Montana Department of Natural Resources and Conservation
Water Resources Division
Water Rights Bureau

ENVIRONMENTAL ASSESSMENT
For Routine Actions with Limited Environmental Impact

Part I. Proposed Action Description

Applicant/Contact name and address: **Express Pipeline LLC**
c/o Chris Murray
800 Werner Court, Ste 352
Casper, WY 82601

1. Type of action: **Application for Beneficial Water Use Permit 41S 30066542**

2. Water source name: **Groundwater (Kootenai Formation)**

3. Location affected by project: **The point of diversion (well) is located in the SWNWSW Section 7, T12N, R16E, and the place of use is the W2 Section 7, T12N, R16E, all in Fergus County.**

4. Narrative summary of the proposed project, purpose, action to be taken, and benefits:

The proposed appropriation will be used in combination with existing Provisional Permit No. 41S 113639. This appropriation is to increase the flow rate by 22 gallons per minute (GPM), from the existing 88 GPM to 110 GPM, and increase the volume by an additional 18.1 acre-feet (AF), for industrial and fire protection purposes (combined volume is 33.1 AF). Water will be appropriated between January 1 and December 31 annually. The industrial use is more specifically described as hydrostatic testing of oil storage tanks (testing will occur prior to filling the tanks with oil) and general water usage around the industrial site. A proposed 37.3 AF storage reservoir will be added as well.

The DNRC shall issue a water use permit if an applicant proves the criteria in 85-2-311 MCA are met.

5. Agencies consulted during preparation of the Environmental Assessment:
(include agencies with overlapping jurisdiction)

Dept. of Environmental Quality Website - TMDL 303d listing
MT. National Heritage Program Website - Species of Concern
USDI Fish & Wildlife Service Website - Endangered and Threatened Species
MT State Historic Preservation Office - Archeological/Historical Sites
USDA Natural Resources Conservation Service – Web Soil Survey
USDI Fish & Wildlife Service – Wetlands Online Mapper
Montana Fish, Wildlife & Parks – MFISH Website

Part II. Environmental Review

1. Environmental Impact Checklist:

PHYSICAL ENVIRONMENT

WATER QUANTITY, QUALITY AND DISTRIBUTION

Water quantity - *Assess whether the source of supply is identified as a chronically or periodically dewatered stream by DFWP. Assess whether the proposed use will worsen the already dewatered condition.*

Determination: **No significant impact.**

The source of water is Kootenai Formation groundwater and as such, the source is not identified as a chronically or periodically dewatered stream by DFWP.

Water quality - *Assess whether the stream is listed as water quality impaired or threatened by DEQ, and whether the proposed project will affect water quality.*

Determination: **No significant impact.**

The source of supply for this proposed appropriation is groundwater from the Kootenai Aquifer.

Groundwater - *Assess if the proposed project impacts ground water quality or supply. If this is a groundwater appropriation, assess if it could impact adjacent surface water flows.*

Determination: **No significant impact.**

This proposed groundwater appropriation is from the Kootenai Aquifer at a flow rate of 22 GPM and volume of 18.1 AF per year. The Judith and Missouri Rivers are both considered hydraulically connected to the Kootenai Aquifer on a regional scale and groundwater depletions from this well could eventually affect flows in the lower reaches of the Judith and down gradient areas on the Missouri. The Departments' physical availability vs. legal demands analysis, which includes irrigation return flow, shows water is legally available in all months requested for appropriation. See Preliminary Determination in permit file for more information. No significant impacts to groundwater quantity or quality are anticipated because of this project.

DIVERSION WORKS - *Assess whether the means of diversion, construction and operation of the appropriation works of the proposed project will impact any of the following: channel impacts, flow modifications, barriers, riparian areas, dams, well construction.*

Determination: **No significant impact.**

Water will be appropriated by a groundwater well completed into the Kootenai Aquifer at a depth of 2003 feet. Water from the well will be pumped at a combined flow rate of 110

GPM to an existing reservoir which has a capacity of 37.3 AF. A separate pumping system will be used to divert water from the reservoir to test oil tanks or for fire protection purposes. The diversion works involves an existing well and is not expected to have a significant impact to stream channel flows, barriers, riparian zones, dams or other wells.

UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES

Endangered and threatened species *- Assess whether the proposed project will impact any threatened or endangered fish, wildlife, plants or aquatic species or any "species of special concern," or create a barrier to the migration or movement of fish or wildlife. For groundwater, assess whether the proposed project, including impacts on adjacent surface flows, would impact any threatened or endangered species or "species of special concern."*

Determination: **No significant impact.**

The Montana National Heritage Program lists the Ferruginous Hawk as a Species of Concern within T12N R16E. No Plant Species of Concern are listed in the area of interest.

The USDI Fish & Wildlife Service Website shows that Fergus County has four species listed as endangered, threatened or as candidates for the Endangered Species Act. The endangered species are the Pallid Sturgeon and Black-footed Ferret. The threatened species is the Canada Lynx and the candidate species are the Sprague's Pipit and the Greater Sage-Grouse.

This project is not expected to impact any species mentioned above as the project appropriates Kootenai Formation groundwater and will be located on vacant dryland adjacent to the existing tank farm. The proposed reservoir involved in this application process may benefit different species of plants and animals.

Wetlands *- Consult and assess whether the apparent wetland is a functional wetland (according to COE definitions), and whether the wetland resource would be impacted.*

Determination: **No significant impact.**

The National Wetlands Inventory does show a few freshwater emergent type wetlands about ¼ mile to the south of the project area and the proposed reservoir involved in this project is listed as a freshwater pond in the inventory, but it appears the pond designation is a result of the proposed reservoir being built for storage. This development is not expected to cause any adverse impacts to wetland areas.

Ponds *- For ponds, consult and assess whether existing wildlife, waterfowl, or fisheries resources would be impacted.*

Determination: **No significant impact.**

The project will store water pumped from the well in a 37.3 AF proposed reservoir. As mentioned previously, this reservoir may benefit differing species of wildlife/waterfowl using the area.

GEOLOGY/SOIL QUALITY, STABILITY AND MOISTURE - *Assess whether there will be degradation of soil quality, alteration of soil stability, or moisture content. Assess whether the soils are heavy in salts that could cause saline seep.*

Determination: **No significant impact.**

The USDA-NRCS Web Soil Survey indicates the dominant soil unit for the area is Doughty-Sipple loam. This soil unit is classified as farmland of statewide importance. The sodium adsorption ratio is 0.0 indicating a low likelihood of impacts from saline seep.

It is expected that some short-term surface disturbance will occur during construction of new tanks, however no significant negative impacts to soils are expected because of this project.

VEGETATION COVER, QUANTITY AND QUALITY/NOXIOUS WEEDS - *Assess impacts to existing vegetative cover. Assess whether the proposed project would result in the establishment or spread of noxious weeds.*

Determination: **No significant impact.**

Other than short-term disturbances from the installation of the new oil tanks, no new impacts to vegetative cover are expected. It is the land owner's responsibility to control noxious weeds on their property.

AIR QUALITY - *Assess whether there will be a deterioration of air quality or adverse effects on vegetation due to increased air pollutants.*

Determination: **No significant impact.**

No impacts to air quality are expected; both the pump in the well and the reservoir pump will be powered by electric motors.

HISTORICAL AND ARCHEOLOGICAL SITES - *Assess whether there will be degradation of unique archeological or historical sites in the vicinity of the proposed project if it is on State or Federal Lands. If it is not on State or Federal Lands simply state NA-project not located on State or Federal Lands.*

Determination: **No significant impact.**

Not Applicable – The proposed project is not located on State or Federal Lands.

DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AND ENERGY - *Assess any other impacts on environmental resources of land, water and energy not already addressed.*

Determination: **No significant impact.**

No significant impacts are expected. There may be a slight increase in electrical energy consumption associated with the increased pump operations.

HUMAN ENVIRONMENT

LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS - *Assess whether the proposed project is inconsistent with any locally adopted environmental plans and goals.*

Determination: **No significant impact.**

No local environmental plans or goals have been identified.

ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES - *Assess whether the proposed project will impact access to or the quality of recreational and wilderness activities.*

Determination: **No significant impact.**

The proposed action is not expected to negatively affect recreational or wilderness activities in the area.

HUMAN HEALTH - *Assess whether the proposed project impacts on human health.*

Determination: **No significant impact.**

No impacts to human health are expected.

PRIVATE PROPERTY - *Assess whether there are any government regulatory impacts on private property rights.*
*Yes___ No_**X**__ If yes, analyze any alternatives considered that could reduce, minimize, or eliminate the regulation of private property rights*.

Determination: **No significant impact.**

OTHER HUMAN ENVIRONMENTAL ISSUES - *For routine actions of limited environmental impact, the following may be addressed in a checklist fashion.*

Impacts on:

(a) Cultural uniqueness and diversity? **None**

(*b) Local and state tax base and tax revenues?* **Some vacant dryland will be will be converted to an oil tank farm**

(c) Existing land uses? **Vacant dryland will be will be converted to an oil tank farm**

(*d) Quantity and distribution of employment?* **Increased operations may require additional employees**

(e) Distribution and density of population and housing? **None**

(f) *Demands for government services?* **None**

(g) *Industrial and commercial activity?* **Project will consist of 10-tank oil storage facility**

(h) *Utilities?* **Pumps will be powered by electric motors**

(i) *Transportation?* **None**

(j) *Safety?* **None**

(k) *Other appropriate social and economic circumstances?* **None**

2. *Secondary and cumulative impacts on the physical environment and human population:*

Secondary Impacts:

Secondary impacts from this project are expected to be minor; there will be year round groundwater depletions to the Kootenai aquifer, and in turn the lower Judith and Missouri Rivers. The Departments' water availability analysis indicates there is water legally available for appropriation in the reach of the Judith River below its confluence with Big Spring Creek, the reach anticipated to be affected by this groundwater project.

Cumulative Impacts:

As more development takes place in the Judith Basin area, there will be increased demands of water for domestic, irrigation, stock, recreation and other uses. This increased demand will eventually have a higher potential for significant impacts to existing water users.

3. *Describe any mitigation/stipulation measures:*

The Department may or may not deem specific conditions necessary to meet the statutory criteria for new permits set forth at § 85-2-311, MCA. These conditions would be required in the Departments' preliminary determination, if applicable.

4. *Description and analysis of reasonable alternatives to the proposed action, including the no action alternative, if an alternative is reasonably available and prudent to consider:*

No action alternative: Deny the permit application. This alternative would result in no benefits to the Applicant from the proposed project.

PART III. Conclusion

1. Preferred Alternative

The preferred alternative is the proposed alternative.

2 Comments and Responses

To date, none received.

3. *Finding:*
*Yes___ No_**X**_ Based on the significance criteria evaluated in this EA, is an EIS required?*

If an EIS is not required, explain why the EA is the appropriate level of analysis for this proposed action:

None of the identified impacts for any of the alternatives are significant as defined in ARM 36.2.524.

Name of person(s) responsible for preparation of EA:

Name: Douglas D. Mann
Title: Water Resource Specialist
Date: September 10, 2015