CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Cenex Pipeline Replacement ROW Easement
Proposed Implementation Date:	2015
Proponent:	Cenex Pipeline LLC
Location:	T7N-R47E-Sec 3&4 Tongue Riverbed and Abandoned Tongue Riverbed
County:	Custer County

Definitions

HDD- Horizontal Directional Drilling
DNRC- Montana Department of Natural Resources and Conservation
Cenex- Cenex Pipeline LLC

I. TYPE AND PURPOSE OF ACTION

Cenex Pipeline LLC has requested a right of way easement to cross state owned portion of the Tongue Riverbed and abandoned Tongue River channel located in T7N-R47E-Sec 3&4 with a 10" crude oil pipeline. This requested pipeline crossing is due to a need for increased capacity and upgrading the safety of the crude oil pipeline as the existing pipeline was put in place approximately 61 years ago. The distance of the proposed crossing of the Tongue River channel would be approximately 109.05 feet in length X 50 feet in width for a total permitted area of .125 acres. The distance of the proposed crossing of the Tongue River Abandoned Channel would be approximately 153.5 feet in length X 50 feet in width for a total permitted area of .18 acres. The surface drilling would take place outside of the anticipated channel migration zones. Bore sites will be located outside of the maximum channel migration zones. The implementation of HDD on the project will ensure that the pipeline is at a minimal depth of 25 feet below the riverbed of the Tongue River. This depth of the pipe would be approximately 15 feet below the anticipated maximum scour depth of the river. The calculated maximum anticipated scour depth of the Tongue River in the area of the proposed pipeline crossing is 10.4 feet.

II. PROJECT DEVELOPMENT

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

On February 27, 2015 an application for right of way easement was received from Cenex Pipeline LLC to cross underneath the Tongue River Bed in T7N-R47E-Sec 4 and the abandoned river channel located in T7N-R47E-Sec 3.

The Eastern Land Office staff has been working with Cenex Pipeline land and environmental staff regarding replacement of the existing line throughout the spring of 2015. DNRC Eastern Land Office staff conducted a field inspection of the site on April 20, 2015. There will be no direct surface impacts of the pipeline due to use of horizontal directional drilling. The surface drilling would take place outside of the anticipated channel migration zones. The implementation of HDD on the project will ensure that the pipeline is at a minimal depth of 25 feet below the riverbed of the Tongue River. This proposed depth is approximately 15 feet below the anticipated maximum scour depth of the river and the surface locations of the HDD rigs will be outside of the anticipated river meander course. The calculated maximum anticipated scour depth of the Tongue River in the area of the proposed pipeline crossing is 10.4 feet. The Montana Department of Natural Resources and Conservation does not have jurisdictional authority over pipeline operation and safety. The operation and safety compliance of the pipeline falls within the jurisdiction of the Pipeline Hazardous Materials and Safety Administration.

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

Montana Department of Environmental Quality; Permitting and Compliance Division; Water Protection Bureau:
401 Permit, 318 Permit, MPDES Permit
Montana Department of Fish, Wildlife and Parks
Montana Public Service Commission
Montana State Historical Preservation Office
United State Department of Defense; U.S. Army Corp of Engineers:
Nationwide Permit 12, 404 Permit
United States Pipeline and Hazardous Materials Safety Administration
United States Fish and Wildlife Service:
Section 7 Endangered Species Act
Local Conservation Districts:
Section 310 Permit

3. ALTERNATIVES CONSIDERED:

Alternative A- Grant land use license and right of way easement, to the proponent to for the purpose of installing operating and maintaining a 10”crude oil pipeline.

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- No fragile unstable or compactable soils have been noted within the scope of the project. The pipeline will be horizontally directionally drilled under the Tongue Riverbed to avoid any surface disturbance on state owned lands and riverbed impacts.
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- Minimal impact to water quality, quantity and distribution could be expected. All construction methods will be done in a way as to minimize impacts to both ground and surface water sources. The Project would cross 1 perennial stream on state owned trust land (Tongue River located in T7N-R47E-Sec 4) The abandoned Tongue River Channel in T7N-R47E-Sec 3 would not be considered a perennial stream by definition. HDD (Horizontal Directional Drilling) construction method would be employed for construction of the pipeline underneath of the Tongue River to prevent any streambed disturbance a minimum depth of 25 feet below the river bed would be employed. At this level the pipeline would be placed approximately 15 feet below the anticipated maximum scour depth of the river. The calculated maximum anticipated scour depth of the Tongue River in the area of the proposed pipeline crossing is 10.4 feet.

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- Construction could be expected to temporarily impact local ambient air-quality. This impact would be produced through fugitive dust as well as emission from construction equipment. This temporary localized impact should only take place on this tract of trust land during the drilling and pipe installation phases of the project.

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- Potential disruption to the vegetative community within the area of construction on Trust Land would be avoided through the utilization of horizontal directional drilling. This would avoid disturbance of any aquatic plant species which may be established in the riverbed. 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- This project may disrupt wildlife habitat for a number of species. Species which may have habitat in the area of the project may include various species of fish, amphibians, water fowl, aquatic mammals and reptiles. The utilization of horizontal directional drilling should avoid any surface impact to these species.

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 Database shows several species of concern in the general project area. These species include Bald Eagle (Haliaeetus leucocephalus), Red Headed Woodpecker (Melanerpes erythrocephalus), Great Plains Toad (Anaxyrus cognatus), Northern Leopard Frog (Lithobates pipiens), Plains Spadefoot (Spea bombifrons)**.** The threatened species Yellow Billed Cuckoo was also noted in the general area although the last and only siting was made in 1921. Impacts to these species should be avoided through use of the horizontal directional drilling technique which would not disturb the surface of the riverbed, water or habitat of these species.

Alternative B- No Impact

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

Alternative A- A search of the TLMS Database and field survey showed no historical, archeological or paleontological resources within the scope of the project.
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- No impacts to aesthetics on this tract are anticipated due to the pipeline being placed beneath the ground. Noise levels around the sight of construction may be temporarily increased. Maximum noise levels from the construction are expected to be 75-85 decibels in the immediate area of construction. This increase should be temporary in nature and subside when construction ceases.
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 limited natural resources should be required in addition to that which is stated within the proposed easement.

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

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.

Alternative A- There may be potential health and safety risks associated with this project. These risks can be mitigated with proper training and on site safety protocols. The pipeline would be placed approximately 15 feet below the maximum anticipated scour depth of the Tongue River in an effort to mitigate potential for future pipeline exposure or breaks and potential crude oil releases. This action would replace a pipeline approximately 61 years old with a new pipeline located below the maximum anticipated scour depth of the river.

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- This proposed project should have a long term positive effect on industrial and commercial activities through increasing transportation capabilities for domestically produced crude oil. Agriculture activities should experience neutral effects.

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. The expected maximum workforce is unknown at this time.

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 proposed pipeline would generate property tax income. The amount is currently unknown at this time.

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- Traffic levels may increase slightly during the construction phase of this project. This increase should only be short term and temporary.

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- There is no noted adopted environmental plans or goals within the boundary of the easement requested.

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- This proposed project and easement request should have only a minimal effect on access to recreational and wilderness activities. These opportunities may be disrupted during construction phase of the project. These phases will be short term in nature and should have no lasting effect on recreational activities.

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 significant impact expected.
Alternative B- No Impact

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

Alternative A- This project has the potential to have a minimal and temporary disruption of native or traditional lifestyles. This disruption should cease once the construction phase is completed.

Alternative B- No Impact

23. CULTURAL UNIQUENESS AND DIVERSITY:
How would the action affect any unique quality of the area?

Alternative A- No Significant Impact

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 has the potential to produce revenue for the school trust through the purchase of a right of way easement. The price of this easement will be established by the DNRC Real Estate Management Bureau and The Montana State Board of Land Commissioners. Pipeline safety should be increased due to the pipeline being placed below the maximum anticipated scour depth of the Tongue River

Alternative B- Additional revenue to the trust through the sale of a right of way easement would not be realized. Additional needed pipeline capacity for the Laurel refinery would not be met.

EA Checklist Prepared By:	**Name:**	Scott Aye	**Date:**	4-20-2015
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V. FINDING

25. ALTERNATIVE SELECTED:

Alternative A

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

The granting of the requested right of way easement across state owned trust lands for the proposed Cenex Pipeline replacement project should not result in nor cause significant environmental impacts. The predicted environmental impacts have been identified and mitigation measures addressed in the environmental assessment checklist. The predicted impacts will be adequately mitigated through the construction and reclamation plans. 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	[X] No Further Analysis

EA Checklist Approved By:	**Name:**	Chris Pileski
	Title:	Eastern Land Office; Area Manager
Signature: /s/ Chris Pileski		**Date**: 4-20-2015