CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name: 2010 Land Banking - Conrad Unit - CLO - Sec. 20, 21, 28, 29, T24N, R6W

Proposed

Implementation Date: 2010

Proponent: These tracts were nominated by the lessee, Rice Ridge LLC, and

brought forward now by DNRC.

Location: T24N, R6W, Section 20, SE4SE4, 40.00 acres

T24N, R6W, Section 21, SW4SW4, 40.00 acres T24N, R6W, Section 28, NW4NW4, 40.00 acres T24N, R6W, Section 29, NE4NE4, 40.00 acres

Total Acres: 160.00

County: Teton County **Trust:** Common Schools

I. TYPE AND PURPOSE OF ACTION

Offer for Sale at Public Auction 160.00 acres of state land currently held in trust for the benefit of Common Schools. Revenue from the sale would be deposited in a special account, with monies from other sales around the State, to purchase replacement lands meeting acquisition criteria related to legal access, productivity, potential income and proximity to existing state ownership which would then be held in trust for the benefit of the same beneficiary Trust in relative proportion. The 2003 State Legislature passed statutes (77-2-361 through 367 MCA) authorizing the Department of Natural Resources and Conservation (DNRC) to sell State School Trust Lands and utilize those funds to purchase replacement lands for the school trust through a process called Land Banking. The intent of the program is for the state to dispose of scattered tracts of land that generally do not have legal access, generate substantially less income for the trust than their relative value or are difficult for the DNRC to manage. The funds generated from sales are then used to purchase property that is blocked or contiguous to state land, has legal access, has potential for increased Trust revenue and consequently is more efficient to manage. In 2005 the Department accepted nominations from lessees and DNRC personnel for state tracts to be considered for sale under the program. Nominations were evaluated and the State Board of Land Commissioners (Board) prioritized for sale. To date the DNRC and the Board has sold 42,303 acres and purchased 31,587.58 acres.

Two maps are attached to this EA checklist: 1. Labeled "Land Banking Priorities-Teton County" is a general map of all state land within the county (blue) and those parcels of land considered for sale under land banking (red). 2. Labeled "Appendix B" is a satellite imagery map that indicates the tracts considered for sale in the EA checklist.

II. PROJECT DEVELOPMENT

PUBLIC INVOLVEMENT. AGENCIES. GROUPS OR INDIVIDUALS CONTACTED:

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

- A letter was distributed on October 21, 2009 to all state surface lessees informing them of the Land Banking Program and requesting nominations be submitted by lessees between October 21, 2009 and December 1, 2009. (These tracts were nominated at that time and are now being considered as part of the third Statewide round of Land banking sales.)
- Legal notices were published in the in the Great Falls Tribune 03/14/2010 to 03/21/2010, Liberty County times on 03/10/2010 and 03/17/2010, Choteau Acantha on 03/10/2010 and 03/17/2010, Independent Observer on 03/10/2010 and 03/17/2010, and in the Shelby Promoter 03/11/2010 and 03/18/2010.

- Direct mailings were made to lessees, adjacent land owners, County Commissioners, State Legislators (from the involved Districts and who were associated with the legislation), and a host of organizations and individuals who had expressed previous interest in this process. A full listing of contacts is attached as Appendix C.
- Follow-up contacts were made by phone, mail, or email with parties requesting additional information.
 These are also included in Appendix C.
- The tracts were also posted on the DNRC web page at, http://dnrc/mt.gov//TLMSPublic/LandBanking/LBTest.aspx

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

No other governmental agencies have jurisdiction over this proposal.

3. ALTERNATIVES CONSIDERED:

Alternative A (No Action) – Under this alternative, the State retains the existing land ownership pattern and would not sell the 160.00 acres of Common School Trust Land contained in Sec. 20, 21, 28, 29, T24N, R6W.

Alternative B (the Proposed action) – Under this alternative, the Department would request and recommend approval by the Land Board to sell 160.00 acres of Common School Trust Land contained in Sec. 20, 21, 28, 29, T24N, R6W. If approved by the Board, the sale would be at public auction, subject to the requirements found in Title 77, Chapter 2, Part 3 of the Montana Codes Annotated. The income from the sale would be pooled with other land sale receipts from across the State to fund the purchase of other state land, easements, or improvements for the beneficiaries of the respective trusts. (The State would then review available lands for sale which would generally have access and an increased potential for income. A separate public scoping and review would be conducted when a potentially suitable parcel was found. It is not possible for this analysis to make any direct parcel to parcel comparisons.)

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.

A variety of soil types are found across these tracts. USDA - NRCS soil survey indicated Land Capability Classification as a mixture of 4E-20%, 6E-45%, and 7E-35% soils for Section 20, T24N, R6W. The majority of the acres are class 6E and 7E soils, which are generally not suitable for small grain crop production. Most acres would not meet current DNRC breaking criteria. USDA - NRCS soil survey indicated Land Capability Classification as a mixture of 4E-10%, 6E-45%, and 7E-45% soils for Section 21, T24N, R6W. The majority of the acres are class 6E and 7E soils, which are generally not suitable for small grain crop production. Most acres would not meet current DNRC breaking criteria. USDA - NRCS soil survey indicated Land Capability Classification as a mixture of 4E-10%, 6E-45%, and 7E-45% soils for Section 28, T24N, R6W. The majority of the acres are class 6E and 7E soils, which are generally not suitable for small grain crop production. Most acres would not meet current DNRC breaking criteria. USDA - NRCS soil survey indicated Land Capability Classification as a mixture of 4E-70%, 6E-20%, and 7E-10% soils for Section 29, T24N, R6W. The majority of the acres are class 4E soils, which are generally suitable for small grain crop production. The majority of the soils are well developed and productive 4E soils which would meet current DNRC breaking criteria. ("If properly managed, soils in classes 1, 2, 3, 4 are suitable for the mechanized production of commonly grown field crops and for pasture and woodland. The degree of the soil limitations affecting the production of cultivated crops increases progressively from class 1 to class 5. The limitations can affect levels of production and the risk of permanent soil deterioration caused by erosion and other factors. Soils in classes 5, 6, 7 are generally not suitable for mechanized productions without special management. Capability subclasses indicate the dominant limitations in the class, E, shows that the main hazard is the risk of erosion unless a close growing plant cover is maintained." From USDA-NRCS Soil Survey). Topography is gently rolling slopes composed of native rangeland. These tracts are surrounded by native rangeland contained in large pastures used for grazing. It is unlikely that any of the tracts would be broke for agricultural production in the future as it has been historically

used as grazing land and no cropland is within the immediate area. The proposal does not involve any on the ground disturbance, so there are no soil effect differences between the alternatives. It is expected that this land will be used for livestock grazing in the future.

The State owns certain minerals under these parcels and would retain ownership of these mineral rights if the tracts are sold.

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.

An unnamed tributary of Dog Creek, an ephemeral drainage, runs though Section 20, 21, 28, and 29. A reservoir is located along Dog Creek in section 28. Also, an unnamed tributary of Fiddlers Coulee, an ephemeral drainage, run through Sec. 21, 28, and 29. Water rights associated with the proposed tracts for sale are listed below. If sold, the water rights would be transferred to the purchaser. Other water quality and/or quantity issues will not be impacted by the proposed action.

legal	Water right no.	purpose	Source	Priority date
Sec 28	410-15238600	Stock water	Unnamed Tributary	04/30/1925
			of Fiddlers Coulee	
Sec 28	410-1138600	Stock water	Unnamed Tributary	06/01/1923
			of Dog Creek	
Sec 21	410-30043247	Stock water	Unnamed Tributary	09/30/1933
			of Fiddlers Coulee	

Water right #41O-30043247 is for stock water on Section 16, T24N, R6W. This water right will be withheld from transfer by the DNRC.

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.

The proposal does not include any on-the-ground activities, or changes to activities. No effects to air quality would occur.

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.

All acres proposed for sale are native rangeland typical of the Northern Mixed Grassed Prairie. Range sites are dominated by sandy, silty, shallow/sandy, and saline lowland sites. Species composition is dominated by grasses which include inland saltgrass, prairie sandreed, needle and thread grass, blue grama, thread leaf sedge, sandberg bluegrass and prairie junegrass. Sub-dominate species include various forbs and shrubs. Noxious weeds have not been identified according to previous inspections. Current range condition is fair to good with an estimated carrying capacity or stocking rate assessed at 0.204 AUMs per acre for the silty sites and 0.225 AUMs per acre for the saline lowland sites in Section 20. Current range condition is fair to good with an estimated carrying capacity or stocking rate assessed at 0.256 AUMs per acre for the sandy sites and 0.235 AUMs per acre for the saline lowland sites in Section 21. Current range condition is good with an estimated carrying capacity or stocking rate assessed at 0.219 AUMs per acre for the shallow/sandy sites and 0.285 AUMs per acre for the saline lowland sites in Section 28. Current range condition is fair to good with an estimated carrying capacity or stocking rate assessed at 0.204 AUMs per acre for the silty sites and 0.225 AUMs per acre for the saline lowland sites in Section 29.

Vegetation may be affected by numerous land management activities including livestock grazing, development, wildlife management or other agricultural use. It is unknown what land use activities may be associated with a change in ownership; however the vegetation on these tracts is typical of land throughout the vicinity and there are no known rare, unique cover types or vegetation on the tracts. It is expected that this land will be used for

grazing livestock in the future. The nominating lessee has indicated that if they purchased these tracts, the land use would remain as grazing land. The proposal does not include any on-the-ground activities, or changes to activities and therefore we do not expect direct or cumulative effects would occur to vegetation as a result of the proposal.

A review of Natural Heritage data through the NRIS was conducted, as well as tract specific requests for concerns being made to the MT FWP and they made no comments regarding plant species. There were no plant species of concern noted or potential species of concern noted on the NRIS survey.

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.

The area is not considered critical wildlife habitat. However, these tracts provide habitat for a variety of big game species (mule deer, whitetail deer, pronghorn antelope), predators (coyote, fox, badger), upland game birds (sharp tail grouse, Hungarian partridge), other non-game mammals, raptors and various songbirds. The proposal does not include any land use change which would yield changes to the wildlife habitat. The proposed action will not impact wildlife forage, cover, or traveling corridors. Nor will this action change the juxtaposition of wildlife forage, water, or hiding and thermal cover.

The nominating lessee has indicated that if they purchased these tracts, the land use would remain as grazing land. There are no unique or critical wildlife habitats associated with the state tracts and we do not expect direct or cumulative wildlife impacts would occur as a result of implementing the proposal. The proposed action will not have long-term negative affects on existing wildlife species and/or wildlife habitat because of its relatively small scale.

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.

A review of Natural Heritage data through the NRIS was conducted, as well as tract specific requests for wildlife concerns were made to the Montana FWP. Montana FWP did not provide any site specific comments regarding wildlife. There were nine animal species of concern identified and one potential species of concern identified on the NRIS survey.

The ferruginous hawk was found to be potentially located in the general area. This species is generally associated with needing cliffs, trees, or mid-elevation slopes for nesting. These tracts contain none of these features, so these species will likely be transient on these tracts. No direct, indirect, or cumulative effects are expected to any of these species.

The bobolink, sharp-tailed grouse, and greater short-horned lizard are generally associated with habitat consisting of grasslands interspersed with shrubs and brush filled coulees. These tracts contains these habitat features, but given the fact no management changes are expected from the sale of the tracts, no direct, indirect, or cumulative effects are expected to these species.

The sprague's pipit was found to be potentially located in this area. This species is generally associated with habitat consisting of native rangeland that has been grazed by livestock. These tracts contain habitat features that may allow for use by these species, but given the fact the proposal does not include any activities which would alter any habitat, any effects are not expected in either alternative.

The great blue heron, horned grebe, and the hooded merganser were found to be potentially located in the general area. These species are generally associated with ponds, riparian areas and clear flowing streams. The is a large reservoir located on section 28 that contains these habitat features, but given the fact no management changes are expected from the sale of the tracts, no direct, indirect, or cumulative effects are expected to these species.

The gray wolf exhibits no particular habitat preference except for the presence of native ungulates within its territory on a year-round basis. In addition, they prefer areas with few roads and human disturbance. These

tracts contains these features, but given the fact no management changes are expected from the sale of the tracts, no direct, indirect, or cumulative effects are expected to this species of concern.

This tract is located within the northern grizzly bear recovery zone. The grizzly bear primarily use meadows, seeps, riparian zones, mixed shrub fields, closed timber, open timber, side hill parks, snow chutes, and alpine habitats. Habitat use is highly variable between areas, seasons, local populations, and individuals. Desirable grizzly bear habitat, such as security cover (aspen stands, shrubby riparian areas) or foraging areas are not present on this tract. Grizzly bear use in the immediate area is very limited and likely restricted to a traveling corridor between Muddy Creek and the Teton River. This tract does not contain desirable grizzly bear habitat features, so these species of concern will likely be transient on this tract. No direct, indirect, or cumulative effects are expected to this species of concern.

There was one identified threatened species (grizzly bear), noted to potentially utilize these tracts. There were no sensitive habitat types or other species of special concern associated with the proposed land sale.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

Past DNRC field evaluation forms indicated no historical, archaeological or paleontological resources. A class III level inventory and subsequent evaluation of cultural and paleontologic resources will be carried out if preliminary approval of the parcel nomination by the Board of Commissioners is received. Based on the results of the Class III inventory/evaluation the DNRC will, in consultation with the Montana State Historic Preservation Officer, assess direct and cumulative impacts.

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.

These tracts are located in a rural agricultural area and not highly visible from a county road. The state land does not provide any unique scenic qualities not also provided on adjacent private lands. The proposal does not include any on-the-ground activities, so there would be no change to the aesthetics in either alternative.

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.

There are 5,153,434.65 acres of Trust land and 4,625,112.67 acres of Common School surface ownership in Montana (TLMD, 2009 Annual Report). There are approximately 77,283.45 acres of Common School Trust in Teton County and 306,351.95 acres of Common School Trust in the Conrad Unit. This proposal includes 160.00 acres in Teton County, a small percentage of the state land within this County.

There are additional tracts of state land currently under consideration for sale through the Land Banking Program. An additional 120.00 acres of state trust land in Teton County and an additional 1,224.01 acres of state trust land in the Conrad Unit are being evaluated under separate analysis. Cumulatively, these lands considered for sale represent 0.26% of the state trust land surface ownership in Teton County and 0.42% of the state trust land in Conrad Unit surface ownership.

The potential transfer of ownership will not have any impact or demands on environmental resources of Land water, air or energy.

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.

There are no other projects or plans being considered on the tracts listed on this EA.

There are 7 tracts containing 280.00 acres in Teton County proposed for sale under the Land Banking Program and are being evaluated under separate review.

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.

No impacts to human health and safety would occur as a result of the proposal.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

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

The tracts included in this proposal are leased by Rice Ridge LLC for grazing. Sale of the land to Rice Ridge LLC would add to their ranching operations. Below is a table that indicates the State rated carrying capacity of the tracts being considered for sale.

Legal	Acres	Lease #	State rated carrying capacity
Sec 20	40.00	10581	8 AUMs
Sec 21	40.00	10581	9 AUMs
Sec 28	40.00	10581	10 AUMs
Sec 29	40.00	10581	9 AUMs
Total	160.00	10581	36AUMs

This proposal does not include any specific changes to the agricultural activities. The nominating lessee indicated that grazing would continue unchanged if they purchased these lands.

No direct or cumulative impacts are anticipated as a result of the proposal.

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.

The proposal would have no affect on quantity and distribution of employment.

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.

State School Trust Lands are currently exempt from property tax. If State Trust Lands represent 6% or greater of the total acres within a county, a payment in lieu of taxes (PLT) is made to the counties to mitigate for the State Trust Land tax exempt status. Counties will not realize an adjustment in the PLT payment as a result of an increase or decrease in State Trust Land acreage. If these parcels in this proposal were sold and use continued as grazing lands, Teton County would receive an estimated \$20.13 for Section 20, \$20.07 for Section 21, \$19.27 for Section 28, and \$26.00 for Section 29 annually in additional property tax revenues. The total additional property tax revenue would be \$85.47 for Teton County.

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

Being remote grazing lands, no traffic changes would be anticipated. All state and private land are under the County Coop wildfire protection program. The proposed sale will not change fire protections in the area.

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.

These tracts are surrounded by private land contained in a conservation easement with the Nature Conservancy. There are no zoning or other agency management plans affecting these lands.

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.

Brent Lonner, Wildlife Biologist-FWP, commented, "This letter is in response to the potential DNRC land parcels located in Teton County (T24N, R6W, portions of Sections 20, 21, 28, and 29) to be used for land banking. There are no concerns related to this potential land ownership change in this area. As noted in your letter, these parcels currently have no legal public access (other than adjacent landowner permission) and from this perspective it appears to be a good candidate for the land banking program. Additionally, no significant impacts are expected in regards to wildlife and associated habitat due to potential land ownership change," see attached letter.

This tract is not legally accessible to the general public because it is surrounded by private land and there are no public roads or easements across private land to the state land. If the tract is sold, hunting access would be controlled by the new landowner as is the current situation.

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

The proposal does not include any changes to housing or developments. The nominating lessee has indicated that the lands would continue as grazing lands, if they purchase them at auction. No effects are anticipated.

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

There are no native, unique or traditional lifestyles or communities in the vicinity that would be impacted by the proposal.

23. CULTURAL UNIQUENESS AND DIVERSITY:

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

The State Trust land in this proposal is currently managed for grazing. The State land is generally indistinguishable from the adjacent private lands, with no unique quality.

The potential sale of the state lands would not directly or cumulatively impact cultural uniqueness or diversity. It is unknown what management activities would take place on the land if ownership was transferred. The tracts were nominated by the lessee with the intent of purchasing and continuing use as grazing lands.

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.

Legal	Acres	2010 Lease Income	Income per acre
Sec 20	40.00	\$48.96	\$1.84
Sec 21	40.00	\$55.08	\$1.38
Sec 28	40.00	\$61.20	\$1.53
Sec 29	40.00	\$55.08	\$1.38

The statewide stocking rate for grazing land on 4.3 million acres averages 0.23 AUMs per acre or a total of 978,462 AUMs (2009 DNRC Annual Report). 2009 statewide grazing land gross revenue was \$7,163,795 or (\$6.97 per AUM) on 4.3 million grazing acres for an average income of \$1.67 per acre (2009 DNRC Annual Report). The tracts nominated for sale have slightly lower than the average statewide stocking rate (0.225 AUMs / ac) and income for grazing land (\$1.53/ acre). The tracts proposed to sell are small, isolated and not legally accessible which creates management problems for the state and are generally not efficient to administer. In addition, these tracts are essential for Rice Ridge LLC's ranching business

From 2006-2009 in Teton County 600.00 acres have been sold through the land banking process. This resulted in a total sale value of \$524,000.00 or \$873.33 per acre.

These tracts are surrounded by private land that contains a conservation easement that limits certain development rights. The conservation easement is held by the Nature Conservancy. All of the private land surrounding these tracts is owned by Rice Ridge LLC.

An appraisal of the property value has not been completed to date. Under DNRC rules, an appraisal would be conducted if preliminary approval to proceed is granted by the Board of Land Commissioners. The Department is conducting more detailed evaluations at this time in order to make a determination on whether to offer the tracts for sale. The revenue generated from the sale of these parcels would be combined with other revenue in the Land Banking Account to purchase replacement property for the benefit of the Trust. It is anticipated the replacement property would have legal access and be adjacent to other Trust lands which would provide greater management opportunities and income. If replacement property was not purchased prior to the expiration of the statute, the revenue would be deposited into the permanent trust for investment.

EA Checklist	Name:	Tony Nickol	Date: April 2, 2010
Prepared By: Title: Land Use Specialist, Conrad Unit, Central		Central Land Office	

25. ALTERNATIVE SELECTED:

I have selected the Proposed Alternative B, recommend the tracts receive preliminary approval for sale and continue with the Land Banking process.

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

I have evaluated the comments received and potential environment affects and have determined significant environmental effects would not result from the proposed land sale. These parcels do not have any unique characteristics, critical habitat or environmental conditions indicating the tract should necessarily remain under management by the Department of Natural Resources and Conservation. There are no indications they would produce substantially greater revenue or have substantially greater value to the trust in the near future. The parcels are slightly below the state wide average productivity and income for grazing land. The parcels are completely surrounded by private land making it difficult for DNRC to manage or even distinguish from the adjacent private ownership. The annual income from these parcels is less than \$220.00 per year.

Administrative Rules for Land Banking prohibit the sale of state lands if wholly surrounded by lands under a conservation easement unless there is a compelling reason. In this situation, the parcels are surrounded by lands under a conservation easement. However, the surrounding landowner is the nominating lessee and is likely to place a conservation easement on these lands as well. The parcels meet the intent of the land banking program and are very good candidates for sale due to its small size, difficulty to manage and minimal income.

This parcel is surrounded by private lands which control access to the state land and if sold is likely to be managed in a manner consistent with surrounding lands.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:					
EIS		More Detailed EA	X No F	urther Analysis	
EA Checklist	Name:	Garry Williams			
Approved By:	By: Title: Area Manager, Central land Office				
Signature: A will Date: 5/13/2010					



March 17, 2010

Department of Natural Resources & Conservation Attn: Erik Eneboe Central Land Office Conrad Unit PO Box 961 600 S. Main Suite 10 Conrad, MT 59425

Mr. Erik Eneboe,

This letter is in response to the potential DNRC land parcel(s) located in Teton County (T 24N, R 6W, portions of Sections 20, 21, 28 & 29) to be used for land banking. There currently are no concerns related to this potential land ownership change in this area. As noted your letter, these parcels currently has no legal public access (other than adjacent landowner permission) and from this perspective it appears to be a good candidate for the land banking program. Additionally, no significant impacts are expected in regards to wildlife and associated habitat due to potential land ownership change.

Thanks for the opportunity to comment. Feel free to contact me if there are any other questions/concerns that I may be able to assist with.

Sincerely,

Brent Lonner

Wildlife Biologist

MT Fish, Wildlife & Parks,

PO Box 488

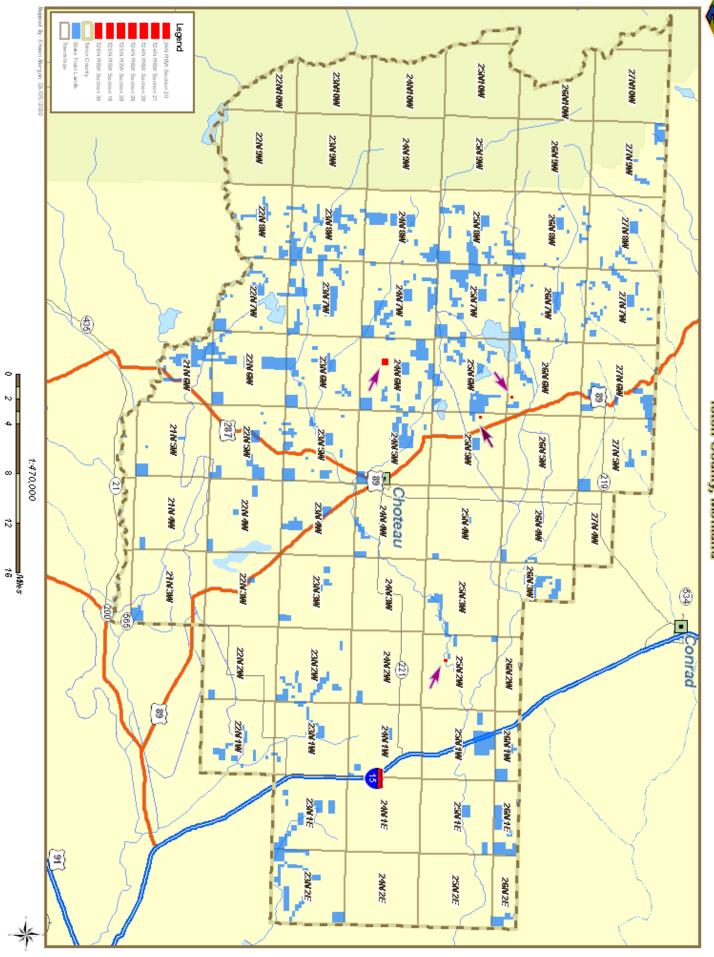
Fairfield, MT 59436

406-467-2488

blonner@mt.gov

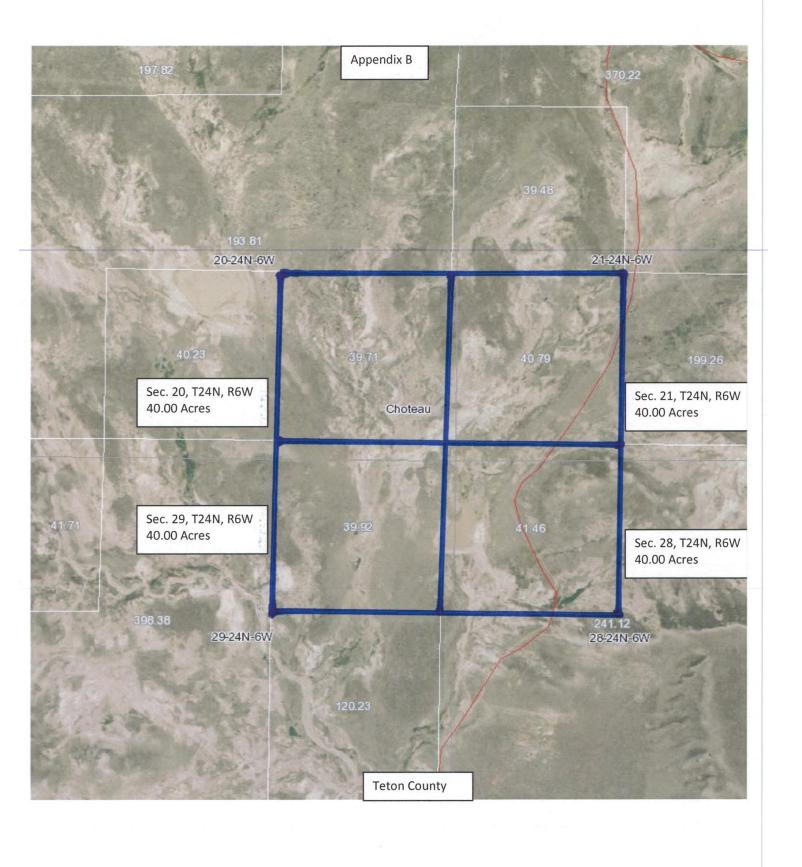


Land Banking Priorities Teton County, Montana



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Appendix C

Circle 4 Farms	P O Box 886	Shelby MT 59474
F Outfit, Inc. C/O Joe Fretheim	658 South Telstad Road	Shelby MT 59474
Ron Iverson	10068 Iverson Road	Ledger MT 59456
Gus Winterrowd	P O Box 231	Brady MT 59416
Homer Thompson	P O Box 162	Brady MT 59416
Earl Thompson	1409 Sixteenth Street South	Great Falls MT 59405
Lindseth Charolais Ranch Ray Lindseth	P O Box 183	Dupuyer MT 59432
Kirk and Rusyl Klingaman	P O Box 797	Bynum MT 59419
Marion Trexler C/O Kirk & Rusyl Klingaman	General Delivery	Bynum MT 59419
Boneyard Coulee Ranch	P O Box 736	Bynum MT 59419
Miller Colony	5130 U.S. Highway 89	Choteau MT 59422
Rice Ridge, LLC	2931 Tenth Lane NW RR2 Box 200	Choteau MT 59422
RL Reiquam Ranch Company	2751 Fern Drive	Great Falls MT 59404
Mark and Kathy Engstrom	257 Schaeffer Road	Whitlash MT 59545
Rick and Lois Belcher	595 Flat Coulee Road	Whitlash MT 59545
James and Marlene Grammar	605 1251 East	Chester MT 59522
Robert and Rebecca Bronec	3000 Ames Road	Carter MT 59420
Stewart Ranch, Inc.	P O Box 98	Fort Benton MT 59442
Witt Ranch Company	2555 Russell Road	Carter MT 59420
Don Buffington	16 South Main Street	Conrad MT 59425
Sharon Jensen C/O Don Buffington	16 South Main Street	Conrad MT 59425

Lee Ann Buffington C/O Don Buffington	16 South Main Street	Conrad MT 59425
Marie Monroe C/O Don Buffington	16 South Main Street	Conrad MT 59425
Douglas Buffington C/O Don Buffington	16 South Main Street	Conrad MT 59425
Norman Buffington	55 Carneros Drive	Sparks, NV 89441
Pondera Coulee Farm	198 West Dugout Road	Ledger MT 59456
Earl Duncan	296 Eagle Drive	Conrad MT 59425
Kathleen Lynch & Susan Elings	683 Horseshoe Boulevard	Lewistown MT 59457
Gordon Hurley	299 Dugout Road	Ledger MT 59456
Bert Duncan	124 Skyline Drive NE	Great Falls MT 59404
Randahl English C/O Lauener Ranch	814 Cole	Helena MT 59601
Kolstad Family Trust	295 Montana Highway 366	Ledger MT 59456
Selma Hardeland	701 South Illinois, Apt. #103	Conrad MT 59425
Tiber Farming Company	126 Twelfth Avenue North	Shelby MT 59474
Chris and Vicki Kolstad	295 Montana Highway 366	Ledger MT 59456
Underdahl Enterprises, Inc.	1308 Third West Hill Drive	Great Falls Mt 59404
Duncan Ranch Company	625 2100 Road East	Joplin MT 59531
Vern Pimley	P O Box 482	Chester MT 59522
Nancy Ray and Mindi Anderson	5542 North Fifth Drive	Phoenix, AZ 85013
William Frazer	P O Box 628	Chester MT 59522
Bureau of Reclamation	P O Box 100	Helena MT 59624
George Mattson Farms, Inc	P O Box 382	Chester MT 59522

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Vicki Fey Schultz Family Parnership	223 Commons Way	Kalispell MT 59900
CF Anderson Family Partnership	223 Commons Way	Kalispell MT 59901
David or Lenora McEwen	1334 Coal Mine Road	Galata MT 59444
Ratzburg Livestock, LLP	265 Bobcat Angus Loop	Galata MT 59444
Albert Fey	HC 51 Box 270	Galata MT 59444
Fretheim Brothers	P O Box 251	Shelby MT 59474
Bureau of Land Management	Granite Tower	Billings MT 59107
Ann Hedges Montana Environmental Info Center	P O Box 1184	Helena MT 59624
Bill Orsell Montana Wildlife Federation	P O Box 1175	Helena MT 59624
Stan Frasier Montana Wildlife Federation	P O Box 1174	Helena MT 59624
Bob Vogel Montana School Boards Assoc.	1 South Montana Avenue	Helena MT 59601
Daniel Berube	27 Cedar Lake Drive	Butte MT 59701
Ellen Engstedt Montana Wood Products	P O Box 1149	Helena MT 59624
Harold Blattie MT Association of Counties	2715 Skyway Drive	Helena MT 59601
The Nature Conservancy	32 South Ewing	Helena MT 59460
Jack Atcheson, Sr.	3210 Ottawa	Butte MT 59701
Janet Ellis Montana Audubon Society	P O Box 595	Helena MT 59624
Jeanne Holmgren	email: jholmgren@mt.gov	
Leslie Taylor MSU Bozeman	P O Box 172440	Bozeman MT 59715
Nancy Schlepp MT Farm Bureau Federation	502 19th, Suite 4	Bozeman MT 59715

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Ray Marxer Matador Cattle Company	9500 Blacktail Road	Dillion MT 59725
Rosi Keller University of Montana	32 Campus Drive	Missoula MT 59812
County Commissioner Toole County	226 First Street South	Shelby MT 59474
County Commissioner Teton County County Commissioner	110 south Main Street	Choteau MT 59422
Liberty County	111 First Street E	Chester MT 59522
County Commissioner Pondera County	20 Fourth Avenue SW	Conrad MT 59425
Representative Joey Jayne House District 15	299 Lumpry Road	Arlee MT 59821
Representative Llew Jones House District 27	1102 Fourth Avenue SW	Conrad MT 59425
Senate, Jerry Black Senate District 14	445 O'Haire Boulevard	Shelby MT 59474
Representative Rick Ripley House District 17	8920 Montana Highway 2	Wolf Creek MT 59648
Senate, John Cobb Senate District 9	P O Box 78	Augusta MT 59410
Confederated Salish & Kootenai Tribes	51383 Highway 93 North	Pablo MT 59855
Blackfeet Tribe	P O Box 850	Browning MT 59417
Senate, Carol Juneau Senate District 8	P O Box 55	Browning MT 59417
Fish, Wildlife & Parks Region 4 Office	4600 Giant Springs Road	Great Falls MT 59405
Fish, Wildlife & Parks Attn: Gary Olson	514 South Front Street	Conrad MT 59425
Fish, Wildlife & Parks Attn: Brent Lonner	P O Box 488	Fairfield MT 59436

Fish, Wildlife & Parks Attn: Joe Weigand P O Box 200701 Helena MT 59620 **Representative Frosty Calf Boss Ribs House District 15** P O Box 20 Heart Butte MT 59448 **Representative Roy Hollandsworth House District 28** 1463 Prairie Drive Brady MT 59416-8928 **Representative Shannon Augare** Browning MT 59417-**House District 16** P O Box 2031 2031

Representative Russell BeanAugusta MT 59410-House District 17P O Box 4800480

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