December 18, 2006

Dear Reader:

Enclosed for your review and comment is a Draft Checklist Environmental Assessment (CEA) for an operating permit requested by Northfork Stoneworks of Manhattan, MT on July 13, 2006 and revised on October 23, 2006. Northfork Stoneworks applied for an operating permit for rock picking from two sites on private land in portions of Sections 9 and 10, Township 6 North, Range 14 East, Wheatland County, about 15 miles southwest of Harlowton and in portions of Section 11, Township 5 North, Range 18 East in Golden Valley County, about 17 miles southwest of Ryegate. This Draft CEA evaluates the potential impacts from this operation. The Montana Department of Environmental Quality (DEQ) must decide whether to approve the permit as proposed, deny the request for an operating permit, or approve the operating permit with modifications.

The Draft CEA addresses issues and concerns raised during public involvement and from agency scoping. The agencies have decided to approve the permit as proposed as the preliminary preferred alternative. This is not a final decision. This conclusion may change based on comments received from the public on this Draft CEA, new information, or new analysis that may be needed in preparing the Final CEA.

Copies of the Draft CEA can be obtained by writing DEQ, Environmental Management Bureau, P.O. Box 200901, Helena, MT 59620, c/o Herb Rolfes, or calling (406)444-3841; or sending email addressed to hrolfes@mt.gov. The Draft CEA will also be posted on the DEQ web page: www.deq.mt.gov. Public comments concerning the adequacy and accuracy of the Draft CEA will be accepted until January 18, 2007.

Since the Final EA may only contain public comments and responses, and a list of changes to the Draft CEA, please keep this Draft CEA for future reference.

______________________________   _________________
Warren D. McCullough, Chief                        Date
Environmental Management Bureau

DRAFT CHECKLIST ENVIRONMENTAL ASSESSMENT

COMPANY NAME: Northfork Stoneworks, 8064 Churchill Road, Manhattan, MT 59741
PROJECT: Removing landscaping and masonry stone up to twenty feet in depth.
PERMIT OR LICENSE: Operating Permit Application.
LOCATION: The proposed quarry sites would be 15 miles southwest of Harlowton, MT, on the Colby property, portions of Sections 9 and 10, Township 6 North, Range 14 East and 33 miles Southeast of Harlowntown on the Voise property, a portion of Section 11, Township 5 North, Range 18 East (See Figure 1)
COUNTY: Golden Valley County (Voise site) and Wheatland County (Colby site)
PROPERTY OWNERSHIP: [ ] Federal [ ] State [X] Private
TYPE AND PURPOSE OF ACTION: Northfork Stoneworks would quarry sandstone for landscaping and masonry use. Most of this work would be performed through hand picking and the use of a skid steer loader. Rock would be placed on pallets, and then transported from the quarry sites. Ground disturbance would involve road construction and quarry development. Disturbance at the Colby site would be approximately 15 acres, and at the Voise site approximately 10 acres.

Soil would be salvaged to a depth of at least six inches from the facility areas including the rock stockpiles, processing and staging areas. Soil would be salvaged at least ten feet ahead of rock collecting and those areas used for waste rock disposal. The stone would then be removed.

Soil and overburden would be handled separately and placed on regraded areas or stockpiled. Soil stockpiles that would remain for more than one year would be shaped and seeded. On areas where reclamation would not require a soil cover, the soil would be retained on site in an accessible location until the alternate reclamation is assured.

Existing ranch roads would be used, where possible, eliminating the need to construct new ones. Some skid steer trail roads would be created. All roads will be ripped, soiled and seeded.

Water is not used in the process. The operator would take appropriate measures to ensure protection of surface and groundwater quality and quantity. All equipment, facilities and disturbances would be kept at least 100 feet from surface water.

Fuel tanks would be inspected and maintained to prevent spillage and the operator would immediately retrieve and properly dispose of any spilled fuel or contaminated materials. All spills over 25 gallons would be reported to the Department of Environmental Quality (DEQ), Enforcement Division.

Northfork Stoneworks would not dispose of solid wastes on site unless an appropriate solid waste management system license is first obtained.

Northfork Stoneworks is asking to permit two separate sites. The Colby permit area would be approximately 60 acres and the Voise permit area about 70 acres (Figure 1). A total of approximately 25 acres would potentially be disturbed. Northfork Stoneworks has access to these private properties via 5-year leases which will expire in 2010.

Following is a list of the rock collecting and quarrying sites, along with legal descriptions and the proposed permit area and disturbed acres for each site:

**Colby site:**
*Portions of 9 and 10, Township 6 North, Range 14 East*
Total acreage = about 60 acres
Approximate acreage to be disturbed = about 15 acres

**Voise site:**
*Portion of Section 11, Township 5 North, Range 18 East*
Total Acreage = about 70 acres
Approximate acreage to be disturbed = about 10 acres

DEQ must prepare an environmental assessment (EA) because each of the two sites exceed the disturbance
limitations in a Supplemental Programmatic Environmental Assessment (SPEA) completed by DEQ for rock collecting sites and quarries in 2004. The sites proposed by Northfork Stoneworks meet all requirements under the SPEA except the disturbance cannot be kept below five acres disturbed and unreclaimed at any one time.

N  = Not present or No Impact would occur.
Y  = Impacts may occur (explain under Potential Impacts).
N/A = Not Applicable

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<thead>
<tr>
<th>IMPACTS ON THE PHYSICAL ENVIRONMENT</th>
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<tbody>
<tr>
<td>RESOURCE</td>
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<tr>
<td>1. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE: Are soils present which are fragile, erosive, susceptible to compaction, or unstable? Are there unusual or unstable geologic features? Are there special reclamation considerations?</td>
</tr>
<tr>
<td>2. WATER QUALITY, QUANTITY AND DISTRIBUTION: Are important surface or groundwater resources present? Is there potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality?</td>
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<tr>
<td>3. AIR QUALITY: Will pollutants or particulate be produced? Is the project influenced by air quality regulations or zones (Class I airshed)?</td>
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<tr>
<td>4. VEGETATION COVER, QUANTITY AND QUALITY: Will vegetative communities be significantly impacted? Are any rare plants or cover types present?</td>
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### IMPACTS ON THE PHYSICAL ENVIRONMENT

Some of the sites would be on areas used to grow dryland wheat, where the native communities have been removed for agricultural production. Reclamation of these sites would allow the continued use of the sites for crop production. Removal of the rocks from the fields would enhance the use for agricultural purposes.

A search of the Natural Resource Information System (NRIS) database found that there are no known threatened and endangered or sensitive plant species growing in these areas. The disturbance on the sites would lead to more noxious weed invasion in the area. This is an unavoidable impact of disturbance. Weed control efforts would limit these impacts.

#### 5. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:

Is there substantial use of the area by important wildlife, birds or fish?

| Y | The areas are commonly used by pronghorn antelope, whitetail and mule deer and other wildlife and bird species. The area contains coulees with exposed sandstone. Some of the exposed sandstone and rock outcrops would be altered. However, most of the marketable stone occurs away from exposed and weathered rock. |

#### 6. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:

Are any federally listed threatened or endangered species or identified habitat present? Any wetlands? Species of special concern?

| Y | A search of the NRIS database found that there are no known threatened and endangered animal species in the area. Bald eagles are seasonal migrants through the area, but do not remain, and are more closely associated with the Musselshell River valley than the uplands. Eagles may use the outcrops as perching sites. Eagle use of the outcrops would be limited during rock collecting activities. They would return after areas are reclaimed. NRIS indicated that a number of animal species of concern have either been sighted in the area or could be expected to be found in the permit boundaries. These species include: the long-billed curlew and the greater sage grouse. |

#### 7. HISTORICAL AND ARCHAEOLOGICAL SITES:

Are any historical, archaeological or paleontological resources present?

| Y | A records search by the State Historic Preservation Office indicated that no cultural areas of concern have been recorded in the general area. As noted in the application, the operator would provide protection for archaeological and historical sites if they are found in the permit area. |

#### 8. AESTHETICS:

Is the project on a prominent topographic feature? Will it be visible from populated or scenic areas? Will there be excessive noise or light?

| Y | The proposed rock picking and quarrying sites are in remote, rural areas. Activity would be visible from some county roads during operations, but the disturbance created would not be readily apparent in the absence of construction equipment. Soil would be replaced after the rock has been removed and then the areas would be reseeded. The reclaimed rock collecting and quarrying sites would not have the appearance of the original sandstone outcrops. This is an unavoidable |
**IMPACTS ON THE PHYSICAL ENVIRONMENT**

<table>
<thead>
<tr>
<th><strong>9. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:</strong> Will the project use resources that are limited in the area?</th>
<th>[N] These projects would be isolated and require a minimum of energy resources.</th>
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<tbody>
<tr>
<td><strong>10. IMPACTS ON OTHER ENVIRONMENTAL RESOURCES:</strong> Are there other activities nearby that will affect the project?</td>
<td>[N] The surrounding land use is livestock grazing and dryland crop production. Surface disturbance on the Colby and Voise ranches has occurred in the past in the form of quarrying by previous operators working under Small Miners’ Exclusion provisions. Other rock collecting areas have been permitted and are proposed in the surrounding area. None of these other sites would affect the proposed Northfork Stoneworks sites.</td>
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**IMPACTS ON THE HUMAN POPULATION**

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<thead>
<tr>
<th><strong>11. HUMAN HEALTH AND SAFETY:</strong> Will this project add to health and safety risks in the area?</th>
<th>[N]</th>
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<tr>
<td><strong>12. INDUSTRIAL, COMMERCIAL AND AGRICULTURAL ACTIVITIES AND PRODUCTION:</strong> Will the project add to or alter these activities?</td>
<td>[Y] These operations are a source of income for the area ranchers.</td>
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<td><strong>13. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:</strong> Will the project create, move or eliminate jobs? If so, estimated number.</td>
<td>[Y] This and other stone producing operations are major employers in these counties, providing work for a segment of the population that is otherwise unemployed, or underemployed.</td>
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<td><strong>14. LOCAL AND STATE TAX BASE AND TAX REVENUES:</strong> Will the project create or eliminate tax revenue?</td>
<td>[Y] This project would create tax revenue.</td>
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<td><strong>15. DEMAND FOR GOVERNMENT SERVICES:</strong> Will substantial traffic be added to existing roads? Will other services (fire protection, police, schools, etc.) be needed?</td>
<td>[N] There is no anticipated need for increased government services that would result from this project. The local roads can handle the limited traffic that would result from the quarrying activities.</td>
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<td><strong>16. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:</strong> Are there State, County,</td>
<td>[Y] There are plans in effect in the area but none that affect private lands.</td>
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<td>IMPACTS ON THE HUMAN POPULATION</td>
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<td>City, USFS, BLM, Tribal, etc. zoning or management plans in effect?</td>
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17. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES: Are wilderness or recreational areas nearby or accessed through this tract? Is there recreational potential within the tract?

[N] There are no wilderness areas or major recreational areas on private land in these counties. The major recreational use is hunting.

18. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING: Will the project add to the population and require additional housing?

[N]

19. SOCIAL STRUCTURES AND MORES: Is some disruption of native or traditional lifestyles or communities possible?

[N] The work force would be local, or drawn from neighboring counties. The royalty payments made to landowners would help maintain the sometimes tenuous existence of family owned farms and ranches recovering from regional drought.

20. CULTURAL UNIQUENESS AND DIVERSITY: Will the action cause a shift in some unique quality of the area?

[N]

21. PRIVATE PROPERTY IMPACTS: Are we regulating the use of private property under a regulatory statute adopted pursuant to the police power of the state? (Property management, grants of financial assistance, and the exercise of the power of eminent domain are not within this category.) If not, no further analysis is required.

[Y]

22. PRIVATE PROPERTY IMPACTS: Does the proposed regulatory action restrict the use of the regulated person’s private property? If not, no further analysis is required.

[N]

23. PRIVATE PROPERTY IMPACTS: Does the agency have [N/A]
**IMPACTS ON THE HUMAN POPULATION**

| Legal discretion to impose or not impose the proposed restriction or discretion as to how the restriction will be imposed? If not, no further analysis is required. If so, the agency must determine if there are alternatives that would reduce, minimize or eliminate the restriction on the use of private property, and analyze such alternatives. |

**24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:**

25. Alternatives Considered:

No Action: Deny the request for operating permit. No issues were identified which would require denying the permit.

Approval: Approve the permit as proposed.

Approval with Modification: No unresolved issues were identified which would require modification of the proposal.

26. Public Involvement: A legal notice and press release has been published notifying the public of the proposed operation. No comments were received. Another legal notice and press release will be issued when this CEA is released.

27. Other Governmental Agencies with Jurisdiction: None

28. Magnitude and Significance of Potential Impacts: There would be no significant impacts associated with this proposal. As noted, there would be impacts to soils, geologic resources, native plant communities and avian habitats on outcrops and from an increase in noxious weeds in the area.

Building stone quarries and rock collecting sites are increasing throughout Montana. DEQ has prepared a Supplemental Programmatic Environmental Assessment (SPEA) on these operations. The operations that qualify must meet the following provisions as listed in the SPEA.

- Any individual small quarry must maintain a working disturbance of up to five acres maximum. Total disturbance during the life of an individual operation could exceed five acres, but concurrent reclamation would be required to keep the disturbance at any one time to five acres or less. Access roads would not be included in the disturbed total, but the operator would submit a reclamation bond for roads that do not have an appropriate use after quarrying or rock collecting. Roads appropriate for the land use after quarrying and access or haulage roads which are required by a local, state, or federal agency having jurisdiction over that road would not have to be bonded;
- There would be no impact to any wetland, surface or ground water;
- There would be no constructed impoundments or reservoirs used in the operation;
- There would be no potential to produce any acid or other pollutive drainage from the quarry;
- There would be no impact to threatened and endangered species; and
- There would be no impact to significant historic or archeological features.
The rock collecting and quarrying sites proposed by Northfork Stoneworks meet all these requirements except the operator cannot keep the disturbance to less than five acres disturbed and unreclaimed at any one time. Even though the sites may exceed five acres disturbed and unreclaimed at any one time, there would be no other impacts other than the size of the disturbance area over that analyzed in the SPEA. This Checklist EA tiers to the 2004 SPEA. Reclamation would limit impacts. DEQ would bond Northfork Stoneworks to reclaim acres disturbed by rock picking and quarrying.

29. Cumulative Impacts: Many acres could be potentially disturbed by quarry operations throughout Montana as a result of the demand for building stone. DEQ has approved an operating permit for ES Stone in Ryegate for rock collecting activities that would disturb up to 107 acres in Wheatland and Golden Valley counties. DEQ is currently reviewing an amendment to that operating permit to add another 5 acres in Wheatland County and 300 acres in Cascade County. Additionally, DEQ is currently reviewing four other quarry operating permits in Wheatland County from Montana Rockworks, LLP in Kalispell that would disturb 485 acres in Wheatland County; Rocky Mountain Stone, Inc in Bozeman that would disturb 38 acres; Big Sky Masonry, Inc., in Bozeman that would disturb 834 acres; and Bozeman Brick Block and Tile in Bozeman, that would disturb 222 acres. The cumulative impacts from all these operations would lead to the loss of geologic resources, more soil disturbance requiring reclamation, more impacts to native plant communities and increased potential for noxious weed invasion and spread, and more economic benefits to the local economies from rock collecting operations. All the proposed rock collecting sites in Golden Valley County and Wheatland County and are on private property.

30. Recommendation for Further Environmental Analysis:

[ ] EIS  [ ] More Detailed EA  [X] No Further Analysis

31. EA Checklist Prepared By:

32. EA Reviewed By:

Signature       Date

Herb Rolfes
Operating Permit Section Supervisor

File: pending Northfork Stoneworks.70

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