

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Kraken Operating, LLC Access Road
Proposed Implementation Date:	2018
Proponent:	Kraken Operating, LLC
Location:	T26N-R59E-Sec 16
County:	Richland County

I. TYPE AND PURPOSE OF ACTION

Kraken Operating, LLC has requested permission from the DNRC Eastern Land Office to develop an existing access road. This project would place an access road (by upgrading an existing two-track) across the above mentioned tract of State Trust Land to provide access to a well-pad on adjacent deeded land.

II. PROJECT DEVELOPMENT

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

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

Kraken Operating, LLC has requested that the DNRC allow the passage of the access road as described above across this state owned tract. The requested right-of-way would be 1318.07 feet in length and 50 feet in width for a total encompassing acreage of 1.513 acres.

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

None

3. ALTERNATIVES CONSIDERED:

Alternative A- Grant the proponent permission for the development and maintenance of the existing access road.

Alternative B- No Action.

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.

Alternative A- Disturbance of the soil may occur during the development and maintenance of the access road. The proponent plans on installing 24 inch culverts at two separate drainage sites in the road to provide effective drainage. There should be no lasting adverse effects to the soil quality, stability or moisture. Soil structures are not fragile or unstable.

Alternative B-No Impact

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.

Alternative A- No Impacts expected

Alternative B- No Impact

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.

Alternative A- Pollutants and Particulates may be increased during development and maintenance of the project; after this, pollutant and particulate levels should return to normal. Increase in pollutants during maintenance should be almost negligible. Minimal impacts expected.

Alternative B- No Impact

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.

Alternative A- Where the construction and maintenance takes place there may be disturbance to the vegetation cover. Vegetation is comprised mainly of Western Wheatgrass (*Agropyron smithii*), Little Bluestem (*Schizachyrium scoparium*), Blue Grama (*Bouteloua gracilis*), Needle-and-Thread (*Stipa comata*), Common Snowberry (*Symphoricarpos albus*), Yucca (*Yucca glauca*) and various other forbs and shrubs.

Alternative B- No Impact

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.

Alternative A- There should be very minimal effect on any animal habitats within the boundaries of the project. The project will follow an existing two-track and development and routine maintenance will result in minimal disturbance.

Alternative B- No Impact

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.

Alternative A- A search of the Montana Natural Heritage Program Database showed that seven sensitive species have been observed in the general project area: Northern Myotis (*Myotis septentrionalis*), Swift Fox (*Vulpes velox*), American White Pelican (*Pelecanus erythrorhynchos*), Black-billed Cuckoo (*Coccyzus erythrophthalmus*), Least Tern (*Sternula antillarum*), Red-headed Woodpecker (*Melanerpes erythrocephalus*) and the Whooping Crane (*Grus americana*). While this species may be present, no impact is expected due to this project. This project is not located within Greater Sage Grouse General or Core Habitat.

Alternative B- No Impact

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

Alternative A- A Class I (literature review) level review was conducted by the DNRC staff archaeologist for the area of potential effect (APE). This entailed inspection of project maps, DNRC's sites/site leads database, land use records, General Land Office Survey Plats, and control cards. The Class I search revealed that no cultural or paleontological resources have been identified in the APE. No additional archaeological investigative work will be conducted in response to this proposed development. However, if previously unknown cultural or paleontological materials are identified during project related activities, all work will cease until a professional assessment of such resources can be made.

Alternative B- No Impact

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.

Alternative A- Kraken Operating, LLC will need to be able to perform maintenance on the road from time to time. Any aesthetic degradation should only be temporary until the site recovers.

Alternative B- No Impact

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.

Alternative A- No Impacts expected

Alternative B- No Impact

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.

None

<p style="text-align: center;">IV. IMPACTS ON THE HUMAN POPULATION</p>

- | |
|---|
| <ul style="list-style-type: none">• 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.

Alternative A- There may be risks to human health and safety while maintaining this project, but safety concerns will be minimal for work done in this fashion. Minimal impacts expected.

Alternative B- No Impact

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

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

Alternative A- It should have a positive effect on Industrial, Commercial and Agricultural Activities and Production. Minimal impacts expected

Alternative B- No Impact

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.

Alternative A- This project has the potential to create jobs with further development possibilities. Minimal impacts expected

Alternative B- No Impact

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.

Alternative A- This project will provide the proponent access to a mineral development project which should increase tax revenues.

Alternative B- No Impact

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

Alternative A- No Impact expected

Alternative B- No impact expected

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.

Alternative A- No Impacts expected

Alternative B- No Impact

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.

Alternative A- No Impacts expected

Alternative B- No Impact

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.

Alternative A- No Impacts expected

Alternative B- No Impact

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

Alternative A- No Impacts expected

Alternative B- No Impact

23. CULTURAL UNIQUENESS AND DIVERSITY:

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

Alternative A- No Impacts expected

Alternative B- No Impact

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.

Alternative A- This project will provide the proponent access to a well-pad they are developing on deeded land and should indirectly benefit the school trust through revenue generated by the development of an oil well.

Alternative B- No Impact

EA Checklist Prepared By:	Name: Seth Urick	Date: 12-18-2018
	Title: Land Use Specialist	

V. FINDING

25. ALTERNATIVE SELECTED:

Alternative A

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

The granting of permission to develop this road across this tract of state owned trust lands should not result in nor cause significant environmental impacts. The predicted environmental impacts have been identified and mitigation measures addressed in the EA checklist. The predicted impacts will be adequately mitigated through the construction plans. An environmental assessment checklist is the appropriate level of analysis for the proposed action.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

EIS

More Detailed EA

No Further Analysis

EA Checklist Approved By:	Name: Scott Aye
	Title: Lands Program Manager
Signature: 	Date: 12-18-18