CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name: KATCO Farms Inc Expired CRP Break Request
Proposed Implementation Date: Spring 2023
Proponent: KATCO Farms Inc
Location: T29N R11E Section 36, W2
County: Choteau
Trust: Common Schools

I. TYPE AND PURPOSE OF ACTION

KATCO Farms Inc has requested to break approximately 297 acres of recently expired CRP and return the land to agricultural production.

II. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:
    Provide a brief chronology of the scoping and ongoing involvement for this project.

Department of Natural Resources and Conservation (DNRC)
Northeastern Land Office (NELO)
Montana Fish, Wildlife & Parks (FWP)
KATCO Farms Inc (Proponent)

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

The DNRC, and NELO have jurisdiction over this proposed project.

The proponent is responsible for performing all required actions to stay in conservation compliance with the 2018 Farm Bill and shall be in contact with the Choteau County USDA offices.

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) – Under this alternative, the Department does not grant a break request for the area of potential effect (APE).

Alternative B (the Proposed Action) – Under this alternative, the Department does grant a break request for the APE.

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 that will be broken all have a capability class rating of 3 or 4.

No Action: No impacts will occur on the geology, soils quality, stability or moisture.

Proposed Action: Associated farming erosion will occur due to wind and water. Mitigating farming practices will be implemented to keep soil loss within 2018 farm bill conservation compliance.

See attached for specific soils information.

Soils information was obtained from the NRCS Web Soil Survey.

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.

No Action: No change is expected to current water quality, quantity and distribution.

Proposed Action: Soil loss may increase turbidity to adjacent waterways. This increase in turbidity will be mitigated by the adjacent overflow areas that contain native vegetation which may catch and filter sediment.

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 Action: No change in air quality.

Proposed Action: Increased pollutants can be expected with tillage & spraying practices. Cumulative effects to air quality will be minimal.

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.

No Action: Land would remain in permanent cover of tame grass. Land would be either hayed or grazed on an annual basis.

Proposed Action: Permanent vegetative cover would be lost. The land will go into a crop/chem fallow crop rotation for small grain production.
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.

Montana Fish, Wildlife & Parks provided input on the breaking of CRP to return to annual production.

Any breaking of permanent vegetative cover and conversion to grain production will not be positive for wildlife species in general, and specifically problematic for ground nesting birds, small mammals, upland game birds, mule deer and antelope populations. Converting these parcel to small grain production reduces the wildlife values on a larger scale than just the parcel itself. Because of those considerations I would ask that DNRC not allow these tracts to be broken.

If it is to be broken, I ask that all drainages be buffered by an additional minimum of 50 feet to allow nesting cover for upland game birds, song birds, and avoidance of a predator sink.

The area is not considered critical wildlife habitat.

**No Action:** No change in terrestrial and avian habitats.

**Proposed Action:** Potential nesting habitat for various avian species will be lost with the removal of permanent vegetation. Addition of a small grain crop will increase forage availability for those wildlife species that utilize grain.

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.

A search of the Montana Natural Heritage Program for Species of Concern (SOC).

<table>
<thead>
<tr>
<th>Species Occurrences</th>
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<tbody>
<tr>
<td>Species List</td>
</tr>
<tr>
<td>Mammals - Grizzly Bear</td>
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<tr>
<td><strong>Delineation Criteria</strong></td>
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<tr>
<td>Agency Status</td>
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<tr>
<td>USFWS: PS: LT; XN</td>
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<tr>
<td>USFS</td>
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<tr>
<td>BLM: THREATENED</td>
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<td>FWP SWAP: SGCN2-3</td>
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<td>Species Occurrence polygons represent areas delineated by the U.S. Fish and Wildlife Service (USFWS) that encompass both home ranges and potential transitory movements based on verified sightings. Within these areas, the USFWS wants project proponents to consider whether the species “may be present” when evaluating the potential impacts of a project and to work with the USFWS to develop and implement best management practices to minimize or eliminate project effects on the species.</td>
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| Birds - Chestnut-collared Longspur | (Calcarius ornatus) |
| **Delineation Criteria** | | | | | Last Updated Apr 14, 2022 |
| Agency Status | | | | | |
| USFWS: MSTA; BCC11; BCC17 | | | | | |
| USFS | | | | | |
| BLM: SENSITIVE | | | | | |
| FWP SWAP: SGCN2 | | | | | |
| FIF: 2 | | | | | |
| Confirmed breeding area based on the presence of a nest, chicks or territorial adults during the breeding season. Point observation location is buffered by a minimum distance of 115 meters in order to encompass the maximum breeding territory size reported for the species and otherwise is buffered by the locational uncertainty associated with the observation up to a maximum distance of 10,000 meters. |
Current habitat is tame grass prairie.

No Action: No change to unique, endangered, fragile or environmental resources.

Proposed Action: Removal of permanent vegetative cover may have a negative effect on the SOC’s listed above.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

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. Because the area of potential effect on state land was once cultivated, because the Holocene age soils in the APE are relatively thin, and because the local geology is not likely to produce caves, rock shelters, or sources of tool stone, 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.

No Action: No effect on historical or archaeological sites.

Proposed Action: A search review was conducted on the Montana Historic Society State Antiquities Database and it showed no historical sites present. The APE has also been previously cultivated and no effects on historical or archaeological sites are 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.

No Action: No change to aesthetics.

Proposed Action: 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.

No Action: No change to demands on limited resources.

Proposed Action: No direct or cumulative effects to environmental resources are anticipated.

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.

No Action: No change

Proposed Action: There are no other projects or plans being considered on the tracts listed in this EA Checklist.
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.

14. HUMAN HEALTH AND SAFETY:
Identify any health and safety risks posed by the project.

No Action: No effect on human health and safety.

Proposed Action: The normal farming safety concerns of dealing with heavy equipment and spraying will apply if the land is broke out and put into small grain production.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:
Identify how the project would add to or alter these activities.

No Action: No change to industrial, commercial or agriculture activities and production.

Proposed Action: This project will add to existing agricultural activities 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.

No Action: No change to employment.

Proposed Action: The project will not create any new jobs. These positions are already held by employees of the proponent.

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.

No Action: No change to local or state tax base.

Proposed Action: Increased revenue may occur if the field is put into 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.

No Action: No change in government services.

Proposed Action: There will not be any increases in traffic or traffic patterns if this project is approved.
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.

**No Action:** No change.

**Proposed Action:** There are no zoning or other agency management plans affecting this project.

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.

**No Action:** No change in recreational activities present.

**Proposed Action:** Removal of suitable nesting habitat for game birds may have a negative effect on the population sizes that are desired by sportsmen. Tracts are accessible by county road for recreational purposes and the removal of permanent vegetation may eliminate an area used by hunters.

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.

**No Action:** No change.

**Proposed Action:** The proposed project does not include any changes to housing or developments. Population and housing will not be affected.

22. SOCIAL STRUCTURES AND MORES:
Identify potential disruption of native or traditional lifestyles or communities.

**No Action:** No change to social structures.

**Proposed Action:** 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?

**No Action:** No change to cultural uniqueness and diversity.

**Proposed Action:** The proposed project will have no effect on any unique quality 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.
No Action: Land would expire from CRP and revenue from payments would be lost. The land would transfer into grazing or hay land production which would bring in less revenue than small grain production. Recreational opportunities by sportsman will continue.

Proposed Action: The proposed project may increase the revenue that is associated with small grain production over the existing revenue that is brought in by being enrolled in CRP, grazing or hay. Loss of recreational opportunities by sportsman may occur.

<table>
<thead>
<tr>
<th>EA Checklist Prepared By:</th>
<th>Name: Jocee Hedrick</th>
<th>Title: Lewistown Unit Manager</th>
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<tr>
<td>Signature:</td>
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<td>Date: July 5, 2022</td>
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V. FINDING

25. ALTERNATIVE SELECTED:

I have selected the Proposed Alternative B, and recommend the proponent be granted permission to break out the expired CRP and put the field into small grain production.

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

I have evaluated the potential environment effects and have determined that no negative long-term environmental impacts will result from the proposed activity.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

☐ EIS  ☑ More Detailed EA  ☒ No Further Analysis

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<thead>
<tr>
<th>EA Checklist Approved By:</th>
<th>Name: Clive Rooney</th>
<th>Title: Area Manager, Northeastern Land Office</th>
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