

## CHECKLIST ENVIRONMENTAL ASSESSMENT

<b>Project Name:</b>	2020 Hairpin LLC Land Banking – Dillon Unit – CLO – Sec 16 T7S – R14W
<b>Proposed Implementation Date:</b>	2020
<b>Proponent:</b>	This tract was nominated by the lessee, Hairpin LLC
<b>Location:</b>	<b>T7S R14W Section 16,</b> <b>Total Acres: 640</b>
<b>County:</b>	Beaverhead County
<b>Trust:</b>	<b>Common Schools</b>

### I. TYPE AND PURPOSE OF ACTION

Offer for Sale at Public Auction 640 acres of state land currently held in trust for the benefit of Common Schools (Sections 16, T7S R14W). 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 proposed sale is part of a program called Land Banking authorized by the 2003 Legislature. The purpose of the program is for the Department of Natural Resources and Conservation to diversify uses of land holdings of the various Trusts, improve the sustained rate of return to the Trusts, improve access to state trust land, and consolidate ownership. Funds generated from Land Banking Sales are used to purchase replacement lands for each individual affected trust. Maps and aerial photos of the proposed Land Banking parcels, and a vicinity photo are attached to this EA.

### II. PROJECT DEVELOPMENT

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

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

- Legal notices were published in the Dillon Tribune on February 5 & 12 and in the Montana Standard in the February 2 & 9, 2020 editions.
- Direct mailings were made to the lessee, adjacent land owners, County Commissioners, State Legislators (from the involved Districts), and a host of organizations and individuals who had expressed previous interest in this process. One Hundred and Twenty-Four (124) scoping contacts were made. 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.
- The tract was also posted for sale on the DNRC web page at, <http://svcult.mt.gov/TlmsPublic/LandBanking/Lbsale.aspx?SaleNumber=1080>

The Dillon Unit received eight (8) comments during the scoping process;

- **Skyline Sportsmen’s Association Inc.** out of Butte Montana, a 400+ member organization requested that the state investigate a land exchange with the Hairpin Ranch instead of selling the parcel through Land Banking. If that isn’t possible, they would like the DNRC to purchase land with public access in the Big Hole Valley, Beaverhead County or SW MT area with the funds generated from the sale of the property.

- **Northern Cheyenne THPO** commented that they wanted the DNRC to defer comments to the closest tribe in the vicinity of the proposed Land Banking parcel.
- **Back Country Hunters and Anglers** were not opposed to the selling of the parcel due to lack of public access but were interested in having the MT FWP investigate having the Hairpin Ranch enroll in the Block Management Program.
- **Jim Boetticher, PO Box 803, Jackson, MT** called the Dillon Unit to express his opposition to the sale of the property. He would rather see a land exchange take place to further consolidate the block of state land to the east of the Hairpin Ranch. He also thought that the Hairpin was not paying enough money for the purchase of the state land.
- **Rocky Mountain Elk Foundation** thanked DNRC for consulting with them on this proposal. There weren't any comments in support or opposition.
- **Sun Mountain Lumber** is in full support of selling the proposed parcel to Hairpin Ranch.
- **DNRC Fisheries Biologist**, commented that Andrus Creek is a designated West Slope Cutthroat stream.
- **DNRC Mineral Management Bureau** commented that there is low probability of oil and gas in commercial quantities, low probability of bentonite, and coal, moderate probability of commercial hard rock mine and low commercial aggregate potential on the section.

**Appendix A: Vicinity Map**

**Appendix B: Project Map**

**Appendix C: Scoping List**

**Appendix D: Scoping Letter**

**Appendix E: Scoping Comments**

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

**Montana Sage Grouse Conservation Program:** The nominated section is within Greater Sage Grouse general habitat as identified by the 2015 executive order, with the nearest active confirmed lek being ten (10) miles away. The proposal will not be processed through the Montana Sage Grouse Habitat Conservation Program because there will be no changes in land use if the sale is approved and sold. No changes to sage grouse habitat would occur if the proposal is approved and sold.

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## 3. ALTERNATIVES CONSIDERED:

**Alternative A:** (Action Alternative) – Under this alternative, the Department would request and recommend approval by the Land Board to sell the proposed tract. If approved by the Land Board, the sale would be at public auction, subject to the requirements found in Title 77, Chapter 2, and 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

**Alternative B:** (No Action) – Under this alternative, the State retains the existing land ownership pattern and would not sell the 640 acres of Common Schools Trust Land.

### 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.*

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#### 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.*

**Action Alternative:** The affected tract is surrounded by native rangeland contained in large pastures historically used for livestock grazing by the Hairpin Ranch. It is unlikely these tracts would be converted to agricultural crop production in the future or sub-divided for home or commercial value. 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 continue to be used for livestock grazing in the future. The State owns, and would retain ownership of, all mineral rights associated with these tracts.

**No Action Alternative:** No changes to geology and soil quality, stability and moisture would occur.

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#### 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.*

**Action Alternative:** There is an abundance of water on the section. There are two perennial streams that run through it, Andrus and Sage Creek. There are four (4) recorded state water rights located on this tract. Two (2) of the water rights are for irrigation purposes, and two (2) are for stock water use. If the sale of the state land occurs, the water rights would be transferred to the buyer of the section. Other water quality and/or quantity issues will not be impacted by the proposed action.

Legal	Water right no.	Purpose	Source	Priority date
SWSWNW, Sec 16 T7S R14W	41D 30052563	Irrigation	Sage Creek	6/1/1902
E2SWSW, Sec 16 T7S R14W	41D30109887	Stock Water	Andrus Creek.	11/8/1889
NE, Sec 16 T7S R14W	41D 30109886	Stock Water	Sage Creek	11/8/1889
SWSWNW, Sec 16 T7S R14W	41D 30052572	Flood irrigation	Sage Creek	6/7/1920

**No Action Alternative:** No changes to water quality or quantity would occur under this alternative. The State of Montana would retain the 4 water rights listed above.

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#### 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.*

Neither of the proposed alternatives will impact air quality regulations or impact zones.

**Action Alternative:** The action alternative does not include any on-the-ground activities, or changes to current activities. No cumulative effects to air quality would occur.

**No Action Alternative:** No changes to Air quality would occur.

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## 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.*

This tract is native rangeland situated approximately 10 air miles southeast of Jackson, Montana in the Big Hole Valley. Species composition is dominated by grasses which include Slender wheat grass, Timothy grass, green needle grass, Blue grass, Idaho fescue, sedges in the bottoms, and mountain big sagebrush in the uplands. Sub-dominate species include various forbs and shrubs.

**Action Alternative:** Vegetation make up can be affected by numerous land management activities including livestock grazing, development, wildlife management or other agricultural uses. 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.

**No Action Alternative:** Under this alternative no changes to vegetation management would occur. The vegetative cover, quantity and quality would remain the same as it currently is.

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## 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.*

**Action Alternative:** The area is not considered critical wildlife habitat. These tracts however provide habitat for a variety of animal species (deer, elk and other smaller mammals), predators (mountain lion, coyote, fox, & badger), 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's have indicated that if they purchased these tracts, the land use would remain as grazing land. The streams on the section, Sage and Andrus have been identified as possibly having west-slope cutthroat trout in them. The most recent fisheries survey report for the two streams are;

### **Sage Creek**

No survey data were available from Sage Creek in the MFISH database in Section 16. The most proximal survey location to DNRC land is approximately 2.0 miles downstream from the northern boundary of S16 and took place in 1976. Surveys collected salmonids at this site but did not identify species. Communication with MFWP and MFISH species distribution data indicate that the stream may support a very small population of Westslope cutthroat trout (*Oncorhynchus clarkia lewisii*) and Eastern Brook trout (*Salvelinus fontinalis*). Based on the location and date of the available survey data I would suggest that, in the absence of electrofishing surveys, Sage Creek should be considered fish-bearing, but would not designate the stream as occupied by Westslope Cutthroat trout at this time.

### **Andrus Creek**

No survey data was available for Andrus Creek in the MFISH database in Section 16. The most proximal survey location to DNRC land was from 2010 and is approximately 2.25 miles upstream from the southern boundary of S16. Surveys conducted at this site in 2010 collected Westslope Cutthroat, Eastern Brook trout, and sculpin. Additional surveys in Bailey and Thayer creeks,

tributaries to Andrus Creek also noted similar species distribution. Genetic surveys completed in Bailey and Thayer creek indicate 100% genetically pure Westslope Cutthroat trout present in both tributaries. Based on the location and date of the available survey data, Andrus Creek in S16 is designate as occupied by both genetically pure Westslope Cutthroat and Eastern Brook trout.

If Section 16 can be land banked and sold to the Hairpin Ranch, they have indicated that they would allow MT FWP to construct a fish barrier on their property for the protection of West Slope Cutthroat Trout in the upper reaches of Andrus Creek.

The proposed action will not have long-term negative effects on existing wildlife species and/or wildlife habitat because of its relatively small scale in the overall landscape.

**No Action Alternative:** No changes to terrestrial, avian, aquatic life and habitats would occur with this alternative.

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## **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.*

**Action Alternative:** A variety of big game, small mammals, raptors, upland game birds and songbirds use this area. A search was conducted using the Montana Natural Heritage Program (MNHP) database to identify point observations of species of concern in the section of the proposed activity. The following species of concern were identified in the search; West Slope Cutthroat trout, other species that could occupy the site include Brewers sparrow, Preble's shrew, Sage Thrasher, and Little Brown Myotis and Pygmy Rabbit.

Other species of concern were spot-located in adjacent sections which include: Great Grey Owl, Wolverine, Whitebark Pine, Clarks Nutcracker, and Golden and Bald eagles,

This proposed land banking sale is in general sage grouse habitat, however the MNHP data base does not identify the bird as having been observed in the area. The closest unconfirmed lek is over six (6) miles away. No changes to current land use (grazing) would occur if the tracts are sold to the lessee. No changes or impacts to sage grouse would be expected as a result of the sale.

The proposal does not include any activities which would alter any habitat or change land use, so no short, long term or cumulative effects, are expected.

**No Action Alternative:** No changes to unique, endangered, fragile, or limited environmental resources would occur with this alternative.

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## **10. HISTORICAL AND ARCHAEOLOGICAL SITES:**

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

**Action Alternative:** A class III level inventory and subsequent evaluation of cultural and paleontological resources will be carried out if preliminary approval of the parcel nomination by the Board of Land 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.

**No Action Alternative:** No changes to Historical and archaeological sites would occur if this alternative is chosen.

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**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.*

**Action Alternative:** This tract is in a foothill rangeland area and does not provide any unique scenic qualities not provided by adjacent private land. The proposal does not include any on-the-ground activities, so there would be no changes to the aesthetics in either alternative. The section is located approximately 6 miles off state highway 278 and is not readily visible from the highway.

**No Action Alternative:** No changes to aesthetics would occur.

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**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 approximately 334,478 acres of Trust land in Beaverhead County. This proposal includes 640 acres, a small percentage of the state land within the County.

**Action Alternative:** This section along with 480 acres of state land SE of Dillon are the only acres currently under consideration for sale on the Dillon Unit. There are additional tracts of state land currently under consideration for sale through the Land Banking Program on a statewide basis. Each of these tracts is at a different stage in their review process and are being examined under separate analysis. The authorizing legislation has placed a cap on the total land banking sales of 250,000 acres statewide. Since inception, two (2) tracts in Beaverhead County have been sold totaling 960 acres. These tracts were sold in June 2009.

The potential transfer of ownership would not cause any known impacts or demands on environmental resources of land, water, air or energy.

**No Action Alternative:** Under this alternative the tract would not be sold to the high bidder, however the 480 acres of state land on the Dillon Unit currently under consideration for sale under our land banking program will still be in consideration for possible sale.

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**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.*

Grazing lease range evaluations have been conducted on this tract and are in the Department files. The last evaluation occurred in September of 2017.

The scoping process didn't identify any other studies, plans, or projects pertinent to the area or this tract.

There are 4 other tracts containing 480 acres in Beaverhead County Southeast of Dillon and this tract (Sec 16, T7S R14W) Southeast of Jackson currently being evaluated for sale under the Departments Land Banking program.

#### 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 under either of the proposed alternatives.

##### 15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

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

**Action Alternative:** The tract included in this proposal is leased by Hairpin, LLC. Sale of the land to Hairpin, LLC would add to their ranching operations. Below is a table that indicates the State rated livestock stocking rate of the tract being considered for sale.

Legal	Sale Number	Acres	Lease #	State rated carrying capacity
Sec 16 T7S R14W	1080	640	2878	289 AUM's

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.

**No Action Alternative:** No changes to agricultural activities and production would occur.

##### 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.*

Neither of the proposed alternatives will have any effect on quantity and distribution of employment in the Jackson area.

##### 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.*

**Action Alternative:** 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. Trust Lands in Beaverhead County account for approximately 9.4% of the total surface ownership of the County. If the parcel in this proposal is sold Beaverhead County would receive the standard annual private property tax rate for grazing lands. Revenue generated from property taxes to Beaverhead County would slightly increase due to the sale of this property to the Hairpin LLC. The PLT would remain the same.

**No Action Alternative:** The local and state tax base and revenue would remain the same as they currently are.

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**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*

**Action Alternative:** The state land is in a remote area of Beaverhead County surrounded by private property. No changes to traffic patterns, fire protection, law enforcement practices or impacts to schools would be anticipated from the sale of this land. There would be no increase in the demand for government services.

**No Action Alternative:** There would be no change in the demand for government services under this alternative.

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**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.*

Beaverhead County does not currently have any locally adopted environmental plans or goals in the project area. This tract is surrounded by private land with no public access. There are no zoning or other agency management plans affecting these lands. No changes would occur to the tract under either of the proposed alternatives.

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**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.*

This section is indistinguishable from the adjacent private lands and consequently provides no public recreational opportunity due to a lack of public access to the section. Because of this neither of the proposed alternatives will provide recreational activities to the public. The DNRC received several comments during the scoping process suggesting that a land exchange should be done with the ranch instead of selling section 16 under our Land Bank program. Due to many factors, the Real Estate Management Bureau does not have the capacity to complete small land exchanges. Small land exchanges such as this one would be time consuming, controversial, and at times difficult to get approved. Because of this the Department is unable to work on a land exchange with the Hairpin Ranch at this time.

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**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*

**Action Alternative:** 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 to distribution or population or housing would be anticipated under the action alternative.

**No Action Alternative:** No changes to Density and Distribution of population and housing would occur.

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**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 either of the proposed alternatives.



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### 23. CULTURAL UNIQUENESS AND DIVERSITY:

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

**Action Alternative:** 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 or characteristics.

The potential sale of the state land 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 land.

**No Action Alternative:** No changes to cultural uniqueness and diversity would occur under this alternative.

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### 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.*

#### **Action Alternative:**

Legal	Sale Number	Acres	2020 Lease Income	Income per acre
Sec 16	1080	640	\$3,733.88	\$5.83
<b>Total</b>		<b>640</b>	<b>\$3,733.88</b>	<b>\$5.83</b>

In 2020, statewide trust land grazing parcels will generate an average of \$3.04/acre. In comparison the proposed parcel for sale will generate \$5.83/ acre. The average AUM's /acre statewide is 0.24 AUM's/acre, while this tract averages 0.45 AUM's /acre. The sections increased forage production is due to approximately 156 acres of sub- irrigated ground near the two perennial streams Andrus and Sage Creeks which run through the section. The sub-irrigated acres allow for higher than average production of forage. The last field evaluation indicated that the section has lost some AUM's recently due to an increase of sagebrush in the uplands.

The total grazing revenue on the parcel in 2020 is \$3,733.88. The parcel is isolated and land-locked and has no potential for competitive bidding. An appraisal of the property value has not been completed to date, but during the nomination process the Hairpin LLC offered to purchase the section for \$1,600/ acre or the appraised price, whichever value is higher. At \$1,600/acre the section would generate \$1,024,000 which is higher than the average land value in Beaverhead County for grazing ground (\$1,000) and greater than the average land banking sale price throughout the state.

Under DNRC rules, an appraisal would be conducted if preliminary approval to proceed is granted by the Board of Land Commissioners. The revenue generated from the sale of this parcel 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 purposes.

During scoping, it was suggested that because sportsmen in the SW Montana area will be losing 640 acres of public land, even though it is not accessible to the public, they would like the DNRC to purchase replacement lands in SW Montana with access to replace the lands that are sold.

The Department however is under strict guidelines in MCA 77-2-364 on lands that can be purchased with money generated from Land Banking. MCA 77-2-354 (4) states; When purchasing land, easements, or improvements for the existing trusts, the board shall develop and apply appraisal and revenue projection procedures to ensure that the land or easements proposed for purchase or that the improvements proposed to be acquired are likely to produce more net revenue for the affected trust than the revenue that was produced from the land that was sold. The board may not purchase land, easements, or improvements pursuant to [77-2-361](#) through [77-2-367](#) unless it has first prudently determined that the land, easements, or improvements are likely to produce a greater or equal annual rate of return, as may be reasonably expected over a 20-year accounting period for Class 1, 3, and 4 lands and over a 60-year accounting period for Class 2 lands, as described in [77-1-401](#), with an acceptable level of risk for the affected trust, than the current annual rate of return from the state land that has been sold pursuant to [77-2-363](#). As guidance, the board shall use generally accepted accounting standards and the Uniform Appraisal Standards for Federal Land Acquisitions published by the U.S. department of justice and the appraisal institute.

Any revenue generated from the sale of this property 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. It will be hard to determine where replacement lands would be purchased and in what area of the state that would occur. The Department will certainly look at opportunities in SW Montana but there is no guarantee that the lands purchased with funds from this sale will be in the local area.

In addition to the Land Banking proposal that is currently being proposed, the Hairpin Ranch has agreed to allow Sun Mountain Lumber a temporary Limited Access through the ranch to harvest approximately 700 MBF of state timber from isolated state lands adjacent to the ranch which are not currently accessible to the DNRC. This will allow the DNRC to generate additional revenue for the Common Schools trust and allow timber management to occur on these lands.

The Ranch will also allow Montana Fish Wildlife and Parks to construct a fish barrier in the upper reaches of Andrus Creek to protect native Cutthroat trout which is a sensitive species.

**No Action Alternative:** The section would continue to generate an annual revenue for the common school trust based on the number of AUM's on the section, and the current grazing rate value determined yearly by the DNRC formula. In addition, the DNRC would not be able to manage state timber resources on 2 parcels of state land that are currently inaccessible at this time. The Montana Fish Wildlife and Parks would not be allowed to construct a fish barrier for the protection of West Slope Cutthroat trout in Andrus Creek.

<b>EA Checklist Prepared By:</b>	<b>Name:</b> Timothy Egan	<b>Date:</b> March 4, 2020
	<b>Title:</b> Dillon Unit Manager	

## V. FINDING

### 25. ALTERNATIVE SELECTED:


**Alternative A:** (Action Alternative) – Under this alternative, the Department would request and recommend approval by the Land Board to sell the proposed tract. If approved by the Land Board, the sale would be at public auction, subject to the requirements found in Title 77, Chapter 2, and 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

### 26. SIGNIFICANCE OF POTENTIAL IMPACTS:

I have evaluated the potential social, economic, and environment effects and I have determined significant impacts would not result from the proposed 640-acre land sale. This parcel does not have any unique characteristics, critical habitat or environmental conditions indicating the tract should remain under DNRC ownership and management. The nominating lessee has indicated no changes in land use will occur as a result of the purchase, and the property will be managed as grazing land into the future. There are no indications the tract would produce substantially greater revenue or have substantially greater value to the trust in the future. The Dillon Unit received eight (8) comments during the scoping process. These comments were appropriately addressed within this document. It is in the best interest of the trust beneficiaries and the state of Montana to sell this tract of state land.

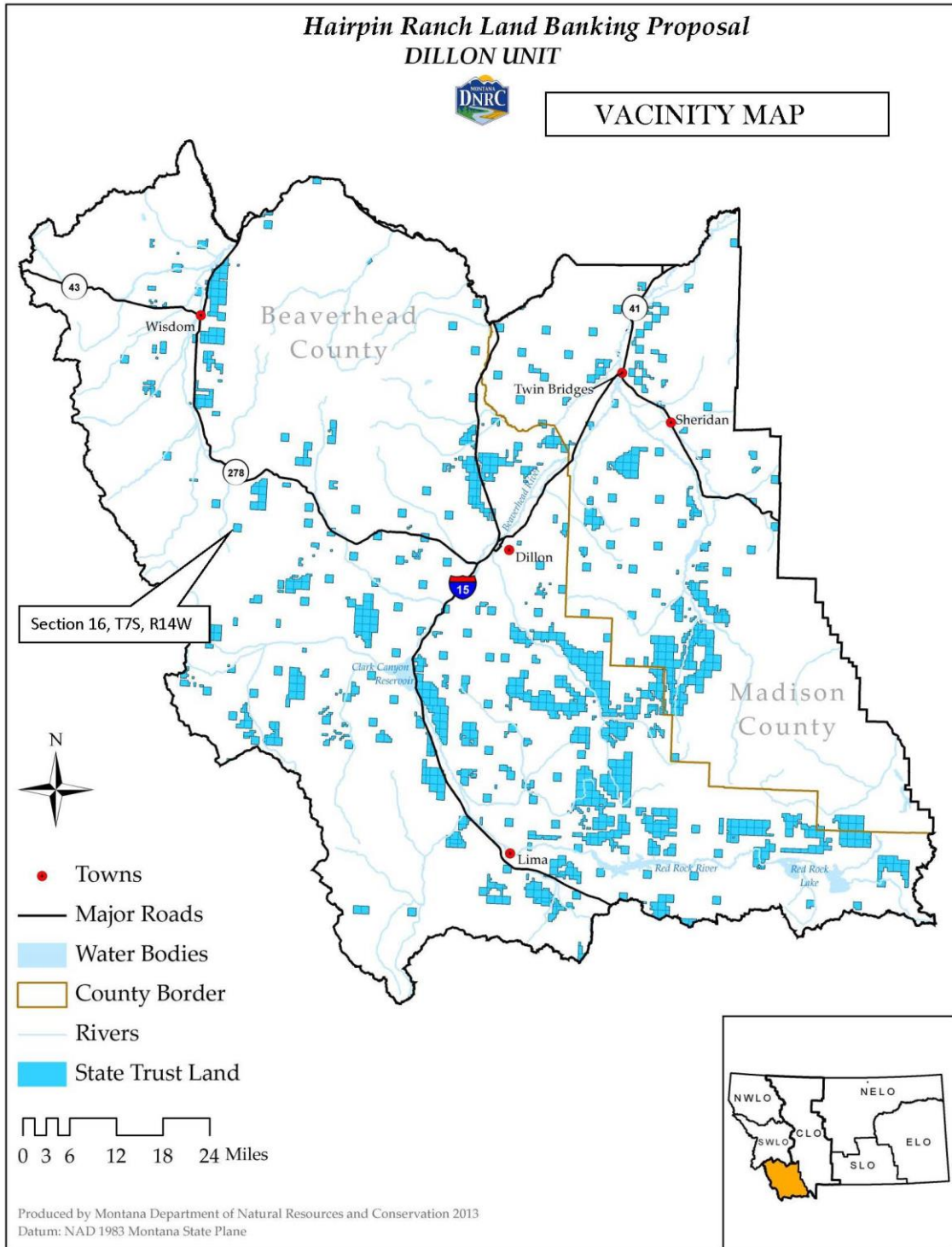
### 27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

☐ EIS
 ☐ More Detailed EA
 ☒ No Further Analysis

<b>EA Checklist Approved By:</b>	<b>Name:</b> Andy Burgoyne	
	<b>Title:</b> CLO Trust Land Program Manager	
<b>Signature:</b> 		<b>Date:</b> March 9, 2019

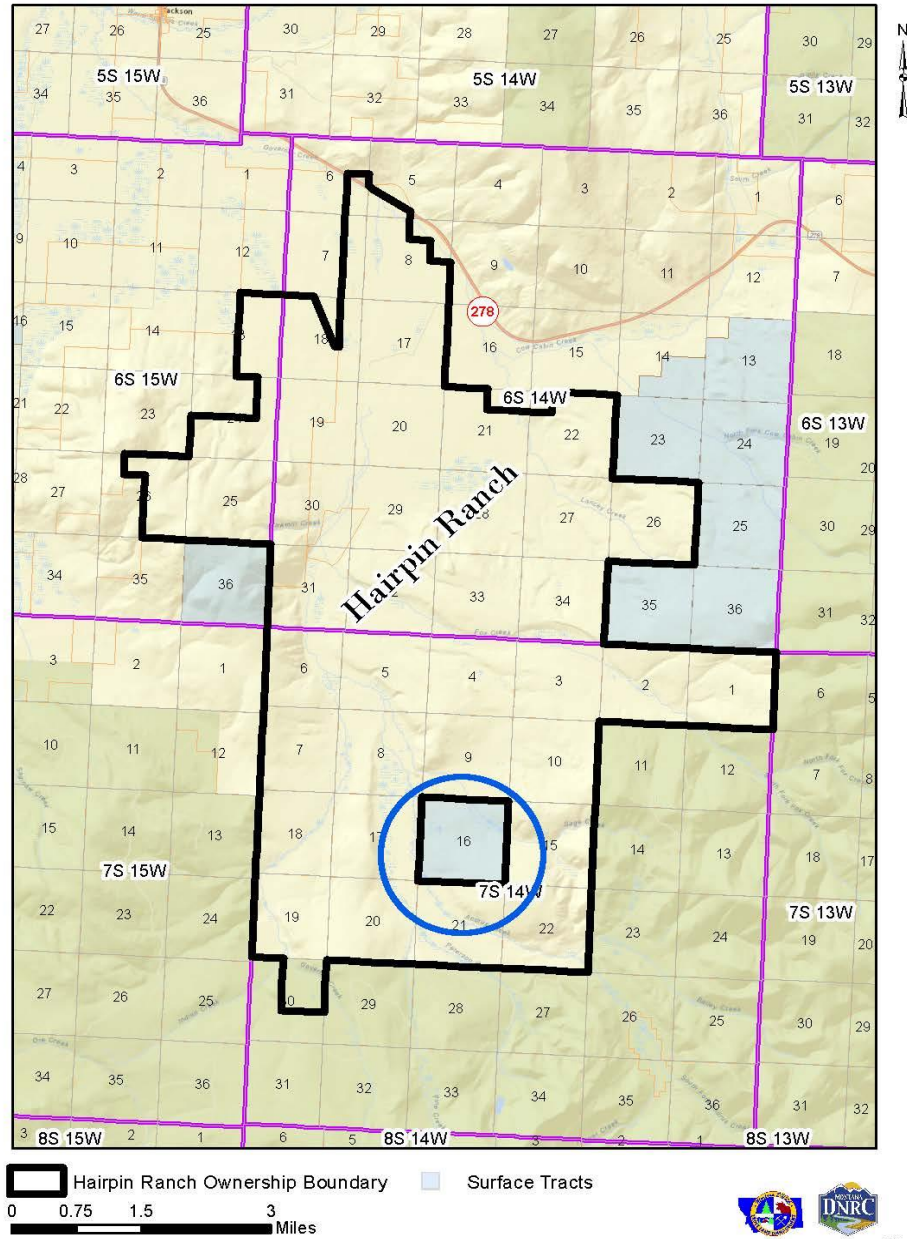
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# APPENDIX A



# Appendix B

Hairpin Ranch Proposed Land Banking Parcel  
Section 16, T7S, R14W Beaverhead County



## **Appendix C**

Montana Environmental Information Center  
Attn: Anne Hedges  
PO Box 1184  
Helena, MT 59624

Montana Wildlife Federation  
Attn: Dave Chadwick  
PO Box 1175  
Helena, MT 59624

Montana School Boards Association  
Attn: Bob Vogel  
863 Great Northern Blvd., Ste 301  
Helena, MT 59601-3398

Montana Grain Growers Association  
Lola Raska  
PO Box 1165  
Great Falls, MT 59403

Glen Marx, Executive Director  
Montana Association of Land Trust  
PO Box 892  
Helena, MT 59624

The Blackfeet Nation  
John Murray, THPO  
850 Government Square  
Browning, MT 59417

Chippewa Cree Tribe of the Rocky Boy's Reservation  
Johnathan Windy Boy, THPO  
PO Box 230  
Box Elder, MT 59521

Confederated Salish and Kootenai Tribes of the Flathead Reservation  
PO Box 278  
Pablo, MT 59855

The Crow Tribe of Indians  
William Big Day, THPO  
PO Box 159  
Crow Agency, MT 59022

Fort Belknap Indian Community  
Michael J. Black Wolf, THPO  
656 Agency Main Street  
Harlem MT 59526

Fort Peck Assiniboine & Sioux Tribes  
Dyan Youpee, THPO  
PO Box 1027  
Poplar MT 59255

Northern Cheyenne Tribe  
Teanna Limpy, THPO  
PO Box 128  
Lame Deer MT 59043

Dooling Livestock Co.  
PO Box 842  
Jackson, MT59736-0842

SEPA Land & Cattle Co.  
4350 Stoddard Lane  
Dillon, MT 59725-7206

Peterson Brothers Cattle Co.  
1801 Swamp Creek Lane  
Wisdom, MT59761-9999

Dick Hirshey Cattle Inc.  
PO Box 206  
Wisdom, MT 59761-0206

BC Montana Ranch LLC  
2498 Road South NE  
Moses Lake, WA 98837-9539

Montana Tech  
Dr. Les Cook  
1300 W Park Street  
Butte, MT 59701

Montana State University Billings  
Dan Edelman, Chancellor  
1500 N 30<sup>th</sup> Street  
Billings, MT59101

Office of Budget & Program Planning  
Budget Director  
PO Box 200802  
Helena, MT 59620-0802

Veterans' Home Trust Beneficiary  
Sheila Hogan, Director  
PO Box 4210  
Helena, MT 59620-4210

Department of Fish Wildlife & Parks  
Attn: Bill Schenk  
PO Box 200701  
Helena, MT 59725

Pine Hills School  
Reginald Michael, Director  
Department of Corrections  
PO Box 201301  
Helena, MT 59620-1301

Montana Fish Wildlife & Parks  
Mark Delray  
1400 South 19<sup>th</sup>  
Bozeman, MT 59718

Department of Environmental Quality  
Attn: George Mathieus  
PO Box 200901  
Helena, MT 59620-0901

Caleb Gillis  
PO Box 1  
Glen, MT 59732

The Hairpin LLC  
Attn: Jake Jenkins  
11201 Susan Drive  
Sandy, UT 84092

Montana Wildlife Federation  
Attn: Larry Copenhaver  
PO Box 1175  
Helena, MT 59624



**Beaverhead Recreation Working Group: (by email)** Alan Conover, Allen Holt, Martin Balukas, Bart Doig, Jeff Beckett, Lea Bernard, Betsey LaBroad, Bill Allen, Bill Pelc, Brian Burkempas, Andy Burgoyne, Cheri Ford, Charlene Gartnerc, Chuck Maddox, Cheryl Hren, Chris Hericks, Collette Robinson, Don Copple, Cory Biggers, Cory Kline, Cory Lean, Cory Manseau, Kyle Cutting, Alec D., Danny Mehring,Regan Dean, Dennis Morton, Dan Dobler, Donnie Keltz, Emily Cleveland, Eric Hull, Jaosn, Glenn, Hanna Kikonow, Hoyt Richards, Hunter Stier, Ian Hoans, JS Turner, Jim Magee, Jamie Tripp, Jason Oles, Jay Lemon, Jed Fitch, Jeff Beckett, Jeff Welborn, Jim Hagenbarth, JJackson, Joan Grogan, John Grassy, John Paddock, John Ward, John Todd, Keith Johnson, Kara Maplethorpe, Ken Ellis, Kevin Farron, Ksoderberg, Kyle Hardin, Larry Laknar, Larry Skiles, Luke Peters, Marie Donohue, Mark Boka, Mark Rahe, Matt Mickelson, Mike MiGinley, Megan Royce, Mike Krzan, Mike Mueller, Mike Ryan, Mitch Staley, Moga, Molly Ryan, Montana Outfitters and Guides Association, Mwwalter, Nacy Conover, Nathan Korb, Noelle Meier, Dale Olson, Parke Scott, Quint Nyman, Ray Gross, Rick Schmauch, Roger Kasak, Scott Jones, Skyline Sportsmen, sns Rosenthal, Stephen Bajkiewicz, Stephanie Hansen, Tana Nulph, Tom Healey, Tom Welch, Trent Biggers, Tom Rice, Kerry Wahl, Dean Waltee, Bob Des Jardins

## Appendix D

### DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION Dillon Unit Office



ST EVE BULLOCK, GOVERNOR

(406) 683-6305  
FAX NII M IIER (406)683--1041

840 Nori! , Mon tana Street  
DI LLO N, I ONTA NA 59725

January 16, 2020

To: All Interested Parties

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 started accepting 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 prioritized parcels to sell. To date, the Department and the Board have sold 80,165 acres of Trust Land and purchased 98,228 acres of replacement lands. The tract listed on the spreadsheet on the back of this page was recently nominated, evaluated, and is now being considered for sale.

We are currently conducting an analysis under the Montana Environmental Policy Act (MEPA) of the impacts that may occur as a result of the proposed land sale. You have been identified by the DNRC to receive this scoping notice as a neighboring land owner, member of the negotiated rule making committee, trust beneficiary, local legislator, government agency and/or other interested party. The analysis is to be completed for all of the tracts under consideration prior to presenting a list to the Board for preliminary approval. If approval is received from the Board, the Department will then conduct appraisals to determine an estimated value and recommended minimum bid price for each tract proposed for sale. The list will then be brought back before the Board to establish the minimum acceptable bid for the tract and approval to proceed with the sale process.

By this letter, DNRC is requesting comments under MEPA regarding the possible sale of the attached tract. Comments will be considered if received no later than February 28, 2020 and may be sent to:

DNRC - Dillon Unit Office  
840 N. Montana St  
Dillon, MT 59725  
Or by email at: [tegan@mt.gov](mailto:tegan@mt.gov)

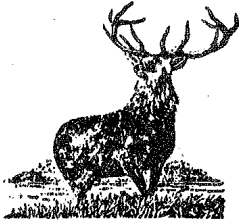
Should you have further questions or need additional information, I can be contacted at (406) 683-6305.

Sincerely,

A handwritten signature in blue ink that reads "Tim Egan".

Tim Egan  
Unit Manager  
Dillon Unit - DNRC

## Appendix E



*Skyline Sportsmen's Association, Inc.*

Box 173

Butte, Montana 59703

February 20 2020

Interested Parties:

Skyline Sportsmen Association and its 400+ members support the DNRC's proposal to Sell- ( TRADE ) the Hairpin Ranch parcel -----Section 16, T7S, R14W --Beaverhead county. The Parcel is completely surrounded by private property with no possible chance for public access. Although DNRC's preferred action is to sell the property Skyline would like to see a TRADE Option with Hairpins owners- managers to pick up property(s) of equal values to consolidate PUBLIC -- ACCESSABLE properties in the same area. If this is not a first option Skyline Sportsmen Assoc. Would like to see properties of equal values; both in \$\$\$ and habitat wise; be found in

(1) The Big Hole watershed (2) Beaverhead county or (3) Southwest Montana be the Priority if buying properties and CONSOLIDATING PUBLIC lands with ACCESS.

Skyline Sportsmen Assoc. expects to be kept up to date with this process and THANKS The DNRC personal for its hard work and SUPPORT.

THANK YOU

Les Castren

Director, Skyline Sportsmen Assoc.

**Egan, Tim**

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**From:** Gary LaFranier <glafranier@ncthpo.com>  
**Sent:** Wednesday, February 19, 2020 11:13 AM  
**To:** Egan, Tim  
**Subject:** [EXTERNAL] Proposed Land Banking Parcel.  
**Importance:** High

Good Morning,

Please defer the Proposed Land Banking Parcel to the closest tribe of this area.

Thank You,

*Gary Thomas LaFranier*  
FCC Coordinator  
Northern Cheyenne THPO  
(406)477-4838/(406)-477-8114  
Lame Deer, MT. 59043



January 22, 2020

Tim Egan  
Unit Manager, Dillon Unit – DNRC  
840 N. Montana Street  
Dillon, MT 59725

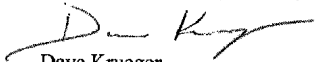
Dear Tim,

Sun Mountain Lumber is in full support of Montana DNRC Land Banking the sale of Section 16, T7S, R14W Beaverhead County to the Hairpin Ranch. We feel that this is a perfect opportunity to take advantage of the Land Banking program.

The Hairpin Ranch has leased the grazing on this section for many years and they do an excellent job in responsible grazing practices and are very consensus stewards of the land. Cattle grazing is the only revenue which is generated off this property so if the DNRC is able to use the income generated from the sale of this section for the purchase of a more lucrative property elsewhere it is a win – win situation.

There is no public access onto this state section so it only makes sense to better the states monetary return on property elsewhere.

Thank you for this opportunity,

  
Dave Krueger  
Forester, Sun Mountain Lumber

**Sun Mountain Lumber**  
PO Box 389, 181 Greenhouse Road, Deer Lodge, MT 59722  
406-846-9460 fax: 406-846-1672

**Egan, Tim**

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**From:** Meyer, Dennis  
**Sent:** Wednesday, January 22, 2020 10:54 AM  
**To:** Egan, Tim  
**Subject:** RE: Land Banking of Section 16, T7S R14W  
**Attachments:** doc00922020200122105056.pdf

Tim,

There's a bunch of water rights in this section. Most are owned by Hairpin because the priority date of the claims predate the GLO survey acceptance date so Pettibone doesn't apply. Trust Lands has 4 that'd need to be transferred if the sale goes through. They are 41D 30109886, 30109887, 30052563 and 30052572. The abstracts for these rights are attached.

Dennis

---

**From:** Egan, Tim  
**Sent:** Wednesday, January 22, 2020 9:39 AM  
**To:** Meyer, Dennis <DMeyer@mt.gov>  
**Subject:** Land Banking of Section 16, T7S R14W

Dennis,

Dillon Unit is in the process of scoping for a proposed sale of state land in Section 16, T7S R14W in Beaverhead County under our Land Banking program. The lessee is the Hairpin LLC. Can you please help me out with the recorded water rights on this section? There are a number of ditches present on the section that are used for irrigation. If you have any questions give me a call. Thanks.

Tim Egan  
406-683-6305

STATE OF MONTANA  
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION  
1424 9TH AVENUE P.O.BOX 201601 HELENA, MONTANA 59620-1601

GENERAL ABSTRACT

Water Right Number: 41D 30052563 STATEMENT OF CLAIM  
Version: 1 -- ORIGINAL RIGHT  
Version Status: ACTIVE

Owners: MONTANA, STATE BOARD OF LAND COMMISSIONERS  
TRUST LAND MANAGEMENT DIVISION  
PO BOX 201601  
HELENA, MT 59620-1601

Priority Date: JUNE 1, 1902  
Enforceable Priority Date: JUNE 1, 1902  
Type of Historical Right: DECREE  
Purpose (use): IRRIGATION  
Irrigation Type: FLOOD  
Maximum Flow Rate: 0.08 CFS  
Maximum Volume: THE TOTAL VOLUME OF THIS WATER RIGHT SHALL NOT EXCEED THE AMOUNT  
PUT TO HISTORICAL AND BENEFICIAL USE.  
Climatic Area: 5 - LOW  
Maximum Acres: 39.00  
Source Name: SAGE CREEK  
Source Type: SURFACE WATER

Point of Diversion and Means of Diversion:

ID	Govt Lot	Qtr Sec	Sec	Twp	Rge	County
1		SWSW	15	7S	14W	BEAVERHEAD

Period of Diversion: MAY 1 TO OCTOBER 19  
Diversion Means: HEADGATE  
Ditch Name: INABNIT-PETERSON DITCH  
Period of Use: MAY 1 to OCTOBER 19

Place of Use:

ID	Acres	Govt Lot	Qtr Sec	Sec	Twp	Rge	County
1	39.00		NE	16	7S	14W	BEAVERHEAD
Total:	39.00						

Remarks:

THE WATER RIGHTS FOLLOWING THIS STATEMENT ARE SUPPLEMENTAL WHICH MEANS THE RIGHTS HAVE OVERLAPPING PLACES OF USE. THE RIGHTS CAN BE COMBINED TO IRRIGATE ONLY OVERLAPPING PARCELS. EACH RIGHT IS LIMITED TO THE FLOW RATE AND PLACE OF USE OF THAT INDIVIDUAL RIGHT. THE SUM TOTAL VOLUME OF THESE WATER RIGHTS SHALL NOT EXCEED THE AMOUNT PUT TO HISTORICAL AND BENEFICIAL USE.  
30052563 30052572

STARTING IN 2008, PERIOD OF DIVERSION WAS ADDED TO MOST CLAIM ABSTRACTS, INCLUDING THIS ONE.

THIS CLAIM NUMBER WAS NOT INCLUDED IN THE BASIN 41D TEMPORARY PRELIMINARY DECREE ISSUED 04/06/2007.

THIS IMPLIED CLAIM WAS AUTHORIZED BY THE WATER COURT BASED ON INFORMATION IN CLAIM NO. 41D 164125-00.

WHENEVER THE WATER RIGHTS FOLLOWING THIS STATEMENT ARE COMBINED TO SUPPLY WATER FOR THE CLAIMED PURPOSE, EACH IS LIMITED TO THE HISTORICAL FLOW RATE AND PLACE OF USE OF THAT INDIVIDUAL RIGHT. THE SUM TOTAL VOLUME OF THESE WATER RIGHTS SHALL NOT EXCEED THE AMOUNT PUT TO HISTORICAL AND BENEFICIAL USE. 41D 30052563 AND 41D 30052563.

January 22, 2020  
41D 30109887

Page 1 of 1  
General Abstract

STATE OF MONTANA  
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION  
1424 9TH AVENUE P.O. BOX 201601 HELENA, MONTANA 59620-1601

GENERAL ABSTRACT

Water Right Number: 41D 30109887 STATEMENT OF CLAIM  
Version: 1 -- ORIGINAL RIGHT

Version Status: ACTIVE

Owners: MONTANA, STATE BOARD OF LAND COMMISSIONERS  
TRUST LAND MANAGEMENT DIVISION  
PO BOX 201601  
HELENA, MT 59620-1601

Priority Date: NOVEMBER 8, 1889

Enforceable Priority Date: NOVEMBER 8, 1889

Type of Historical Right: USE

Purpose (use): STOCK

Maximum Flow Rate:

Maximum Volume:

Source Name: ANDRUS CREEK

Source Type: SURFACE WATER

Point of Diversion and Means of Diversion:

ID	Govt Lot	Qtr	Sec	Sec	Twp	Rge	County
1		E2	SWSW	16	7S	14W	BEAVERHEAD

Period of Diversion: JANUARY 1 TO DECEMBER 31

Diversion Means: DIRECT FROM SOURCE

Period of Use: JANUARY 1 to DECEMBER 31

Place of Use:

ID	Acres	Govt Lot	Qtr	Sec	Sec	Twp	Rge	County
1			E2	SWSW	16	7S	14W	BEAVERHEAD

Remarks:



STATE OF MONTANA  
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION  
1424 9TH AVENUE P.O.BOX 201601 HELENA, MONTANA 59620-1601

GENERAL ABSTRACT

**Water Right Number:** 41D 30052572 STATEMENT OF CLAIM  
**Version:** 1 -- ORIGINAL RIGHT  
**Version Status:** ACTIVE

**Owners:** MONTANA, STATE BOARD OF LAND COMMISSIONERS  
TRUST LAND MANAGEMENT DIVISION  
PO BOX 201601  
HELENA, MT 59620-1601

**Priority Date:** JUNE 7, 1920  
**Enforceable Priority Date:** JUNE 7, 1920  
**Type of Historical Right:** FILED

**Purpose (use):** IRRIGATION  
**Irrigation Type:** FLOOD

**Maximum Flow Rate:** 0.14 CFS  
**Maximum Volume:** THE TOTAL VOLUME OF THIS WATER RIGHT SHALL NOT EXCEED THE AMOUNT PUT TO HISTORICAL AND BENEFICIAL USE.

**Climatic Area:** 5 - LOW  
**Maximum Acres:** 39.00  
**Source Name:** SAGE CREEK  
**Source Type:** SURFACE WATER

**Point of Diversion and Means of Diversion:**

<u>ID</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1		SWSWNW	15	7S	14W	BEAVERHEAD

**Period of Diversion:** MAY 1 TO OCTOBER 19  
**Diversion Means:** HEADGATE  
**Ditch Name:** INABNIT-PETERSON DITCH  
**Period of Use:** MAY 1 to OCTOBER 19

**Place of Use:**

<u>ID</u>	<u>Acres</u>	<u>Govt Lot</u>	<u>Qtr Sec</u>	<u>Sec</u>	<u>Twp</u>	<u>Rge</u>	<u>County</u>
1	39.00		NE	16	7S	14W	BEAVERHEAD
<b>Total:</b>	39.00						

Remarks:

THE WATER RIGHTS FOLLOWING THIS STATEMENT ARE SUPPLEMENTAL WHICH MEANS THE RIGHTS HAVE OVERLAPPING PLACES OF USE. THE RIGHTS CAN BE COMBINED TO IRRIGATE ONLY OVERLAPPING PARCELS. EACH RIGHT IS LIMITED TO THE FLOW RATE AND PLACE OF USE OF THAT INDIVIDUAL RIGHT. THE SUM TOTAL VOLUME OF THESE WATER RIGHTS SHALL NOT EXCEED THE AMOUNT PUT TO HISTORICAL AND BENEFICIAL USE.

30052563 30052572

STARTING IN 2008, PERIOD OF DIVERSION WAS ADDED TO MOST CLAIM ABSTRACTS, INCLUDING THIS ONE.

THIS CLAIM NUMBER WAS NOT INCLUDED IN THE BASIN 41D TEMPORARY PRELIMINARY DECREE ISSUED 04/06/2007.

THIS IMPLIED CLAIM WAS AUTHORIZED BY THE WATER COURT BASED ON INFORMATION IN CLAIM NO. 41D 164064-00.

WHENEVER THE WATER RIGHTS FOLLOWING THIS STATEMENT ARE COMBINED TO SUPPLY WATER FOR THE CLAIMED PURPOSE, EACH IS LIMITED TO THE HISTORICAL FLOW RATE AND PLACE OF USE OF THAT INDIVIDUAL RIGHT. THE SUM TOTAL VOLUME OF THESE WATER RIGHTS SHALL NOT EXCEED THE AMOUNT PUT TO HISTORICAL AND BENEFICIAL USE.

DNRC -- Forest Management Bureau  
2705 Spurgin Rd  
Missoula, MT 59804

## Memo

**To:** Tim Egan  
**From:** Mike Anderson; Fisheries Biologist  
**CC:**  
**Date:** 01/31/2020  
**Re:** Fisheries resources 7S 6W 15

---

Tim-

The following is a summary of fisheries resources associated with the potential land banking in S16 T7S 14W. For reference, data included below were obtained through Montana FWP MFISH. Spatial data associated with fish distribution and genetics were downloaded in March 2019. Additional information regarding Sage Creek were obtained from Jim Olsen on January 31, 2020.

### Sage Creek

No survey data were available from Sage Creek in the MFISH database in S16. The most proximal survey location to DNRC land is approximately 2.0 miles downstream from the northern boundary of S16 and took place in 1976. Surveys collected salmonids at this site but did not identify species. Communication with MFWP and MFISH species distribution data indicate that the stream may support a very small population of Westslope cutthroat trout (*Oncorhynchus clarkia lewisii*) and Eastern Brook trout (*Salvelinus fontinalis*). Based on the location and date of the available survey data I would suggest that, in the absence of electrofishing surveys, Sage Creek should be considered fish-bearing, but would not designate the stream as occupied by Westslope Cutthroat trout at this time.

### Andrus Creek

No survey data were available for Andrus Creek on in the MFISH database in S16. The most proximal survey location to DNRC land was from 2010 and is approximately 2.25 miles upstream from the southern boundary of S16. Surveys conducted at this site in 2010 collected Westslope Cutthroat, Eastern Brook trout, and sculpin. Additional surveys in Bailey and Thayer creeks, tributaries to Andrus Creek also noted similar species distribution. Genetic surveys completed in Bailey and Thayer creek indicate 100% genetically pure Westslope Cutthroat trout present in both tributaries. Based on the location and date of the available survey data, I would designate Andrus Creek in S16 as occupied by both genetically pure Westslope Cutthroat and Eastern Brook trout.



## Egan, Tim

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**From:** Olsen, Jim  
**Sent:** Friday, January 31, 2020 1:01 PM  
**To:** Anderson, Mike  
**Subject:** RE: Sage/Andrus Creeks

Mike, I don't have any more data on Sage Creek. It is possible that it could have a westslope or 2 but not very likely.

Yes, we are trying to work with the ranch to do a cutthroat conservation project on Andrus Creek. We had a ton of momentum 3 years ago when the original proposal went out but it got squashed when the Helena folks would not agree to sell the parcel. The ranch was willing at the time to construct the fish barrier on their own property at their own expense which was amazing, but only if the land deal went through. I am hopeful that this same deal can be struck if the land deal goes forward this time. Andrus, Thayer and Bailey all have non-hybridized cutthroat and it is the only location in the entire Governor Creek drainage where there is a suitable barrier location. A barrier at this spot would isolate about 11 miles of habitat upstream. Once it is in place we would remove brook trout.

Jim

Jim Olsen  
Fisheries Biologist, Big Hole River  
Fisheries Division  
Montana Fish, Wildlife and Parks

820 Meadowlark Lane  
Butte, MT 59701  
Ph: (406) 533-8451  
[jimolsen@mt.gov](mailto:jimolsen@mt.gov)  
[fwp.mt.gov](http://fwp.mt.gov)

[Montana FWP](#) | [Montana Outdoors Magazine](#)



THE **OUTSIDE** IS IN US ALL.



**From:** Anderson, Mike <michaelanderson@mt.gov>  
**Sent:** Friday, January 24, 2020 4:00 PM  
**To:** Olsen, Jim <JimOlsen@mt.gov>  
**Subject:** Sage/Andrus Creeks

Hi Jim,

I haven't had a shot to meet you yet, I took over for Jim Bower here in Missoula with DNRC in the Forest Management Bureau a couple years ago as the fish biologist for trust lands. I got a request from Tim Egan for some data on Sage and Andrus creeks in Governor Creek drainage for a potential land banking with the Hairpin Ranch, and wanted to check in

with you on the status of Sage Creek in S15, 16 T7S R14W. Looking at the available MFISH data, it looks like the most recent survey in Sage was in 1976 near the confluence of Andrus Creek in S05 T7S 14W. The stream is identified as supporting Brook trout, but wanted to check in with you and see if there was any more recent survey data in there.

Just out of curiosity Tim also mentioned you were looking at potentially building a barrier in there somewhere, would that be in Governor Creek-?

Thanks, Mike

Mike Anderson, Fisheries Biologist  
Montana DNRC – Forest Management Bureau  
2705 Spurgin Rd.  
Missoula, MT 59804  
406.542.4232

DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION

Trust Land Management Division



STEVE BULLOCK, GOVERNOR

1625 ELEVENTH AVENUE

DIRECTOR'S OFFICE (406) 444-2074  
TELEFAX NUMBER (406) 444-2684

PO BOX 201601  
HELENA, MONTANA 59620-1601

MINERALS MANAGEMENT BUREAU

February 3<sup>rd</sup>, 2020

MEMORANDUM

TO: Tim Egan  
Mike Attwood  
Monte Mason

FR: Trevor Taylor

RE: Surface Tract for Land Bank Consideration  
Beaverhead County  
T7S-R14W Section 16

Tim, I have reviewed the State section above being considered for land banking and searched the vicinity for the potential that oil, gas, coal, and other metalliferous and non-metalliferous minerals might be found on this section and included my results below:

I found a very low probability that oil or gas could be discovered in commercial quantities on or near this section. All wells within this region of the state have been dry holes. The nearest producing gas or oil wells are located 150-175 miles northeast of this section. The last time this section has been leased for oil and gas was in 1978 and was cancelled before the 10 year primary term ended, and the nearest active oil and gas lease is located 154 miles to the north in the Helena Unit.

This parcel is not within a mapped bentonite area, thus the probability of this tract containing commercial quantities of bentonite is very low. This tract is located 19 miles northwest of a mapped area indicating a potential for the presence of lignite coal; although there are currently no commercial coal mines within this region of Montana. Due to the lack of existing coal mines and lignite processing plants in the region, the probability of coal development on this tract is very low.

The nearest locatable hard rock minerals are found 5 and 6 miles to the west and southwest in which the potential is moderate. A locatable mineral area with a high potential of mineral development is located 11 miles to the northwest. Given that the tract is surrounded by

delineated areas of moderate to high mineral potential, the likelihood that hard rock mineral resources exist on this tract is moderate. Although there may be a moderate potential for hard rock minerals to exist on this tract, the ability to commercially mine the tract would be dependent on the surrounding landowner, the Hairpin Ranch, allowing access to and from the tract. Thus, the probability of this tract having a commercial hard rock mine located on it would be low to moderate.

Geologic and soils maps indicate the presence of some gravelly loams and stony complexes. This tract might be a potential source for aggregate for local farm roads, but is located far away from Highway 278 to really be considered a viable commercial source of aggregate; therefore, the potential that a commercial aggregate mine would occur on this tract is low.

### **Hairpin Ranch Scoping Comment**

**February 27, 2020-** Jim Boetticher PO Box 803, Jackson, MT 59736 (406-660-1636)

**Phone Call:** Not in favor of the DNRC selling section 16 to the Hairpin Ranch. He would rather see the state trade the section to the ranch and add to the block of state land to the east of the ranch. He doesn't think we will get a fair price if the Hairpin can buy the section. He thought that the intrinsic value is much higher than the appraised value. He thinks that some day the public may be allowed access to the section. He might send written comments but wanted me to make sure his comments were included in the record.