

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Denbury Cathodic Test Stations
Proposed Implementation Date:	2023
Proponent:	Denbury Inc., Denbury Onshore, LLC
Location:	T7N-R60E-Sec 36
County:	Fallon County

I. TYPE AND PURPOSE OF ACTION

Denbury Inc., heretofore referred to as proponent, has requested permission for the purpose of installing two Cathodic Test Stations within their existing easement on State Trust Land located in T7N-R60E-Sec 36. This is part of Minerals Management agreement OG-17-182-76B.

II. PROJECT DEVELOPMENT

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

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

A Due to the location and small scope of the project no public comment was sought.

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

None

3. ALTERNATIVES CONSIDERED:

Alternative A- Grant request for the project.

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- Some soil disturbance may occur through the installation of the Cathodic Test Stations. Due to the scale of the project and the soil types and vegetation found in the project area, the project area should revegetate naturally within two years.

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- No Impacts expected

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- No Impacts.

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- Current plant species which occupy the construction area include Western Wheatgrass (*Agropyron Smithii*), Green Needlegrass (*Stipa Viridula*), Needle and Thread (*Stipa comata*), Prairie Junegrass (*Koleria pyramidata*), Blue Grama (*Bouteloua gracilis*), Fringed Sagewort (*Artemisia frigida*), Broom Snakeweed (*Gutierrezia sarothrae*), and Threadleaf sedge (*Carex filifolia*).

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- No impacts expected

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 showed the following species of concern in the general area:

Swift Fox(*Vulpes velox*)

Baird's Sparrow(*Centronyx bairdii*)

Black Tern(*Chlidonias niger*)

Bobolink(*Dolichonyx oryzivorus*)

Burrowing Owl(*Athene cunicularia*)

Chestnut-collared Longspur(*Calcarius ornatus*)

- Great Blue Heron**(*Ardea herodias*)
- Greater Sage-Grouse**(*Centrocercus urophasianus*)
- Loggerhead Shrike**(*Lanius ludovicianus*)
- Sharp-tailed Grouse**(*Tympanuchus phasianellus*)

While the above listed species have been identified as having been found within the tract as a whole, there should be minimal impact from this project due to the location, scale, and nature of the project. This project is located within Sage Grouse General Habitat area. The project was submitted to the Montana Sage Grouse Habitat Conservation Program (Project #4498). Consultation was received from the program and will be implemented into the project, to ensure compliance with EO-12-2015 and EO-21-2015.

Alternative B- No Impact

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

Alternative A- No historical or archeological sites were noted within the proposed lease area upon field inspection and a review of the TLMS database. 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 revealed that no cultural or paleontological resources have been identified in the APE. Due to the location of this tract, multiple resource inventories have been conducted. Lithic scatter has been found on the tract, but not in the project area. However, if previously unknown cultural or paleontological materials are identified during project related activities, all work will cease until a professional assessment of such resources can be made.

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 expected

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 Impacts expected

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
<ul style="list-style-type: none">• <i>RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.</i>• <i>Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.</i>• <i>Enter "NONE" if no impacts are identified or the resource is not present.</i>

14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

Alternative A- No impact expected.

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- It should have a positive effect on Industrial and Commercial Activities in the area.

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- No impacts expected.

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- No Impacts expected

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- No Impact expected

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- No Impacts expected

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- No Impacts expected

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 Impacts expected

Alternative B- No Impact

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

Alternative A- No Impacts expected

Alternative B- No Impact

23. CULTURAL UNIQUENESS AND DIVERSITY:

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

Alternative A- No Impacts expected

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- No impact

Alternative B- No Impact

EA Checklist Prepared By:	Name: Aaron Kneeland	Date: 12-6-2022
	Title: Land Use Specialist	

V. FINDING

25. ALTERNATIVE SELECTED:

Alternative A

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

The granting of the requested action on state owned trust lands for the Denbury Cathodic Test Stations should not result in nor cause significant environmental impacts. The predicted impacts are adequately mitigated through the construction and reclamation plans. An environmental assessment checklist is the appropriate level of analysis for the proposed action

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

EIS
 More Detailed EA
 No Further Analysis

EA Checklist Approved By:	Name: Scott Aye	
	Title: ELO Land Program Manager	
Signature: /s/ Scott Aye		Date: 12-6-2022