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Department of
Agriculture



Forest Service

*Rocky
Mountain
Region*

Nebraska
National
Forest

DRAFT

**ENVIRONMENTAL
ASSESSMENT**

FOR THE

**INDIAN CREEK
LAND EXCHANGE**

September 2008

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DRAFT

ENVIRONMENTAL ASSESSMENT

for

INDIAN CREEK LAND EXCHANGE

DAKOTA PARTNERSHIP

and the

**USDA FOREST SERVICE
Nebraska National Forest
Buffalo Gap National Grassland
Fall River Ranger District
Wall Ranger District**

September 17, 2008

For additional information please contact. Kevin Heikkila, Realty Specialist
Nebraska National Forest 125 N. Main St, Chadron NE 69337 (308) 432-0300
or by e-mail at kheikkila@fs.fed.us

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CHAPTER 1

PURPOSE AND NEED FOR ACTION

Purpose of this Document

The Forest Service has prepared this environmental assessment (EA) in compliance with the National Environmental Policy Act (NEPA) and other relevant federal and state laws and regulations. This environmental assessment discloses the direct, indirect, and cumulative environmental impacts that would result from the proposed action and alternatives. Any decision will be documented in a decision notice signed by the Nebraska National Forest and Grasslands supervisor, as the responsible official.

The USDA Forest Service proposes to exchange 3,801.38 acres of federal land contained in four parcels, including mineral interests, for 2,956.40 acres contained in six parcels of non federal lands including mineral interests, owned by Dakota Partnership, a South Dakota limited partnership of Rapid City, South Dakota. This document describes and evaluates the proposed action and alternatives to that action. This document will provide the responsible official information and analysis to determine whether to prepare an environmental impact statement or a finding of no significant impact.

Background

This proposed land exchange with Dakota Partnership is part of the ongoing effort to more efficiently and effectively manage land on the Buffalo Gap National Grassland. The lands that Dakota Partnership own and are willing to exchange are located primarily in Ralph Draw, Indian Creek drainage, and Zebell Table. The federal lands included in this proposed land exchange are located adjacent to and east of the 777 Ranch headquarters, owned and operated by Dakota Partnership. These federal lands are primarily located in the French Creek drainage and west of the recommended Red Shirt Wilderness Area identified in the 2001 land and resource management plan revision (2001 LRMP).¹

On October 18, 2004, Forest Supervisor Don Bright executed the agreement to initiate (ATI) signed on October 6, 2004 by Ray Hillenbrand agent for Dakota Partnership. This ATI identifies 3,801.38 acres of federal land located in Custer County, South Dakota to be exchanged for 2,196.50 acres of land owned by Dakota Partnership located in Pennington County, South Dakota.

In 2005, Dakota Partnership voluntarily acquired property from another landowner with a view to more closely equal the amount of proposed federal land. This 760-acre parcel is located in Jackson County, South Dakota.

Although the United States recently conveyed 320 acres of this 760-acre parcel, it could be beneficial for the United States to acquire this parcel in the proposed Indian Creek land exchange because it further consolidates landownership along section lines, and there is a

¹ USDA Forest Service. 2001. Land and resource management plan, Nebraska National Forest and associated units, Rocky Mountain Region. On file in the administrative record. Nebraska National Forest. Chadron, NE

portion of a black-tailed prairie dog town located on this land. Acquisition of this land would provide a buffer to the larger portion of prairie dog town that exists on the adjoining federal land.

The Indian Creek land exchange proposal examined in this environmental assessment is the result of an effort to attain more efficient and effective land management for both federal and non federal land managers through landownership adjustment. The lands included in this proposed project are legally described in exhibits A and B of this document. All parcels are shown on the area maps and location maps included in exhibit C of this document. Parcel numbers are listed in the tables below and are used consistently throughout this document for the reader’s reference. There are four parcels of federal land being offered for exchange located in the northeast geographic area of the Fall River Ranger District.

Table 1. Proposed federal parcels by parcel number.

Parcel F-1 (160.00 acres)	T. 4 S., R. 9 E.,	Sec. 5, W $\frac{1}{2}$ SW $\frac{1}{4}$;
		Sec. 7, NE $\frac{1}{4}$ NE $\frac{1}{4}$;
		Sec. 8, NW $\frac{1}{4}$ NW $\frac{1}{4}$.
Parcel F-2 (1,560.00 acres)	T. 4 S., R. 9 E.,	Sec. 20, E $\frac{1}{2}$;
		Sec. 21, W $\frac{1}{2}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$;
		Sec. 28, W $\frac{1}{2}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$;
Parcel F-3 (1,921.34 acres)	T. 4 S., R. 9 E.,	Sec. 29, E $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$
		Sec. 3, Lots 1-4, S $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$, SW $\frac{1}{4}$;
		Sec. 4, Lots 1 & 2, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$;
		Sec. 9, NE $\frac{1}{4}$;
		Sec. 10, NW $\frac{1}{4}$, E $\frac{1}{2}$;
Parcel F-4 (160.00acres)	T. 3 S., R. 11 E.,	Sec. 15, E $\frac{1}{2}$;
		Sec. 26, W $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$;
		Sec. 35, NW $\frac{1}{4}$ NW $\frac{1}{4}$.

Three parcels (F-1, F-2, and F-3) are located approximately eight miles east of Fairburn, South Dakota. The fourth parcel (F-4) is located south of Phiney, South Dakota. All are located in Custer County, South Dakota.

The federal parcels have a varied topography, which includes a blend of rolling hills, mixed grass plains, rugged badlands formations, gently sloping alluvial fans, and intermittent draws and drainages that flow into French Creek and Cheyenne River.

Parcels F-2 and F-3 are attached to existing national grassland. Access to them is restricted to non-motorized cross country travel across adjoining national grassland. They are located adjacent to the Dakota Partnership headquarters property, the 777 Ranch, and are included in the Triple 7 grazing allotment permitted by the Forest Service to Dakota Partnership. Parcel F-1 is isolated from adjoining national forest system land and does not have perfected legal public access. Parcel F-4 does not adjoin federal land, but does have legal access from River Road, a Custer County maintained road.

Parcel F-2 is in Management Area 2.2 which is the South Pasture (777Allotment) Research Natural Area identified in the LRMP. Parcels F-1, F-3, and F-4 are included in Management Area 6.1 which is “rangeland with broad resource emphasis.” All the federal parcels are included in federal grazing allotments, although the Hasselstrom allotment, where F-1 is

located, is currently vacant. Maps of parcels shown by grazing allotments are found in exhibit D of this document. These factors, along with the potential for acquiring land adjacent to the recommended Indian Creek Wilderness Area, were considerations in configuring this land exchange.

There are six separate parcels of non federal land listed in the table below and in exhibit A of this document being offered for exchange. Five of the parcels are located west of Scenic, South Dakota in an area of the Wall Ranger District that, in part, is recommended for wilderness designation in the 2001 LRMP.

Table 2. Proposed non federal parcels by parcel number.

Pennington County	Black Hills Meridian	
Parcel P-1 (157.12 acres)	T. 3 S., R. 12 E.,	Sec. 31, lots 3 and 4, E $\frac{1}{2}$ SW $\frac{1}{4}$.
Parcel P-2 (1,399.28 acres)	T. 3 S., R. 11 E.,	Sec. 25, lots 6 and 8;
	T. 3S., R. 12 E.,	Sec. 19, lots 5 to 9, inclusive, NE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$;
		Sec. 20, SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$
		Sec. 28, SW $\frac{1}{4}$ NW $\frac{1}{4}$;
		Sec. 29, S $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$
		Sec. 30, lots 1 and 2, NE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$
		Sec. 32, NE $\frac{1}{4}$ NE $\frac{1}{4}$
Sec. 33, W $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$		
Parcel P-3 (80.00 acres)	T. 3 S., R. 12 E.,	Sec. 22, N $\frac{1}{2}$ NE $\frac{1}{4}$.
Parcel P-4 (320.00 acres)	T. 3 S., R. 12 E.,	Sec. 35, N $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$.
	T. 4 S., R. 12 E.,	Sec. 2, NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$.
Parcel P-5 (240.00 acres)	T. 3 S., R. 12 E.,	Sec. 36, SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$.
Jackson County		
Parcel P-6 (760.00 acres)	T. 3 S., R. 19 E.,	Sec. 9, E $\frac{1}{2}$
		Sec. 10, W $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$, and NW $\frac{1}{4}$.

Parcels P-1 and P-2 are located in the Ralph Draw and Zebell Table areas. P-1 has a prairie dog town located on it. Both of these parcels include juniper breaks, and woody draw/riparian woodlands habitat type. Access is cross-country travel from adjoining federal lands.

Parcel P-3 is located on the top of the table adjacent to county road 580 and east of forest service road (FSR) 7129. This parcel has mixed grass species on the table and breaks into the badlands on the adjoining national grassland. This private land is fenced in with and grazed as part of the Indian Creek allotment along with parcels P-4 and P-5.

Parcels P-4 and P-5 are located in the Indian Creek drainage. Each has national grassland on four sides and is considered private inholdings. These parcels could be accessed by the public from forest system road (FSR) 7129, also known locally as Indian Creek Road, and then by nonmotorized cross country travel. These non federal parcels contain broken terrain, badlands mixed grass species and intermittent streams that flow into the Cheyenne River floodplain.

Motorized use has been restricted to FSR 7129 on the federal land in the Indian Creek drainage since 1984. This road provides the general public with motorized and non-motorized access to quality recreation opportunities.

The sixth non federal parcel, P-6, is located in Jackson County. Terrain on this parcel is flat to rolling mixed grass. This parcel is fenced out from the adjoining federal lands and not included in any federal grazing allotments. This parcel was added to address the concerns in the amount of federal acreage versus non federal acreage. This parcel is an optional parcel to be dropped from this exchange if, after an appraisal of the lands is completed, it is not needed to equalize values.

Proposed Action

The Forest Service proposes to convey four parcels of federal land, including mineral interests, totaling 3,801.38 acres in exchange for six parcels of non federal land, including mineral interests, totaling 2,956.40 acres. As described in exhibit B, the federal parcels proposed for exchange are located within Custer County, South Dakota. In exchange, the Forest Service proposes to accept 2,196.40 acres of non federal land located within Pennington County, and 760 acres located within Jackson County, South Dakota owned and managed by Dakota Partnership as identified in exhibit A.

Land acreage exchanged between the non-federal landowner and the United States is not required to be equal. This land exchange would be completed on a value-for-value basis. Two appraisals will be completed. One will provide land values for the federal parcels. The other will provide land values for the non federal parcels. If there is a difference in appraised values between the federal and non-federal parcels, this will be made up through cash equalization.

The proposed action includes management of the non federal parcels after being conveyed to the United States. The decision will address which management areas the non federal parcels will be included as referenced in the 2001 LRMP. The decision will require an amendment to the 2001 LRMP to eliminate reference to the proposed South Pasture (777Allotment) Research Natural Area identified in the 2001 LRMP

Purpose of and Need for the Proposed Action

The purpose of this proposed action is to meet forest plan direction as stated in the 2001 LRMP forestwide and management area goals, objectives, standards, and guidelines. Chapter 3 of this document will describe further how this proposed land exchange applies to and meets 2001 LRMP direction.

The need for this proposed action is to take advantage of an opportunity to eliminate private inholdings adjacent to the recommended Indian Creek Wilderness Area, and dispose of mostly isolated federal parcels. Both of these opportunities would provide efficiencies in land management activities.

This proposed action allows the USDA Forest Service to improve public land management and realize public benefits through resolution of public access concerns to federal land on the Buffalo Gap National Grassland. This proposed land exchange can also facilitate

implementation of the black-tailed prairie dog conservation and management plan record of decision. Public benefits of this proposed land exchange will be discussed by alternatives and included in the decision document.

Forest Service Laws, Regulations, and Policy

A listing of federal acts which apply to this proposed land exchange will be listed in the decision document. Resource reports and documents located in the project file reference federal laws which apply to the respective report, such as the Bankhead Jones Farm Tenant Act of July 22, 1937, as amended (7 U.S.C. 1010-1012); Federal Land Policy and Management Act of 1976, as amended (43 U.S.C. 1716); and Federal Land Exchange Facilitation Act of August 20, 1988 (43 U.S.C. 1716, 43 U.S.C. 751).

Forest Service policy for land exchanges is based upon 36 Code of Federal Regulations chapter part 254, subpart A – land exchanges. The Forest Service manual 5403 and 5430.3 give direction concerning Forest Service policies regarding land exchanges. Agency policy and general guidance for land exchange process are located in Forest Service handbook 5409.13, chapter 30. This proposed land exchange will follow Forest Service policy.

Included in the Forest Service policies relating to landownership are the following:

“Complete land exchanges to consolidate national forest system and private, state, or local government land patterns, to permit needed urban or industrial expansion; or to make other adjustments in landownership clearly in the public interest” (Forest Service manual 5403.1(5)).

Lands proposed in this exchange do not include lands and/or activities administered by other federal, state, or local jurisdictions. Forest Service resource specialists have consulted with other federal, state, and other local jurisdictions in the documentation of their analyses that disclose environmental consequences and assist in the development of alternatives to this proposed action. Some agencies the Forest Service worked with include the South Dakota State Historic Preservation Office, South Dakota Environment and Natural Resources, and U.S. Fish and Wildlife Service.

This proposed land exchange is structured on a value-for-value basis as required in section 206(b) of the Federal Land Policy and Management Act of 1976 (FLPMA). A qualified, licensed appraiser will appraise the federal and non federal lands. The appraisal will be produced in compliance with the *Uniform Appraisal Standards for Federal Land Acquisitions* and *Uniform Standards of Professional Appraisal Practices*. Parcel P-6 is identified as an optional parcel if the values of parcels P-1 through P-5 do not fall within requirements of Section 206(b) of FLPMA. There are no federal parcels identified as optional.

The decision document will address a public interest determination and describe positive and negative effects and impacts by alternative. The feasibility analysis and agreement to initiate are located in the Indian Creek land exchange project file.

Decision to be Made

As the responsible official, the forest and grassland supervisor for the Nebraska National Forest and National Grasslands will decide whether or not to execute the proposed land exchange with or without any mitigation measures. The decision document will also include how to manage acquired non federal lands. Implementation would proceed immediately upon completion of all National Environmental Policy Act (NEPA) requirements and Forest Service appeal regulation requirements.

This decision will include, if the proposed alternative is selected to amend the 2001 LRMP to remove reference to the proposed South Pasture (777Allotment) Research Natural Area. This area is discussed in the 2001 LRMP on pages 3-18 through 3-21.

The Forest Service decision relates only to lands administered by the USDA Forest Service and will be documented in the decision notice. Decisions by other jurisdictions to issue or not issue approvals related to this proposal may be aided by the disclosure of impacts available in this document.

The Indian Creek land exchange is proposed in accordance with the final environmental impact statement (FEIS) for the 2001 LRMP, as amended. The FEIS provides discussion and analysis of alternatives for managing the forest/grassland resources over a 10- to 15-year period on the Nebraska National Forest and the Buffalo Gap National Grassland, Fall River and Wall Ranger Districts.² The 2001 LRMP establishes goals and direction for managing the forest/grassland resources, prescribes management direction for specific areas, and establishes monitoring and evaluation requirements that measure success. The 2001 LRMP represents the implementation direction for the preferred alternative under the FEIS. The 2001 LRMP is incorporated by reference in this EA. These two documents are available for review at the supervisor's office in Chadron, Nebraska, Fall River Ranger Station in Hot Springs, SD, Wall Ranger Station in Wall, SD, and on the Nebraska National Forest and Grassland website, www.fs.fed.us/r2/nebraska.

Public Involvement

An effort to solicit issues and concerns related to the proposed action was accomplished in the following manner:

- ◆ The project proposal was listed on the Nebraska National Forest internet home page under schedule of proposed actions since December 2001. The schedule of proposed actions is mailed quarterly to approximately 1,200 addresses.
- ◆ On November 5, 2004, a letter was sent to individuals, congressional and state representatives and officials, American Indian tribes, and organizations explaining the proposed Indian Creek land exchange project and requesting comments.
- ◆ A legal advertisement requesting comments on the Indian Creek land exchange proposal was published in the Rapid City Journal on November 8, 2004.

² USDA Forest Service. 2001. Final environmental impact statement for the Northern Great Plains management plans revision.

- ◆ A legal notice was published once a week for four consecutive weeks in the Rapid City Journal May 10, 17, 24, and 31, 2005 per 36 CRF 254.8 to invite the public to submit comments and concerns about the exchange proposal, including knowledge of any liens, encumbrances, or other claims involving the lands considered for exchange.
- ◆ Forest Service staff met with tribal members in 2001. Additional opportunities to meet were provided to American Indian tribal leaders, members, and representatives.

The above scoping effort generated comments from interest groups, individuals, and county commissioners. There was no response regarding claims to land ownership. Objections to and support of the proposed land exchange were received during the comment period.

Issues

Issues create the necessity for alternatives or generate the need for mitigation once a decision is made. Comments received by the public were evaluated in this document.

The Forest Service received responses from seven commentors during the public scoping process. The comments and Forest Service responses to them are found in exhibit E of this document. The following issues were generated from those public comments.

1. Loss of opportunity for rockhounding on federal land that will be transferred into private ownership.
2. Loss of tax revenues to counties where private land would be conveyed to federal ownership. This puts a burden on taxpayer and school districts.

No federal permits, licenses, or entitlements are necessary to implement this project.

There will not be discussion in this environmental assessment nor a decision made toward designation of the Indian Creek area or Red Shirt area as congressionally designated wilderness areas on the Buffalo Gap National Grassland. The 2001 LRMP discusses the recommendation for a wilderness in the Indian Creek and Red Shirt geographic areas of the Buffalo Gap National Grassland. Only the U.S. Congress has the authority, with authorizing signature of the President of the United States, to designate wilderness areas.

CHAPTER 2

ALTERNATIVES CONSIDERED

Introduction

This chapter describes the alternatives analyzed for this EA. The alternatives were developed from issues identified during scoping and from the project purpose and need.

Alternatives Considered, Including the Proposed Action

Alternative 1 - No Action

The no action alternative, which is the existing condition, provides a baseline for estimating the effects of other alternatives. Resource information collected on the federal land from records and field surveys can be used for future projects.

No lands would be exchanged between the Forest Service and Dakota Partnership.

Inefficiencies in administration of the federal lands will persist. In particular, the Forest Service would not realize improved efficiencies in prairie dog boundary management on federal land adjoining this parcel.

Federal lands identified for this exchange would remain under current management area direction of the 2001 LRMP. The federal lands could be made available for future land transaction proposals. The non federal parcels proposed for exchange would remain in private ownership for their use or disposal and continue to be subject to control by local jurisdictions.

Permits for ingress/egress access crossing national grassland will need to be authorized by the Forest Service to landowner(s). The Forest Service would need to pursue acquisition of two rights of way across private land to access federal lands. These parcels are parcel F-1 located north of French Creek and parcel P-4 in the Indian Creek drainage.

A petroleum company claims ownership of the mineral interest (subsurface ownership) that is actually in federal ownership status. This encumbrance on the mineral estate of the non federal land will need to be resolved.

Existing livestock grazing permits will not have to be adjusted. Management options for the Martin Dam allotment, located adjacent to parcel P-6, will continue to be limited.

Alternative 2 - Complete Land Exchange with the Dakota Partnership– Proposed Action

The Forest Service and Dakota Partnership would complete the proposed land exchange under current laws and regulations. The Forest Service would convey 3,801.38 acres of federal land, including mineral interests into private ownership. This land could continue to be used for grazing and other uses determined by the owner. This land will be in private ownership and be under jurisdiction of state and county ordinances and regulations.

Dakota Partnership, a South Dakota limited partnership would convey six parcels which total 2,956.40 acres, including mineral interests not outstanding to third parties, to the United States. The United States would not have to acquire one easement crossing parcel P-4 to access other federal land.

Two federal grazing allotments would be eliminated and two isolated federal parcels, F-1 and F-4, would be eliminated. Parcel P-6 would be added to the Martin Dam allotment to add grazing management options.

Parcel F-3 has a stockdam with a water right to store water filed on it. This would be exchanged into private ownership. A transfer of ownership would be executed at closing and filed with the state of South Dakota.

The South Pasture 777 Allotment Proposed Research Natural Area (RNA), parcels F-2 would be eliminated from federal ownership. This will require an amendment to the 2001 LRMP.

The lands to be acquired would be managed, as described in the decision document, under the 1.2 Recommended for Wilderness and 6.1 Rangeland with Broad Resource Emphasis management area direction identified in the 2001 LRMP.

There would be no additional cost to the United States to bring roads to agency standards or for road rehabilitation.

A petroleum company claims ownership of the mineral interest (subsurface ownership) that is actually in federal ownership status. This encumbrance on the mineral estate of the non federal land will need to be resolved.

Utilities authorized by special use permit on the national grassland will continue through execution of easements provided by the respective utility companies. Utilities located on the private lands will continue as outstanding rights as documented on the conveyance document.

Alternatives Identified and Eliminated from Detailed Study

Alternative 3 – Purchase Option

Under this alternative, the 2,956.40 acres of non federal land would be purchased from Dakota Partnership by the United States of America.

Dakota Partnership wishes to consolidate its ownership into a more efficient ranching operation for the 777 Ranch through obtaining a portion of the federal land located on the east side of the ranch headquarters. Dakota Partnership is unwilling to sell their land to the United States without obtaining the offered federal parcels. Purchase funds are also unlikely to be obtained based on past history. Funds needed to purchase land would come from the land and water conservation fund, and none are currently available for these properties.

Direct purchase of land by the United States would further the concern of tax base loss generated from public comments.

Even though these properties are important to bring into federal ownership status, they would not compete well for land and water conservation fund monies. The effects of a purchase are well understood and are reflected in this analysis.

Alternative 4 – Place Deed Restrictions on Exchanged Federal Land

The use of deed restrictions on some or the entire federal parcel to be conveyed may be appropriate when a critical resource is identified for protection. No critical resources were identified through the analysis.

Based on the fact that conveyance of the property with deed restrictions is inconsistent with policy, direction, and regulation, and since no critical resources in need of protection have been identified, this alternative was dismissed from further consideration. It is unlikely to be implemented and thus, merits no further consideration.

Table 3 is a synopsis of the issues and concerns listed in chapter 1 compared to the viable alternatives listed in this chapter.

Comparison of Alternatives

This section is a discussion of issues and agency consideration by alternative. Table 3 contains issues generated through public scoping. Table 4 lists the agency resources required to be considered in land exchanges.

Table 3. Issues generated through public scoping.

Issues and Concerns on Federal and Non Federal lands	Alternative #1 – No Action	Alternative #2 - Preferred Alt.
Recreation – Hunting and rock hounding opportunities will be lost on private land	No change from existing condition	There will be a net loss of 845.43 federal acres. There will be improved access to large existing national grassland which also provides rockhounding and hunting.
Taxable land acreage gained/lost by county	No change from existing condition	Custer County – 3,801.38 Acres exchanged to private ownership. Jackson Co. – 760.00 acres conveyed to federal ownership. Pennington County – 2,196.40 acres conveyed to federal ownership.

Table 4. Agency resources considered in this land exchange.

Issues and Concerns on Federal and Non Federal lands	Alternative #1 – No Action	Alternative #2 - Preferred Alt.
Potential to affect threatened and endangered, R2 sensitive, and management Indicator species (MIS)	Yes, no change from existing condition, which involved control of prairie dogs *	Yes , there would be a net reduction in federal acres for prairie dog control in implementing amendment #3 decision ³ to the 2001 LRMP. *
Heritage resources	No change from existing condition.	No change from existing condition.
Compliance with executive orders - floodplain and wetlands	No change from existing condition.	Yes, gain in each to the federal estate.

³ USDA Forest Service. 2008. Record of decision for Nebraska and South Dakota black-tailed prairie dog management on the Nebraska National Forest and associated units, including land and resource management plan amendment 3. On file at the Nebraska National Forest. Chadron, NE.

Issues and Concerns on Federal and Non Federal lands	Alternative #1 – No Action	Alternative #2 - Preferred Alt.
Mineral interests to be conveyed	No change from existing condition since mineral development potential is low on all parcels. Will pursue resolve third party claim of federal minerals.	Minerals not outstanding to third parties will be exchanged with surface estate. Will pursue resolve of third party claim of federal mineral. No change from existing condition since mineral development potential is low on all parcels.
Hazardous substances	None identified. No change from existing condition.	None identified. No change from existing condition.
Water rights	No change from existing condition.	One stock dam with water right filed would be conveyed by United States.
Conformance with Secretary of Agriculture's land use policy on prime farmland, rangeland, and timberland	No change from existing condition.	No change from existing condition.

* Refer to affected environment discussion of threatened and endangered, Region 2 sensitive and management indicator species in chapter 3 and biological assessment/biological evaluation (BA/BE) located in project file.

Comments received by the public are located in the project file at the Nebraska National Forest and Grasslands supervisor's office.

CHAPTER 3

AFFECTED ENVIRONMENT AND ENVIRONMENTAL CONSEQUENCES

Introduction

This chapter contains a description of the affected environment in the project area and environmental consequences of implementing the alternatives. The affected environment includes physical, biological, social, and economic conditions. The level of detail of the environmental consequences for each resource depends on the character of that resource, the scale of analysis used for that resource and the degree of effects. Additional details and analyses are referenced in the project file.

The analysis considers three types of actions: connected, cumulative, and similar; three types of effects: direct, indirect, and cumulative; and design criteria, if identified. (40 CFR 1508.25).

Connected actions are closely related and automatically trigger other actions which may require additional analysis; cannot or will not proceed unless other actions are taken previously or simultaneously; or are interdependent parts of a larger action and depend on the larger action for their justification.

There have been no connected actions identified with this proposed land exchange. While designation of the recommended Indian Creek management area as a wilderness area by the United States Congress may be perceived as a larger connected action by some commentors, any decision relating to designation of wilderness areas would be an independent action not related to this proposed land exchange.

Cumulative actions, which when viewed with other proposed actions, have cumulatively significant impacts. No cumulative actions have been identified by Forest Service resource staff in their reports for this proposed land exchange.

Similar actions, which when viewed with other reasonably foreseeable or proposed agency action, have similarities that provide a basis for evaluating their environmental consequences together, such as common timing and geography.

Land exchanges already completed by the Forest Service on the Buffalo Gap National Grassland in the same geographic area as the Indian Creek land exchange could be considered a similar action because they are a similar type of project resulting in a change in landownership. There will likely be new land exchanges proposed in this project area and across the Buffalo Gap National Grassland. Environmental consequences for other foreseeable proposed land exchanges cannot be addressed with this project.

Direct effects are caused by the action and occur at the same time and place. **Indirect effects** are caused by the proposed action and are later in time or farther removed in distance, but are still reasonably foreseeable. They are combined with direct effects in most cases.

Cumulative effects are those which result from incremental impact of the action when added to other past, present, or reasonably foreseeable future actions regardless of what agency or

person undertakes such other actions. Discussion of direct, indirect, and cumulative effects are disclosed for each resource type in this chapter.

Road System

Affected Environment

There are no forest system roads that directly traverse or access the federal parcels included in this proposed land exchange. Parcels F-1, F-2, and F-3 may be accessed from public roads, then cross-county travel through private property with landowner permission, or cross-country from adjoining federal land. Parcel F-4, being located on the east side of River Road, a Custer County maintained road. There are no forest system roads that directly traverse or access the non-federal parcels, except Parcel P-4, which has FSR 7129 traversing across it. Parcel P-3 is located adjacent to and on the south side of Scenic Basin Road, a Pennington County maintained road.

Environmental Consequences

Alternative 1 – No Action

There are no physical changes in the current road system status. Selection of this alternative would require the Forest Service to pursue easement exchanges with private property owners.

There would be direct costs to the Forest Service to pursue easement exchanges with private property owners. No cost estimates have been determined at this time. There would be no indirect or cumulative effect to this resource under alternative 1.

Alternative 2 – Proposed Action

The road systems in place meet Forest Service objectives and standards. There would be no additional cost associated with road closure, road rehabilitation, or road maintenance. The proposed land exchanges do not include system roads with known road closure orders in effect, road rehabilitation or road maintenance needs.

There are no direct, indirect, or cumulative effects to this resource under alternative 2

Wilderness and Wild and Scenic River

Affected Environment

The proposed project is not within the boundaries of any congressionally designated wilderness area. Parcels F-2 and F-3 and the non federal parcels P-1 through P-5 are within or adjoin a recommended wilderness area identified in the 2001 LRMP. There are no designated or proposed wild or scenic river corridors within the project area.

Environmental Consequences

Alternatives 1 and 2

There are no existing designated wilderness areas, or wild and scenic rivers affected under either alternative; thus there no direct, indirect, or cumulative effects to this resource

Roadless Areas

Affected Environment

The recommended Indian Creek Wilderness Area is a roadless area in accordance with the 2001 LRMP and the record of decision dated July 31, 2002.⁴ Motorized travel has been restricted in the Indian Creek area since 1984.

Environmental Consequences

Alternative 1 – No Action

The recommended Indian Creek Wilderness Area is a roadless area in accordance with the 2001 LRMP. FSR 7129 would continue to be open to motorized vehicle use per the 2001 LRMP.

There are no direct, indirect, or cumulative effects to this resource under alternative 1.

Alternative 2 – Proposed Action

Parcels P-1, P-2, P-4, and P-5 would likely be added to the recommended Indian Creek Wilderness Area in accordance with the 2001 LRMP. These parcels would enhance roadless area characteristics. FSR 7129, Indian Creek Road, would continue to be open to motorized vehicle use per the 2001 LRMP.

There are no indirect or cumulative effects to this resource under alternative 2.

Research Natural Area

Affected Environment

Parcel F-2 is located within Management Area 2.2 which is the proposed South Pasture 777 Allotment Research Natural Area (RNA). RNAs are based on plant associations and community types. This proposed RNA does not have the establishment record initiated, which would provide information toward RNA designation (2001 LRMP, pages 3-21 and K-13). RNAs are addressed in the 2002 record of decision for the 2001 LRMP on pages 25, 36-37.

⁴ USDA Forest Service. 2002. Final environmental impact statement and land and resource management plan record of decision. http://www.fs.fed.us/ngp/plan/NNF_ROD_7_16_final.pdf

Environmental Consequences

Alternative 1 – No Action

The Forest Service and Rocky Mountain Research Station could initiate the establishment record. There would be no changes to existing management practices.

There are no direct, indirect, or cumulative effects to this resource under alternative 1.

Alternative 2 – Proposed Action

Dakota Partnership has stated they will continue to manage this area for raising bison.

An amendment to the 2001 LRMP would have to be made to delete reference to this proposed RNA with the decision to proceed with this land exchange. The Forest Service will involve interested people and organizations in all amendment processes. This notification process has been initiated with the initial scoping of this land exchange, publication of legal notices in the newspaper of record, and scoping letters to interested people and organizations. This will continue with offering this draft document for public comment as required in the National Environmental Policy Act.

There are no indirect or cumulative effects to this resource under alternative 2.

Recreation

Affected Environment

The project area on the Wall Ranger District and on the Fall River District offers a variety of dispersed recreation activities including hunting, camping, trail riding, off road vehicle travel, rockhounding, and hiking. There are no developed recreation sites within the project area.

Environmental Consequences

Alternative 1 – No Action

The 160 acres of federal lands in Parcel F-1 would continue to be unavailable for the public's recreational use due to lack of legal access. Recreational use of the federal land proposed for exchange will continue to be low due to the remote location from public roads and limited non-motorized access. The public would continue to use parcel F-2 for rockhounding.

There are no direct, indirect, or cumulative effects to this resource under alternative 1.

Alternative 2 – Proposed Action

There will be an overall net loss of 844.98 acres of federal land for public recreation on the Buffalo Gap National Grassland with completion of this land exchange.

All lands acquired by the United States would be available for public use for public recreation. All non federal parcels will increase public recreation opportunity, with parcels P-3 and P-4 having motorized vehicle access from public roads. The other non federal parcels will have nonmotorized recreational access as there are no public or forest system roads accessing them.

The United States would be acquiring lands along the Cheyenne River. The United States would acquire approximately 1 mile of river frontage and would exchange out of lands that have little to no perennial streams for public riverine recreation.

Two isolated federal parcels, parcels F-1 and F-4, would be conveyed into private ownership and not available for public recreation. Parcel F-1 did not have public access except for non-motorized travel along section lines per state statute. Parcel F-4 does have access from public roads. Rockhounding and other recreational uses would be displaced from parcels F-1 through F-4 and onto other federal lands in this geographic area or in other public lands.

Two parcels of federal land, F-2 and F-3, have no motorized traffic and limited nonmotorized vehicle use and would be conveyed into private ownership.

There are no indirect or cumulative effects to this resource under alternative 2.

Hazardous Materials

Affected Environment

Federal and non federal properties proposed for exchange have been inspected in conformance with the Resources Conservation and Recovery Act of 1976 (RCRA --- 42 USC 6901 et seq.), the Comprehensive Environmental Response Compensation and Liability Act of 1980 (CERCLA --- 42 USC 9607, et seq.), CERCLA requirements of section 107 (42 USC 9607) and section 102 (42 USC 9620(h)), and U.S. Environmental Protection Agency (EPA) rules (40 CFR 373). There are no known hazardous materials on the properties. There are no petroleum products or evidence of past industrial use on the federal or non federal lands.

Environmental Consequences

Alternatives 1 and 2

All properties, federal and non federal, proposed for exchange or purchase in this document were inspected for the past or present presence of hazardous materials as required by regulation. No evidence was found to indicate a presence of hazardous materials or petroleum products.

There are no direct, indirect, or cumulative effects to this resource under either alternative.

Cultural/Archeological Resources

Affected Environment

The Buffalo Gap National Grassland is rich in cultural history. The Forest Service archaeologist and contracted archaeologists have surveyed the federal lands proposed for exchange as required by law and regulation. There are no known sites eligible for the National Register of Historic Places on the federal land. South Dakota state historic preservation officer has concurred with the forest archeologist's determination that historic properties are affected by this project and will be mitigated as directed.

Environmental Consequences

Alternative 1 – No Action

Federal lands have been surveyed. Information gathered for the report will be available for future agency management activities and projects.

There are no direct, indirect, or cumulative effects to this resource under alternative 1.

Alternative 2 – Proposed Action

A report was completed and forwarded for concurrence to the South Dakota State Historic Preservation Office (SHPO). South Dakota state historic preservation officer has concurred with the forest archeologist's determination that no historic properties are affected by this project. Heritage resource surveys would need to be completed on the non federal parcels after they are in federal ownership.

There are no direct, indirect, or cumulative effects to this resource under alternative 2.

Traditional Cultural Property

Affected Environment

American Indian tribes were notified of the project through the public involvement efforts. Tribes were specifically invited to the federal parcels to offer input on this proposed land exchange. There may be sites important to certain American Indian tribes that were not disclosed to the Forest Service or archeologists in their research. Dakota Partnership will allow nonmotorized access to tribal members of federally recognized American Indian tribes to visit parcel F-2 if the land exchange is completed as proposed.

Environmental Consequences

Alternative 1 – No Action

There are no direct, indirect, or cumulative effects to this resource under alternative 1.

Alternative 2 – Proposed Action

Dakota Partnership will allow nonmotorized access to tribal members of federally recognized American Indian tribes to visit parcel F-2 if the land exchange is completed as proposed.

There are no indirect or cumulative effects to this resource under alternative 2.

Paleontological Resources

Affected Environment

Direction under the-2001 LRMP is to:

- ◆ Protect from disturbance key paleontological resources to conserve scientific, educational, interpretive, and legacy values. (2001 LRMP page 1-13 and LRMP appendix J).
- ◆ Conduct paleontological surveys prior to ground-disturbing activities.

The regional paleontologist has reviewed the parcels and recommended the proposed land exchange proceed as potential for this resource on all parcels, federal and non federal, are similar.

Environmental Consequences

Alternatives 1 and 2

Federal lands have been surveyed. A paleontologist conducted surveys of all the federal lands proposed for exchange under this project. The likelihood of many significant fossils is low. The regional paleontologist concurred with the recommendations from the field report.

There are no direct, indirect, or cumulative effects to this resource under either alternative.

Threatened, Endangered, Region 2 Sensitive Species, and Management Indicator Species (MIS)

Affected Environment

The Endangered Species Act of 1973, regional direction, and the Nebraska National Forest 2001 LRMP directs the Forest Service to assess potential affects of all proposed projects on federally listed threatened and endangered species and regionally listed sensitive species. These evaluations include direct, indirect, and cumulative effects. The effects, expressed as biological determinations, are based on the assumption that the standards and guidelines in the 2001 LRMP are fully implemented and strategically located to benefit species at risk.

To streamline the process, any species that meets one or more of the following criteria (screens) is subsequently eliminated from further analyses:

- ◆ **Screen 1 - (Importance of area).** Presence of the species or suitable habitat is doubtful or has not been documented.
- ◆ **Screen 2 - (Threats).** The species or potential habitat for the species may occur, but it's highly unlikely that land uses and allocations authorized by the Forest Service would affect the species and/or its habitat either on NFS lands or downstream.

On August 12, 2005, the Forest Service requested a list of threatened, endangered, and proposed species that may be present in the project area from the U.S. Fish and Wildlife Service (FWS). The list of species is presented in the following table. On September 9, 2005, the biological assessment was sent to the FWS. Concurrence with the findings in the

report was received via email on October 17, 2005. The whooping crane and least tern were not further analyzed because they met the criteria under screen 2 (threats); the black-footed ferret and bald eagle were both given a determination effect of “*May affect, not likely to adversely affect*” under the proposed action.

Table 5. Federally listed species located on NFS lands in the project area.

Common Name	Scientific Name	ESA Status	Occurrence within the Indian Creek Land Exchange Area
Black-footed ferret	<i>Mustela nigripes</i>	Endangered	Not known to exist in the prairie dog colonies involved in the land exchange.
Whooping crane	<i>Grus americana</i>	Endangered	A rare migrant; may stop in the area.
Least tern	<i>Sterna antillarum</i>	Endangered	Marginal habitat along the Cheyenne River
Bald eagle	<i>Haliaeetus leucocephalus</i>	Threatened	Resident on the Cheyenne River

A list of region 2 (R2) sensitive species that could occur within the project area is provided in the following table. The table also lists which species are present on the Fall River Ranger District and which ones have the potential to be affected by the project. “Potential effects” can be positive or negative in relation to the direct or indirect effects on the species or their habitat. This is the first step in the process of evaluating these species. Species that meet one of the screening criteria are eliminated from further evaluation in the environmental consequences section.

Table 6. R2 sensitive species located on NFS lands in the project area.

Common Name	Status within the Indian Creek Land Exchange Area
Fringed myotis (<i>Myotis thysanodes</i>)	Bat surveys were conducted in the Indian Creek area – Not found
Townsend’s big-eared bat (<i>Corynorhinus townsendii</i>)	Bat surveys were conducted in the Indian Creek area – Not found
Black-tailed prairie dog (<i>Cynomys ludovicianus</i>)	Known to inhabit the lands involved with the exchange.
Swift fox (<i>Vulpes velox</i>)	Habitat present. Local inhabitant. No on-site surveys.
American bittern (<i>Botaurus lentiginosus</i>)	Marginal habitat present. No on-site surveys
Greater prairie-chicken (<i>Tympanuchus cupido</i>)	Out of the current range of this species.
Yellow-billed cuckoo (<i>Coccyzus americanus</i>)	Habitat present. Local inhabitant. No on-site surveys
Long-billed curlew (<i>Numenius americanus</i>)	Habitat present. Local inhabitant. No on-site surveys.
American peregrine falcon (<i>Falco peregrinus anatum</i>)	Rare migrant to the area.
Northern goshawk (<i>Accipiter gentilis</i>)	Marginal habitat present. One bird was observed on the Cheyenne River.
Greater sage grouse (<i>Centrocercus urophasianus</i>)	No habitat
Northern harrier (<i>Circus cyaneus</i>)	Habitat present. Local inhabitant. No on-site surveys.

Common Name	Status within the Indian Creek Land Exchange Area
Ferruginous hawk (<i>Buteo regalis</i>)	Habitat present. Local inhabitant. No on-site surveys.
Chestnut-collard longspur (<i>Calcarius ornatus</i>)	Habitat present. Local inhabitant. No on-site surveys.
McCown's longspur (<i>Calcarius mccownii</i>)	Out of the current range of this species.
Short-eared owl (<i>Asio flammeus</i>)	Habitat present. Local inhabitant. No on-site surveys.
Burrowing owl (<i>Athene cunicularia</i>)	Habitat present. Local inhabitant. No on-site surveys.
Mountain plover (<i>Charadrius montanus</i>)	Marginal habitat present. One bird was observed on the Conata Basin.
Loggerhead shrike (<i>Lanius ludovicianus</i>)	Habitat present. Local inhabitant. No on-site surveys.
Brewer's sparrow (<i>Spizella breweri</i>)	No habitat
Grasshopper sparrow (<i>Ammodramus savannarum</i>)	Habitat present. Local inhabitant. No on-site surveys.
Trumpeter swan (<i>Cygnus buccinator</i>)	Marginal habitat present. No on-site surveys
Black tern (<i>Chlidonias niger</i>)	No habitat
Lewis' woodpecker (<i>Melanerpes lewis</i>)	Marginal habitat present. Not observed on the Cheyenne River surveys
Plains leopard frog (<i>Rana blairi</i>)	Habitat present. Questionable local inhabitant. No on-site surveys.
Northern leopard frog (<i>Rana pipiens</i>)	Habitat present. Local inhabitant. No on site surveys.
Sturgeon chub (<i>Macrhybopsis gelida</i> , syn. <i>Hybopsis gelida</i>)	Habitat present. Not found in Cheyenne River fish surveys
Plains minnow (<i>Hybognathus placitus</i>)	Habitat present. Not found in Cheyenne River fish surveys
Flathead chub (<i>Platygobio gracilis</i>)	Habitat present. Local inhabitant.
Regal fritillary butterfly (<i>Speyeria idalia</i>)	Habitat present. Local inhabitant. No on-site surveys.
PLANTS	
Barr milkvetch (<i>Astragalus barrii</i>)	Habitat present. Local inhabitant. No on-site surveys.
Dakota wild-buckwheat (<i>Eriogonum visherii</i>)	Habitat present. Local inhabitant. No on-site surveys.

All species eliminated from further analysis have a “no impact” biological determination.

The following species met screen 1 (importance of area): Lewis' woodpecker, trumpeter swan, mountain plover, greater sage grouse, northern goshawk, American peregrine falcon and greater prairie chicken.

The following species met screen 2 (threats): Townsend’s big-eared bat, fringed myotis, American bittern, black tern, sturgeon chub, plains minnow and flathead chub.

Under the no action alternative, a “*no impact*” determination is made for all species that could potentially occur in the project area and may be affected by the land exchange. For the proposed action, a “*beneficial impact*” is made for the yellow-billed cuckoo, burrowing owl, loggerhead shrike, Barr milk vetch and Dakota wild buckwheat; a “*may adversely impact individuals, but not likely to result in a loss of viability on the project area, nor cause a trend to federal listing or a loss of species viability range wide*” is made for the black-tailed prairie dog, swift fox, long-billed curlew, northern harrier, ferruginous hawk, chestnut-collard longspur, short-eared owl, grasshopper sparrow, northern leopard frog, plains leopard frog and regal fritillary.

Since the writing of the biological evaluation, the R2 sensitive species list has changed slightly with the addition of the Rocky Mountain bighorn sheep and bald eagle (added to the R2 list after de-listing). The bighorn sheep falls under screen 1 (importance of area) and is not further analyzed. The bald eagle would subsequently receive a determination of “*no impact*” for the no action alternative and a “*may adversely impact individuals, but not likely to result in a loss of viability on the project area, nor cause a trend to federal listing or a loss of species viability rangewide*” determination for the proposed action.

Management Indicator Species (MIS)

Sharp-tailed grouse (*Tympanuchus phasianellus*) are the MIS for wheatgrass-grama grass habitat type on the forest and are very common on the land exchange area. Sharp-tailed grouse need high levels of cover for nesting and brood rearing; they also use woody habitat extensively in the winter. There will be a net loss of 150 acres of potential high structure grassland habitat with the proposed action, resulting in a determination of “*may adversely impact individuals, but not likely to result in a loss of viability on the project area, nor cause a trend to federal listing or a loss of species viability rangewide*” is made for the species. For the no action alternative, the determination is “*no impact.*”

Environmental Consequences

Alternatives 1 and 2

Individual species have been evaluated based on the habitat potential of the respective properties involved in the exchange proposal. See discussion of specific habitats discussed below for the predicted impact to specific species.

This proposed land exchange can facilitate implementation of the black-tailed prairie dog conservation and management plan record of decision by reducing the federal land buffer acreage of poisoning of prairie dogs adjacent to private lands.

Habitats within the Project Area

The effects of a land exchange on any of the species considered is the difference in the potential habitat for that species between the federal and non federal lands offered in the exchange. There are five habitats types in the Indian Creek land exchange: 1) mixed grass prairie; 2) woodlands, which include cottonwood (*Populus deltoides*) floodplains, juniper

(*Juniperus scopulorum*) and upland deciduous woodlands; 3) aquatic habitat; 4) wetlands; and 5) prairie dog colonies. The habitats are listed below with a short description of the vegetation and the importance to different species.

The U.S. Fish and Wildlife Service reviewed the biological assessment prepared by the district wildlife biologist and concurred with the determinations made in the report. Information gathered for the report will be available for future agency management activities and projects. (Note: Some of the acreage figures in the following habitat discussions overlap which means total numbers cannot always be added. This would result in a discrepancy with the total acres proposed in the exchange.)

Mixed Grass Prairie

Affected Environment

The mixed grass prairie is the dominant feature on the landscape in the study area. Wildlife species that use the grassland can be divided into several categories. First are species that prefer tall grass. Western wheatgrass (*Pascopyrum smithii*) and green needlegrass (*Nassella viridula*) are the primary tall growing component of the mixed grass prairie. Sensitive species that prefer this cover include greater prairie chicken, northern harrier, short-eared owl, grasshopper sparrow, and regal fritillary butterfly. The management indicator species for this habitat is the sharp-tailed grouse. Second are species that prefer short grass. Buffalograss (*Buchloe dactyloides*) and blue grama grass (*Bouteloua gracilis*) are the main components of the short grass part of the mixed grass prairie. The sensitive species that prefer short grasses include swift fox, black-tailed prairie dog, chestnut-collared longspur, western burrowing owl, and mountain plover. The management indicator species for this habitat is the black-tailed prairie dog. The last group is the generalist species that do well in both components of the mixed grass prairie or prefer a mosaic of tall and short grass species; they are the ferruginous hawk and long-billed curlew.

The grassland habitat land exchange sites are variable. The range sites involved in the exchange include badlands overflow, loamy overflow, loamy terrace, clayey, sandy, silty, dense clay, shallow clay, thin upland, thin claypan, claypan, very shallow, and badlands. Each site varies in species composition and potential production.

Badlands overflow, loamy overflow, and loamy terrace occur on nearly level to gently sloping lands that receive stream overflow or runoff from higher lands. These are the most productive sites in the area, with the potential annual production during an average year being between 2,100 and 2,800 pounds per acre. The dominant vegetation in these areas in late seral stage is a western wheatgrass, green needlegrass mixture with an understory of blue grama, buffalograss, and sedges (*Carex sp.*). There is also a possibility of many tall grass species like big bluestem (*Andropogon gerardii*), switch grass (*Panicum virgatum*), and prairie sandreed (*Calamovilfa longifolia*) occurring on these sites. Some of these sites have the potential for shrubs and trees. Woody vegetation is present on some of these sites.

Clayey, sandy, silty and shallow clay/clayey complex range sites occur on rolling uplands. These range sites are capable of producing from 1,600 to 2,000 pounds per acre in average moisture conditions depending on the range condition and moisture. The vegetative cover in late seral stage in the pure clayey site is a mixture of western wheatgrass and green

needlegrass with an understory of blue grama, buffalograss, and sedges. In early seral stage, there will be a sod of buffalo grass and blue grama. With severe overuse, the sod can give way to little barley (*Hordeum pusillum*) and cactus.

Silty, sandy, sands range sites are similar in species composition and production to the clayey range sites and will be grouped with the clayey sites for the rest of this document. The shallow clay / clayey complex range site exist as inclusions of shallow clay range site in the clayey sites. In the area of the land exchange, it is very difficult to distinguish this complex from the clayey range site. Robel pole readings in the area have shown that this complex will produce vegetation similar to the clayey sites. In this analysis, all of this complex will be treated as if they were clayey range sites.

Dense clay, shallow clay, thin upland, thin claypan, very shallow and badlands range sites are less productive. Maximum production is 1,500 pounds per acre. On the shallow clay sites in late seral, there is a mixture of cool and warm season grasses (needle and thread, western wheatgrass, little bluestem, and sideoats grama (*Bouteloua curtipendula*) with an understory of blue grama and sedges. In the early successional stages, the shallow clay sites dominant plants are blue grama and sedges. With severe overuse, they can become bare and subject to erosion.

Clayey, silty, sandy and overflow sites have the potential to produce more vegetative cover suitable for species that prefer high levels of cover. A sharp-tailed grouse nesting study conducted on the Fort Pierre National Grassland found the birds need a minimum of 1,350 pounds per acre production to hide their nests.⁵ With a maximum production for claypans, thin uplands, and shallow sites of 1,500 pounds per acre in most years, these range sites will not produce enough vegetation to meet the habitat requirements of these species that prefer high levels of cover. The following table presents the number of acres involved in the land exchange and further breaks down these areas into the different range sites.

Table 7. Range sites in proposed action and their potential production.

Range Site	Federal to Private (acres)	Private to Federal (acres)	Net to Federal Estate (acres)
Badlands Overflow		163	163
Badlands Overflow / Silty / Clayey		61	61
Loamy Terrace		199	199
Loamy Overflow	76	32	-44
Clayey	1,285	30	-1,255
Clayey / Thin Claypan	170	69	-101
Sandy		43	43
Sands	82	243	161
Silty	435	292	-143
Silty Claypan		579	579
Shallow Clay / Clayey	427	614	187
Potential Production Greater than 1,500 lbs per acre (average moisture)	2,475	2,325	-150

⁵ Rice, L.A. and A.V. Carter. 1984. Evaluation of South Dakota management practices as they affect prairie chicken populations. PR completion report #84-11. S.D Game Fish & Parks.

Range Site	Federal to Private (acres)	Private to Federal (acres)	Net to Federal Estate (acres)
Dense Clay / Shallow Clay		106	106
Shallow Clay		192	192
Shallow Clay / Badlands		90	90
Thin Upland	402	158	-244
Potential Production Greater than 1,500 lbs per acre (average moisture)	2,475	2,325	-150
Thin Upland / Shallow Clay	805		-805
Thin Claypan	89	42	-47
Claypan	30		-30
Very Shallow		43	43
Potential Production Less than 1,500 lbs per acre (average moisture)	1,326	631	-695
Overall Total	3,801	2,956	-845

Environmental Consequences

Alternative 1 – No Action

There would be no direct, indirect, or cumulative effect on the TES, sensitive species, MIS, or their habitats under alternative 1.

Alternative 2 – Proposed Action

Alternative 2 would result in a net decrease in the following:

- ❖ 845 acres of grassland habitat.
- ❖ 150 acres of federal lands capable of producing high levels of cover.
- ❖ 695 acres of federal lands with low production potential.

With the net loss of 845 acres of grassland habitat, both short and tall structure species will be negatively affected. The impact determination of the biological evaluation/biological assessment is: “*may adversely impact individuals, but not likely to result in a loss of viability on the project area, nor cause a trend to federal listing or a loss of species viability range wide*” for the black-tailed prairie dog, swift fox, long-billed curlew, northern harrier, ferruginous hawk, chestnut-collared longspur, short-eared owl, grasshopper sparrow, regal fritillary and sharp-tailed grouse.

There are 76 acres of land that will move from federal to private ownership and 455 acres that will move from private ownership to the federal estate in clayey, sandy, silty and shallow clay/clayey complex range sites.

There are 2,399 acres of land that will move from federal to private ownership and 1,870 acres that will move from private ownership to the federal estate in silty, sandy, sandy range sites.

There are 1,326 acres of land that will move from federal to private ownership and 631 acres that will move from private ownership to the federal estate in dense clay, shallow clay, thin upland, thin claypan, very shallow and badlands range sites.

There are no indirect or cumulative effects to this resource under alternative 2.

Cottonwood Floodplain / Juniper Breaks / Upland Deciduous Woodlands

Affected Environment

The cottonwood habitat type occurs in the bottom of the larger drainages in the area. Cottonwoods in these areas vary from scattered mature trees to fairly dense younger stands with some willows (*Salix spp.*) and green ash (*Fraxinus pennsylvanica*) interspersed.

The juniper habitat type typically occurs in steep, dry, rocky or sandy hillsides in canyons draws and wash areas. Distribution varies from occasional single trees to large dense groups.

The upland deciduous woodland habitat type occurs in draws and drainages throughout the rolling grassland prairie. Cottonwood, green ash, wild plum (*Prunus americana*) and chokecherry (*Prunus virginiana*) are frequently found in these areas. In high seral stages, these areas exhibit a fairly dense stand of trees in different size and age classes; the same is true for the shrub understory.

The woodland habitat areas are used by a variety of wildlife. These areas provide a unique structural component to the surrounding prairie. The trees and shrubs provide food and cover for many species of birds and mammals.

Collectively, the woody habitat types that will be involved in the land exchange are juniper breaks, cottonwood floodplains, and upland deciduous woodlands.

Table 8. Woodland summary table.

Woodland Habitat Type	Federal to Private (acres)	Private to Federal (acres)	Net to Federal Estate (acres)
Juniper breaks	0	35	35
Cottonwood floodplain	37	336	299
Upland deciduous woodlands	8	0	-8

Environmental Consequences

Alternative 1 – No Action

There would be no direct, indirect, or cumulative effect on the TES, sensitive species, MIS, or their habitats under alternative 1.

Alternative 2 – Proposed Action

Quality and quantity of the acquired habitat exceeds that of the conveyed habitat under this alternative. Alternative 2 would result in the following net gain to the federal estate:

- ✧ 336 acres of cottonwood floodplain.
- ✧ 35 acres of juniper woodland habitat.

There will be a net loss of 8 acres of deciduous woodland habitat to the federal estate.

There is a significant increase in cottonwood riparian habitat as well as juniper breaks. Species that desire that type of habitat should benefit from the land exchange. The determination of the biological evaluation/biological assessment is: “*beneficial impact*” for the yellow-billed cuckoo, and loggerhead shrike.

There are no indirect or cumulative effects to this resource under alternative 2.

Black-tailed Prairie Dog Colonies

Affected Environment

Black-tailed prairie dog colonies are a unique habitat that occurs across the Buffalo Gap National Grassland. Prairie dogs tend to clip all tall herbaceous vegetation down in the vicinity of the colony creating low structure grasslands. Prairie dog colonies are biologically rich; the prairie dog has been described as being a keystone species since it creates habitat for a variety of other species. Prairie dog burrows provide habitat for many species including the burrowing owl (R2 sensitive species). Any sensitive species that is attracted to shortgrass prairie would also be attracted to the low structure habitat created by the prairie dogs. Also, the abundance of animals found on prairie dog colonies (including the prairie dogs themselves), attracts a large array of predators including the black-footed ferret (endangered species), bald eagle, swift fox, northern harrier, ferruginous hawk, and short-eared owl (sensitive species).

Table 9. Number and acres of prairie dog colonies.

	Federal to Private	Private to Federal	Net # to Federal Estate
# of Prairie Dog Colonies	2	4	2
Active Prairie Dog Acres	22	140	128

Environmental Consequences

Alternative 1 – No Action

There would be no direct, indirect, or cumulative effect on the TES, sensitive species, MIS, or their habitats under alternative 1.

Alternative 2 – Proposed Action

There will be a net gain of 118 acres in active prairie dog colonies with the potential for expansion on the federal lands. There are 150 acres of adjacent active colonies on the grasslands that will be retained and when combined with the private parcels, total prairie dog acreage will be around 290 acres. The prairie dog colony in the western part of parcel P2

between the Cheyenne River and the buttes to the east has the potential to expand another 200 acres in size.

The gain in active prairie dog habitat with the potential for expansion should positively affect species that are tied to prairie dogs. The determination of the biological evaluation/biological assessment is: “*beneficial impact*” for the burrowing owl.

There are no indirect or cumulative effects to this resource under alternative 2.

Stockdams / Wetlands Habitat

Affected Environment

The wetland habitats in the land exchange area that have the most influence on wildlife are the stockdams. The dams were created to supply water for cattle, but they also provide valuable habitat for many species of wildlife if they have diverse emergent and submergent vegetation. Depending upon the level of livestock grazing, these stock ponds can be completely or partially devoid of vegetation or have an emergent zone of cattails or bulrushes and submergent vegetation. Cattle grazing can cause the emergent vegetation to disappear, thus reducing the habitat suitability of the dam to many species of wildlife.

R2 sensitive species which may be found in these wetlands/stockdams within the land exchange area are the American bittern, trumpeter swan, and northern leopard frog.

Table 10. Number of stockdams and acres of potential wetlands created by the stockdams.

	Federal to Private	Private to Federal	Net # to Federal Estate
# of Stockdams	7.0	5.0	-2.0
# of acres of potential wetland	12.8	4.9	-7.9

Environmental Consequences

Alternative 1 – No Action

There would be no direct, indirect, or cumulative effect on the TES, sensitive species, MIS, or their habitats under alternative 1.

Alternative 2 – Proposed Action

There will be a net loss of 2 stockdams (approximately 8 acres) to the federal estate. Species that utilize wetlands may be negatively affected if there is a change in management activities on the federal lands once they are exchanged into private ownership. Dakota Partnership has indicated that there would not be a change in land management activities from the existing use. The impact determination of the biological evaluation/biological assessment is: “*may adversely impact individuals, but not likely to result in a loss of viability on the project area, nor cause a trend to federal listing or a loss of species viability range wide*” for the northern leopard frog and plains leopard frog.

There are 7 stockdams that have the potential to create approximately 13 acres of wetlands on the federal lands that would become private and 5 stockdams that have the potential to create approximately 5 acres of wetlands on the private lands that will become national grassland. All of the dams on both sides of the exchange are less than 6 acres in size.

There are no indirect or cumulative effects to this resource under alternative 2.

Aquatic Habitat

Affected Environment

The aquatic habitat on the Fall River District includes any perennial stream or river, stockdam, lake or body of water capable of supporting fish. There are three fish species that are federally listed, R2 sensitive, or MIS: sturgeon chub, plains minnow, and flathead chub.

The Cheyenne River adjoins a portion of the non federal land involved in the land exchange. Two surveys have been completed on Rapid Creek and one on the Cheyenne River (USFWS and Biological Services, Inc.). Both surveys found the flathead chub but not the sturgeon chub or the plains minnow.

Environmental Consequences

Alternative 1 – No Action

There would be no direct, indirect, or cumulative effect on the TES, sensitive species, MIS, or their habitats.

Alternative 2 – Proposed Action

Approximately 1.7 miles on the east side of the Cheyenne River would become federal land, which will result in the Forest Service owning both sides of the river for about 1.2 miles.

Species that utilize the river (e.g., sturgeon chub, plains minnow and flathead chub) were screened-out according to screen 2 (threats) since there is little that would change in regards to management.

There are no indirect or cumulative effects to this resource under alternative 2.

Wetlands and Flood Plains

Affected Environment

The Forest Service has surveyed and evaluated both the federal and non federal lands in compliance with Executive Order 11988 (floodplain management) and Executive Order 11990 (protection of wetlands).

Parcel F-4 and non federal parcels P-1 thru P-5 are located within the Cheyenne River watershed and floodplain. Parcels F1, F-2, and F-3 are located within the French Creek drainage. Parcel F-2 does have some floodplain characteristics. Parcel P-2 has the most

designated floodplain characteristics. Parcel P-6 is located within the Bad River drainage but has no floodplain characteristics.

Table 11. Acres of wetlands and floodplains by landownership.

Wetland/Floodplains within offered lands	BGNG – Federal Land	Non federal Land	Net # to Federal Estate (acres)
Floodplains	47 acres	336 acres	289
Wetlands	4.2 acres	5.7 acres	1.5

Environmental Consequences

Alternative 1 – No Action

Under this alternative, there is no conflict with Executive Orders 11988 and 11990 regarding wetlands and floodplains. Information from the completed surveys can be used for other agency management projects and activities.

There are no direct, indirect, or cumulative effects to this resource under alternative 1.

Alternative 2 – Proposed Action

There is a direct effect to this resource under this alternative. The United States would acquire a net of 1.5 acres of classified wetlands and a net of 289 acres of floodplain. As determined by a hydrologist, the exchange is consistent with E.O. 11988 (floodplains management) and E.O.11990 (protection of wetlands), agency regulations, and Forest Service manual direction.

There are no indirect or cumulative effects to this resource under alternative 2.

Water Rights

Affected Environment

According to staff in the SD Department of Environment and Natural Resources water rights program, there is one water right filed on parcel F-3. The other stockdams, located on parcels F-2 and F-3, have location notices file on them with the state of South Dakota Department of Environment and Natural Resources. Although they have location notices filed on them, there were no water rights filed. There have been no water rights filed on the any of the non federal parcels. Water rights and uses will be considered in the land valuation process.

Environmental Consequences

Alternative 1 – No Action

Under alternative 1, there would be no change in status of filed water rights or location notices on the federal land.

Alternative 2 – Proposed Action

One water right would be conveyed with surface ownership of parcel F-3.

There are no indirect or cumulative effects to this resource under alternative 2.

Range Resource Management

Affected Environment

Federal and non federal lands proposed for exchange under this project are made up of badland, mixed grass native prairie habitat, and crested wheatgrass.

The federal lands proposed for exchange are currently located within the Hasselstrom allotment, (parcel F-1), and Triple 7 allotment (parcels F-2 & F-3). Parcel F-4 is called the National Grassland Area (NGA) #2 allotment. The Hasselstrom and NGA #2 allotments are single pasture allotments while the Triple 7 allotment is included in a three-pasture allotment management.

The following clarifications apply to tables 12, 13, and 14.

- ◆ **Range condition** is determined under procedures developed by the Natural Resource Conservation Service (formerly Soil Conservation Service).⁶
- ◆ **Range site** is defined as an area of rangeland where climate, soil, and relief are sufficiently uniform to produce a distinct natural plant community. It is the product of all the environmental factors responsible for its development. It is typified by an association of species that differs from those on other range sites in kind or proportion of species or total production.
- ◆ **The acres of range site by condition** are approximate. Acres were acquired from the forest database in its GIS system, and the land description verification forms. Variation from total actual acreages is due to many factors, including human error and acres now covered with water within stockdams and/or reservoirs.

Table 12. Range analysis data for the land within Hasselstrom allotment, parcel F-1

Condition	Range Site	Acres	Percent by Acres
Excellent	Thin Upland	6	4
Crested Wheatgrass	Crested Wheatgrass	156	96
Total		162	100

Table 13. Range analysis data for the land within Triple 7 allotment, parcels F-2 and F-3.

Condition	Range Site	Acres	Percent by Acres
Unsuitable	Badland	48	1.5
Good	Clayey	1,320	39
	Thin Clay Pan	79	2
	Thin Upland	1,212	36
	Silty	343	10
Fair	Shallow Clay	300	9
	Clay Pan	31	1
Excellent	Silty	48	1.5
Total		3,381	100

⁶ Natural Resource Conservation Service. 1993. South Dakota technical guide- western tech guide area- section II - rangeland, grazed forestland, native pastureland interpretations.

Table 14. Range analysis data for the land within NGA #2 allotment, parcel F-4.

Condition	Range Site	Acres	Percent by Acres
Good	Clayey	5	3
	Shallow Clay/Clayey	73	44
	Silty	23	14
Fair	Shallow Clay	57	35
	Dense Clay	6	4
Total		164	100

All of parcel P-1 and a majority of P-2 are included in the Big Corral allotment under a term private land grazing permit. Parcels P-3, P-4, and P-5 are grazed in the Indian Creek allotment as federal land under a term private land grazing permit. Parcel P-6 is fenced out from adjoining federal land and is grazed under agreement between Dakota Partnership and an adjacent private landowner. This grazing will be terminated at or before closing.

Range analysis data for the non federal parcels is not separated from the allotments as a whole. The estimated grazing capacity on the private parcels is a total of 1,042 AUMs. This is based upon the term private land grazing permits issued to Dakota Partnership for parcels P-1 through P-5 and the capacity in the lease agreement for parcel P-6. The grazing capacity for the portion of parcel P-2 not under private term grazing permit was estimated using Natural Resource Conservation Service (NRCS) methodology.⁷ Range analysis would be completed on these parcels after they are in federal ownership.

The proposed land exchange involves part or all of the permits for the Hasselstrom, Triple 7, and NGA #2 allotments. The current grazing permit numbers are as follows:

- ◆ Hasselstrom allotment, parcel F-1 is currently vacant. Thirty -three animal unit months (AUMs) were formerly permitted.
- ◆ Triple 7 allotment, parcels F-2 and F-3 is currently active. It is permitted to the Dakota Partnership for 964 AUMs.
- ◆ NGA #2 allotment parcel F-4 is currently active. It is permitted for 27 AUMs.
- ◆ Grazing is authorized for 1,024 AUMs for these federal allotments.

Parcel P-6 could be included in the Martin Dam allotment grazing rotation. The rest of the non federal parcels would continue to be included in their respective existing allotments with no change to their status or rotation.

⁷ Natural Resource Conservation Service. 1993. South Dakota technical guide- western tech guide area- section II - rangeland, grazed forestland, native pastureland interpretations.

Table 15. Summary of AUM changes for the Indian Creek land exchange.

Proposed Federal Parcels			Proposed Private Parcels		
Allotment Name	Parcel Number	Permitted AUMs	Allotment Name Term Private Land Grazing Permit	Parcel Number	Permitted AUMs
Hasselstrom	F-1	33	Big Corral	P-1 & P-2	550
Triple 7	F-2 & F-3	964	Indian Creek	P-3, 4. 5	122
NGA #2	F-4	27	Subtotal		672
TOTAL Federal AUMs		1,024	Private Lease*	P-6	250
			Portion P-2 Pvt. Lease**	P-2	120
			TOTAL Private AUMs		1,042

TOTAL Net Change in Federal AUMs: 1,042 – 1,024 = + 18 AUMs

*AUMs based on private lease agreement between Dakota Partnership and adjacent private landowner, 760 acres not to exceed 250 AUMs.

**A portion of P-2, approximately 360 acres along Cheyenne River floodplain, is fenced separately from acres under term private land grazing permit, and is used under a private lease agreement between Dakota Partnership and adjacent private landowner. Grazing capacity estimated at 120 AUMs using NRCS methodology.⁸

Environmental Consequences

Alternative 1 – No Action

The Triple 7 (parcels F-2 and F-3), Hasselstrom (parcel F-1), and NGA #2 (parcel F-4) allotments would continue to be managed under the current permits and allotment management plans.

There are no direct, indirect, or cumulative effects to this resource under alternative 1.

Alternative 2 – Proposed Action

Six hundred and forty acres of non federal land within the Indian Creek allotment would be converted to federal landownership. Approximately 1,150 acres of non federal land within the Big Corral allotment would be converted to federal landownership.

The Triple Seven allotment will be in non federal ownership. Currently there are approximately 1,300 acres of non federal land included in this pasture. The pasture will become private land.

Current stocking and season of use would not change on the federal allotments where the non federal parcels are located. Any change would be analyzed when the allotment management plans for these allotments are updated.

Federal lands conveyed to Dakota Partnership would continue to be used for grazing. The conveyed federal land would fall under the jurisdiction of state and county ordinances, laws,

⁸ Natural Resource Conservation Service. 1993. South Dakota technical guide- western tech guide area- section II - rangeland, grazed forestland, native pastureland interpretations.

and regulations and would be posted as private property by Dakota Partnership. This land is adjacent to 777 Ranch. As such, the land would be more efficient for them to own and manage in their ranching operation.

Management effectiveness of the Forest Service would be increased with the reduction of three pastures within the Triple 7 allotment, the isolated Hasselstrom allotment, the isolated NGA #2 allotment and the reduction of private property within the Cheyenne South, Big Corral, and Indian Creek allotments.

There are no indirect or cumulative effects to this resource under alternative 2.

Mineral Development

Affected Environment

A mineral report was completed by the Forest Service regional geologist after completing a field visit of the federal and non federal parcels.⁹ Mineral estates have been considered equal in potential and value and recommended to be exchanged if the land exchange is completed as proposed. For either alternative, the Forest Service will have to resolve the third-party interest in federal mineral estate interests filed on 640 acres of non federal land, being part of parcel P-2.

Environmental Consequences

Alternative 1 – No Action

There are no direct, indirect, or cumulative effects to this resource under alternative 1. Federal lands have been surveyed and documented in a report for future reference.

Alternative 2 – Proposed Action

A review by the Forest Service regional geologist determined that the mineral estates for the federal and non federal parcels are equal in potential.

There are no direct, indirect, or cumulative effects to this resource under alternative 2.

Social and Economic Conditions

Affected Environment

The social and economic implications of grassland resource management, including land exchanges, are of interest to local residents surrounding the national grasslands, users of the grasslands, and people throughout the United States. The project area includes portions of the South Dakota counties of Custer, Pennington, and Jackson.

⁹ Dersch, R. 2005. Mineral report for the Indian Creek land exchange. SDM 94196. On file in the Nebraska National Forest and Grasslands supervisor's office. Chadron, NE.

Some residents of these communities depend upon ranching-based activities and livestock use for their economic livelihoods and are not likely to experience the social and economic effects described of this analysis because this land exchange project involves only one private landowner.

Some residents in the area surrounding public lands may also consider the grassland resources an important part of their quality of life. Visitors, both local and non-local, use the area for a wide range of recreation activities including driving for pleasure, hunting, rock hounding, dispersed camping, wildlife viewing, all-terrain vehicle use, and other dispersed forms of recreation such as hiking, bird watching, and rock collecting. These activities have varying effects on each county's economy.

The project area provides a viable and important national resource offering diverse wildlife habitat, recreation, cultural and historic ties, as well as providing for livestock grazing opportunities. National interest in the ecological and biological aspects of the national grasslands has increased and visitors may also be affected while recreating in the project area.

This proposed land exchange is located in Custer, Jackson, and Pennington counties of South Dakota. The geographic area of the project is in rural portions of these counties. Pennington County's population in 2000 was 88,565 and estimated in 2006 to be 94,338. Rapid City in Pennington County is the largest city (59,607 in 2000) in western South Dakota (U.S. Census Bureau 2000). Custer County's population in 2000 was 7,275. The city of Custer is the largest town in Custer County (1,860 in 2000). Jackson County's population in 2000 was 2,930. Kadoka is the largest town in Jackson County. Approximately 48% of Jackson County residents are American Indian. The Pine Ridge Indian Reservation covers half of Jackson County being located south of the White River. Parcel P-6 is located approximately 7 miles north of the White River.

Table 16. Population and median family income by county.

County	2000 Population	2006 Population	2006 Median Family Income
Custer	7,275	Unavailable	\$43,628
Jackson	2,930	Unavailable	\$25,161
Pennington	88,338	94,338	\$44,796
South Dakota	754,844	781,919	\$42,791

Source: U.S. Bureau of Census website.

The economic effects analysis considered how the alternative would affect two indicators of social and economic conditions in the Indian Creek land exchange project area: grazing permits and land transactions and taxable land.

Grazing Permits – Affected Environment

The current grazing fee is \$1.35 per head month. If the numbers and seasons are authorized as currently permitted, the annual fee revenue would be as follows: \$1.35 x head month by parcel. In this context, the term “head month” and AUM are equivalent.

The existing condition is that parcels F-1 through F-4 generate \$1,709 in annual grazing fees. Private parcels P -1 through P-5 are grazed in conjunction with federal lands. No annual fee is collected by the Forest Service for grazing fees on private land included in federal grazing allotments. Livestock carrying capacity on the acquired private lands will be determined by Forest Service staff if the land exchange is completed. This determination will generate the respective annual grazing fees. As discussed above, it is only estimated the private parcels provide 1,042 AUMs toward the federal Indian Creek and Big Corral allotments.

Grazing Permits – Environmental Consequences

Alternative 1 – No Action

There are no direct, indirect, or cumulative effects to this resource under alternative 1.

Alternative 2 – Proposed Action

The proposed land exchange involves part or all of the permits for the Big Coral, Indian Creek, Hasselstrom, 777, and NGA #2 allotments. The current grazing permits would be modified as follows:

- ❖ Hasselstrom allotment (Parcel F – 1) - Permit would be cancelled.
- ❖ 777 allotment (Parcel F-2 & F-3) - Permit would be cancelled.
- ❖ NGA #2 (Parcel F-4) - Permit would be cancelled.
- ❖ Fees currently generated from the federal parcels would not be accrued.

Consolidating land ownership benefits the non federal landowner for management of their respective land. Specifically, the non federal parcels P-1, P-2, P-3, P-4, and P-5 would continue to be included in federal grazing allotments where they are managed as part of those allotments. The benefit to the Forest Service from the United States owning the land includes no disruption in the grazing allotment due to potential use of those lands for other purposes while in private ownership. National grasslands can be more efficiently managed for multiple uses especially where legal access to larger blocks of national grassland is gained. Parcel P-6 could be incorporated in the Martin Dam allotment or be used as a swing pasture. A swing pasture is a management method to provide rest for other grazing pastures, yet allow permittees to continue grazing according to their annual operating plan.

There are no indirect or cumulative effects to this resource under alternative 2.

Land Transactions and Taxable Land – Affected Environment

Land transactions: Since 1985, when the Forest began tracking land exchange completion information, the Nebraska National Forest and its associated national grassland units have completed land transactions, including land exchanges, land purchases, and the acceptance of donated lands. These types of transactions have also been completed on the Buffalo Gap National Grassland (see following table). There were no land exchanges completed on the Buffalo Gap National Grassland from 1985 – 1989.

Table 17. Land transactions completed on Buffalo Gap National Grassland 1989 – 2008.

County Name	Federal Acres Exchanged	Non federal Acres Acquired	Net Change to National Grassland	Net Change to National Grassland with Proposed Action
Custer	1,174.32	2,046.79	+872.47	-2,928.91
Fall River	5,745.44	5,686.47	- 58.97	N/A
Jackson	2,010.56	2,059.74	+ 49.18	+809.18
Pennington	21,016.38	19,103.69	-1,912.69	+283.81
Total acreage	29,946.70	28,896.69	-1,050.01	-1,894.99

(+) National grassland added to federal estate.

(-) National grassland conveyed out of the federal estate.

The individual land transactions and the years completed are located in the project file. The Nebraska National Forest and Grasslands will continue to have an active lands transaction program as identified in the 2001 LRMP and as requested by landowners and interested parties who have expressed interest in pursuing land transactions with the Forest Service.

Land transactions are identified and pursued by the Forest Service to provide benefits to the public as a whole and to meet agency policy, direction, and land management objectives. There are no criteria, direction, or agency policy identified to pursue or complete land transactions with the objective to keep the federal estate at a static level in counties in which it has a presence. Many of the considerations associated with a project of this type, most specifically benefits, are difficult to quantify economically.

Taxable land: Counties sometimes receive a payment-in-lieu-of-taxes (PILT) for land owned by the United States of America. This amount is set annually by Congress.

Table 18. 2007 PILT payments.

County Name	2007 Payments	All Federal Agency Acreage	All Forest Service Acreage
Custer	\$202,496	395,696	363,766
Jackson	\$153,573	106,432	94,786
Pennington	\$468,478	686,692*	588,291

* Includes Black Hills National Forest and Buffalo Gap National Grassland

Land Transactions and Taxable Land – Environmental Consequences

Alternative 1 – No Action

No change from current conditions. See exhibit F for parcel list by parcel number and levied 2008 taxes.

Alternative 2 – Proposed Action

Completing this land exchange, as proposed, would create land management efficiencies for the Forest Service and cost savings of \$10,000 to the United States by eliminating the need to acquire two rights-of-way. Also realized would be additional cost savings of \$45,000 for landline surveying, posting and maintenance of approximate 24 miles of administrative

boundary; further, \$6,000 would be saved by eliminating 64 boundary corners on federal land. Land management efficiencies also include the elimination of three non federal inholdings.

There would also be the elimination of one special use permit for a water pipeline, and amendment of one permit for reduction of buried telephone lines and two authorizations amended for overhead transmission lines.

Under this alternative, a land exchange would result in a net increase of approximately 0.0012 percent to the federal estate in Pennington County and an addition of approximately 0.063 percent to the federal estate in Jackson County.

Custer County would realize an estimated net increase of 0.0008 percent to their taxable land base of private landownership. According to the Custer County Assessor’s and Auditor’s Office, Custer County holds 996,917.60 acres resulting in a tax base of \$675,583,670. The 2008 total taxes levied is \$10,165,673. Under this alternative, these federal parcels would be assessed property taxes according to state and county laws and regulation.

The taxable land base of private landownership in Pennington County would decrease by 0.0001 percent. According to the Pennington County Assessor’s and Auditor’s Office for the year 2008, parcels P-1 through P-5 are assessed a cumulative value of \$3,376.39. Pennington County holds 1,784,960 acres resulting in a tax base of approximately \$6.3 billion. The 2008 total property taxes levied is \$27,449,604 for Pennington County.

Jackson County would realize a decrease of 0.0005 percent to their taxable land base. According to the Jackson County Assessor’s and Auditor’s Office for 2008, parcel P-6 is assessed at \$892.14. Jackson County holds 1,197,435 acres resulting in tax base of \$142,341,623. The 2008 total taxes levied is \$1,728,393 for Jackson County.

Compliance with Forest Plan and Other Regulatory Direction

Goals and Objectives

The proposed land exchange would contribute to the goals and objectives of the 2001 LRMP, in part, by providing the following (2001 LRMP, pages 1-1 thru 9):

Forest Plan direction	Proposed land exchange contribution and/or consistency
Goals and Objectives	
<p>Goal 1.b: Provide ecological conditions to sustain viable populations of native and desired non-native species and to achieve objectives for management indicator species (MIS).</p> <p>Goal 1.c: Increase the amount of forests and grasslands restored to or maintained in a healthy condition with reduced risk and damage from fires, insects and diseases, and invasive species.</p>	<p>Parcels P-1, P-2, P-4, and P-5 would contribute to these goals by providing cottonwood floodplain and juniper habitat not commonly found on the Buffalo Gap National Grassland. Completing this land exchange as proposed contributes to meeting the intent of 2001 LRMP Amendment 2.¹⁰ Prairie dogs are a management indicator species. There would be an increase to the federal estate for prairie dog acreage, as well as eliminating the agency’s need to manage prairie dogs such as those towns adjacent to parcel P-6, thus, predators that utilize prairie dog</p>

¹⁰ USDA Forest Service. 2005e. Record of decision for black-tailed prairie dog conservation and management on the Nebraska National Forest and associated units, including land and resource management plan amendment 2. Nebraska National Forest. Chadron, NE.

Forest Plan direction	Proposed land exchange contribution and/or consistency
	towns (i.e., black-footed ferret, burrowing owl and ferruginous hawk) will benefit and a net effect of this project would be support goal 1.b. It would also provide opportunities for research and inventory of additional land in the Zebell Table and Indian Creek areas which are currently in private ownership.
	Parcel F-2 is included in the proposed South Pasture 777 Allotment RNA which contributes to the objectives of these goals. Exchanging this parcel into private ownership would not directly contribute to this goal, but would allow the Forest Service to manage a larger block of federal ownership in the Indian Creek area thereby working toward this goal in a different geographic area. Parcels F-1 and F-3 have crested wheat grass, a non-native plant species were planted on these parcels to heal over cultivated lands during the 1920s and 1930s while these lands were in private ownership. These parcels would take intensive management activity to restore to native grass species, the desired vegetation composition and structure as described in the Fall River Northeast geographic area direction (see 2001 LRMP page 2-19).
<p>Goal 2.b: Improve the capability of wilderness and protected areas to sustain a desired range of benefits and values.</p> <p>Special Areas - Objective: Within 5 years, develop and implement a management and monitoring plan for each research natural area (RNA).</p>	Parcel F-2 is the proposed South Pasture (777 allotment) Research Natural Area (see 2001 LRMP page 3-20). There is no RNA management and monitoring plan in place for this proposed RNA.. Exchanging out of parcel F-2 will allow the Forest Service to continue current management of the federal and private lands in the Indian Creek area grazing allotments. The potential for the private land use changing from the existing condition would not occur therefore the Forest Service will continue to meet this goal in the Indian Creek area.
<p>Goal 4.a: Improve the safety and economy of the USDA Forest Service roads, trails, facilities, and operations and provide greater security for the public and employees.</p>	<p>Parcels P-3 through P-5 contribute to the objectives of this goal by opening areas to public recreation opportunities for people with disabilities.</p> <p>Parcel P-4 is traversed by FSR 7129, Indian Creek Road, to which the United States does not have legal access and which could be fenced to deny passage to existing national grassland to the south and east of this parcel.</p> <p>The non federal parcels proposed for exchange adjoin large blocks of existing national grassland that currently are accessible to the public.</p> <p>Parcel F-1 in the Hasselstrom allotment does not have legal access. Parcels F-2 and F-3 are currently open to the public but do not have motorized access which restricts recreational opportunities for people with disabilities</p>

Forest Plan direction	Proposed land exchange contribution and/or consistency
<p>Goal 4.b: Provide appropriate access to NFS lands and USDA Forest Service programs.</p> <p>Public and Organizational Relations - Objectives: Provide opportunities for federally recognized American Indian tribes to participate in planning and management of the national grasslands and national forests, especially where tribes have claimed special geographic, historical, or cultural interest</p>	<p>If the land exchange is completed as proposed, Dakota Partnership has agreed, by letter to maintain walk in access to sites located in the vicinity of parcel F-2 that may be important to certain federally recognized American Indian tribes.</p>
<p>Standards and Guidelines</p>	
<p>Water - Design activities to protect and manage the riparian ecosystem. Maintain the integrity of the ecosystem including quantity and quality of water (2001 LRMP 1-10). Standard</p>	<p>Parcel P-2 has Cheyenne River water frontage. If exchanged to the United States, it would provide cottonwood floodplain habitat and riparian ecosystem that could otherwise be developed in private ownership.</p>
<p>Animal Damage Management - Reduce conflicts with adjacent landowners over prairie dog management through an active landownership adjustment program (2001 LRMP 1-21). Guideline</p>	<p>Parcels P-1, P-2, P-3, and P-6 have prairie dog colonies that fall within the prairie dog control buffer management zone.</p>
<p>Land Ownership - General Base land acquisitions on the premise of a willing buyer and seller (2001 LRMP page 1-25 thru 1-26). Guideline</p>	<p>Both the federal and non federal parties are willing participants in this proposed land exchange. It was the Forest Service that initiated and pursued ongoing negotiations with Dakota Partnership to propose a land exchange that could be beneficial to the public and to Dakota Partnership</p>
<p>Honor existing rights, such as treaty rights, mineral rights, water rights, and private property access. Standard</p>	<p>Available minerals rights and water rights are expected to be conveyed and filed in the respective courthouse public records if the land exchange is completed as proposed. Outstanding rights listed in the conveyance documents and easements of record for existing rights-of-way will be honored. Documents to authorize new and continued service for existing easements and ingress/egress rights of way will be executed.</p>
<p>Consider the following when opportunities to acquire lands occur (2001 LRMP page 1-25):</p> <ul style="list-style-type: none"> Land with important or unique resources, such as water frontage, wetlands, floodplains and associated riparian ecosystems, cave resources, crucial big-game winter range, threatened or endangered species habitat and habitats needed for recovery, Forest Service sensitive species habitat, important paleontological or geologic sites, important historical heritage resource or traditional cultural properties, outstanding scenic values, or critical ecosystems when these resources are threatened by change of use, or when management may be enhanced by public ownership. Lands that include prairie dog colonies or that present opportunities to allow expansion of colonies are a high priority. Lands with important value for outdoor recreational purposes. Lands that would reduce conflicts between Forest Service, tribal lands and private landownership objectives, especially when conflicts are adversely 	<ul style="list-style-type: none"> The non federal lands will provide a net increase of 299 acres in cottonwood floodplain habitat along the Cheyenne River and Indian Creek. In addition, there would be a net increase of 1.5 acres of wetlands. The existing prairie dog town on federal land adjacent to the non federal parcels P-1, P-2, and P-6 will not have to continue to be poisoned. This parcel provides a buffer for the existing town to adjoining non federal land to the north. Some of the federal lands proposed for exchange are not connected to existing national grassland. The non federal lands to be acquired in the exchange have direct access from a county road or adjoining national grassland. The non federal lands to be acquired adjoin national grassland parcels that are larger than 2,000 acres. There would be a net increase of accessible public land for recreational activities. Parcel F-1, an isolated 160-acre parcel, would be exchanged out of the federal estate; however, there is no legal public

Forest Plan direction	Proposed land exchange contribution and/or consistency
<p>impacting National Forest System management. This includes reducing conflicts involving the management of prairie dog colonies along National Forest System boundaries.</p> <p>Lands within or around existing blocks of public ownership of at least 2,000 acres. Guideline</p>	<p>access to this land. The non federal parcels being acquired would provide access to blocks of existing national grassland in excess of 2,000 acres. Parcel P-3 is currently used by the public for parking vehicles before they access national grassland from FSR 7129.</p>
<p>Consider the following to identify lands for possible disposal:</p> <p>Lands suitable for development by the private sector, if developments, such as residential, agricultural, industrial, or recreational, are in the public interest.</p> <p>Isolated parcels of any size, such as parcels having no legal public or administrative access and the effort to acquire such access is not cost-efficient or otherwise reasonable.</p> <p>Lands less than 2,000 acres that are not contiguous to larger blocks of public lands.</p> <p>Existing, reserved, or acquired rights-of-way parcels that are no longer needed for rights-of-way purposes. Guideline</p>	<p>Federal parcels F-1, F-2, and F-3 identified for conveyance in this exchange are isolated from existing motorized travel routes due to the terrain in this area of the grassland. State section line access is not feasible due to lack of existing constructed and maintained roads and rough terrain.</p> <p>Dakota Partnership owns and manages bison and intends on using the federal lands, Parcels F-2, and F-3, for grazing its herds, which is their current use. Parcel F-4 is also grazed by bison but by another grazing permit holder. This current use is expected to continue as stated by that permit holder. Parcel F-1 will likely be sold by Dakota Partnership.</p>
<p>Consider the following before making land adjustments:</p> <p>Lands with important or unique resources may be disposed of, however, consider mitigation and compensation values gained in acquired lands. Discourage use of reservation or partial interests as mitigation measures.</p> <p>Avoid land adjustments that could result in a trend toward federal listing or loss of population viability for species of concern. Sensitive species habitat can be conveyed if conveyance would not result in a trend toward federal listing or adversely impact the population viability of the species, or if mitigation and compensation values gained in acquired lands are to be considered, or if effects could be mitigated. Guideline</p>	<p>The South Pasture RNA is proposed to be conveyed into non federal ownership with this land exchange. This area was nominated as a proposed RNA due to variety of habitats providing plant and animal diversity in the area. Bison are utilized in grazing management to maintain RNA characteristics. No resource reports recommended mitigation or the use of reservations, deed restrictions or retaining partial interests by the United States.</p> <p>Dakota Partnership has provided a letter (on file in the project record) to tribal historic preservation offices and tribal councils, stating tribal members of federally recognized American Indian tribes can have nonmotorized access onto and visit parcel F-2, if the land exchange is completed as proposed. This parcel may have sites important to their history and culture, which may or may not have been disclosed to the parties of this proposed land exchange. This is in compliance with section 106 of the National Historic Preservation Act and Native Repatriation Act.</p>
<p>As part of the land acquisition process, determine management prescription allocation. Guideline</p>	<p>The federal lands proposed for conveyance are managed under the 2.2 and 6.1 management area direction. The non federal lands proposed for acquisition would most likely be managed under the 1.2 and 6.1 management area direction. This document provides information to the responsible official about the non federal land parcels as they relate to the 2001 LRMP. The decision notice will identify the management area direction for the non federal lands by parcel, if alternative 2 of this proposed exchange is decided upon by the responsible official.</p>

Forest Plan direction	Proposed land exchange contribution and/or consistency
Management Area Direction	
1.2 – Recommended for Wilderness 2.2 – Research Natural Areas (RNAs) 6.1 – Rangeland with Broad Resource Emphasis	This proposed land exchange applies is consistent with the 2001 LRMP management area direction (see 2001 LRMP 3-6, 3-18, 3-32). There is nothing in the 2001 LRMP to preclude conveyance of a proposed RNA into private ownership. This action will be completed by an amendment to the 2001 LRMP documented in the decision notice and finding of no significant impact for this land exchange.

Irreversible and Irretrievable Commitments of Resources

An **irreversible commitment** of resources results from actions altering an area to the extent that it cannot be returned to its undisturbed condition through perpetuity.

None of the alternatives considered and analyzed in detail are anticipated to constitute an irreversible commitment of resources. Landownership status will change with selection of the preferred alternative. Future use of the federal and non federal lands is expected to continue for livestock and bison grazing and for recreational use.

Irretrievable commitments include lost production or lost use of renewable resource due to management decisions. The opportunity to use a renewable resource is foregone during the period of time it is committed to other uses or during periods of non-use.

Irretrievable commitments such as general public recreational activities would no longer occur on the specific federal land proposed for exchange. The non federal land proposed to be conveyed to the United States would be available for the public’s recreational use of land and resource management activities by the Forest Service.

CHAPTER 4

CONSULTATION AND COORDINATION

Interdisciplinary Team

Name	Position
Kevin Heikkila	Realty specialist
Kevin Atchley	Wall district ranger
Randy Griebel	Wildlife biologist
Terri Harris	Range management specialist
Mike McNeill	Fall River district ranger
Bob Novotny	Range management specialist
Jerry Schumacher	Public affairs officer - retired
William Perry	Former Wall district ranger

Forest Service Resource Specialists

Name	Position
Barb Beasley	Forest paleontologist
Mike Erk	Supervisory rangeland management specialist
Les Goyner	Hydrologist
Lisa Heiser	Recreation staff officer
Keri Hicks	Former forest archaeologist
Bob Hodorff	Wildlife biologist
Janet Krivacek	Former resource staff officer
Doug Sargent	Former Forest Service wildlife biologist

List of Agencies, Organizations, and Individuals Consulted and/or Contacted. (A complete contact list is located in the project file)

Federal Agencies	
Bureau of Land Management, Montana State Office	
State Agencies	
South Dakota Department of Environment and Natural Resources	South Dakota State Historic Preservation Office
Tribes	
Albert LeBeau, Tribal Preservation Officer, Cheyenne River Sioux Tribe	Cheyenne River Sioux Tribe, Eagle Butte, SD
Crow Creek Sioux Tribe, Fort Thompson, SD	Ponca Tribe of Nebraska, Niobrara, NE
Flandreau Santee Sioux Tribe, Flandreau, SD	Santee Sioux Tribe of Nebraska, Niobrara, NE
Sisseton-Wahpeton Sioux Tribe, Agency Village, SD	Winnebago Tribe of Nebraska, Winnebago, NE
Rosebud Sioux Tribe, Rosebud, SD	Shoshone Tribe, Fort Washakie, WY
Lower Brule Sioux Tribe, Lower Brule, SD	Eastern Shoshone Tribe, Fort Washakie, WY
Standing Rock Sioux Tribe, Fort Yates, SD	Shoshone Tribe Business Council, Fort Washakie, WY
Inter-Tribal Bison Cooperative, Rapid City, SD	Medicine Wheel Alliance, Fort Washakie, WY
Oglala Sioux Tribe, Pine Ridge, SD	Northern Arapaho Tribe, Fort Washakie, WY
Yankton Sioux Tribe, Marty, SD	
Organizations and Individuals	
Dakota Partnership, Rapid City, SD	The Nature Conservancy of South Dakota
Duane Lammers, Ranch Manager of 777 Ranch	

Exhibit A – Property the Dakota Partnership Will Consider Exchanging

Black Hills Meridian (BHM), Pennington County, South Dakota

Parcel	Township	Range	Section	Lots & ¼ Section(s)	Acreage
P-1	3 S	12 E	31	3 and 4, E½SW¼	157.12
P-2	3 S	11 E	25	6 and 8	55.15
			19	5 to 9, inclusive, NE¼SW¼, SW¼NE¼, N½SE¼	347.56
			20	SW¼, W½SE¼	240.00
			28	SW¼NW¼	40.00
			29	S½SE¼, NE¼SE¼, S½NE¼, NW¼NE¼, N½NW¼ SW¼NW¼, NW¼SW¼	400.00
			30	lots 1 and 2, NE¼SE¼, SE¼NE¼	156.57
			32	NE¼NE¼	40.00
			33	W½NW¼, NW¼SW¼	120.00
P-3	3 S	12 E	22	N½NE¼	80.00
P-4	3 S	12 E	35	N½NE¼, SW¼NE¼, SE¼NW¼, E½SW¼	240.00
	4 S	12 E	2	NW¼NE¼, NE¼NW¼	80.00
P-5	3 S	12 E	36	SE¼, S½NE¼	240.00

Black Hills Meridian (BHM), Jackson County, South Dakota

Parcel	Township	Range	Section	Lots & ¼ Section(s)	Acreage
P-6	3 S	19 E	9	E½	320.00
			10	W½NE¼, NW¼SE¼, SW¼, and NW¼.	440.00

The described areas aggregate 2,956.40 acres.

Reservations: None

Outstanding Rights:

Parcels P-1 thru P-4: Reservations in numerous patents of record, containing all or part of the following: subject to any vested and accrued water rights for mining, agricultural, manufacturing or other purposes, and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws and

decisions of courts, and also subject to the right of the proprietor of a vein or lode to extract and remove his ore therefrom should the same be found to penetrate or intersect the premises hereby granted, as provided by law. And there is reserved from the lands hereby granted, a right-of-way thereon for ditches or canals constructed by the authority of the United States.

Parcel P-2: Reservation of all the coal and other minerals in said land, together with the right to prospect for, mine and remove the same, pursuant to the provisions and limitations of the act of December 29, 1916 (39 Stat., 862) by the United States in patent recorded April 22, 1935, in patent book R, page 562. This pertains to the S¹/₂SW¹/₄ and SW¹/₄SE¹/₄ of Section 20, the SW¹/₄NW¹/₄ of Section 28, the N¹/₂NW¹/₄, SW¹/₄NW¹/₄, NW¹/₄SW¹/₄, NW¹/₄NE¹/₄, S¹/₂NE¹/₄, E¹/₂SE¹/₄, and SW¹/₄SE¹/₄ of Section 29, and the SE¹/₄NE¹/₄ and NE¹/₄SE¹/₄ of Section 30, all in T3S, R12E.

Parcel P-5: Reservations in patent issued by the state of South Dakota, recorded March 29, 2002, in book 100, page 2123, as to the S¹/₂NE¹/₄ and SE¹/₄ of Section 36, T3S, R12E, as follows: Reserving however, to the state of South Dakota a right-of-way for irrigation ditches, canals, etc., and subject to reservations and rights relating to deposits of coal, ores, metals and other minerals, asphaltum, oil, gas, and other like substances, as provided by South Dakota statute, and in any law of the state of South Dakota reserving any rights of any kind in said state of any of its departments, institutions, subdivisions, funds or accounts.

Parcels P-1 thru P-5: Ownership or title to any mineral interest and the effect on the surface of the exercise of the mineral rights.

Parcels P-1 thru P-5: Any loss or damage, or claim of loss or damage, arising from the fact that the public record does not disclose access to or from said land, except as provided by statutory section line right-of-way.

Parcel P-2: Any claim arising from the difference in the mean high water line of the Cheyenne River and the meander line as shown on the government survey.

Parcel P-2: Any claim based upon the assertion that the land or any part thereof is now, or at any time has been, included within the Cheyenne River.

Parcel P-2: Any claims based upon the assertion that some portion of the land has been brought within or removed from the boundaries thereof by an avulsive movement of the Cheyenne River or has been formed by accretion to any such portion.

Parcel P-2: Any change, artificial or natural, in the location of the Cheyenne River and the effect, if any, on this land.

Parcel P-2: Easement for ingress and egress over and across the N¹/₂ of Section 25 and the S¹/₂ of Section 26, T3S, R11E, Custer County, and Sections 18 and 19, T3S, R12E, Pennington County, upon the existing roadway passing through same for the benefit of that property commonly referred to as the Two Bar T Ranch located in government lots 7 and 8, the NE¹/₄SW¹/₄ and S¹/₂SW¹/₄ of Section 17, government lot 2 of Section 18, the E¹/₂NE¹/₄ of Section 19 and the NW¹/₄ of Section 20, all in T3S, R12E, Pennington County, as set forth in warranty deed recorded February 19, 2002, in book 99, page 942, and as amended by clarification of easement recorded March 13, 2002, in book 99, page 7670.

Parcel P-2: Conveyance to Starr Cook as to an undivided one-half interest in and to all of the oil, gas and other minerals in and under that may be produced from said land, together with

the right of ingress and egress at all times for the purpose of mining, drilling, exploring, operating, and developing said lands for oil, gas and other minerals, and storing, handling, transporting and marketing the same therefrom, as set forth in mineral deed recorded October 24, 1955, in deed book 108, page 512. This pertains to lots 6 and 8 of Section 25, T3S, R11E and the NE $\frac{1}{4}$ SW $\frac{1}{4}$, Lot 9, NE $\frac{1}{4}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ and lots 5, 6, 7 and 8 of Section 19, the SW $\frac{1}{4}$ and W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 20, the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of section 28, the W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, and S $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 29, the SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ and lots 1 and 2 of Section 30, lots 3 and 4 and the E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 31, the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of section 32, and the W $\frac{1}{2}$ NW $\frac{1}{4}$ and NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 33, all in T3S R12E.

NOTE: An affidavit of mineral ownership executed by The Reserve Petroleum Company, recorded September 16, 1988, in book 35, page 1573, states that The Reserve Petroleum Company is the owner of the undivided fractional $\frac{1}{2}$ interest in the above described company.

Parcel P-6: Minerals are outstanding to the state of South Dakota on the SE $\frac{1}{4}$ of Sec. 9, T3S, R19E BHM.

Parcel P-6: The rights of the public, the county of Jackson, the state of South Dakota and any other governmental entity in and to that portion of the subject property used for road/right of way purposes.

Parcel P-6: (T3 S., R 19 E., Sec. 9 NE $\frac{1}{4}$, Sec. 10 SW $\frac{1}{2}$, E $\frac{1}{2}$.) The terms and conditions of oil and gas lease executed by Frank Martin a/k/a Frank S. Martin and Maude Martin a/k/a Maude A. Martin, individually and as husband and wife, lessors, to A.G. Golden, lessee, as set forth in instrument dated December 10, 1969, recorded January 26, 1970, in book 27 of oil, page 169-170.

Assignment of oil and gas lease executed by A.G. Golden to Kerr McGee Corporation, as set forth in instrument dated December 31, 1969, recorded January 26, 1970 in book 27 of oil, page 166.

Parcel P-6 (T3 S., R 19 E., Sec. 9 NE $\frac{1}{4}$, Sec. 10 SW $\frac{1}{2}$, E $\frac{1}{2}$.): The terms and conditions of oil and gas lease executed by Charles I. Buckles and Edna E. Buckles, individually and as husband and wife, lessors, to A.G. Golden, lessee, as set forth in instrument dated December 10, 1969, recorded January 26, 1970, in book 27 of oil, page 171-172.

Assignment of oil and gas lease executed by A.G. Golden to Kerr McGee Corporation, as set forth in instrument dated December 31, 1969, recorded January 26, 1970, in book 27, of oil, page 173. Ratification and Rental Division Order dated December 10, 1969, recorded January 26, 1970, in book 27 of oil, page 174.

Statutory section line right of way 33 feet on either side of all section lines affecting subject property, pursuant to SDCL, Chapter 31-18.

Other: The non federal parties will convey minerals owned by Dakota Partnership, not held in other private ownership.

Exhibit B – Property the USDA Forest Service Will Consider Exchanging

Black Hills Meridian (BHM), Custer County, South Dakota

Parcel	Township	Range	Section	Lots & ¼ Section(s)	Acreage
F-4	3 S	11 E	26	W½SW¼, SE¼SW¼	120.00
			35	NW¼NW¼	40.00
F-1	4 S	9 E	5	W½SW¼	80.00
			7	NE¼NE¼	40.00
			8	NW¼NW¼	40.00
F-2	4 S	9 E	20	E½	320.00
			21	W½, W½SE¼, W½NE¼	480.00
			28	W½, W½NE¼, SE¼	560.00
			29	E½NE¼, E½SE¼, NW¼NE¼	200.00
F-3	4 S	9 E	3	Lots 1-4, S½NE¼, S½NW¼, SE¼, SW¼	641.04
			4	Lots 1 and 2, S½NE¼, SE¼	320.34
			9	NE¼	160.00
			10	NW¼, E½	480.00
			15	E½	320.00

The areas described aggregate 3,801.38 acres.

Reservations: None

Outstanding Rights: None

Other: The United States will convey minerals, unless in outstanding ownership, to third parties.

Exhibit C – Area and Location Maps by Unit

Exhibit D – Pasture Maps by Unit

Exhibit E – Comments and Responses

Comment 1 *The land exchange would benefit wildlife and natural resources of the area.*

The exchange would eliminate private inholding, provide for easier mgmt of fed land on a broader ecosystem level. Continuous ownership of land would benefit to future mgmt consideration - wilderness designation.

Private landowners exchanging the land should receive mutual benefit by gaining land outside of proposed wilderness.

Comment 2 *If this exchange is proposed to enhance wilderness designation, this I oppose the trade. Designation of wilderness areas could restrict our generation and future generations as they make land mgmt decisions.*

The comment is outside scope of this project. Designation of wilderness is a congressional action which is a separate action and decision.

Comment 3 *I believe it will be good for the public interest and good for local ranch land values.*

Consolidate Federal lands into large scale entities which can be managed in a cohesive way with an eye to economic and ecological efficiencies that cannot be accomplished with checker board ownership.

Comment 4 *Completed exchange will result in long term commitment to manage for expanded biodiversity within Indian Creek region. For example, re-introduction of elk, big horn sheep, ferrets, and fox, as well as bison herds and existing cattle permits.*

Comment 5 *Requesting information to know more information on the cultural resources that may be gained or lost in the proposed land exchange. With the information, can consult in compliance with Section 106 of NHPA.*

Forest Service has provided and will continue to provide opportunity for interested American Indian tribes to comment on this proposed project as with other government entities.

Comment 6 ***Opposed to any increase in ownership of additional lands by the FS.
Loss of real estate tax base - loss of \$1,900 to Pennington County
The federal government already owns approx. 40% of lands in
Pennington County.
Wall School District becomes a loser of considerable tax base.
The 2,196.4 acres owned by Dakota Partnership would go a long
way to support a family farm or ranch.
There is no ground swell of public support demanding that more
land be added to the federal inventory.***

Since 1985, there has been a net decrease in national grassland managed by the Forest Service due to completed land exchanges. Over time, there will be fluctuation in acreage owned by the United States in any county where it is located in South Dakota.

Pennington County will stand to lose \$3,376 in property tax revenue. Jackson County will stand to lose \$892 in property tax revenue (see chapter 3, social and economic conditions, land transactions and taxable land).

Dakota Partnership is a family managed ranch.

Land exchanges are completed by willing participants.

Comment 7 ***Forest Service has a drive to eliminate all private remaining land holding in the Indian Creek Area.***

Forest Service policy is to consolidate landownership for more efficient management and when completed when in public interest.

Comment 8 ***The 2,196.4 acres owned by Dakota Partnership along with the federal land provide outstanding grazing opportunities for hundreds of cattle. This will be forever lost to private use if purchase is allowed to proceed.***

Land exchanges are completed by willing participant(s). Land uses by private ownership are under jurisdiction of state and local zoning and regulations.

Management of Buffalo Gap National Grassland is guided by agency policy, direction, and the current LRMP.

Comment 9 ***The 2,196.40 acres will be forever lost to Sportsmen, rock hounds and gem collectors.***

Federal lands conveyed into private ownership will be managed by the landowner. Lands acquired by United States in the exchange will be open to the public for recreation per current laws, regulations, and orders.

Comment 10 ***Forest Service does not have the will nor skills to effectively manage the lands they now control for public use.***

The comment is outside the scope of this land exchange project.

Comment 11 ***59 complaints of serious erosion were filed by land owners in Conata Basin but not acknowledged by the Forest Service.***

The comment is outside the scope of this land exchange project.

Comment 12 ***Pennington County will object to more federal ownership until the FS can demonstrate its ability to effectively manage lands they now own and understand the "Good Neighbor" policy.***

Forest Service manages national forest system lands for multiple use purposes based upon acts of Congress; direction in the LRMP, as amended; national, regional and forest wide priorities; available funding from Congress, cooperators, and partners.

Comment 13 ***Transfer of land to Custer County into private property is totally illegal. Opposed because this (Indian Creek) has been proposed for wilderness area.***

The comment is outside scope of this project. Designation of wilderness is a congressional action which is a separate action and decision.

Comment 14 ***More federal land puts a burden on taxpayer and school districts in Pennington County. 40% of Pennington County is under government control, which in turn gives only twenty five percent of the taxable value back to the school district and county.***

Twenty-five percent of funds generated on national forest system land through permits are given to the respective county. Twenty-five percent of grazing fees are granted back to the grazing permit holder for rangeland improvements.

Comment 15 ***If the area is turned into a wilderness area, there will be no livestock, hunting, rock hunting or any recreation activities.***

The comment is outside scope of this project. Designation of wilderness is a congressional action which is a separate action and decision.

Comment 16 ***The 25,000 acres have been fenced illegally before an EIS was proposed.***

Three sections of SD school and public lands, will be purchased by the federal government or will give the state 25% of the value back to the state.

The comment is outside scope of this project.

Comment 17 ***Question the 1,605-acre difference and the land value in Indian Creek and land value in Red Shirt.***

Have a public auction of the federal land.

The comment is outside the scope of this project. There is no existing authority to allow sale of federal lands by auction.

Comment 18 ***Question the trade. Intentions of Dakota Partnership; they seem to be the ones making the deal, and coming out with the best deal by far.***

Forest Service has made initial contacts with property owner(s) in the Indian Creek to propose land exchanges with willing participants.

Comment 19 ***Taking taxable property out of Pennington County.***

Pennington County has gained 1900 acres of federal land since 1985. There will continue to be land exchanges proposed and completed in Pennington County by willing participants.

Comment 20 ***Forest Service isn't managing the land they already have.
FS not managing prairie dogs and letting them encroach on private land.***

The comment is outside scope of this document. Prairie dog management is being addressed per other agency decisions.

Comment 21 ***Forest Service ownership is pushing out family farms and ranches.***

Land exchanges are completed by willing participants. The decision document will include management of the non federal lands for multiple use, which includes the continued grazing of these parcels.

Comment 22 ***Forest Service will have control over our rights, and places like this will be gone. Family will be forced out of ranching in the future.***

The comment is outside scope of this project. Grazing on federal lands is authorized by permits. No rights to federal land are conveyed with these permits.

Comment 23 ***This will take away grazing rights to many ranchers in the area.
Ranchers depend on these lands to run cattle. Family ranches will dwindle and soon be obsolete.***

The comment is outside scope of this project. Any decisions regarding this proposed project relate only to property interests identified in the EA.

Comment 24 ***If this exchange would happen, it will take away the rights of the hunters. Lack of hunting will cause animal numbers to be astronomical - out of control.***

The comment is outside scope of this project. Hunting seasons and wild game populations are regulated by the state of South Dakota.

Comment 25 ***If this exchange would happen, it will take away rights to rock hunt, violating South Dakota education.***

Public recreation on federal parcels included in this land exchange will be relocated to other public lands.

Any decision regarding the proposed project relate only to property interests identified in the EA.

Exhibit F – 2008 Tax Assessment for Indian Creek Land Exchange Parcels

Table 19. Parcel list by parcel number and levied 2008 taxes.

Pennington County	Black Hills Meridian	Legal Description	2008 Taxes due In 2009
(Parcel P-1)	T. 3 S., R. 12 E.,	Sec. 31, lots 3 and 4, E $\frac{1}{2}$ SW $\frac{1}{4}$.	\$333.74
(Parcel P-2)	T. 3 S., R.11 E.,	Sec. 25, lots 6 and 8;	\$62.47
	T. 3 S., R. 12 E.,	Sec. 19, lots 5 to 9, inclusive, NE $\frac{1}{4}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$;	\$715.60
		Sec. 20, SW $\frac{1}{4}$, W $\frac{1}{4}$ SE $\frac{1}{4}$;	\$431.00
		Sec. 28, SW $\frac{1}{4}$ NW $\frac{1}{4}$;	\$37.88
		Sec. 29, S $\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$;	\$529.30
		Sec. 30, lots 1 and 2, NE $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$;	\$288.70
		Sec. 32, NE $\frac{1}{4}$ NE $\frac{1}{4}$;	\$11.26
		Sec. 33, W $\frac{1}{2}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$;	\$135.14
(Parcel P-3)	T. 3 S., R. 12 E.,	Sec. 22, N $\frac{1}{2}$ NE $\frac{1}{4}$.	\$135.14
(Parcel P-4)	T. 3 S., R. 12 E.,	Sec. 35, N $\frac{1}{2}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$.	\$269.24 \$134.12
	T. 4 S., R. 12 E.,	Sec. 2, NW $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ NW $\frac{1}{4}$.	\$125.92
(Parcel P-5)	T. 3 S., R. 12 E.,	Sec. 36, SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$.	\$166.88
		Total Taxes	\$3,376.39
Jackson County			
(Parcel P-6)	T. 3 S., R. 19 E.,	Sec. 9, E $\frac{1}{2}$;	\$195.24 \$104.44
		Sec. 10, W $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$, and NW $\frac{1}{4}$.	\$373.96 \$218.50
		Total Taxes	\$892.14

Table 20. Estimated taxes for proposed federal parcels.

Custer County	Black Hills Meridian	Legal Description	Estimated taxes
(Parcel F-1)	T. 4 S., R. 9 E.,	Sec. 5, W $\frac{1}{2}$ SW $\frac{1}{4}$;	\$129.60
		Sec. 7, NE $\frac{1}{4}$ NE $\frac{1}{4}$;	\$64.80
		Sec. 8, NW $\frac{1}{4}$ NW $\frac{1}{4}$.	\$64.80
(Parcel F-2)	T. 4 S., R. 9 E.,	Sec. 20, E $\frac{1}{2}$;	\$979.00
		Sec. 21, W $\frac{1}{2}$, W $\frac{1}{2}$ SE $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$;	\$1,468.00
		Sec. 28, W $\frac{1}{2}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$;	\$1,713.60
		Sec. 29, E $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$	\$612.00
(Parcel F-3)	T. 4 S., R. 9 E.,	Sec. 3, Lots 1-4, S $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$, SW $\frac{1}{4}$;	\$955.80
		Sec. 4, Lots 1 & 2, S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$;	\$502.20
		Sec. 9, NE $\frac{1}{4}$;	\$259.2
		Sec. 10, NW $\frac{1}{4}$, E $\frac{1}{2}$;	\$777.60
		Sec. 15, E $\frac{1}{2}$;	\$518.40
(Parcel F-4)	T. 3 S., R. 11 E.,	Sec 26, W $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$;	\$295.20
		Sec. 35, NW $\frac{1}{4}$ NW $\frac{1}{4}$.	\$106.00
		Total Estimated Taxes*	+\$8,455.00

Estimated taxes based upon levied 2008 taxes of random adjoining private land(s). Actual taxes would be assessed by county based upon appraised value and other local factors.