

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Decker Coal Company, LLC
Proposed Implementation Date:	2018
Proponent:	Decker Coal Company, LLC
Location:	Surface and Minerals- T9S-R40E-Sec 30 (NW ¼ NE ¼)
County:	Big Horn County

I. TYPE AND PURPOSE OF ACTION

Decker Coal Company, LLC (Henceforth referred to as the proponent) has requested to drill up to two ground water monitoring wells on the State Trust land mentioned above. This project would utilize a water well drilling rig to drill one monitoring well initially to the Dietz 2 coal seam. A second monitoring well may be drilled immediately to the east of the initial monitoring well depending on whether water is encountered in shallower coal seams directly overlying the Dietz 2 seam.

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 proponent has requested to drill up to two ground water monitoring wells. The Minerals Management Bureau staff has conducted an office review of the project on November 8, 2018. The proponent is also the surface lessee for the tracts of land within the proposed area to drill.

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

Ground water monitoring well(s) would be done to satisfy Department of Environmental Quality.

3. ALTERNATIVES CONSIDERED:

Alternative A- Allow the proponent to drill ground water monitoring well(s) within the above parcel of State Trust Land

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- Site geology consists of the Tongue River Member of the Fort Union Formation. The site in which the monitoring well(s) are proposed on is indicated as clinker. Associated coal beds include the Anderson, Dietz, Canyon, and Carney beds. Yellowish brown sandstones and siltstones lie between the various coal beds.

Soils at the proposed site include the Spearman-Wibaux Complex loams/clay loams. These soils are shown to have good trafficability ratings and are only slightly susceptible to degradation when utilized. Soils that are

damaged from the operation should recover well functionally and structurally. When traveled upon, these soils have moderate resistance to dust propagation.

Alternative B- No Impacts expected

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- Monitoring wells are proposed to be drilled to the Dietz 2 coal seam. The possibility exists of encountering a perched aquifer while drilling through the coal seams. Deer Creek is located approximately 600 feet to the north of the proposed drill location.

Alternative B- No Impacts Expected

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- No significant impact expected.

Alternative B- No Impacts Expected

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- Vegetation communities may be affected by this project. The use of equipment has the potential to damage some areas of the plant community. This area has been disturbed in the past and has been revegetated grasses since. The drill holes would disturb very small areas of existing vegetation, which would be expected to recover soon after work is complete. Proponent would be required to revegetate any areas disturbed with a seed mixture approved by the Department.

Alternative B- No Impacts expected

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 may be minimal disruption to the wildlife that inhabit the area. The scale and length of the project should not be enough to permanently disrupt the wildlife species. Species in the area include black bear and mule deer, antelope, raptors, water fowl and other birds, various rodents, rabbits, reptiles and others.

Alternative B- No Impacts Expected

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 Database shows that a Forster's Tern has been identified just over 1/3 mile to the west of the proposed site for the monitor well. No other species of concern have been observed in the section within the last 5 years. Given the short duration of the project of two days or less, there are no expected impacts to sensitive species in the vicinity. The proposed activity is located within an active coal mine between an active coal mine panel and a coal train unit loadout.

Alternative B- No Impacts Expected

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

Alternative A- The proposed location of the monitoring well has been previously disturbed from coal mining operations; therefore, any archaeological resources would have been destroyed. Should any archaeological or paleontological resources be discovered during the proposed action, the proponent is to stop activity and notify the Department immediately.

Alternative B- No Impacts Expected

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- Very little impact should be felt aesthetically in the scope of this project. There should be minimal lasting affects on the landscape from this project. The project should only last a couple days and the landscape will be allowed to recover.

Alternative B- No Impacts Expected

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 Impacts expected

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 known

IV. IMPACTS ON THE HUMAN POPULATION
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| <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> |
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14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

Alternative A- Typical safety risks for laborers working with mechanized equipment would be present, but the potential risk should be minimal with proper safety efforts.

Alternative B- No Impact Expected

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

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

Alternative A- The proposed project is for installing monitoring wells and would be expected to have minimal effects on industrial, commercial, and agricultural activities.

Alternative B- No Impacts Expected

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 would have minimal effects on creating, moving, or eliminating jobs.

Alternative B- No Impacts Expected

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- No Impacts Expected

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 Impacts Expected

Alternative B- No Impact

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 Impact 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 have no effect on social and economic circumstances.

Alternative B- No Impact

EA Checklist Prepared By:	Name: Trevor Taylor	Date: November 2018
	Title: Petroleum Engineer	

V. FINDING

25. ALTERNATIVE SELECTED:

Alternative A

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

The granting of the requested monitoring well(s) on this tract of state-owned trust lands should not result in nor cause significant negative environmental impacts. The proposed action satisfies the trusts fiduciary mandate and ensures the long-term productivity of the land. 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: Monte Mason
	Title: Bureau Chief, Minerals Management Bureau
Signature: Monte & Mason	Date: 11/8/2018

