Contract No. 001-004
“Enhancing Grazing Lands & Wildlife Habitat (Phase 1)”
Submitted by Ducks Unlimited, Inc.
Principal Investigator: Jonas Davis

PARTICIPANTS

<table>
<thead>
<tr>
<th>Sponsor</th>
<th>Cost Share</th>
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<tbody>
<tr>
<td>USDA – Natural Resources Conservation Service</td>
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<td>North Dakota Game &amp; Fish Department</td>
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<td>Subtotal Cash Cost Share</td>
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<td>Ducks Unlimited, Inc.</td>
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<td>Ducks Unlimited, inc.</td>
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<td>Subtotal In-kind/In-direct Cost Share</td>
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<td>North Dakota Industrial Commission</td>
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<td>Total Project Cost</td>
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Project Schedule – 24 months
Contract Date – April 19, 2015
Start Date – January, 2015
Completion Date – January 1, 2018*
Project Deliverables:
Status Report: August 30, 2015 ✓
Status Report: November 30, 2015 ✓
Status Report: June 30, 2016* ✓
Status Report:* January 1, 2017 ✓
Final Report: January 1, 2018* ✓

OBJECTIVE/STATEMENT OF WORK:
The objective of this project is to enroll 11,000 additional grassland acres in the Environmental Quality Incentive Program (EQIP) over the next year, while offering increased public access on approximately 2,500 acres.

The project will do the following:
1) Conserving 11,000 acres of expiring CRP and other grasslands by transitioning “set aside” lands that are at high risk of conversion to more “working lands” via enhanced grazing and habitat management incentives.
2) Providing increased public access on approximately 2,500 acres enrolled in the program in partnership with ND Game and fish Department’s “Working Lands Program”
3) Enhancing critical migratory bird, upland and big game habitat on private lands via wildlife habitation incentives on 11,000 acres of expiring CRP and other grasslands
4) Conserving critical natural areas and enhancing public recreational opportunities on 2,500 acres for sportsmen and other outdoor enthusiasts.

Deliverables will include summaries of the conservation plans and practices implementation; summaries of the annual status review conducted by NRCS and Ducks Unlimited staff; summaries of the annual monitoring reports conducted by North Dakota Game and Fish Department staff and information on the Site Specific Agreements and WLP Public Access Agreements executed.

Funds will be used to cost-share grazing incentives (brush and forage management, prescribed grazing, weed control), wildlife habitat management and infrastructure developments (fence, water wells, and wetland restoration) with landowners transitioning from CRP to working land. These standard NRCS cost-share agreements range from 2-5 years (prescribed grazing) up to 20 years (water well installation), depending on site-specific management plans and life expectancy of the project developments.
STATUS:
The applicant requested funding of $1,500,000. The amount award by the Industrial Commission was $828,000. As a result of the partial funding the budget and the tasks in the application were revised. Contract has been executed.

8/30/2015 - Status report received. It states:
Since the execution of the agreement in April, significant progress has occurred toward project completion. Through the Prairie Pothole Wetland and Grassland Retention Program (PPWGRP), the Natural Resources Conservation Service (NRCS) has obligated 100 contracts worth $1,741,397.85. These 100 contracts are spread over 15,549.20 acres. Some of the main practices that are cost shared under the PPWGRP program are: Upland Wildlife Management, Wetland Wildlife Management, Pasture and Hayland plantings, Cover Crops, Cross Fence, Water Facilities, Pipelines, Prescribed Grazing, Forage Harvest Management and Conservation Cover.

Now that the agreement between Ducks Unlimited and the Outdoor Heritage Fund has been signed, obligating the additional $828,000 is now underway. For the past three months, Ducks Unlimited and NRCS have worked closely together to create an independent DU landowner agreement and the proper waivers needed to work with the producers enrolled in the program. Once all landowners are contacted and contracts signed, Fund dollars will be allocated, further providing incentives to producers for enhanced grazing lands and critical wildlife habitat. Additionally during the landowner contacts, the promotion of the ND Game and Fish Department PLOTS Program will occur.

While NRCS matching funds have been allocated, administrative duties were ongoing at the end of the reporting period. Therefore, NRCS matching funds will be recognized next reporting period.

11/30/2015 - Status report received. It states:
Since the execution of the agreement in April, significant progress has occurred toward project completion. Through the Prairie Pothole Wetland and Grassland Retention Program (PPWGRP), the Natural Resource Conservation Service (NRCS) has obligated 100 contracts worth $1,741,397.85. These 100 contracts are spread over 15,549.20 acres. Some of the main practices that are cost shared under the PPWGRP program are, Upland Wildlife Management, Wetland Wildlife Management, Pasture and Hayland Plantings, Cover Crops, Cross Fence, Water Facilities, Pipelines, Prescribed Grazing, Forage Harvest Management and Conservation Cover.

During the reporting period, all NRCS offices implementing EQIP contracts this year contacted participating landowners and obtained the proper waivers to allow DU biologists to contact them regarding the available OHF funding. DU staff has begun contacts with each landowner to establish agreements, promote the North Dakota Game and Fish Department Private Land Open to Sportsmen Program (PLOTS), and to provide additional technical assistance for their operations. Many of these landowners are interested in the PLOTS program and are contacting the state to learn more about eligibility. Those contacts will be tracked in order to monitor participation in the program directly related to OHF funding being utilized under this grant. As those agreements are put in place, the match will be recognized in future reporting.

Direct contacts with participating landowners has also provided the opportunity to assist with NRCS programs but also other available habitat programs offered by other conservation agencies and organizations. A “one-stop shop” approach has provided landowners with multiple options to better assist them in what types of conservation practices work within their operations.
Both OHF funding allocation and NRCS matching funds will be recognized in the coming months; primarily in the summer/fall of 2016 as grazing management and plans are verified.

An amendment to this contract has been drafted moving the January 1 status report date to later in 2016 as this report was received, as per the contract, at the end of November and a later report date would provide more information than a January 1, 2016 status report.

The amendment moving the January 1, 2016 status report to June 30, 2016 has been fully executed.

6/30/2016 - Status Report received. It states:
The OHF funds were specifically allocated to 96 DU contracts (63 unique landowners) influencing 4,671.10 of those acres. Of those contracts, approximately 25% have been referred to NDGF for their interest in the PLOTS program.

During the reporting period, conservation specialists continued to work with participating landowners, contracting a second year of upland and wildlife management under the program for remaining available funds. Practices are now being implemented through the grazing season with OHF funding allocation being recognized in the coming months as grazing management and plans are verified. By the next reporting period, a majority of the year one contract funding will be spent and reimbursement requested.

12/16/2016 - Ducks Unlimited requested and a one-year extension has been granted for completion of this contract.

12/31/2016 - Status Report received. It states:
Since the execution of the agreement in April, significant progress has occurred toward project completion. Through the Prairie Pothole Wetland and Grassland Retention Program (PPWGRP), the Natural Resources Conservation Service (NRCS) has obligated 52 unique contracts for $2,221,431 in 2016 under the EQIP-PPWGRP funding pool. These 52 contracts covered 15,271.3 acres. Some of the main practices that were cost shared under the PPWGRP program are, 645-Upland Wildlife Management, 644-Water Facilities, 516-Pipelines, 528-Prescribed Grazing, 511-Forage Harvest Management and 327-Conservation Cover.

The OHF funds were specifically allocated to 62 landowners influencing 4,524.00 of those acres. Of those contracts, approximately 25% have been referred to NDGF for their interest in the PLOTS program. While the entire $828,000 has been obligated, DU has paid $540,249.48 on 59 contracts enhancing 4,314.80 acres through upland and wetland habitat management practices in 2016. The remaining $287,750.52 will be spent next fall on year two contracts for completing prescribed grazing plans.

Reception of the program has been tremendous from North Dakota producers. Many of the EQIP contracts have also provided the opportunity for outreach and promotion of upcoming USDA application deadlines as well as other state and federal program opportunities providing further technical assistance to landowners interested in conservation.

12/31/2017 - Final Report received. It states in part:
With continued loss and acre reductions in Conservation Reserve Program lands and other grasslands, Ducks Unlimited DU), NRCS, ND Game and Fish Department (NDGFD), and the Outdoor Heritage Fund (OHF) partnered together to offer landowners proper incentives and greater land use flexibility through working lands practices that benefit a producer’s operation while positively impacting wildlife habitat.
By working through the Environmental Quality Incentive Program (EQIP), OHF dollars provided additional incentives to more landowners interested in enhanced grazing and wildlife habitat incentives. With a project goal of enhancing 11,000 acres through working lands practices, the collaboration of EQIP and OHF funds conserved 15,271 acres. Implemented practices increased flexibility, management, and economic incentives that work for North Dakota producers while improving soil and water health, plant diversity, animal systems, and overall stewardship of the land. In addition, completed projects are also critical for migratory birds, upland and big game species, as well as many declining species of conservation concern.

Through the Prairie Pothole Wetland and Grassland Retention Program (PPWGRP), the Natural Resources Conservation Service (NRCS) has obligated 52 unique contracts for $2,221,431 in 2016 under the EQIP funding pool. These 52 contracts covered 15,271 acres. Conservation practices that were cost shared under the program were, 645-Upland Wildlife Management, 644-Wetland Wildlife Management, 512-Pasture and Hayland plantings, 340-Cover Crops, 382-Cross Fence, 614-Water Facilities, 516 Pipelines, 528 Prescribed Grazing, 511-Forage Harvest Management and 327-Conservation Cover. The OHF funds were specifically allocated to 63 landowners influencing 4,671 of those acres through further incentives that increased length of benefits for enhanced habitat through the Upland and Wetland Management practices.

Of those OHF contracts, 20 landowners showed interest and were referred to NDGFD PLOTS biologists to discuss the program incentives and availability of funds. Of the 63 producers under contract, four were already enrolled in the PLOTS program. Two additional landowners that DU referred to NDGFD were accepted into the program providing 1,112 acres of increased public access for sportsman and other outdoor recreationists. While our goal of increasing public access on 2,500 acres was not fully realized, many new landowners learned about the program and may have future interest in other portions of their land outside of the program acres. While the project focused on working lands practices that enhance livestock operations, acquiring public access was challenging when cattle were integrated on these lands at the time of most hunting seasons.

Evaluation of practice implementation, infrastructure developments, and annual monitoring in 2016 and 2017 had a 100% success rate with management plan objectives met and full participation from contracted landowners. NRCS and DU staff worked together to ensure quality assurance of all on-the-ground practices under the program. Through continued relationship building between staff and local producers, conservation specialists can provide technical assistance to address future resource concerns and provide information on new programs that emerge. Many of which have now also shown interested in participating in new OHF programs like the Working Grasslands Partnership and the Cover Crop and Livestock Integration Program for additional land they own.

Reception of the program has been a tremendous success for North Dakota producers and the wildlife habitats those farm operations provide. With the assistance and partnership of OHF, the Enhanced Grazing Lands and Wildlife Habitat Project provided a spring board for partners to continue to find innovative ways to help with a farmer’s bottom line while also improving habitat to support North Dakota’s rich and storied outdoor heritage.

With the filing of the final report, this contract has now been closed.

Updated 1/2/2018