

Montana Department of Natural Resources and Conservation
Water Resources Division
Water Rights Bureau

ENVIRONMENTAL ASSESSMENT
For Routine Actions with Limited Environmental Impact

Part I. Proposed Action Description

1. Applicant/Contact name and address: Sunlight Ranch Company, Felt Martin PC
c/o Laurence Martin & Martin Smith 550 N 31st St. Suite 500 Billings, MT 59101
2. Type of action: Application for Beneficial Water Use Permit 42KJ 30164498
3. Water source name: Kray Coulee
4. Location affected by project: Sections 13 & 23, T2N, 36E, Big Horn County and Section 18, T2N, R37E, Treasure County.
5. Narrative summary of the proposed project, purpose, action to be taken, and benefits: The Applicant proposes to divert water from January 1 to December 31 from Kray Coulee, a tributary to Sarpy Creek by livestock drinking directly from the source. No flow rate is defined for livestock direct from a source. Up to 18.5 AF of water would be used between January 1 and December 31 for stock on SE and SW Section 18, T2N, R37E, Treasure County and SESE Section 13, T2N, R36E, NE and NWSE Section 23, T2N, R36E, Big Horn County. The point of diversion would be transitory from NESWSE Section 23, T2N, R36E, Big Horn County to SENENE Section 23, T2N, R36E, Big Horn County and transitory from SWSESE Section 13, T2N, R36E, Big Horn County to NESESE Section 18, T2N, R37E, Treasure County. The DNRC shall issue a water use permit if an applicant proves the criteria in 85-2-311 MCA are met.
6. Agencies consulted during preparation of the Environmental Assessment:
(include agencies with overlapping jurisdiction)

Montana Department of Natural Resources and Conservation
Montana Department of Fish, Wildlife and Parks
Montana Department of Environmental Quality
United States Fish and Wildlife Service
United States Natural Resource and Conservation Service
Montana Heritage Program
Montana Sage Grouse Habitat Conservation Program

Part II. Environmental Review

1. Environmental Impact Checklist:

PHYSICAL ENVIRONMENT

WATER QUANTITY, QUALITY AND DISTRIBUTION

Water quantity – The source of supply is not identified as a chronically or periodically dewatered stream by the Montana Department of Fish, Wildlife and Parks. The source is ephemeral and often dewatered, flowing only during snowmelt and rain events. The proposed use of stock drinking from the source when water is available will not change the timing of water availability.

Determination: No significant effect

Water quality - The stream is not listed as water quality impaired or threatened by the Montana Department of Environmental Quality. The proposed use of stock drinking from the source when water is available could affect water quality by increasing turbulence or adding bank material to the stream. No change in water chemistry is foreseen.

Determination: No significant impact

Groundwater - The proposed project does not impact ground water quality or supply.

Determination: No significant impact

DIVERSION WORKS – There is no proposed construction and operation of the appropriation would be by livestock drinking directly from the source. The proposed project could impact the channel, create flow modifications, and damage riparian areas depending on how the stock access the source. There would be no barriers.

Determination: Possible impact

UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES

Endangered and threatened species – According to the Montana Natural Heritage Program, the species of concern in the proposed project area are the Greater Sage Grouse and the Snapping Turtle. Appropriation of water by livestock drinking directly from the source is unlikely to impact any species and will not create barriers to migration or alter the native habitat. The project area lies within the Sage Grouse habitat as mapped by the Montana Sage Grouse Habitat Conservation Program. In a letter to the Applicant dated January 7, 2025, the Program Manager indicated that the project is not expected to result in habitat loss.

Determination: No significant impact

Wetlands – According to mapping by the United States Fish and Wildlife Service, there are palustrine freshwater wetlands and palustrine freshwater ponds in the area generally associated with developed stock reservoirs or localized springs. The proposed appropriation has little potential to impact these wetlands.

Determination: No significant impact

Ponds – The only ponds in the area are developed stock reservoirs. No additional ponds are proposed. No existing wildlife, waterfowl, or fisheries resources would be impacted.

Determination: No impact

GEOLOGY/SOIL QUALITY, STABILITY AND MOISTURE – According to the United States Natural Resources Conservation Service, soils in the proposed project area are generally loam and silty clay loam. Midway-Lismas complex is a representative soil and is well drained, slightly to non-saline with no frequency of ponding or flooding. Livestock drinking from the source will not degrade soils, alter the soil stability or lead to saline seep.

Determination: No impact

VEGETATION COVER, QUANTITY AND QUALITY/NOXIOUS WEEDS – There would be no change to existing vegetative cover. It will be the landowner’s responsibility to prevent the introduction or spread of noxious weeds.

Determination: No impact

AIR QUALITY – Livestock drinking from the source has no likelihood of impacting air quality.

Determination: No impact

HISTORICAL AND ARCHEOLOGICAL SITES - NA-project not located on State or Federal Lands.

Determination: Not applicable

DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AND ENERGY – There are no other recognized impacts on environmental resources of land, water and energy not already addressed.

Determination: No impact

HUMAN ENVIRONMENT

LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS – There are no known locally adopted environmental plans or goals.

Determination: No impact

ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES – There are no recreational or wilderness regions in the proposed project area and no local access.

Determination: No impact

HUMAN HEALTH – Livestock drinking directly from the source has no potential to impact human health.

Determination: No impact

PRIVATE PROPERTY - Assess whether there are any government regulatory impacts on private property rights.

Yes ___ No x ___ If yes, analyze any alternatives considered that could reduce, minimize, or eliminate the regulation of private property rights.

Determination: Not applicable

OTHER HUMAN ENVIRONMENTAL ISSUES - For routine actions of limited environmental impact, the following may be addressed in a checklist fashion.

Impacts on:

- (a) Cultural uniqueness and diversity? No significant impact
- (b) Local and state tax base and tax revenues? No significant impact
- (c) Existing land uses? No significant impact
- (d) Quantity and distribution of employment? No significant impact
- (e) Distribution and density of population and housing? No significant impact
- (f) Demands for government services? No significant impact
- (g) Industrial and commercial activity? No significant impact
- (h) Utilities? No significant impact
- (i) Transportation? No significant impact
- (j) Safety? No significant impact
- (k) Other appropriate social and economic circumstances? No significant impact

2. *Secondary and cumulative impacts on the physical environment and human population:*

Secondary Impacts: There are no recognized secondary impacts.

Cumulative Impacts: There are no recognized cumulative impacts.

3. *Describe any mitigation/stipulation measures:* None

4. **Description and analysis of reasonable alternatives to the proposed action, including the no action alternative, if an alternative is reasonably available and prudent to consider:** The only reasonable alternative to the proposed project is the no action alternative. The no action alternative does not provide any environmental benefits or prevent any significant environmental impact. The no action alternative prevents the Applicant from using private property for economic gain.

PART III. Conclusion

1. **Preferred Alternative:** Issue a water use permit if the applicant proves the criteria in 85-2-311 MCA are met.

2 **Comments and Responses:** None

3. **Finding:**
Yes ___ No ___ Based on the significance criteria evaluated in this EA, is an EIS required?

If an EIS is not required, explain why the EA is the appropriate level of analysis for this proposed action: An environmental assessment is the appropriate level of analysis because there were no significant environmental impacts recognized.

Name of person(s) responsible for preparation of EA:

Name: Mark Elison

Title: Water Resources Regional Manager

Date: 2/21/2025