickleback, Brassy Minnow, and Burbot. These particular tracts of CRP do not contain many, if any of this species. If any are present, they may be dispersed into surrounding permanent cover.

With the use of the USDA-NRCS Conservation Plan, minimum cumulative effects are anticipated.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

Patrick Rennie, DNRC archaeologist, was contacted and he stated that due to the tract being previously farmed, no historical, archaeological, or paleontological resources would be present.

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.

Since the fields are currently in CRP and the surrounding tracts are all either CRP or farmed, reclassification as agricultural land will not affect the aesthetics of the area.

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 tract listed on this EA.

IV. IMPACTS ON THE HUMAN POPULATION
--

- | |
|--|
| <ul style="list-style-type: none">• <i>RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.</i>• <i>Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.</i>• <i>Enter "NONE" if no impacts are identified or the resource is not present.</i> |
|--|

14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

The proposed project will not change human safety in the area.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

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

The reclassification to agricultural land will increase the vegetative productivity of these tracts. The estimated WW yield is 35-39 bu/acre. In a 50-50 crop fallow system economic returns will vary between \$20/acre to \$30/acres. The current CRP payments are \$31.39/acre at a 42.03% share and \$28.30/acre at a 41.19% share, but will not be sustained due to the contract expiring. Converting these acres to cropland, the Common Schools trust would see an increase in revenue. In addition, the Common Schools trust will receive 25% of the FSA Direct Contract Payment (DCP).

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 action will not significantly affect long-term employment in the surrounding communities.

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.

The proposed action will increase the tax revenue due to the increased revenue generated in small grain production.

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 increases in traffic, no changes in traffic patterns, and no need for additional fire protection, or police 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.

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.

These tracts of state land are rural and generally have low recreational value. These tracts are legally accessible and the proposed action is not expected to impact general recreational and wilderness activities on these 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 conversion of CRP to agricultural land will greatly improve the productivity on the tracts and increase the return to the trust. The current CRP stand has lost its vigor and has very low productivity. These tracts were not offered for renewal of the CRP contract due to their relatively high productivity. Therefore, converting this acreage to small grain production will provide the Common Schools trust with an estimated return of between \$20 - \$30/acre, depending on grain prices. No other unique circumstances exist.

EA Checklist Prepared By:	Name: Tony Nickol	Date: February 19, 2013
	Title: Land Use Specialist, Conrad Unit, Central Land Office	

V. FINDING

25. ALTERNATIVE SELECTED:

Alternative B (the Proposed action) – Grant Flat Acre Farms Inc. permission to break the expired CRP and return it to small grain production.

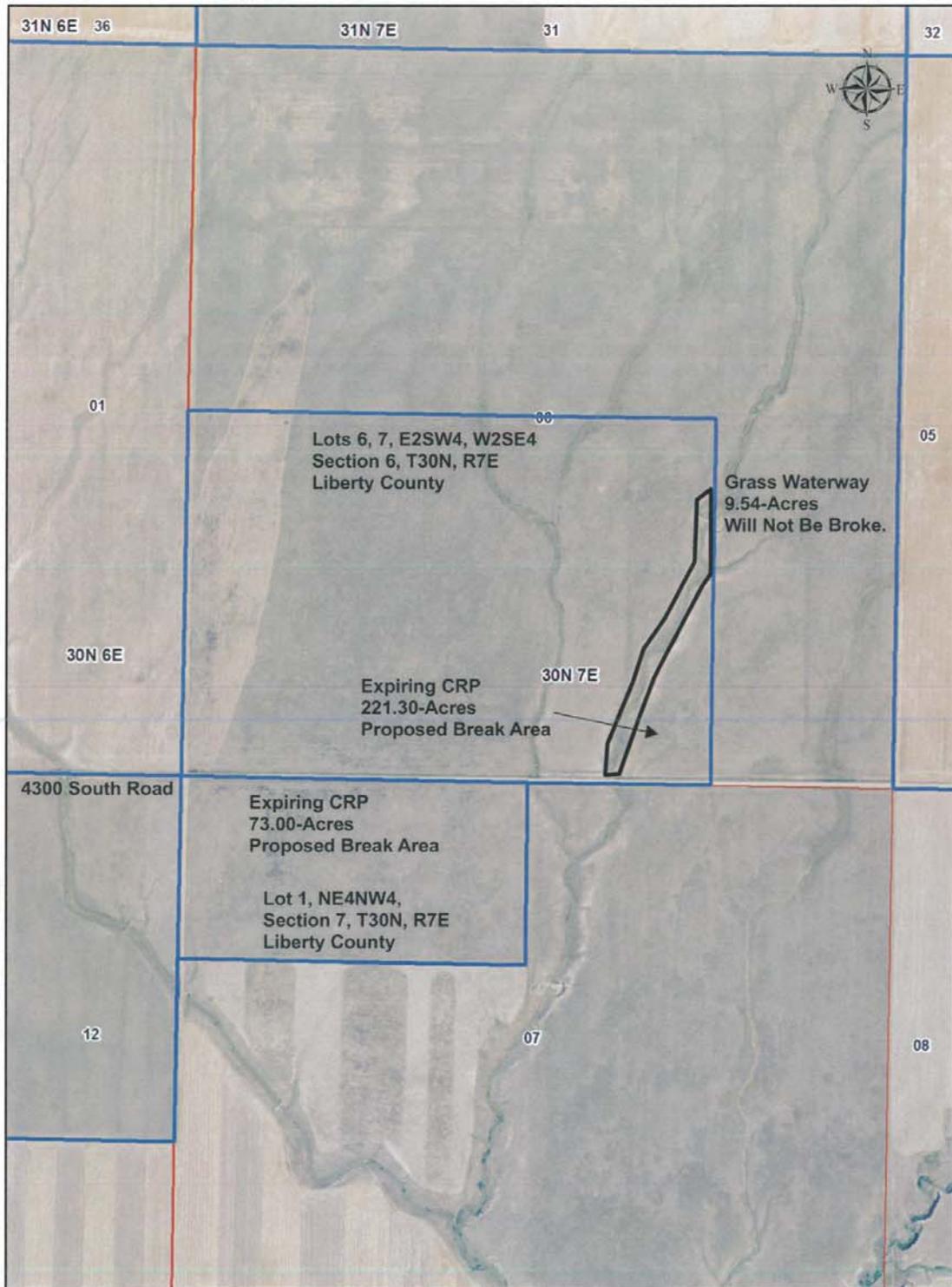
26. SIGNIFICANCE OF POTENTIAL IMPACTS:

These tracts of state land are adjacent to very productive farm land. All acres meet current Departmental breaking policy, which indicate that soils are suitable for small grain production under no till farming practices. The lessees must work with FSA and NRCS and obtain a Conservation Plan and comply with all sod busting regulations. Breaking these acres will help meet TLMD objectives by increasing revenue to the school trust. An average of 35-39 bu/acre winter wheat or \$20.00 to \$30.00 per acre annual return is expected for this acreage. Significant negative impacts are not expected with this expired CRP break.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

EIS More Detailed EA No Further Analysis

EA Checklist Approved By:	Name: Erik Eneboe
	Title: Conrad Unit Manager, CLO, DNRC
Signature: 	Date: March 7, 2013





**Montana Fish,
Wildlife & Parks**

2/6/2013

Tony Nickol
DNRC Central Land Office
P.O. Box 961
Conrad, MT 59425

RE: Lease #6204 (Lots 6,7, E2SW4, Section 6T30N, R7E, Lot 1, NE4NW4, Section 7, T30N, R7E)

Dear Tony,

I have reviewed the Liberty County DNRC breaking request #6204 that I received from your office 03/04/2013. Any breaking of permanent vegetative cover and conversion to grain will not be positive for wildlife species in general, and specifically problematic for ground nesting birds, mule deer and antelope populations. Because of those considerations I would ask that DNRC not allow the tracts to be broken.

Thanks for the opportunity to comment.

Sincerely,

A handwritten signature in blue ink that reads "Ryan L. Rauscher". The signature is fluid and cursive, with the first name being the most prominent.

Ryan L. Rauscher
Wildlife Biologist
MT Fish, Wildlife and Parks
514 S. Front. St., Suite C
Conrad, MT 59425
406-271-7033

rrauscher.fwp@gmail.com