

Helping People Help The Land

2006
Oklahoma
Annual Report

 NRCS United States Department of Agriculture
Natural Resources Conservation Service

Message from the State Conservationist

Dear Oklahomans:

I am proud to present the 2006 Oklahoma Annual Report. This report includes highlights of accomplishments and activities by the Oklahoma conservation partnership in our efforts to conserve our valuable natural resources.

There has been a substantial amount of conservation work in Oklahoma for over 70 years. The partnership should be very proud of these efforts and proud of our accomplishments. Oklahoma has a wonderful conservation history and leads the nation in many areas.

There will always be change, but our goal should never change – we must continue to see the vision of conservation on the landscape. We must keep our attention on doing what is right for the people and the land. We will always have goals that must be met, but our true goal of conservation on the land will always be our priority. The conservation partnership is one of our greatest strengths and we must always continue to build upon that strength.

We have a long history of working with underserved communities and individuals. This must continue to be a dominant aspect of Oklahoma conservation – the need for assistance in the preservation of our natural resources to be available to all customers.

Together, the Oklahoma conservation partnership can overcome any obstacles we encounter in order to continue to make conservation a priority in the state.

I will dedicate my time and efforts to strengthening our partnership in 2007 and beyond. I will continually put the conservation needs of Oklahoma in the forefront and ensure that we are not out of step with future efforts.

RONALD L. HILLIARD
State Conservationist



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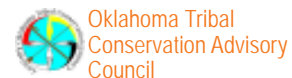
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Our Strength...

Oklahoma Conservation Partnership



Oklahoma Association of Conservation District Employees

Oklahoma Conservation Cost Share Program

The Oklahoma Conservation Cost Share program provides financial assistance through cost share payments to landowners, to apply conservation practices to help improve water quality and control soil erosion in the state. The Oklahoma Conservation Commission (OCC) administers the program at the state level and conservation districts administer the program locally. NRCS provides technical assistance and works closely with landowners to ensure that practices are carried out according to specifications.

There were 568 participants and 542 practices installed this year, with approximately \$447,000 in cost share assistance.

Conservation Technical Assistance Program (CTA)

Services provided through NRCS technical assistance to customers contributed to the planning of over 4,657 conservation systems on 1,642,000 acres. In addition, 4,160 conservation systems were applied on over 1,318,000 acres. Highlights of conservation practices and systems include:

- ◆ Application of conservation systems on grazing lands ~ 928,893
- ◆ Application of conservation systems on cropland ~ 302,742
- ◆ Application of conservation systems on forestland ~ 6,598
- ◆ Comprehensive nutrient plans were applied on 135 farms for 22,945 acres.

Cooperative Agreement with Ducks Unlimited (DU)

The partnership Oklahoma NRCS initiated with Ducks Unlimited (DU) continued to strengthen through fiscal year 2006. Through two separate agreements, DU provides direct support to NRCS in design and construction management of WRP restoration projects.

The initial cooperative agreement with DU was signed in 2000 to facilitate restoration work and alleviate the restoration backlog in

engineering and contracting that had grown due to limited NRCS staff resources. Through this agreement, DU established a private lands conservation presence in Oklahoma that had not previously existed. Initially, two individuals were staffed to work 80 percent of their time on WRP. Currently, DU maintains a presence of approximately 4.5 full time equivalent employees assisting in survey, design, contracting, and construction oversight of WRP projects across the state.

Beyond the over 4,900 acres hydrology restoration completed through the agreement, DU provided technical support, contract awards and supervision of over 2,500 acres of hardwood tree planting in the spring and winter of 2006.

Oklahoma Department of Wildlife Conservation (ODWC)

The Oklahoma Department of Wildlife Conservation (ODWC) has proven to be an effective partner in the delivery of wildlife habitat development through the WHIP for the past four years. The additional wildlife habitat related technical expertise offered NRCS through this partnership creates a tremendous opportunity to deliver the WHIP technical and financial assistance on the land.

A long-standing partnership exists between both agencies in cooperatively providing technical and financial assistance to private land owners. The level of support by the ODWC continues to contribute to on-the-ground success in wildlife habitat restoration.

Through the contribution agreement process, ODWC contributes at least 50 percent of the funding for four wildlife technicians and part-time secretarial assistance. These four wildlife technician positions are responsible for implementation and follow-up assistance to over 380 WHIP contract participants in implementing, evaluating and managing their wildlife habitat plans.

Oklahoma Conservation Commission (OCC) and Conservation Districts

The Oklahoma Conservation Commission

(OCC) has been a key partner and co-leader with NRCS in the stewardship of Oklahoma's natural resources conservation since the very early days of the conservation movement. This partnership continues through agreements with OCC and local conservation districts



to fund technical and administrative assistance to NRCS in the delivery of the Farm Bill programs. The agreement builds on the close partnership between NRCS and conservation districts. Conservation district personnel assist NRCS in support activities where conservation districts have the strength and expertise. These activities encompass program information, outreach, conservation practice layout, certifications, and contract administrative support.

Oklahoma State Technical Committee

The State Technical Committee provides recommendations for establishing criteria, priorities, and other state-level initiatives on the Farm Bill and other USDA conservation programs.

The diverse committee representing Oklahoma's natural resources stewards, serve as an advisor to the NRCS state conservationist in the implementation of conservation programs within Oklahoma.

Currently, 100 representatives from state and federal agencies, community based organizations, agri-businesses, and tribes serve on the committee. The committee reviews proposals from the local level and provides advice and recommendations to the state conservationist on conservation priorities and initiatives. They also make recommendations on statewide program assistance, eligible conservation practices, cost-share and incentive

payment limits, and on criteria to prioritize all Farm Bill conservation program applications.

In 2006, the committee continued to advise NRCS and the Farm Service Agency (FSA) on technical matters and priorities for all 2002 Farm Bill programs including the Conservation Security

Program, Grassland Reserve Program, Farm and Ranch Lands Protection Program, Conservation Reserve Program, Wetlands Reserve Program, Wildlife Habitat Incentives Program, and the Environmental Quality Incentives Program.

Cooperative Conservation Partnership Initiative (CCPI)

Oklahoma was among 24 states to receive a CCPI grant from the USDA-NRCS. The CCPI is a voluntary program which provides competitive grants for state and local governments, tribes, and non-governmental organizations to foster conservation partnerships.

The Nature Conservancy was awarded \$59,500 for its proposal that will focus on conservation efforts on preservation and restoration of habitat for the greater prairie chicken in the southern Flint Hills portion of its range. Specifically, the proposal will target the tallgrass prairies of the Caney Watershed, a portion of the Greater Flint Hills in Kansas and Oklahoma, including significant portions of Osage and Washington counties, with minor acreages in Craig, Mayes, and Rogers counties.

NRCS received 81 proposals from 35 states. Thirty-eight entities in 24 states received grants totaling nearly \$4 million. The CCPI funds projects that focus technical and financial resources on conservation priorities in watersheds and airsheds of special significance. Airsheds are geographical areas that share the

same air mass due to topography, meteorology, and climate.

During the project planning phase, the Nature Conservancy will partner with other conservation entities and private landowners to delineate location and ownership of large, intact tallgrass prairie sites, assess prairie chicken use of these sites, clarify threats, and develop and study the most effective threat abatement strategies. In addition, the project will develop outreach methods and materials to further expand knowledge of the information.

Food Security Act Conservation Compliance

The workload for Food Security Act (FSA) highly erodible land and wetland compliance reviews has remained fairly steady the past few years, with about 500 tracts randomly selected at the national level for review. Oklahoma started the 2006 crop year with 414 tracts assigned from the national random sample. To this sample the tracts owned or operated by NRCS employees tracts were added to the database. Field offices also entered tracts assigned by FSA for county committee members, FSA employees, and 569/whistleblower requests as needed. During the completion of the reviews, an additional 384 replacement tracts were entered into the system. In the final analysis, Oklahoma completed reviews on 966 tracts during the year. Over half the status reviews can be completed in the office, with known tract information. About one-third of

the reviews require an on-site visit and investigation of the tract.

With nearly 1,000 tracts reviewed only one tract was found to be out of compliance, and less than 1.5 percent required granting of a variance or additional conservation work to be completed to maintain compliance. The status reviews completed required over 1,000 hours of NRCS technical assistance. The results found nearly 90,000 acres to be actively applying or maintaining a conservation plan or system, or represented acres that did not require a conservation compliance plan. Landowners and operators in Oklahoma are doing a good job of carrying out conservation activities on a voluntary basis. Compliance with these provisions allows producers to maintain eligibility for numerous USDA conservation programs.

Farm Bill Conservation Programs

The programs authorized through the 2002 Farm Bill provide a broad array of conservation opportunities for Oklahoma's private land stewards. The programs provide significant levels of financial and technical assistance to address natural resource issues on working lands, and opportunities to restore and preserve wetlands and agricultural lands for future generations. Table 1 summarizes the Federal financial assistance funds obligated in landowner agreements in fiscal year 2006.

Table 1 Farm Bill Conservation Programs

Conservation Program	Allocation	Contracts	Easement	Acres
Conservation Security Program	\$4,632,612	*766	N/A	**371,500
Environmental Quality Incentives Program	\$23,957,182	1,999	N/A	626,083
Farm and Ranch Land Protection Program	\$821,000	N/A	4	529
Grassland Reserve Program	\$2,653,666	5	8	9,570
Ground and Surface Water Conservation	\$712,105	26	N/A	8,832
Wetlands Reserve Program	\$3,946,852	7	15	2,837
Wildlife Habitat Incentives Program	\$705,366	48	N/A	25,536

*440 new contracts obligated and paid in fiscal year 2006 and 326 prior-year contracts paid with 2006 funds.

** 156,374 acres were enrolled in 2006 contracts.

Conservation Innovation Grants (CIG)

Conservation Innovation Grants (CIG) is a voluntary program intended to stimulate the development and adoption of innovative conservation approaches and technologies. Under CIG, Environmental Quality Incentives Program funds are used to award competitive grants to non-Federal governmental or non-governmental organizations, tribes, or individuals. CIG enables NRCS to work with other public and private entities to accelerate technology transfer and adoption of promising technologies and approaches to address some of the nation's most pressing natural resource concerns.

In 2006, two CIG proposals were submitted from applicants within Oklahoma. The state conservationist provided letters of review to the applicants for submission with their proposals into the nationwide competition. Applicants from 45 states submitted 180 project proposals and requested about \$63 million. Applicants included: 3 RC&D councils, 7 conservation districts, 4 state and local governments, 13 non-governmental organizations, 22 colleges and universities, 2 tribes, 12 business entities, and 3 individuals.

Oklahoma's Great Plains RC&D Area Association was included in the 2006, award of nearly \$20 million in CIG to 38 states to fund 66 projects designed to develop and refine cutting-edge technologies and approaches that can help producers maintain viable agricultural operations. The Great Plains grant for \$25,000 will provide support to the Southern Plains Agriculture Resource Coalition in central Oklahoma. The project will include the adaptation of no-till cropping systems to improve soil resource performance, using an innovative market-based approach to create incentives for producers using certification and labeling of products which is tied directly to the conservation system applied to the land.

In addition, Oklahoma was included in a \$216,765 grant award to Colorado State University (CSU). The university's six-state grant proposal is to develop sustainable cropping

systems for transitioning from full irrigation cropping systems to limited irrigation or dryland cropping.

Farm and Ranch Lands Protection Program (FRPP)



Closing ceremony at Ryder Ranch on the first FRPP easement located within the Fort Sill Army Compatible Use Buffer project.

FRPP is a voluntary program that helps farmers, ranchers and Indian tribes preserve their land in agriculture, and prevents conversion of agricultural land to non-agricultural uses. This program helps to ensure that productive land is protected, and encourages farmers and ranchers to use conservation systems that improve environmental health. An estimated 78,000 acres of Oklahoma agriculture land is being converted to non-agricultural uses annually.

This is Oklahoma's fifth year to offer financial assistance funding through the FRPP. States, tribes, local governments and non-governmental organizations are eligible to compete for the funding. These entities work with private landowners to acquire options to purchase conservation easements which will maintain the land in agricultural production. The FRPP funding can be used for up to 50 percent of the cost of the easement purchase on eligible lands. Eligible lands include lands that have prime farmland soils, soils of local and state significance, or historic or archeological sites, and are actively involved in agricultural production.

In April 2006, Agriculture Secretary Mike

Johanns announced the availability of more than \$70 million in FRPP funds. Oklahoma’s initial allocation was \$719,931. The 2006 agreements were awarded to Land Legacy and The Nature Conservancy for purchase of easements on properties in Comanche, Rogers, and Pontotoc counties, totaling 413 acres. The agreements obligated \$681,259 of the FRPP funds.

Since 2001, Oklahoma NRCS has entered into cooperative agreements with four private land trust organizations for FRPP purchases. There are currently eight active agreements with a balance of \$2,856,550, for the purchase of a list of parcels totaling 2,758 acres. Through 2006, five easements have been acquired preserving 565 acres in Cleveland, Comanche, Oklahoma, and Rogers counties.

This past year marked the start of a unique opportunity to partner FRPP funds with military funding to purchase eligible properties in buffer areas around US military installations. This initiative known as the Army Compatible Use Buffer Program (ACUBP) is an attempt to deter development and urban land uses within one mile of a military base, so that training missions and related activities will not impact or be impacted by uses on these adjoining lands.

The first property purchased within the ACUBP was the 278 acre Ryder Ranch in Comanche County adjoining the

southern boundary of Fort Sill. Land Legacy is working in partnership with the Department of Army to obtain additional properties within the buffer area around Fort Sill, and have several properties slated for FRPP funding in the next few years. This partnership is a good way to stretch limited funding further in the conservation of agricultural lands.

Grassland Reserve Program (GRP)

The Grassland Reserve Program (GRP) is a voluntary program offering landowners the opportunity to protect, restore, and enhance grasslands on their property. Section 2401 of the Farm Security and Rural Investment Act of 2002 (Pub. L. 107-171) amended the Food Security Act of 1985 to authorize this program. NRCS, FSA, and Forest Service are coordinating implementation of GRP, which helps landowners restore and protect grassland, rangeland, pastureland, shrubland and certain other lands and provides assistance for rehabilitating grasslands. The program will conserve vulnerable grasslands from conversion to cropland or other uses and conserve valuable grasslands by helping maintain viable ranching operations.

GRP offers producers several enrollment options: permanent easements, 30-year easements, rental agreements (10, 15, 20 or 30-year duration), and restoration agreements.

Priority resource issues for this application period include the threat of conversion to other land uses, primarily urbanization and cultivation.

Consideration is also given for risk to invasive plants and loss of biodiversity.

The Agricultural Appropriations Act of 2006 did not include additional funding for GRP. Due to the existing backlog of applications for program

**Table 2
Status of GRP Permanent and 30 Year Easements**

County	Easement Type	Number	Acres	Status
Craig	30 Year	2	2127.6	Approved-03
Nowata	30 Year	1	631	Approved-03
Kay	30 Year	1	3,280.7	Approved-05
Osage	Permanent	1	969.3	Approved-05
Woodward	30 Year	1	69.5	Approved-05
Craig	Permanent	1	465.5	Acquired-06
Nowata	Permanent	1	614.8	Acquired-06
Osage	30 Year	1	201.7	Acquired-06

Table 3 Funded GRP Rental Agreements in Fiscal Year 2006

County	Data	Rental Agreement ~ Length			Grand Total
		10 Year	15 Year	20 Year	
Craig	Number of Approved Applications	2		1	3
	Total Acres in Approved Offers	1,220		80	1,300
	Cost of Approved Offers	\$140,300		\$18,400	\$158,700
Kay	Number of Approved Applications	1			1
	Total Acres in Approved Offers	582			582
	Cost of Approved Offers	\$55,290			\$55,290
Nowata	Number of Approved Applications	1		1	2
	Total Acres in Approved Offers	2,200		3,044	5,244
	Cost of Approved Offers	\$231,000		\$639,240	\$870,240
Osage	Number of Approved Applications	1			1
	Total Acres in Approved Offers	520.5			520.5
	Cost of Approved Offers	\$52,050			\$52,050
Payne	Number of Approved Applications	1	1		2
	Total Acres in Approved Offers	395	210		605
	Cost of Approved Offers	\$32,588	\$25,988		\$58,576
Woods	Number of Approved Applications	2	2	1	5
	Total Acres in Approved Offers	611.7	4,350	153	5,114.7
	Cost of Approved Offers	\$50,460	\$538,320	\$25,245	\$614,025
Woodward	Number of Approved Applications	1		1	2
	Total Acres in Approved Offers	326.7		2,368	2,694.7
	Cost of Approved Offers	\$25,320		\$367,040	\$392,360
Total Number of Approved Applications		9	3	4	16
Total Acres in Approved Offers		5,855.9	4,560	5,645	16,060.9
Total Cost of Approved Offers		\$587,008	\$564,308	\$1,049,925	\$2,201,241

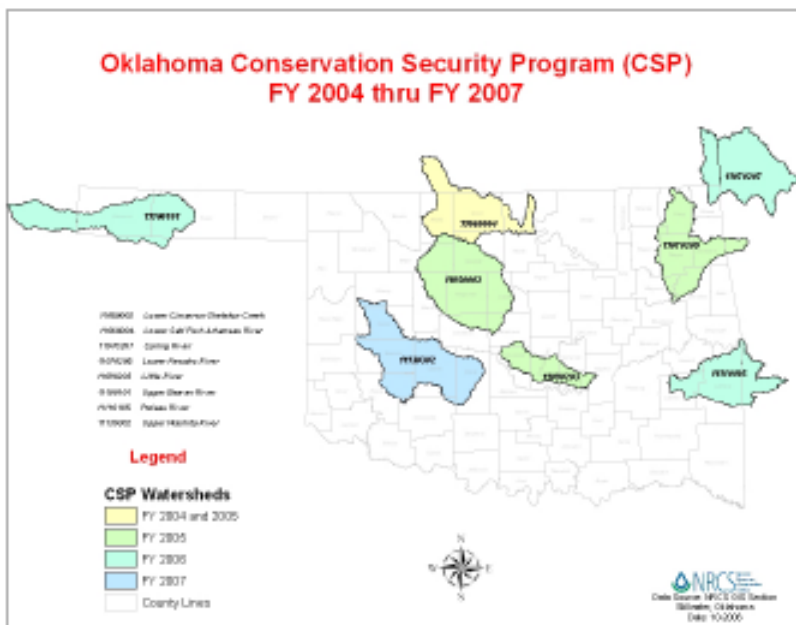
participation, USDA offices did not accept new applications for GRP in 2006.

Therefore the only activities within the GRP program in most of 2006 were to close on properties approved for 30 year and permanent easement purchases in fiscal years 2003 and 2005. Three GRP easements were acquired in 2006 at a cost of \$558,402 for 1,282 acres. On the previous page, Table 2 shows the completed purchases and the remaining easements for which prior year funding has been committed.

On August 29, 2006, Secretary Johanns announced several actions by USDA for

assistance to drought impacted states. Through this action, Oklahoma received an initial allocation of \$1.25 million in financial assistance for enrollment of rental agreements in the Grassland Reserve Program (GRP). Seven NRCS offices in Oklahoma received funding toward development of grassland management plans on existing GRP applications. Oklahoma requested additional GRP funding in order to enroll as many acres as possible for each landowner's request.

The outcome of the GRP funding for Oklahoma was the completion of sixteen rental



agreements on over 16,000 acres. The USDA funds allocated to these agreements totaled over \$2.2 million dollars. A breakdown of the specific types and size of the agreements is shown on the opposite page in Table 3. This funding will conserve valuable grasslands by helping maintain viable ranching operations and prevents these vulnerable grasslands from being converted to other uses.

Conservation Security Program (CSP)

On June 6, 2006, Agriculture Secretary Mike Johanns announced the funding of 4,404 CSP contracts on more than 3.6 million acres across the United States. The CSP contracts totaled \$50 million and were awarded to farmers and ranchers in 60 watersheds nationwide. Oklahoma received the most contracts in the nation with 440 new contracts on 156,374 acres for approximately \$3,154,400 in annual payments. These were added to the 326 contracts that were approved in 2004 and 2005.

The three Oklahoma watersheds selected for 2006 were:

Poteau River ~ Four hundred, twelve contracts on 109,959 acres were approved with an annual payment value of \$2,621,672. This was the top watershed in the nation in the number of contracts and fourth in dollars obligated. There were 372 Tier 3 contracts,

indicating that 90 percent of the contract holders had achieved the highest level of stewardship. All remaining contracts were Tier 2 which requires the entire operating unit to achieve at least minimal requirements. There were only 105 acres of cropland in these contracts, with the vast majority being grazing land.

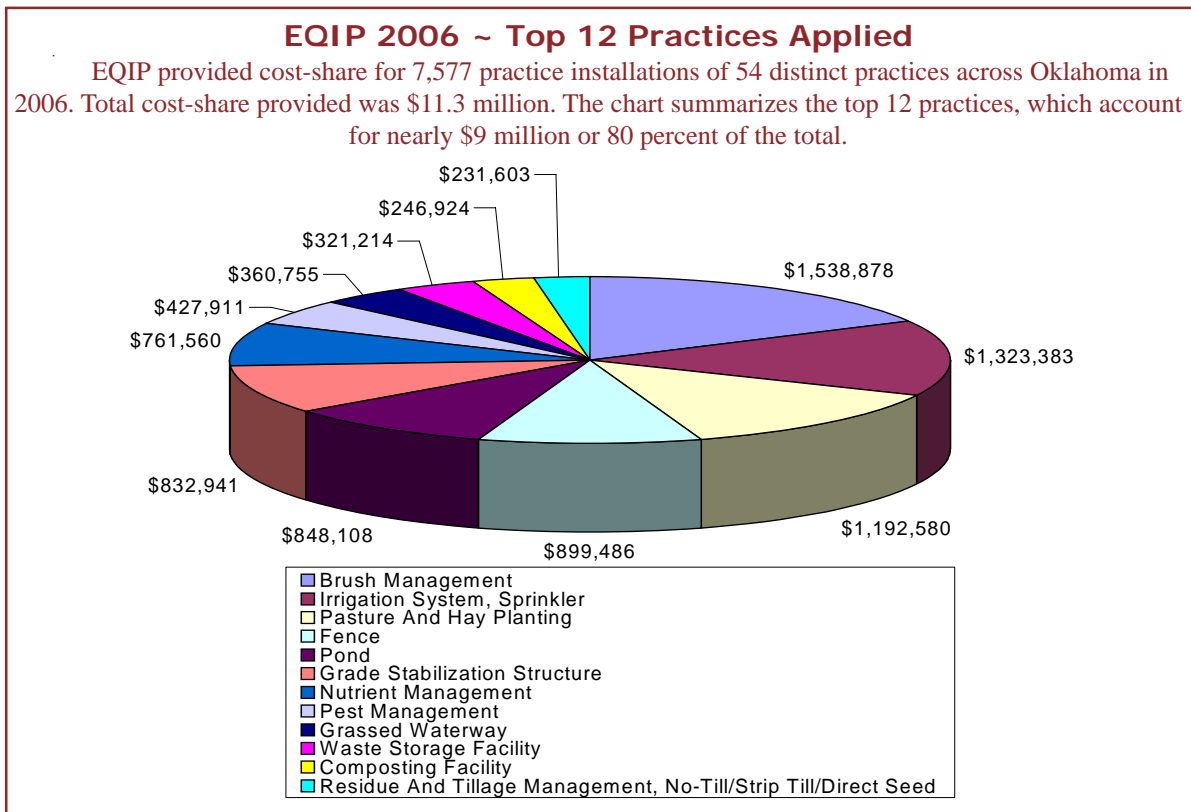
The watershed contains 1559 farms and lays in east central Oklahoma and western Arkansas. Major agriculture enterprises include livestock grazing, hay production, poultry and swine operations and crop production. Cropland occurs along the bottomlands adjacent to the Poteau

River. The majority of pasture in the watershed is former cropland that has been converted to introduced grasses. The poultry and swine operations are located throughout the watershed.

Upper Beaver River ~Twenty eight contracts on 46,415 acres were approved with an annual payment value of \$532,728. Two-thirds of these contracts were Tier 3 and the balance were Tier 2, indicating high levels of stewardship in this watershed as well. The contracts consisted of almost 40,000 acres of cropland and 13,000 acres of grazing land.

The Upper Beaver Watershed contains 658 farms and is located in the west half of the Oklahoma Panhandle, northeast New Mexico, and the north end of the Texas Panhandle. It is comprised of portions of Cimarron and Texas counties in Oklahoma, Dallam and Sherman counties in Texas, and Union County in New Mexico. The predominant land uses are cropland and rangeland. The majority of the cropland is located on the level to gently rolling uplands. The rangeland is generally located along the Beaver River and its tributaries. Irrigation water is withdrawn from the Ogallala aquifer and applied to the irrigated cropland through center pivot irrigation systems.

Spring River ~ No contracts were approved. Very few acres were eligible because most of this watershed in Oklahoma is forest land which is



not eligible for CSP. The Oklahoma portion of the Spring River Watershed is in the northeast corner of Ottawa County and contains approximately 218 farms. Major agriculture enterprises include livestock grazing of introduced forages and native range with poultry and dairy operations scattered throughout the watershed. The Spring River drains into Grand Lake which is a source of electricity, flood control, and extremely important for recreational and tourism purposes, therefore water quality is an evident concern.

Environmental Quality Incentives Program (EQIP)

The Environmental Quality Incentives Program (EQIP) is a voluntary conservation program that addresses serious threats to soil, water, and related natural resources.

NRCS, working through Oklahoma’s 88 conservation districts and USDA local work groups, established conservation priorities and application evaluation criteria. EQIP cost-share funding was allocated to the local offices working through the conservation districts for

conservation measures to address the locally identified resource concerns.

For fiscal year 2006, sixty percent of the state’s base allocation was provided to NRCS field offices to work with each conservation district in addressing the local priorities. Additional funding was provided for established local priorities (15 percent of state allocation) that correlated to the State Technical Committee identified priorities. The State Technical Committee identified eastern red cedar invading grazing lands, soil erosion on cropland and grazinglands, irrigation water conservation, and water quality concerns from animal waste/fertilizer applications as the top resource concerns impacting Oklahoma.

Enhanced funding was also available for conservation assistance in addressing geographically localized resource problems, and to stimulate conservation activity with tribes and other communities with historically low participation in conservation programs.

The fiscal year 2006 allocation for EQIP was over \$25 million, an increase of over \$2 million from 2005. Over 2,000 contracts were

approved covering 635,000 acres. There remains an estimated \$42 million in the over 5,800 unfunded applications for conservation needs where producers are ready and willing to complete conservation practices as assistance becomes available.

In addition to the county level allocations, four statewide initiatives were offered through the EQIP in 2006. Applications offered for these critical resource issues were evaluated and ranked for approval in four separate statewide evaluation pools.

Statewide AFO/CAFO Resource Concern Criteria

Two contracts were funded with a total value of \$683,019. A total of 11 applications were received requesting \$1.1 million in financial assistance.

This statewide resource concern was established in 2004 and has continued through 2006. There was a concern raised in 2003 that EQIP funds were not being made available because too few AFO/CAFO operations are present in local communities to be significant to the locally led process. Therefore, in 2004 the State Technical Committee requested a statewide process to address the water quality impacts of these operations to the rivers and streams of the state.

An allocation was set aside to fund animal waste management applications statewide. These funds were available only to existing and expanding beef, dairy, or swine confined feeding operations. A lower priority was given to operations that are planning expansion beyond current levels or capacity, and all applications for new facilities and poultry operations were ineligible for evaluation under



the statewide AFO/CAFO resource concern criteria.

Statewide Irrigation Water Conservation Concern

Nine contracts were funded with a total value of \$455,626. A total of 81 applications were received requesting \$2.9 million in financial assistance.

The State Technical Committee recommended offering ground and surface water conservation funding statewide to provide irrigators an opportunity for cost-share assistance to increase system efficiency and provide for water savings. Therefore, a limited statewide application and funding process (exclusive of the three panhandle counties) was added to the EQIP beginning in 2004 to address the statewide irrigation water conservation concern. The water conservation and irrigation eligibility requirements of EQIP are as follows:

- ◆ The land must have been irrigated two (2) of the five (5) years previous to application for EQIP.
- ◆ Conservation measures applied through EQIP must result in a net water savings to the operating unit.

Statewide Manure Transfer Resource Concern

Six contracts were funded with a total value of \$448,735. A total of 175 applications were received requesting \$3.1 million in financial assistance.

The statewide manure transfer resource concern, which was developed in EQIP beginning in fiscal year 2004, was continued through 2006. This resource concern addresses potential environmental concerns relative to the management of

animal wastes in Oklahoma's Nutrient Limited Waters (NLW) and Scenic River watersheds. The project has two primary objectives:

- ◆ Create an incentive to distribute animal manure to areas of the state that have historically not used animal manure as a fertilizer.
- ◆ Promote a long-term market for animal manure as a fertilizer around the state.

Implementation of this project has the potential to reduce animal manure application in areas where it has traditionally been over-applied in the past and should result in better distribution of these nutrients statewide.

Financial assistance available to the participants in the statewide manure transfer resource concerns was limited to incentive payments, for up to three years, for Manure Transfer (634) and Nutrient Management (590) conservation practices as listed in the current EQIP cost list. No other practices were available under this resource concern.

Lagoon Closures Animal Resource Concern

Three contracts were funded with a total value of \$122,574. All applications were funded.

This allocation was set aside to assist in the closure of livestock waste treatment lagoons and livestock waste storage ponds where confined animal production operations were discontinued voluntarily, involuntarily, or by termination of an industry contract statewide. Applications were evaluated, ranked by a multi-disciplinary team,



and selected for funding at the state level.

Cost-share was limited to the components necessary to complete the closure under the Oklahoma Closure of Waste Impoundments (360) practice standard. This practice provides closure of waste impoundments (treatment lagoons, waste storage ponds, under barn storage pits, and other associated waste facilities) in an environmentally safe manner, that are no longer used for their intended purpose. Closure of these facilities will follow an official closure plan developed by NRCS, the ODAFF, or an approved Technical Service Provider.

Ground and Surface Water Conservation

Twenty-six contracts were funded with a total value of \$712,105. Water conservation measure will be applied to more than 8,800 acres through these contracts.

A special section of the EQIP program's legislation in the 2002 Farm Bill allowed for additional funding for targeting water conservation measures in the High Plains (Ogallala) Aquifer region in 2002. The legislation allowed for the expansion of the water conservation program nationwide in 2003.

The purpose of this special section is specifically to promote ground and surface water conservation activities to improve irrigation systems; convert to the production of less water intensive agricultural commodities; improve water storage through measures such as water banking and groundwater recharge; or institute other measures that improve groundwater and surface water conservation, as determined by the Secretary of Agriculture.

The majority of the conservation measures are installed through a cost-share agreement not to exceed 50 percent of the cost of approved practices. Oklahoma received \$950,000 in funding in 2002, over \$834,000 in 2003, over \$940,000 in 2004, and over \$840,000 in 2005. With the limited amount of cost-share available since 2002 and the sensitive conservation issues associated with the Ogallala aquifer, a

determination was made to continue focusing the funding to the High Plains.

Wildlife Habitat Incentives Program (WHIP)

Forty-eight contracts were funded with a total value of \$705,366. A total of 609 applications were received requesting \$4.4 million in financial assistance.

The Wildlife Habitat Incentives Program (WHIP) is a voluntary program that helps landowners develop and enhance wildlife habitat on private lands.

The 2006 enrollment of 48 WHIP contracts will result in the creation or improvement of wildlife habitat on 25,536 acres. Currently, nearly 200 contracts are enrolled providing for wildlife habitat improvement on over 85,000 acres in Oklahoma.

Wetlands Reserve Program (WRP)

The Wetlands Reserve program (WRP) is a voluntary program that provides technical and financial assistance to eligible landowners to address wetland, wildlife habitat, soil, water, and related natural resource concerns on private and tribal lands. In the period 1780 to 1980, it is estimated that Oklahoma lost approximately 1.8 million acres (67%) of the 2.8 million acres of naturally occurring wetlands.

The total WRP financial assistance allocation for fiscal year 2006 totaled \$3.5 million. With this allocation, Oklahoma enrolled land into 2 restoration agreements for 121 acres, and 11 permanent easements restoring and protecting over 2,110 acres of wetlands and associated buffers in 9 counties. Since 1996, Oklahoma landowners have enrolled over 56,158 acres into the WRP through 236 agreements with over \$37 million in federal assistance for acquisition and restoration of wetlands in 48 of Oklahoma's 77 counties.

Beginning with the programs inception, NRCS has worked directly with landowners, state and federal agencies, and private conservation organizations to complete hydrology restoration, bottomland hardwood

reforestation, native wet meadows, rangeland reestablishment and natural regeneration on 50,086 of these acres. The Oklahoma conservation partnership has completed



White Ibis abundant at Red Slough WRP in McCurtain County.

restoration action on over 90 percent of the enrolled property at the end of 2006. In 2006, hydrology restoration was completed on 37 easements totaling 5,316 acres protected. Over 455,000 bareroot seedlings were planted in the winter of 2006 on 1,507 acres. One unique accomplishment completed in 2006 was the hydrology restoration and reforestation of 3,022 contiguous acres in McCurtain County. Known as the Walnut Bayou project, this project area is comprised of 8 separate landowners and 11 easements including one easement in Arkansas, acquired in the period 1998 to 2004 that traverse portions of three distinct watersheds. The contiguous arrangement of the easements allowed application of the hydrology restoration to be completed as a single project in lieu of performing restoration based on property boundary restrictions. As the Walnut Bayou project matures the expectations are optimistic that this site will compare with the nationally recognized Red Slough WRP.

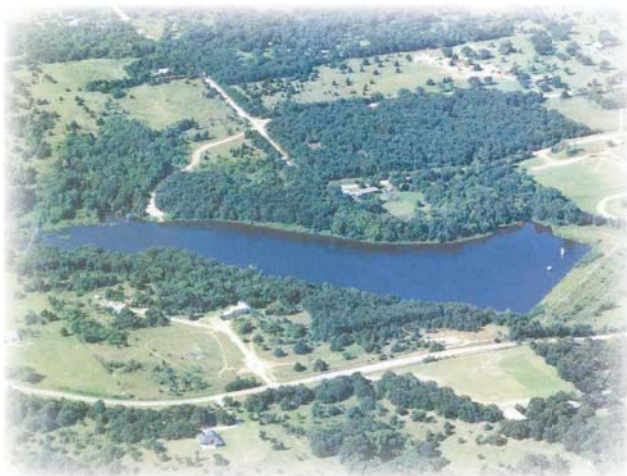
We anticipate the completion of 3,500 acres of wetland restoration in 2007 and 1,400 acres of bottomland hardwoods reforestation, utilizing Air Root Pruned Method tree seedlings. Work continues across the state on closing easements and completing restoration activity on existing easements.

Watershed Program

Oklahoma has had a strong history in the watershed program since its inception in the 1940s. The 2,105 watershed dams constructed to date represent a \$2 billion public infrastructure that provides average annual monetary benefits exceeding \$72 million. Oklahoma's watershed projects provide protection for over two million acres of agricultural land. The dams provide protection from flooding of roads, utilities, homes, and commercial properties. These lakes are sources of water for livestock, irrigation, and recreation. Water storage has been added to 29 watershed lakes for water supplies to cities and rural water districts.

Many farming operations and property development have been designed based upon the protection and resources provided by these lakes. Oklahoma's watershed infrastructure is aging. In 2006, more than half of the 2,105 watershed dams in Oklahoma are now more than 40 years old; 154 have already exceeded their 50 year design life. Operation and maintenance of these dams is an increasing workload.

Most of the dams were originally planned and designed to protect agriculture land. However, homes and businesses have been built downstream from some of these dams so they are now classified as high hazard. There are now 188 dams that are classified as high hazard; most do not meet current safety criteria.



There is a \$100 million backlog of the 333 dams that are planned but not yet constructed.

Oklahoma NRCS has received funding and did construct 18 new dams in the past ten years. Table 4 shows the status of Oklahoma's watershed projects.

Small Watershed Rehabilitation

Oklahoma has over a \$2 billion infrastructure that provides over \$72 million in benefits each year. Local watershed project sponsors, assisted by NRCS, have constructed 2,105 upstream flood control dams in Oklahoma since 1948. A total of 154 of these dams have reached or exceeded their 50-year design life. By 2010, 463 dams will have reached this mark, and by 2015, 1,090 dams, or more than half of all dams constructed in Oklahoma, will have reached or exceeded their design life. The average cost of dam rehabilitation in Oklahoma is about \$850,000. Current funding needs, based on dam age alone, are nearly \$120 million. By 2015, funding needs will exceed \$400 million.

Since 1998, when rehabilitation planning started on the nation's first flood control dam to be rehabilitated in the Sergeant Major Creek Watershed in Roger Mills County, Oklahoma, rehabilitation plans have been completed on 30 dams, and planning is underway on 6 additional dams. Construction has been completed on 9 dams and another 8 dams will be under construction in 2007.

Current rehabilitation planning projects involve high priority dams which have been classified as high hazard because of the potential for loss of life should the dams fail. These projects include dams in the Upper Clear Boggy Creek Watershed in Pontotoc County, and the Sallisaw Creek Watershed in Adair County, and the Fourch Maline Watershed in Latimer County. All of these rehabilitation planning projects have housing development below the dams, which requires that the dams be upgraded to meet current safety criteria and performance standards for high hazard dams.

Emergency Watershed Program

Through the Emergency Watershed Protection (EWP) program, NRCS provides

Table 4 Oklahoma Watershed Projects ~ Status of Implementation

Program	Number of Watershed Projects	Number of Dams Constructed To Date	Number of Dams Planned but not yet Constructed	Number of Dams Rehabilitated To Date	Number of Dams with Rehab Plans Authorized
PL-566	68	985	319	0	13
PL-534	55	1107	14	5	6
Pilot	1	6	0	4	2
RC&D	4	7	0	0	0
Totals	128	2105	333	9	21

assistance to people, and conserves natural resources by relieving imminent hazards to life and property caused by flood, fire, drought, tornado, and other natural occurrences. All projects undertaken, with the exception of the floodplain easements, must be sponsored by a political subdivision of a state, such as a city, county, or conservation district or a tribal government.

NRCS may bear up to 75 percent of the construction cost of emergency measures. The remaining 25 percent must come from the local sources and can be in the form of cash or in-kind services. EWP funds are not an annual line item in agricultural appropriations such as other NRCS programs. Funding is from special congressional authorizations that appropriate money after the storm has occurred and sites have been selected for assistance.

EWP work can include removing debris from the floodplain in stream channels, road ditches, road culverts, and bridges; reshaping and protecting stream banks; reseeding critically eroding areas; and purchase of floodplain easements.

In fiscal year 2006, NRCS spent \$3.5 million in helping Oklahoma recover from flood damages. In fiscal year 2007, NRCS has approximately \$3 millions of funds for sites that were selected in pre-2007 events. The funds will be spent to protect rural roads and bridges, stream corridors, and infrastructure from failure due to additional flooding and sedimentation

from future storm events. NRCS is dealing with a statewide emergency from the January 2007 ice and flood that declared a Presidential Disaster in all of Oklahoma's 77 counties.

Soil Survey Program

Soil surveys provide a field-based scientific inventory of soil resources, including soil maps, data about the physical and chemical properties of soils, and information on the potentials and limitations of each soil. NRCS is the lead federal agency responsible for the soil mapping of private lands. Soil surveys have many uses but are intended for people to determine the best uses of the land based on soil type. Soils data can be used to determine highly erodible areas, potential wetlands, sites where livestock manure could be distributed with little environmental impact, prime farmland, or other soil interpretations critical to natural resource management. Soils data is also useful to urban planners and other government agencies.

Oklahoma currently has digital soil survey spatial data (SSURGO) available on Soil DataMart and Web Soil Survey for 73 counties. The digitizing process is ongoing on the remaining four counties. Oklahoma hopes to have all 77 county soil surveys available in electronic format during fiscal year 2007. Tabular data is available for all 77 counties. New update soil surveys and supplements to published soil surveys are now being published on Web Soil Survey.

The website for the Web Soil Survey is:
<http://websoilsurvey.nrcs.usda.gov>.

The website for the Soil DataMart is
<http://soildatamart.nrcs.usda.gov>.

Technical Service Providers (TSP)

The 2002 Farm Bill authorized USDA to use Technical Service Providers (TSPs). The premise behind TSPs is that the public interest to do conservation work and the government's financial commitment are both at historic levels. The Farm Bill increased conservation investment up \$1.8 billion to \$3.9 billion. NRCS and our locally-led partners are committed to getting this money out quickly and efficiently. Helping build a new industry of certified professionals from the private sector, nonprofit organizations, and public agencies to provide direct technical assistance and deliver conservation activities will help with this commitment.

Technical assistance includes conservation planning and design, layout, installation, and checkout of approved conservation practices. NRCS and conservation districts have traditionally provided these technical services, and will continue to do so. What's new is that USDA will now reimburse producers for technical assistance provided by certified Technical Service Providers. Oklahoma has engaged public sector TSPs through contribution agreements where the public agency share at least 50 percent of the cost of services, and in 2005 through a competitive agreement process.

The competitive agreement process has resulted in three agreements for services through both public and private sources. Since 2003, over \$2.3 million has been obligated for non-NRCS technical assistance services to Oklahoma's land stewards.

New TSP Agreements

Oklahoma NRCS advertised through a competitive agreement process for technical assistance from private sector and public agencies for technical services in irrigation assistance, grassland baseline inventories, nutrient management planning, Conservation Reserve Program (CRP) planning, and engineering design and implementation services.

Agreements were awarded for CRP and engineering services to Conestoga-Rovers and Associates. The Oklahoma Department of

Agriculture, Food, and Forestry (ODAFF) was awarded the agreement for nutrient management planning.

Oklahoma NRCS continues work with these TSPs to place additional resources in the field to assist Oklahoma's resource stewards in timely planning and implementation of their conservation systems.



Oklahoma Outreach

Fiscal year 2006 was another banner year for outreach in Oklahoma. The Poteau River Watershed Conservation Security Program (CSP) team received the Secretary's Honor Award for their outstanding outreach to the Native Americans, Asians, and limited resource customers, within the watershed. The hard work and tireless efforts by the team resulted in 412 contracts being awarded, representing the most contracts accepted in the nation for a CSP watershed. The team's goal was to reach and inform all the farmers and ranchers in the Poteau River Watershed area about the CSP Program. To reach their goal, a series of meetings were set up in each community in the watershed. The meetings were scheduled in the evenings to accommodate the producers who were working at off-farm jobs, as well as to ensure poultry producers with large flocks were able to attend. A



NRCS participated in the Small Farmers' Conference at Langston University.

total of 13 original meetings were planned and conducted.

In 2006, Oklahoma continued its outreach effort to Women In Agriculture (WIA). Oklahoma NRCS participated in 11 outreach meetings targeting WIA with one of those being a statewide meeting. This effort involved working with Resource Conservation and Development (RC&D) Coordinators, conservation districts, NRCS field offices, local women farmers/ranchers, and other state and federal agencies to form planning committees to host these meetings across the state. This effort resulted in over 1,500 individuals, primarily women, attending these very informative and well designed meetings.

Our team approach to outreach once again was very successful this year. Through conducting targeted outreach meetings, radio public service announcements, printing over 2,000 news articles and press releases, and exhibiting booths at state and county fairs, farm shows, and other events, we reached an estimated audience in excess of six million individuals in fiscal year 2006.

Earth Team Volunteer Program

The Oklahoma Earth Team Volunteer Program (ETVP) once again performed at a high level in fiscal year 2006. The number of volunteers totaled 621 with a total of 70,003 hours worked, which was third nationally for the number of hours. Approximately one third of the

total hours were contributed by workgroups in Oklahoma. The ETVP has been around since 1981, when Congress passed legislation allowing NRCS to use volunteers in all programs. It is still a very strong program and many individuals and groups enjoy volunteering their time for the conservation effort.

Oklahoma has many projects throughout the state that involve Earth Team volunteers on a regular basis. There is also strong diversity within the ETVP and it continues to grow in this area.

One particular project that utilized ET volunteers involved the Sequoyah County Conservation District and the Sallisaw NRCS office. They held their annual Natural Resource Day on April 26, 2006, at Brushy Lake. There were approximately 145 fifth grade students, teachers, and parents from Roland, Brushy, and Central Schools. The students attended nine different conservation stations learning about wildlife, recycling, water quality, fisheries, mine safety, reptiles, soils, engineering, and forestry.



Sequoyah ET volunteers assisted with a Natural Resource Day for fifth grade students.

Resource Conservation and Development (RC&D) Program

The Resource Conservation and Development (RC&D) program helps people in rural areas plan and carry out activities that increase conservation of natural resources, stimulate and support economic development, and enhance the environment and standard of living in local communities.

Oklahoma has nine authorized RC&D areas, serving all 77 counties. Local people make the choices for their community – they work on land conservation, water management, environmental enhancement, community development, or something unique to their particular area. In every case, local people are the decision makers.

High Plains RC&D has completed ten Community Plans for Economic Recovery based on utilization of natural resources. The RC&D raised over \$104,000 for the Northwest Alliance, which is a regional marketing organization. The RC&D added 2,000 acres to the habitat management program for



restoring habitat for the Lesser Prairie Chicken; bringing the total under voluntary management programs to 22,000 acres. A total of \$1,352,000 had been raised by the RC&D at the end of fiscal year 2006 for this project. The RC&D was instrumental in discovering a commercial deposit of lignite in Cimarron County, which will add 10-12 jobs to the county. The Wildlife/Conservation Mobile Education Trailer is complete and now available for use. High Plains RC&D hosted the five-state Partnership for Species at Risk annual meeting, raising \$27,000 for the Oklahoma Wildlife and Prairie Heritage Alliance, and completed a study on what effects wind farms have on prairie songbirds.

The Wheatland RC&D received a grant for one year to fund Outreach for Underserved. There will be eight outreach meetings held across the state. The outcome is to provide a greater knowledge and accessibility for the utilization of USDA technical and financial available programs. There are many partners in this project including: the Oklahoma Conservation Commission, the Oklahoma Association of Conservation Districts, NRCS,

RD, RC&D, OSU Extension Service, FSA, and the Career Tech Centers.

Wheatland RC&D was awarded a grant of \$10,000 from the Oklahoma Department of Agriculture Food and Forestry, to expand the William S. Key Correctional Center's Tree-Grow-Out program. The project benefits state, county, city and non-profits with three to four year old trees for planting in city parks, school grounds, etc. for shade and beautification.

Wheatland RC&D also received two grants. One is for handicapped accessible playground equipment and the second for a school athletic track and walking complex.

These projects benefit both youth and adults by providing a safe environment.

Wheatland RC&D also coordinated and hosted a Statewide Renewable Energies Conference in Oklahoma City. There were 134 attendees and many informative programs on alternative fuels with a focus on funding for new alternative fuels installations. There were 32 different agencies and partners that participated in the planning and facilitation of the Workshop.

The Tallgrass RC&D Inc. was recognized at an awards luncheon on February 6th in Washington DC, as the top RC&D Council in the United States by the National Association of Resource Conservation and Development Councils (NARC&DC) for 2005. The NARC&DC represent 375 councils nationwide.

Tallgrass RC&D Inc. was also named The Outstanding Council for 2005, by the Southwestern States Association of Resource Conservation and Development Councils. These councils are made up of 65 Resource Conservation and Development Councils from across six states, including Arkansas, Kansas, Louisiana, Missouri, Oklahoma and Texas.

The Council completed projects such as helping establish emergency ambulance service to four towns, partnering with local banks to provide gap financing for the creation of new business, health care, rural tourism, conservation education, and recycling education. Also, facilitation of meetings such as programs to support education of Women in Agriculture issues, outreach activities supporting USDA programs, that included USDA – NRCS programs and USDA Rural Development programs.

Great Plains RC&D provided assistance this past year to the Dean CEG ethanol processing plant that received the first permit from the Oklahoma Department of Agriculture. Other renewable energy efforts resulted in the completion of a 147MW wind energy center and the feasibility study for an oilseed and biofuel processing facility.

The Great Plains RC&D led the effort to provide technology transfer through numerous workshops and producer meetings promoting no-till conservation cropping systems. The Southern Plains Agricultural Resources Coalition was created to develop market based incentives for improving conservation and soil quality.

The Great Plains RC&D provided educational opportunities through the statewide Women in Agriculture & Small Business Conference, the Oklahoma BioBlitz, and through natural resources outdoor classrooms. Alternative agriculture enterprises and agritourism are continually assisted and developed. New farmers markets and the Farm-to-School project provide additional economic opportunities. The Great Plains Trail of Oklahoma successfully creates synergy and regionalism promoting economic



development.

ASCOG RC&D Council completed 21 projects across the ASCOG eight county area, totaling \$730,968 going into local communities for rural and economic development projects.

Two RC&D projects that have proven to be very beneficial include the Native American Indian Farmers and Ranchers Cooperative (NAIF&RC) located in Anadarko, and the Oklahoma Scenic Byways Program. The NAIF&RC has partnered with the ASCOG RC&D Council to develop a 250+ member cooperative, representing several tribal governments, to address conservation and economic development issues on Native American farm and ranch lands within Caddo County.

The ASCOG RC&D Council has also provided technical and planning oversight to the Oklahoma Scenic Byways Advisory Council to establish scenic byways across the state to promote tourism and economic development. At

the present time, 1 national byway has been designated, 4 routes have received state designation and 12 other proposed routes are in the planning and application stage. This statewide project will continue to dramatically impact Oklahoma's economy. The ASCOG RC&D

Council continues to help local communities prosper.

Fun Country RC&D continues its support in the development and enhancement of Farmers Markets to provide local growers financial savings and opportunities and partnership opportunities with local business owners and main street communities.

The RC&D is coordinating efforts with potential value-added business owners and area landowners primarily focusing on the removal

and utilization of Eastern Red Cedar. Tourism is a striving enterprise in this area and the council is promoting Agritourism opportunities through information and education to traditional agriculture operators and potential new entrepreneurs.

Economic development continues to be a driving force in all communities. Fun Country is assisting in providing leadership and guidance in business expansion and new business establishment in rural Oklahoma.

The Ouachita Mountains RC&D again hosted the 11th Annual Forestry on the Grow Conference & Expo, and it was a great success with over 175 attendees. The conference attracted attendees and 23 exhibitors from 14 states.

The Council hosted and conducted two Women in Agriculture & Small Business Conference & Trade Shows in RC&D area with over 300 people attending.

The Council is proud to assist with the Hugo Lake Disability Deer Hunt, the Southeast Oklahoma Youth Deer Hunt, and the Lt. Governor Turkey Hunt for economic development in Southeast Oklahoma.

Other annual projects include the Southeast District Forestry Judging Contest for 4-H and FFA students, Forestry Contest workshops, and the Forestry Contest Scholarship Programs (approximately \$95,000 in college scholarships have been awarded to the district contest high-scoring individuals).

The Cross Timbers RC&D serves ten counties in east central Oklahoma. Led by 34 representatives from this region, the Association

is active with projects regarding issues affecting the communities in this area. In 2006, the Council continued to work with facilitating projects including the Woody Guthrie Folk Festival, Lt. Governors Invitational Turkey Hunt, the Youth Disability Fishing Derby, Governors Invitational Duck Hunt, assistance to the Annual Forestry Conference, the continuation of the Oklahoma Youth Forestry and Wildlife Camp, Regional Grant Writing Workshops, and Area Leadership Programs. New projects include the Harvest Festival for Agritourism, the development of a Revolving Loan Fund for Job Creation and committee creation to assist the development of a Biofuels program in the area.

The Cherokee Hills RC&D provided a grant to the Oklahoma Envirothon through the Ottawa County Conservation District. The Council provided financial and technical assistance to two Women in Agriculture meetings. The first was Muskogee, Wagoner and Okmulgee Counties and the second was Adair, Cherokee and Sequoyah Counties. The Council set up a booth at both events and provided information to over 180 participants. Both of Cherokee Hills RC&D small business incubator units were occupied during the entire year. The Council continued to provide assistance on the Poultry Waste Processing Project in Delaware County. A guaranteed loan the Council had made to the Porterhouse Restaurant was repaid this year. The Council provided financial and technical assistance for the Nowata County Agriculture Outreach Meeting and for the Adair County Poultry Producer Training and Outreach Meeting.



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