

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name: LUL-577-26 _ Layflat Hose

Proposed

Implementation Date: September 2026

Proponent: ASWS LLC dba Hamlin Water LLC

Location: Township 26N, Range 58E, Section 16 – E2

County: Richland County

Trust: Common Schools

Introduction: In June of 2025, the Minerals Management Bureau (MMB) of the Forestry and Trust Lands Division (FTLD) of the Montana Department of Natural Resources and Conservation, completed a programmatic environmental analysis for lay flat hose land use licenses. The programmatic environmental analysis goes into further detail and evaluates a wider scope of resources than this checklist environmental assessment. This checklist environmental assessment should be read and understood in conjunction with the programmatic environmental analysis. The programmatic environmental assessment can be found on the Departments website at: <https://dnrc.mt.gov/TrustLand/subsurface-resources/doc02335020250616151505.pdf>

I. TYPE AND PURPOSE OF ACTION

On September 18, 2026, DNRC received an application from the Proponent, ASWS LLC dba Hamlin Water LLC, to lay a temporary layflat hose for the purpose of transferring freshwater across State of Montana Land tracts. The water would be utilized for the fracturing of a horizontal Bakken well(s). This analysis does not evaluate the impacts or usage of the water nor the fracturing of the horizontal Bakken formation well itself. The analysis evaluates the impacts of placing and removing the hose, and the hose being on the landscape. The Proponent has applied for an effective duration date of September 2026 through September 2027. The hose would be expected to be placed near the beginning of the duration and removed near the end of the duration.

II. PROJECT DEVELOPMENT

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

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

DNRC – Minerals Management Bureau received the application for a temporary LUL to place a layflat hose on September 18, 2026.

DNRC – Eastern Land Office was notified of the application on September 18, 2026.

The surface lessee will be notified prior to the layflat hose being placed

3.ALTERNATIVES CONSIDERED:

No Action Alternative: The lay flat land use license application would be denied

Action Alternative: The lay flat land use license application would be approved with standard stipulations along with any special stipulations identified resulting from this analysis.

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.

List any species of concern identified in the proposed testing area through review of the Montana Natural Heritage Program Map. Identify any impacts that aggregate testing would have on each of these species.

SOC Occurrences

with MT Status = Species of Concern, Special Status, Important Animal Habitat, Species of Potential Concern

Reports based on Visible Map Extent (Polygons are shown just for reference)

Species Occurrences

Species List | plus Occurrences | plus Obs (may take a while)

Birds - Whooping Crane (Grus americana)

The placement of Layflat hose within the project area is not expected to have significant impacts on any of the species of concern listed above. Several trucks and light machinery with several employees of the proponent would be in the project area for approximately a day to place the hose and a day to remove the hose. For a majority of the duration of the proposed license, the hose will lay in the same spot within the tract. The proposed action does not meet a threshold of significance that would cause more than negligible impacts to any of the species of concern listed.

Is the project area within Core or General Sage Grouse Habitat?

- No – *This project is not located within designated Greater Sage Grouse General, Core or Connectivity Habitat.*

Is the project area within one-half mile of an active Bald or Golden Eagle Nest?

- No – *This project area is not within one-half mile of an active Bald or Golden Eagle Nest.*

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.

Are there other studies, plans, or projects currently in place on this tract?

- Yes:
 - SRUL-ELO-01-026-R001
 - LUL-1269
 - LUL-310-2300006
 - OG-35757-05
 - OG-26961-83
 - AG-3322
 - USDA – NRCS – Richland County Long Range Plan

Checklist EA	Name: Kelly Bertellotti	Date: 9-23-2026
Prepared By:	Title: Minerals Resource Specialist	

V. FINDING

25. ALTERNATIVE SELECTED:

Action Alternative: The proponent's application would be granted, and the proponent would be allowed to place and utilize the layflat hose for the time-period requested in the application

After a thorough review of this checklist environmental assessment, the corresponding programmatic review, the project file, and Montana's laws and rules; I have decided to select the action alternative and the DNRC will issue a Land Use License for the ability to lay flat hose in the proposed area for the time period requested in the application. This decision is consistent with the mission and best management practice of State of Montana School Trust Lands, and the future income generating capacity of the land will not be impacted by this decision.

26.SIGNIFICANCE OF POTENTIAL IMPACTS:

I have concluded that through the implementation of the stipulations listed below that the impacts of the proposed action are non-significant, being either negligible or minor and short-term in nature.

- The Licensee shall only conduct operations under dry or frozen conditions. Operations are not allowed under wet or muddy conditions.
- Lay flat hose may not be placed in or through a freshwater source or wetlands
- The licensee shall inspect and wash any equipment being utilized in operations prior to commencing work. This shall mitigate the risk of fire and the spread of noxious and invasive weeds.
- The licensee shall be responsible for the elimination of noxious and invasive weeds that are introduced or exacerbated resulting from licensed activities.
- The licensee shall keep a fire extinguisher readily available during operations. A fire start caused by licensed operations is the sole responsibility of the licensee.
- The Department may postpone operations if they are deemed as a fire risk.
- If any previously unidentified historical, archeological or paleontological resources are encountered during licensed activities the licensee shall avoid the site and report it to the nearest DNRC unit office.
- The licensee must contact the Department's surface lessee prior to placing the hose and notify them of their presence in the project area. Any damages to the surface lessee's leasehold interest, caused by the licensee's activities authorized herein are subject to Administrative Rule 36.25.138

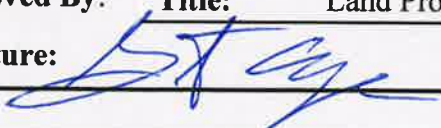
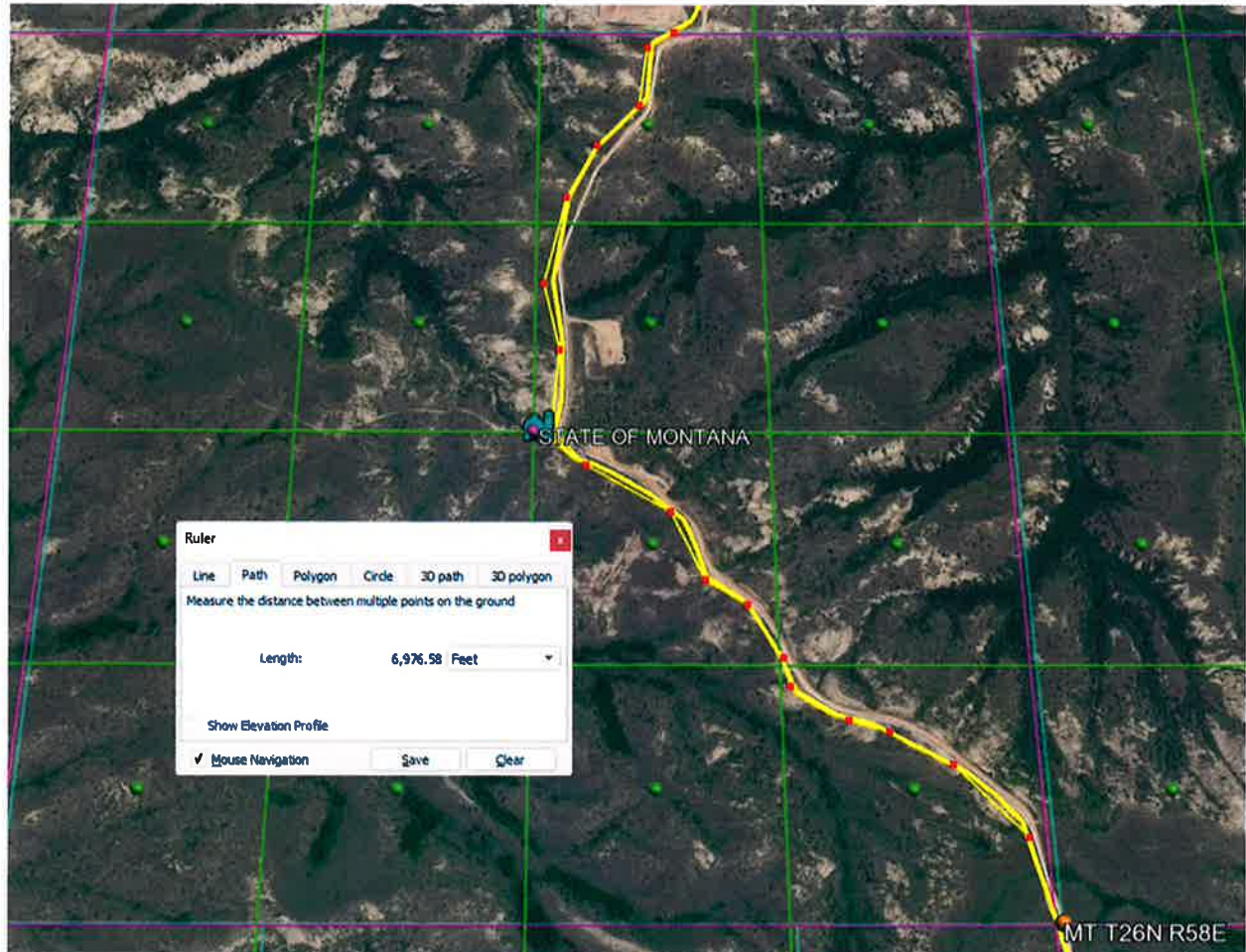
Checklist EA	Name: Scott Aye
Approved By:	Title: Land Program Manager DNRC ELO
Signature: 	Date: 9-25-2026

Exhibit A:

Township 26N, Range 58E, Section 16



DNRC State of Montana – T26N, R58E, 16



Path of the Layflat Hose