

# ENVIRONMENTAL ASSESSMENT AND RECLASSIFICATION CAPABILITY INVENTORY

Project Name: Lease 4238 Reclassification to Grazing Land	Proposed Implementation Date: Spring 2024
<p><b>Proponent:</b> The Chance Revocable Living Trust (previous lessee)</p> <p><b>Project Description:</b> The Lessee proposes the reclassification of 320 agricultural acres on state land lease no. 4238 located in Section 16, Township 3N., Range 21E., in Stillwater, MT, to grazing acres, referred herein as the "Project". See Attachment A - Project Location Map.</p> <p>Lease no. 4238 entered a Conservation Reserve Program (CRP) as far back as 1997. The CRP contract was not renewed for 2020. The previous Lessee is proposing to convert the 320 agricultural acres into grazing acres. Per Administrative Rule of Montana (ARM) <b>36.25.108 (2)</b> The department shall classify and reclassify land in accordance with its capability to support a particular use.</p> <p>The purpose of the conversion from agricultural acres to grazing is due to the expired contract and to support revenue on state lease no. 4238 with a land use that aligns with the Lessee's current operations while maintaining the Department of Natural Resources and Conservation (DNRC) land sustainability goals.</p>	
<p>Type of Reclassification: <b>FROM:</b> <input type="checkbox"/> Grazing <input type="checkbox"/> Timber <input checked="" type="checkbox"/> Ag <input type="checkbox"/> Other</p> <p style="padding-left: 100px;"><b>TO:</b> <input checked="" type="checkbox"/> Grazing <input type="checkbox"/> Timber <input type="checkbox"/> Ag <input type="checkbox"/> Other</p> <p style="text-align: center;"><b>ACRES: 320</b></p>	
Location: 3N 21E 16	County: Stillwater County

<b>I. PROJECT DEVELOPMENT</b>	
<p>1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED: Provide a brief chronology of the scoping and ongoing involvement for this project.</p>	<p>The Lessee, The Chance Revocable Living Trust is the proponent. Agencies involved in the Project include the DNRC, Trust Lands Management Division.</p>
<p>2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:</p>	<p>The DNRC is not aware of any other permits required for the Project on state land described as S2, Sec. 16, T3N., R21E.</p>
<p>3. ALTERNATIVES CONSIDERED:</p>	<p><b>Alternative A (Proposed Action):</b> Grant the reclassification request and convert 320 acres of agricultural land (Class 3) to grazing land (Class 1).</p> <p><b>Alternative B (No Action):</b> Deny the reclassification request.</p> <p><b>Alternative C (Convert to Agricultural Land):</b> Deny the reclassification request and keep the land in agricultural hay production.</p>

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## II. IMPACTS ON THE PHYSICAL ENVIRONMENT

RESOURCE	[Y/N] POTENTIAL IMPACTS
	N = Not Present or No Impact will occur. Y = Impacts may occur (explain below)  <i>LAND CAPABILITY CHARACTERISTICS</i>
4. GEOLOGY, SOILS AND MINERALS:  Are fragile, compactible or unstable soils present? Are there unusual geologic features? Are there special reclamation considerations? Are there any mineral characteristics and how would reclassification impact development? If any lands are proposed for breaking, what are the soil types & capability classes, texture, "T" factor, Wind Erodibility Group (WEG), and slopes? What crops will be grown and what are their potential yields? Will there be any mitigation measures implemented to address identified soil limitations?	<p>[ Y ] There are 6 soil types found within the Project footprint. The NRCS Web Soil Survey (WSS) indicated that 100% of Project soils are Not Rated for fragility. The WSS also indicated that 22.7% of Project soils are moderately susceptible to compaction and 77.3% of Project soils are highly susceptible, See <b>Attachment Soil Report</b>.</p> <p>Project cattle grazing activities have the potential to impact soils through compaction, however, the DNRC sets the Animal Unit Months (AUMs) based on the quality of the range condition with consideration of the soil limitations. Per Administrative Rule of Montana (ARM) <b>36.25.121(1)</b> and management of the land in a husband-like manner, it is not expected that the Project, Alternative A, would result in negative cumulative impacts to soils.</p> <p>When looking at the soil capability for crop production the NRCS WSS survey indicated that 3.1% of Project soils are considered Not Prime Farmland, 19.6% is farmland of local importance, 17.1% is farmland of statewide importance, and 60.1% is prime farmland if irrigated. The NRCS WSS indicated that 96.8% of Project soils contain between 40% &amp; 65% sand and 3.1% of project soils contain between 7% &amp; 23% sand. The NRCS WSS indicated that 99.4% of Project soils have a T Factor rating of 5 and 0.5% have a rating of 2. The NRCS WSS indicated that 77.2% of Project Soils have a WEG rating of 6, 1.5% have a rating of 4L, 1.6% have a rating of 4, and 19.6% have a rating of 3. See <b>Attachment B, Soil Characteristics</b>.</p> <p>Based on the above information these soils do not meet the current DNRC's breaking policy due to the sandy soils, T Factor ratings, and WEG ratings. Breaking these soils could cause significant negative impacts to Project soils. Therefore, Alternative C will no longer be considered as a feasible option and will not be referenced for the remainder of this Environmental Assessment.</p>
5. WATER QUALITY, QUANTITY AND DISTRIBUTION:  Are important surface or groundwater resources present? Is there potential for violation of ambient water quality standards, drinking water	<p>[N] The National Wetland Inventory (NWI) identifies a 0.43 acre Freshwater Emergent Wetland with a classification code of PEM1A and a portion of 13.23 acres of Riverine habitat classified as R4SBC within</p>

**II. IMPACTS ON THE PHYSICAL ENVIRONMENT**

<p>maximum contaminant levels, or degradation of water quality?</p>	<p>the project footprint. Otherwise, there was no other surface or groundwater resources identified within the Project footprint. A Riverine with classification a code of R4SBA is located app. 500 ft. southwest of the Project site. For a complete description of wetland, classification codes go to <a href="https://www.fws.gov/wetlands/data/Mapper.html">https://www.fws.gov/wetlands/data/Mapper.html</a>.</p> <p>With the implementation of husband like grazing practices and compliance with DNRC AUM carrying capacity, cumulative impacts on water quality are not expected.</p>
<p>6. AIR QUALITY: Will pollutants or particulate be produced? Is the project influenced by air quality regulations or zones (Class I airshed)?</p>	<p>[N] There are no nonattainment areas located on or near the Project per the Environmental Protection Agency (EPA) Nonattainment area maps (NEPAssist, 2020). Project activities are not expected to result in increased pollutants or particulates in the air and therefore, cumulative impacts on air quality are not expected.</p>
<p>7. VEGETATION COVER, QUANTITY AND QUALITY: Will vegetative communities be permanently altered? Are any rare plants or cover types present? What is the existing vegetation?</p>	<p>[N] Vegetation within the Project footprint consists of an established stand of tame grass species (expired CRP). A site visit conducted by DNRC staff on 05/02/2024 determined the expired CRP acreage consists of tall wheatgrass (<i>Thinopyrum ponticum</i>), slender wheatgrass (<i>Elymus trachycaulus</i>), crested wheatgrass (<i>Agropyron cristatum</i>), and western wheatgrass (<i>Agropyron smithii</i>). The field evaluation rated the soil as "Shallow-ShallowClay-Silty". AUMs for this vegetation community are set at 160, at a tame pasture rating of 0.5AUMs/acre for the next 10-years.</p> <p>The surrounding land on state lease no. 4238 is classified as grazing land and cropland. A field evaluation conducted by DNRC staff on 05/02/2024 determined the surrounding grazing land consists of western wheatgrass(<i>Pascopyrum smithii</i>), bluebunch wheatgrass (<i>Pseudoroegneria spicata</i>), green needlegrass (<i>Nassella viridula</i>),alkali sacaton (<i>Sporobolus airoides</i>), needle and thread (<i>Hesperostipa comate</i>),blue grama (<i>Bouteloua gracilis</i>), Sandberg bluegrass (<i>Poa secunda</i>), prairie junegrass (<i>Koeleria macrantha</i>), threadleaf sedge (<i>Carex filifolia</i>, fringed sagewort (<i>Artemisia frigida</i>). Invasive grasses include crested wheatgrass (<i>Agropyron cristatum</i>), Kentucky bluegrass (<i>Poa pratensis</i>), cheatgrass (<i>Bromus tectorum</i>) and red threeawn (<i>Aristida longiseta</i>). The field evaluation rated the soil as "Shallow-ShallowClay-Silty". AUMs for this vegetation community are set at 160 for the next 10-years.</p> <p>Moderate grazing will not impact the vegetative community and with ARM 36.25.121(1) cumulative</p>

**II. IMPACTS ON THE PHYSICAL ENVIRONMENT**

	<p>negative impacts to vegetation are not expected. In addition, reclassifying the Project to be uniform (1 land class with 1 use) is beneficial to the DNRC for management purposes.</p>
<p>8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS: Is there substantial use of the area by important wildlife, birds or fish? <i>What wildlife resources use or occupy the area?</i></p>	<p>[N] The Project site is not considered Critical Habitat per the EPA (NEPassist 2020). The tract provides habitat for a variety of big game species, predators, upland game birds, ground-nesting birds, and small mammals. Moderate grazing will not impact habitat and with ARM 36.25.121(1) cumulative negative impacts to habitat are not expected.</p>
<p>9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES: Are any federally listed threatened or endangered species or identified habitat present? Any wetlands? Sensitive Species or Species of special concern?</p>	<p>[ N ] The Natural Heritage Program identifies the black-tailed prairie dog (<i>Cynomys ludovicianus</i>), little brown myotis (<i>Myotis lucifugus</i>), burrowing owl (<i>Athene cunicularia</i>), chestnut-collared longspur (<i>Calcarius ornatus</i>), Ferruginous hawk (<i>Buteo regalis</i>), golden eagle (<i>Aquila chrysaetos</i>), Greater Sage-grouse (<i>Centrocercus urophasianus</i>), loggerhead shrike (<i>Lanius ludovicianus</i>), and the greater short-horned lizard (<i>Phrynosoma herrnandesii</i>) as species of concern in Section 16, Township 3N, Range 021E. <b>See Attachment MTNHP map.</b></p> <p>Although endangered species occur in this region critical habitats or endangered species were not identified within the Project footprint, therefore, cumulative impacts on endangered species are not expected.</p> <p>The National Wetland Inventory did not identify a wetland within the Project footprint. The National Wetland Inventory (NWI) identifies a Freshwater Emergent Wetland with a classification code of PEM1Cx and a Riverine with classification codes of R4SBC and R5UBH located app. 600 ft. southwest of the Project site. For a complete description of wetland, classification codes go to <a href="https://www.fws.gov/wetlands/data/Mapper.html">https://www.fws.gov/wetlands/data/Mapper.html</a>.</p> <p>Project activities are not expected to affect the identified wetlands adjacent to the Project footprint, and therefore, cumulative effects on limited resources are not expected.</p>
<p>10. HISTORICAL AND ARCHAEOLOGICAL SITES: <i>Are any historical, archaeological or paleontological resources present?</i></p>	<p>[ N ] 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 results revealed that no cultural or paleontological resources have been identified in the area of potential effect (APE) but the entire APE was previously cultivated, so the presence of shallowly buried cultural resources is</p>

## II. IMPACTS ON THE PHYSICAL ENVIRONMENT

	<p>unlikely.</p> <p>A change in classification will have <i>No Effect to Antiquities</i>. No additional archaeological investigative work will be conducted in response to this proposed development.</p>
<p>11. AESTHETICS: Is the project on a prominent topographic feature? Will it be visible from populated or scenic areas? Will there be excessive noise or light? <i>Are there notable aesthetic features on the tract?</i></p>	<p>[ N ] The Project is located app. 6.00 miles northeast of Rapelje, Montana, 2.50 miles north of Grass Lake National Wildlife Refuge, and 2.00 miles west of Hailstone National Wildlife Refuge. The Project will not result in any above-ground structures, change in the landscape, and/or noise impacts will not increase in this area as a result of the Project. Therefore, impacts to visual and noise resources are not expected.</p>
<p>12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY: Will the project use resources that are limited in the area? <i>Are there other activities nearby that will affect the project?</i></p>	<p>[ N ] This tract used to be classified as CRP. CRP may be a limited resource for wildlife populations in the area. CRP provides habitat for a variety of big game species, predators, upland game birds, ground nesting birds, and small mammals. Moderate grazing will not impact habitat and with ARM <b>36.25.121(1)</b> cumulative negative impacts to habitat are not expected.</p>
<p>13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA: Are there other studies, plans or projects on this tract?</p>	<p>[ N ] Surrounding lands are owned by private landowners and state and federal agencies with a mixed surface use of agricultural grain production, grazing, and recreational use (Hailstone NWR Dam and Grass Lake NWR). Any future development in the area will likely be restricted to these types of land uses and perhaps utility development, with non-significant impacts to the surface. Future development projects are not expected to have negative cumulative impacts.</p>

## III. IMPACTS ON THE HUMAN POPULATION

RESOURCE	[Y/N] POTENTIAL IMPACTS & CAPABILITY CHARACTERISTICS
<p>14. HUMAN HEALTH AND SAFETY: Will this project add to health and safety risks in the area?</p>	<p>[ N ] Any risk to human health and safety will be restricted to the Lessee or individual performing the ranching activities. Farming and ranching activities can increase the ranchers or farmers exposure to pesticides that are used for managing weeds, respiratory diseases, noise-induced hearing loss from loud machinery, and skin disorders from working long hours in the sun. Farming and ranching activities have the potential to increase exposure to health hazards, however, if the personnel involved with the Project activities employ prevention measures it is not expected to result in cumulative impacts on health and safety.</p>

<p>15. INDUSTRIAL, COMMERCIAL AND AGRICULTURAL ACTIVITIES AND PRODUCTION: Will the project add to or alter these activities?</p>	<p>[ Y ] Current land use on lease no. 4238 consists of 307.44 agricultural acres and 12.56 unsuitable acres due to saline seep. If the Project proceeds with Alternative A, lease no. 4238 would change from classified agricultural acres to grazing acres with a stocking rate of 160 AUMs (stocking rate of 0.5 AUMs/AC). Per ARM 36.21.110(3): The minimum annual rental rate per AUM is the weighted average price per pound of beef cattle on the farm in Montana as determined by Montana National Agricultural Statistics Service of the U.S. Department of Agriculture (USDA Nass) for the previous year, multiplied by:</p> <ul style="list-style-type: none"> <li>(a) 8.13 in calendar year 2012;</li> <li>(b) 8.72 in calendar year 2013;</li> <li>(c) 9.03 in calendar year 2014;</li> <li>(d) 9.89 in calendar year 2015; and</li> <li>(e) 10.48 in 2016 and all calendar year thereafter.</li> </ul> <p>The 8-year average grazing rate from 2017-2024 is \$13.37/AUM. Based on the average grazing rate the Project could result in an average annual payment of \$2,139.20 (160 AUMs X \$13.37/AUM). In this current year, the 2024 minimum grazing rate was determined to be \$16.53/AUM which would result in an annual payment of \$2,644.80 (160 AUMs X \$16.53/AUM). If the Project proceeds with Alternative B the production of lease no. 4238 would cease, and the parcel will become a vacant tract with no average annual payment. This is due in part to accessibility to the tract with one land owner owning three sides of this tract with no equipment access from the N2 of the state section. The N2 of the state section is not publicly accessible.</p> <p>Project activities will have a beneficial effect on the Lessee ranching operations production as well as the DNRC's revenue on lease no. 4238. In addition, grazing aligns with the Lessee's operational goals for the future and is the preferred form of use of the lease.</p>
<p>16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT: Will the project create, move or eliminate jobs? If so, estimated number.</p>	<p>[ N ] The Project will not result in any new jobs nor eliminate any, therefore cumulative effects to the employment market are not expected.</p>
<p>17. LOCAL AND STATE TAX BASE AND TAX REVENUES: Will the project create or eliminate tax revenue?</p>	<p>[ Y ] See Section 15 above. The Project will add to tax revenues due to the revenue generated by general ranching and grazing activities. Negative cumulative impacts on tax revenues are not expected.</p>
<p>18. DEMAND FOR GOVERNMENT SERVICES: Will substantial traffic be added to existing roads? Will other services (fire protection, police, schools, etc) be needed?</p>	<p>[ N ] Project activities on the tract are not expected to impact traffic or increase the demand for government services, and therefore, it is not expected to have negative cumulative impacts on them.</p>
<p>19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS: Are there State, County, City, USFS, BLM, Tribal, etc. zoning or management plans in effect?</p>	<p>[ N ] The DNRC classifies and reclassifies state land in accordance with its capability to support a particular use. The following classes are established in accordance with 77-1-401, MCA:</p>



	<p>(a) Class 1 shall be grazing land.  (b) Class 2 shall be timber land.  (c) Class 3 shall be agricultural land.  (d) Class 4 shall be cabin sites and land uses other than grazing, timber or agricultural.</p> <p>Reclassification of land, if to occur, is not expected to affect the Project and therefore cumulative impacts are not expected.</p>
<p>20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:  Are wilderness or recreational areas nearby or accessed through this tract? <i>Is the land legally accessible and is there recreational potential within the tract?</i></p>	<p>[ N ] The Project is not located on legally accessible land. Recreation potential consists of hunting, hiking, birding, etc. Grazing activities will not alter the recreational opportunity on the Project site and therefore, cumulative negative impacts are not expected.</p>
<p>21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:  Will the project add to the population and require additional housing?</p>	<p>[ N ] The Project will not require additional housing and is not expected to have cumulative impacts on population and housing.</p>
<p>22. SOCIAL STRUCTURES AND MORES:  Is some disruption of native or traditional lifestyles or communities possible?</p>	<p>[ N ] The Project is located approximately 40 miles northwest of the Crow Indian Reservation, approximately 15 miles south and 20 miles west of the nearest Lehrerleut Hutterite Colonies. No archeological sites were identified within the Project footprint. Given the distances to native and traditional communities, the Project is not expected to impact native or traditional lifestyles or communities.</p>
<p>23. CULTURAL UNIQUENESS AND DIVERSITY:  Will the action cause a shift in some unique quality of the area?</p>	<p>[ N ] The Project will not result in any new activities to occur in the area and therefore, it is not expected to cumulatively impact the unique quality of the area.</p>
<p>24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:</p>	<p>[ Y ] The Project will benefit the Common School Trust in terms of a grazing lease on lease no. 4238, see <b>Section 15</b> above. In addition, this area consists of agricultural use, in which, grazing land is a common land use that aligns well with the Lessee's future management plan.</p>

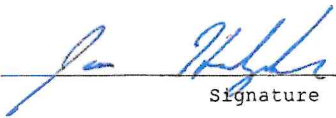
Document Prepared By: Jack Bernhardt Date 07/09/2024

<b>IV. ENVIRONMENTAL ANALYSIS FINDING</b>	
25. ALTERNATIVE SELECTED: <b>Alternative A (Proposed Action): Grant the reclassification request and convert 50.80 acres of agricultural land (Class 3) to grazing land (Class 1).</b>	
26. SIGNIFICANCE OF POTENTIAL IMPACTS: <b>No significant impacts are expected from this reclassification. Soils generally do not meet DNRC breaking policy and are considered poor quality for agricultural production. The topography and access to this piece make it very difficult to bring any farming equipment in. Converting to grazing land is considered the highest and best use and will provide higher long-term revenue. Reclassifying the agricultural land to grazing land will help meet the DNRC, TLMD objectives by increasing revenue trust beneficiaries in a sustainable manner.</b>	

27. Need for Further Environmental Analysis:

EIS       More Detailed EA       No Further Analysis

Joe Holzwarth \_\_\_\_\_ Area Manager \_\_\_\_\_  
 Name Title

 \_\_\_\_\_ 9/16/24 \_\_\_\_\_  
 Signature Date

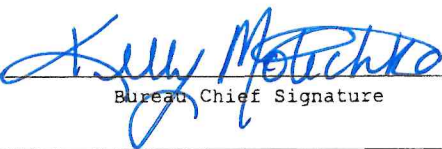
**V. RECLASSIFICATION RECOMMENDATION AND APPROVAL**

28. Land Office Recommendation, including Highest and Best Use:

Convert to grazing lease.

29. Recommendation by Bureau Chief: *approve*


Reasons for Recommendation: *Soils do not meet break policy requirements for Agriculture.*

 \_\_\_\_\_ 9/17/24 \_\_\_\_\_  
 Bureau Chief Signature Date

30. Final Decision on Reclassification by Trust Land Management Division Administrator:

Approve

Deny

 \_\_\_\_\_ 9/18/2024 \_\_\_\_\_  
 Signature Date