

ENVIRONMENTAL ASSESSMENT

Project Name:	CPX Pipeline Corridor
Proposed Implementation Date:	2026
Proponent:	CPX Energy Operating, LLC
Location:	Township 26 North, Range 56 East, Section 18.
Trust:	Common Schools
County:	Richland County, MT

I. TYPE AND PURPOSE OF ACTION

On August 11, 2026, DNRC received an application from the Proponent, CPX Energy Operating, for a land use license to grant the Proponent the right to construct, install, operate, inspect, maintain, repair, replace, reconstruct, and use two three phase flowlines, a freshwater line, a fiber optic line, and saltwater disposal line. The license would also allow for all associated appurtenances upon, over, across, and under the licensed area. The licensee shall also have the right of ingress and egress over the licensed area as reasonably necessary for the construction, operation, inspection, maintenance, repair, replacement, of the pipelines and related facilities. Equipment and facilities customarily associated with the transportation of oil, natural gas, produced water, fiber optic cable, fresh water or other authorized products, including valves, cathodic protection systems, communication lines, markers, and other appurtenant facilities reasonably necessary for the safe and efficient operation of the pipelines, are permitted within the licensed area. This analysis does not evaluate the impacts or usage of the products being transferred within the pipelines. The analysis evaluates the impacts of constructing and placing the pipelines. The Proponent has applied for an effective duration of ten years beginning August 2026, which may be renewed for an additional ten years upon the expiration of the term of the license.

II. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:

Provide a brief chronology of the scoping and ongoing involvement for this project.

- Montana Department of Natural Resources and Conservation (Department) received a request from Energy Operating on August 11, 2026, to install one or more pipeline across Montana Trust Lands in Richland County, MT
- The DNRC's Eastern Land Office has been notified of the application.
- The surface grazing leases will be notified by either the Eastern Land Office or the proponent prior to commencing activities.

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

- None

3. ALTERNATIVES CONSIDERED:

No Action Alternative: The no action alternative would reject the installation of the pipelines in the proposed locations.

Action Alternative: The action alternative would allow the installation of the pipelines. Special stipulations may be identified and adopted through this analysis by the Department in order to mitigate the impacts to the natural and human environments.

SUMMARY OF POTENTIAL IMPACTS TO THE PHYSICAL AND HUMAN ENVIRONMENT

The impact analysis will identify and estimate whether the impacts are direct or secondary impacts. Direct impacts occur at the same time and place as the action that causes the impact. Secondary impacts are a further impact to the human environment that may be stimulated, or induced by, or otherwise result from a direct impact of the action (ARM 17.4.603(18)). Where impacts would occur, the impacts will be described. Cumulative impacts are the collective impacts on the human environment within the borders of Montana of the Proposed Action when considered in conjunction with other past and present actions related to the Proposed Action by location and generic type. Related future actions must also be considered when these actions are under concurrent consideration by any state agency through preimpact statement studies, separate impact statement evaluation, or permit processing procedures.

Where impacts are expected to occur, the impacts analysis estimates the duration and severity of the impact. The duration of an impact is quantified as follows:

The duration of an impact is quantified as follows:

- **Short-term:** impacts that would not last longer than the proposed operation of the site, including reclamation of the site.
- **Long-term:** impacts that would remain or occur following reclamation of the proposed site.

The severity of an impact is measured using the following:

- **No impact:** There would be no change from current conditions.
- **Negligible:** An adverse or beneficial effect would occur but would be at the lowest levels of detection.
- **Minor:** The effect would be noticeable but would be relatively small and would not affect the function or integrity of the resource.
- **Moderate:** The effect would be easily identifiable and would change the function or integrity of the resource.
- **Major:** The effect would alter the resource.

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.

Current Conditions:

The site does not contain any unique or unusual geological features.

Soils: According to the USDA's Web Soil Survey, the project area consists of three soil types.

1. Lambert-Dimyaw complex
2. Shambo loam
3. Zahill loam

The primary soil factors considered for the construction of a pipeline corridor are listed below. The details for each soil factor are specific to the soils contained at the site.

- **K factor**—These soils exhibit a moderate rating for soil-to-sheet and rill erosion from water.
- **Soil compactibility risk**—These soils exhibit a medium compactibility risk.
- **Wind erodibility group**—The Lambert-Dimyaw complex has a severe rating for wind erodibility, the two other soil types have slight ratings.
- **Soil restoration potential**—These soils exhibit a high potential for soil restoration.
- **Soil rutting hazard**—These soils exhibit severe rutting hazard.
- **Suitability for Roads**—The Shambo Loam is well suited for roads on the natural surface. The other two soil types are poorly suited for roads on the natural surface.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: The proposed action will disturb soils at the site, a pipeline corridor will be trenched using an excavator. The pipelines will then be laid, and the dirt and soils will be replaced on top of the disturbed area. Under dry conditions, impacts to soils would be expected to be minor. Conducting project activities under wet conditions may cause moderate to major impacts to soils in the project area. If the action alternative is selected, a mitigation should be included that work may only occur under dry or frozen conditions.

Secondary Impacts: Minor soil disturbances may occur from excavating, driving, or tracking equipment to the licensed project location. However, under dry or frozen conditions, the impacts to soil quality, stability and moisture are negligible. Any secondary impacts would be short-term.

Cumulative Impacts: Cumulative impacts to geology and soil quality from the installation of the pipeline are expected to be negligible. The proposed activity does not impact a large enough area to change the cumulative impacts of geology or soil in a significant manner.

Duration: The impacts are expected to be short term.

Standard Stipulations:

The following stipulation would be added to the license if the action alternative is selected.

- The Licensee shall only conduct licensed project activities under dry or frozen conditions.
- All topsoil, overburden, and substrate displaced by construction activities, must remain in the immediate vicinity of the right of way and saved for reclamation. The removal of any material from trust lands is not authorized under this license. Berms shall be seeded with a prescribed seed mix from the Eastern Land Office. Topsoil must be stored separately from all other forms of substrate.

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.

Current Conditions

Section 18 contains Hardscrabble Creek. The creek is ephemeral, meaning it only contains water during certain times of the year. The nearest ground water well to the proposed project area is approximately 0.85 miles to the northeast.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: The proposed pipeline route will cross Hardscrabble Creek. The corridor for the pipelines would be bored under Hardscrabble Creek and would not be expected to impact the creek's water quality, quantity or distribution. The proposed action would not be expected to impact groundwater quality, quantity or distribution as it is not expected to intersect the water table.

Secondary Impacts: There are no secondary impacts expected to surface or ground water quality or quantity, resulting from the selection of the action alternative.

Cumulative Impacts: There are no changes to cumulative impacts expected to surface or ground water quality or quantity, resulting from the selection of the action alternative.

Duration: No impacts are expected, therefore duration is not applicable.

Standard Stipulations:

The potential selection of action alternative would include the following stipulation in the Land Use License:

- All equipment utilized in project activities must be regularly maintained and inspected to ensure it is not leaking fluids, spreading noxious weeds or creating an undue fire hazard.

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.

Current Conditions:

Currently, emission sources in the project area include vehicles travelling on adjacent county roads, local oilfield traffic, emissions from gas flaring, and dust and emissions from farming activities. Montana typically has good air quality but wildfire smoke can degrade the air quality during the summer months.

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: The licensed activity would create dust and emissions from vehicles and heavy equipment. While the Licensee installs the pipelines small amounts of dust, may propagate from the site from the vehicles and the excavation of the trench in which the pipeline will be installed. Typically, the dust settles within 100 yards of the site, but small dust particles may be carried further in high winds. Dust concentrations become more dispersed as they move further away from the site. Impacts related to dust dispersion from the licensed activity are expected to minor.

Licensed operations would include the utilization of heavy machinery such as an excavator and trucks and directional drilling rigs for boreholes, all of which have internal combustion engines. The combustion of diesel fuel and gasoline at the site would release Green House Gasses (GHGs) primarily in the form of carbon dioxide (CO₂), nitrous oxide (N₂O) and much smaller concentrations of non-combusted fuel components including methane (CH₄) and other volatile organic compounds (VOCs). DNRC has calculated GHG emissions using the EPA Simplified GHG Calculator version dated June 2024 for the purpose of totaling GHG emissions. This tool totals carbon dioxide (CO₂), nitrous oxide (N₂O), and methane (CH₄) and reports the total as CO₂ equivalent

(CO₂e) in metric tons CO₂e. The calculations in this tool are widely accepted to represent reliable calculation approaches for developing a GHG inventory. According to the EPA tool 0.01021 metric tons of CO₂e are emitted for each gallon of diesel fuel burned between trucks and installation equipment. The fuel consumption would be expected to be less approximately 50 gallons of diesel for all equipment utilized in project activities, which equates to 0.51 metric tons of CO₂e. This is a negligible amount when compared to the amount of diesel fuel used daily in the State of Montana, the United States or the World. Therefore, the impacts resulting from the burning of diesel fuel needed to complete the construction of a pipeline are negligible.

Secondary Impacts: Both dust and GHG emissions from project activities may extend beyond the project area. The relation of concentration of either dust or CO₂e is expected to be inverse to the distance from the site. Meaning, as the distance from the licensed site increases, the concentration of dust or CO₂ from project activities would decrease. Concentrations at distances beyond the borders of the immediate licensed sites are expected to be low enough that they would either create no or negligible impacts to air quality.

Cumulative Impacts: Overall, Montana has good to great air quality most times of the year. Currently, wildfire smoke has degraded the air quality in many parts of Montana and the mountain west. The proposed project would add to the currently degraded air quality in a negligible manner.

Duration: Impacts from dust would be expected to be short term, while impacts from GHG emissions would be expected to be long-term.

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.

Current Conditions:

The project area is currently comprised of native vegetation and grasslands.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: During project activities, the vegetation overlying the project area would be disturbed and set aside or compacted. It is the responsibility of the permittee to mitigate and eliminate weed growth resulting from operations. Digging a trench for pipelines involves heavy equipment and trucks that remove soil up to six feet deep and set it aside until it may be replaced over top of the pipeline. It will also include the use of a directional drilling rig to bore a hole beneath Hardscrabble Creek. This along with the use of equipment and trucks may temporarily lay down grass, or damage it. These areas would be expected to recover within two growing seasons. Dependent upon the season, there may be some risk of sparking wildfire. The permittee should have a fire-extinguisher with them during licensed operations. The Department reserves the right to postpone or limit testing to mitigate wildfire risks. Overall, the impacts to vegetation cover, quantity and quality are minor.

Secondary Impacts: Some minor secondary impacts to vegetation may occur from vehicle and equipment travel to and from the pipeline corridor. The vegetation in this area is expected to recover in the following growing season.

Cumulative Impacts: Noxious and invasive weeds are a significant issue in Montana and considerations should be taken to avoid the spread of these species. Project operations have the potential to spread and propagate noxious and invasive weeds. However, mitigations such as equipment maintenance and washing can help prevent the introduction or spread of weeds.

Duration: Any impacts would be expected to be short term.

Standard Stipulations:

The potential selection of action alternative would include the following stipulation in the land use license:

- The Licensee will be responsible for the management and mitigation of invasive weeds that are introduced from project activities.
- The Licensee shall keep a fire extinguisher on the project site at all times.
- All equipment utilized in construction and drilling activities must be regularly maintained and inspected to ensure it is not leaking fluids, spreading noxious weeds, creating an undue fire hazard or threatening the life or property of others.

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.

Current Conditions

The proposed project area serves as habitat for a variety of big game, large and small mammals, raptors, a variety of other birds.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: The action alternative would create minor audible and visual disturbances within a short time frame to any animal that may occupy the project area or its surroundings. Similar habitat and forage can be found throughout the surrounding area and could sustain the impacted wildlife species temporarily. Grazing by domestic animals may continue. Impacts to terrestrial, avian, and aquatic life and habitats are expected to be short-term and minor.

Secondary Impacts: Animals that are currently utilizing the project area may seek suitable habitat on adjacent lands during the project activities. They would be expected to be able to return to the project area upon completion of the construction of the pipeline.

Cumulative Impacts: Development and agriculture have significantly reduced the amount of natural habitat for many animal species in Montana. This project would have negligible and short-term impacts to wildlife and their associated habitat. It would not be expected to significantly change the cumulative impacts to wildlife species.

Duration: Impacts are expected to be short term.

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.

Current Conditions

A search was conducted using the Montana Natural Heritage Program (MT NHP) database to identify species of concern identified near the proposed activities. Below is the list of identified species of concern occurrences within the project area. A species occurrence in the MT Natural Heritage Program mapper is created under the following criteria: "Animal SO's are generally: (1) buffers of terrestrial point observations based on documented species' home range sizes; (2) buffers of stream segments to encompass occupied streams and immediate adjacent riparian habitats; (3) polygonal features encompassing known or likely breeding populations (e.g., wetlands for some amphibians or a forested portion of a mountain range for some wide ranging carnivores); or (4) combinations of the above.

- Whooping Crane - The federally endangered Whooping Crane occasionally migrate across the eastern portion of Montana, although their main migratory corridor is found to the east in the Dakotas. While the species was close to extinction during the early and mid-1900s, intensive management has helped to begin the recovery process. The species is still very rare across its range and at risk of extinction. The Whooping Crane utilizes marshlands, wetlands and wet prairie habitat with safe roosting sites and nearby forage opportunities. There are no management activities in Montana specific to Whooping Crane according to the MT NHP.
- Little Brown Myotis - Found in a variety of habitats across a large elevation gradient. Commonly forages over water. Summer day roosts include attics, barns, bridges, snags, loose bark, and bat houses. Known maternity roosts in Montana are primarily buildings. Hibernacula include caves and mines.
- Northern Hoary Bat - During the summer, Hoary Bats occupy forested areas. A female with two naked pups was found in mid-July using a wooden bridge in Stillwater County as a temporary day roost (Hendricks et al. 2005) but no other Montana roosts have been reported. Often captured foraging over water sources embedded within forested terrain, both conifer and hardwood, as well as along riparian corridors. Reported in Montana over a broad elevation range (579 to 2774 m; 1900 to 9100 ft) during August, the highest record from treeline along the Gravelly Range road (Madison County), the lowest from the Yellowstone River near Sidney (Richland County); probably most common throughout summer in Montana at lower elevations.
- Silver-haired Bat - Occupy mature conifer and deciduous forests, riparian woodlands and aspen. Summer day roosts include tree cavities, under loose bark, also bird nests, sheds, and barns. Hibernacula include tree cavities, rock crevices, and buildings.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: Individuals of the species of concern listed may be present in the project vicinity during the duration of the project. Minor visual and audible disturbances may be realized by the species of concern listed. A minor decrease in available forage may occur as described within the previous section. However, these disturbances are not expected to impact the species' environment in a significant manner that would result in impacts to the viability of the individual or the species as a whole. The project is not expected to impact wetlands, caves, trees or roosts where the identified species would be most likely to occur.

Secondary Impacts: Species of concern that are currently utilizing the project area may seek suitable habitat on adjacent land during the project activities. They would be expected to be able to return to the project area upon completion of the construction of the pipeline.

Cumulative Impacts: Development and agriculture have significantly reduced the amount of natural habitat for many animal species in Montana including species of concern. This project would have negligible and short-term impacts to wildlife and their associated habitat. It would not be expected to significantly change the cumulative impacts to species of concern.

Duration: Impacts are expected to be short term.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

A class III cultural and paleontological resources inventory was conducted in the project area. One cultural resource (24RL688: Three cairns and a stone arc) was identified. These features were excavated by the DNRC's archeologist in April of 2026. A formal report is pending completion, and all associated files will be submitted to the Montana State Historical Preservation Office upon completion.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: The selection of the action alternative would have no impact to antiquities as defined under the Montana State Antiquities Act. If any archeological sites are discovered by the proponent during project activities, all work must stop until a professional assessment can be made.

Secondary Impacts: There are no secondary impacts expected to historical and archaeological sites.

Cumulative Impacts: There are no cumulative impacts expected to historical and archaeological sites.

Duration: No impacts expected.

Standard Stipulations:

The potential selection of action alternative would include the following stipulation in the land use license:

- If any cultural or paleontological resources are encountered on Montana Trust Lands during project activities the licensee shall avoid disturbance of the site and contact the Montana DNRC archeologist immediately.

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.

Current Conditions

The project area is located in a very rural setting in Richland County. The project area may be seen from the nearest adjacent county road.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: Motorists in the area would see an excavator, directional drill rig and several trucks in the project area. The operations are expected to take place for several days. After the installation of the pipeline is complete, the ground disturbance may be visible by individuals in the project vicinity. Minor disturbances to aesthetics are expected during installation. However, there are no long-term impacts to aesthetics anticipated if the action alternative is selected. Increased noise levels may also occur from the proposed action but are expected to be minor and short-term. Noise levels from activities are expected to be like those produced by motorists travelling nearby.

Secondary Impacts: Noise and visual impacts will occur outside of the project area. However, these impacts are expected to be minor and short-term.

Cumulative Impacts: There are no changes to cumulative impacts expected to aesthetics from the selection of the action alternative.

Duration: Impacts are expected to be short term.

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.

Current Conditions

The impacts to land, water and air are evaluated previously within this document.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: Energy sources in the project area in the form of diesel fuel are abundant. The project will have a net increase on energy availability as the project will move hydrocarbons to a market which will be utilized by consumers.

Secondary Impacts: The hydrocarbons produced by the wells would leave the site via the proposed pipeline. These hydrocarbons would eventually be refined and sold as consumable products.

Cumulative Impacts: It is estimated that the world utilizes approximately 100 million barrels of oil per day. The products moved by the proposed pipelines in the action alternative would contribute in a negligible way to this total.

Duration: Impacts are expected to be short-term.

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.

Current Conditions

This tract is also utilized for grazing purposes by the department's grazing lessee. The tract also includes an LUL for a well pad agreement and an oil and gas lease.

Alternatives

No Action Alternative:

The license to construct, install, operate, inspect, maintain, repair, replace, reconstruct, use, and remove one or more pipelines would be denied and the leases, licenses, and other environmental documents pertinent to the area would not be altered.

Action Alternative:

Direct Impacts: The grazing lessee will realize a minor loss in vegetation within their leased area during the excavation of the pipeline corridor. Upon reclamation the impacted areas would return to native rangeland. The proposed project would be expected to have a positive impact on the oil and gas leases and well pad agreements. Any future development in the area would likely be restricted to utility or mineral development.

Secondary Impacts: No secondary impacts expected.

Cumulative Impacts: No change in cumulative impacts expected.

Duration: Impacts would be expected to be short term.

Standard Stipulations:

The potential selection of action alternative would include the following stipulation in the land use license:

- The licensee shall negotiate a surface damages settlement with the surface lessee in accordance with ARM 36.25.138

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.

Current Conditions

The current condition of the site poses no risk to human health or safety.

Alternatives**No Action Alternative:**

No impacts

Action Alternative:

Direct Impacts: The proposed action is expected to have no impacts to human health or safety, other than those typically associated with the associated employee health and safety risks. The project area is in a rural area away from residences.

Secondary Impacts: No secondary impacts expected.

Cumulative Impacts: No cumulative impacts expected.

Duration: No Impacts expected.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

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

Current Conditions

The project areas are in a rural area where oil and gas, and agriculture are prominent industries.

Alternatives**No Action Alternative:**

No impacts

Action Alternative:

Direct Impacts: This project has the potential to have a positive impact to the industrial and commercial activities in the area and would benefit the oil and gas industry. There are no significant impacts expected to the agriculture activities within the area.

Secondary Impacts: No secondary impacts expected.

Cumulative Impacts: No cumulative impacts expected.

Duration: Impacts are expected to be short term.

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.

Current Conditions

The closest town and employment center is Sidney, Montana. The workforce consists mainly of ranchers and oil and gas workers.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: No direct impacts are expected to quantity and distribution of employment.

Secondary Impacts: No secondary impacts expected.

Cumulative Impacts: No cumulative impacts expected.

Duration: 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.

Current Conditions

Trust land is exempt from local property tax. Operators and lessees conducting business on Trust Lands must pay business taxes.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: No direct impacts to local and state tax base and tax revenue are expected from the selection of the action alternative.

Secondary Impacts: No secondary impacts expected.

Cumulative Impacts: No cumulative impacts expected.

Duration: No impacts expected.

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

Current Conditions

Emergency services would likely come from Sidney, MT.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: The proposed action is not anticipated to have any impact on demand for government services.

Secondary Impacts: No secondary impacts expected.

Cumulative Impacts: No cumulative impacts expected.

Duration: No impacts expected.

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.

Current Conditions

There are no known zoning or management plans within the project area.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: No impacts expected, there are no known zoning or management plans.

Secondary Impacts: No secondary impacts expected.

Cumulative Impacts: No cumulative impacts expected.

Duration: No impacts expected.

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.

Current Conditions

The project area is not designated as wilderness, nor does it provide access to wilderness.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: The project area is not legally accessible. The public recreation on this tract is expected to be minimal, and limited to the adjacent landowners that have legal access. Direct impacts to recreationists would be temporary while project activities occur and would be expected to be negligible. An increase in noise and visual impacts would occur for species in the area that sportsman may be targeting.

Secondary Impacts: No secondary impacts expected.

Cumulative Impacts: No cumulative impacts expected.

Duration: Impacts would be expected to be short term.

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.

Current Conditions

The closest major population center to the project area is Sidney, Montana.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: No direct impacts expected to the density and distribution of population and housing.

Secondary Impacts: No secondary impacts expected.

Cumulative Impacts: No cumulative impacts expected.

Duration: No impacts expected.

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

Current Conditions

There are no known native or traditional lifestyles within the project area.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: No direct impacts are expected to native or traditional lifestyles.

Secondary Impacts: No secondary impacts expected.

Cumulative Impacts: No cumulative impacts expected.

Duration: No impacts expected.

23. CULTURAL UNIQUENESS AND DIVERSITY:

How would the action affect any unique quality of the area?

Current Conditions

There are no known unique qualities of the area.

Alternatives

No Action Alternative:

No impacts

Action Alternative:

Direct Impacts: No direct impacts are expected.

Secondary Impacts: No secondary impacts expected.

Cumulative Impacts: No cumulative impacts expected.

Duration: No impacts expected.

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.

The return to the trust would be a one-time application fee of \$25.00. The license will charge a one-time fee of \$850 for 47.80 rods for a total amount of \$40,630. The license will also charge a 0.15 cent per barrel fee for the transfer of salt water to the Hekkel pad where it will be disposed. All salt water piped to the Hekkel pad will accrue a dollar-for-dollar credit that may be used for the disposal of future salt water disposed of through the SWD located on section 18. This SWD was approved through LUL-556-25.

EA Checklist Prepared By:	Name: Zack Winfield	Date: August 14, 2026
	Title: Petroleum Engineer	

V. FINDING

25. ALTERNATIVE SELECTED:

The granting of the requested land use license across state owned trust lands for the proposed CPX Utility Corridor and saltwater disposal 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

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

The granting of the requested Land Use License on Montana State Trust Lands is not expected to result in, nor cause significant environmental impacts. The proposed action satisfies the Trust's fiduciary mandate and accounts for the long-term productivity of the land. An environmental assessment is the appropriate level of analysis for the proposed action.

I conclude that all identified potential impacts will be mitigated by utilizing permit requirements, including the stipulations listed below.

- All topsoil, overburden, and substrate displaced by construction activities, must remain in the immediate vicinity of the right of way and saved for reclamation. The removal of any material from trust lands is not authorized under this license. Berms shall be seeded with a prescribed seed mix from the Eastern Land Office. Topsoil must be stored separately from all other forms of substrate.
- All equipment utilized in construction and drilling activities must be regularly maintained and inspected to ensure it is not leaking fluids, spreading noxious weeds, creating an undue fire hazard or threatening the life or property of others. All vehicles and equipment shall be washed prior to entering Trust Lands.
- The licensee shall be responsible for controlling any noxious weeds or spread from the construction and use of the right of way.
- The licensee shall negotiate a surface damages settlement with the surface lessee in accordance with ARM 36.25.138
- Construction of the right of way is permitted during daylight hours only.
- The Licensee shall only conduct licensed project activities under dry or frozen conditions.
- The Licensee shall keep a fire extinguisher on the project site at all times.
- If any cultural or paleontological resources are encountered on Montana Trust Lands during project activities the licensee shall avoid disturbance of the site and contact the Montana DNRC archeologist immediately.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:☐

EIS

☐

More Detailed EA

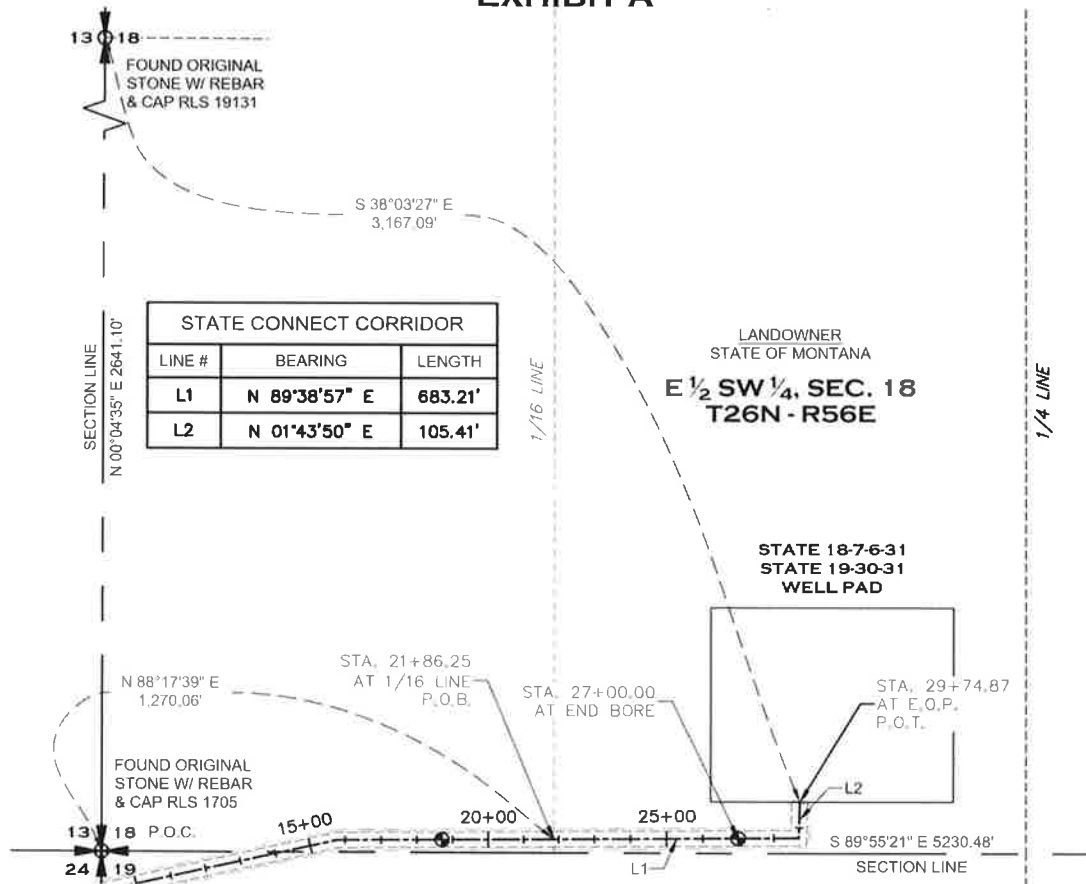
☒

No Further Analysis

EA Checklist Approved By:	Name: Scott Aye
	Title: DNRC Eastern Land Office; Land Program Manager
Signature: /s/ Scott Aye 	Date: 8-18-2026

Exhibit A: CPX Pipeline

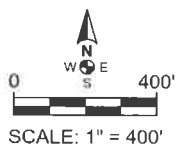
STATE CONNECT CORRIDOR PROPOSED EASEMENT ON AND ACROSS E 1/2 SW 1/4, SECTION 18, TOWNSHIP 26 NORTH, RANGE 56 EAST OF THE MONTANA PRINCIPAL MERIDIAN, RICHLAND COUNTY, MONTANA EXHIBIT A



A THIRTY-FIVE FOOT (45') WIDE PIPELINE EASEMENT, OF WHICH IS SEVENTEEN AND A HALF FEET (22.5') ON EACH SIDE OF CENTERLINE, LOCATED WITHIN THE EAST HALF OF THE SOUTHWEST QUARTER (E 1/2 SW 1/4) OF SECTION EIGHTEEN (18), TOWNSHIP TWENTY-SIX NORTH (T26N), RANGE FIFTY-SIX EAST (R56E) OF THE MONTANA PRINCIPAL MERIDIAN, RICHLAND COUNTY, MONTANA, THE CENTERLINE OF SAID EASEMENT IS DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST (SW) CORNER OF SAID SECTION EIGHTEEN (18); THENCE N 88°17'39\" E, A DISTANCE OF 1,270.06 FEET TO THE POINT OF BEGINNING; THENCE N 89°38'57\" E, A DISTANCE OF 683.21 FEET; THENCE N 01°43'50\" E, A DISTANCE OF 105.41 FEET TO THE POINT OF TERMINUS, LOCATED S 38°03'27\" E, A DISTANCE OF 3,167.09 FEET FROM THE WEST QUARTER (WQ) CORNER OF SAID SECTION EIGHTEEN (18).

SAID STRIP OF LAND CONTAINS 0.81 ACRES, MORE OR LESS, AND IS SUBJECT TO ANY PREVIOUS EASEMENTS, AGREEMENTS, CONVEYANCES AND SURVEYS.



I, KC Homiston, registered land surveyor, Montana LS-24287, do hereby certify that the survey plat shown hereon was made by me, or under my direction, and is true and correct to the best of my knowledge and belief.



LEGEND

- PROPOSED PIPELINE
- (P.O.C.) = POINT OF COMMENCEMENT
- (P.O.B.) = POINT OF BEGINNING
- (P.O.T.) = POINT OF TERMINUS
- BEGINNING OF PROJECT (B.O.P.) = HEKKEL 24-25-36-1, 13-12-1-36 WELL PAD
- END OF PROJECT (E.O.P.) = STATE 18-7-6-31, 19-30-31 WELL PAD
- PIPELINE DEPTH = 5 FT. AVG.

- 45' RIGHT-OF-WAY WIDTH
- ACREAGE AND FOOTAGE CALCULATED FROM SIXTEENTH LINE TO EDGE OF PAD

SEC. 18	EASEMENT		
	LENGTH	RODS	ACRES
E 1/2 SW 1/4	788.62'	47.80	0.81 ±

NOTE: All land corners are assumed unless otherwise noted. Pipeline shown here on is an as-built location. Distances shown are measured ground distances, international foot, derived from a local coordinate system.

COMPANY NAME:
CPX ENERGY OPERATING, LLC

HIGHLANDS
ENGINEERING
OFFICE: 701.483.2444
WWW.HIGHLANDSENG.COM

SHEET NAME:	DATE:	DRAWN BY:	SCALE:	PROJ. NO.	SHEET NO.
PROPOSED PIPELINE	07/23/2026	JSY	1" = 400'	262161	1 of 1

H:\262161\PROJECT CAD\CURRENT\262161 PROPOSED PIPELINE.DWG

LAST SAVED: 07/23/2026 3:20 PM BY: JOHN YORK

