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Montana Department of
ENVIRONMENTAL QUALITY

Brian Schweitzer, Governor

P.O. Box 200901 • Helena, MT 59620-0901 • (406) 444-2544 • www.deq.mt.gov

October 6, 2008

RE: Final Checklist EA for Barretts Minerals, Inc. Amendment 005 to Operating Permit 00009

Dear Reader:

Barretts Minerals, Inc. (BMI) located at PO Box 1147, Dillon, MT 59725 applied for an amendment on May 28, 2008 from the Montana Department of Environmental Quality (DEQ), Environmental Management Bureau in Helena to revise Operating Permit 00009 to expand the existing wet tailings disposal operations. The mill is located in the east half of Section 17, Township 8 South, Range 9 West in Beaverhead County. The site is about 8 miles south of Dillon, MT.

Newspaper notices were published in the Dillon Tribune Examiner (June 4, 11 & 18, 2008), Madisonian (June 5, 12 & 19, 2008), and the Montana Standard (May 29, June 5 & 12, 2008) and a press release issued on June 4, 2008 noting that an application for an amendment had been received. A Draft Checklist Environmental Assessment (CEA) was sent out for review and comment on August 28, 2008. Newspaper notices were again published in the Dillon Tribune Examiner (September 3, 10 & 17, 2008), Madisonian (September 4, 11 & 18, 2008), and Montana Standard (August 31, September 7 & 14, 2008) and a press release issued on September 4, 2008 noting the availability of the CEA. No comments were received. DEQ has decided to adopt the Draft CEA as the Final EA.

Approval of Amendment (005) would provide operational flexibility and additional solution balance management capabilities by disposing of wet tailings material in an existing gravel pit (Pond G) and later on to a proposed gravel pit (Pond H). The estimated remaining life of the operation is approximately thirty years. A minor revision was approved to mine gravel from the proposed waste disposal area (Pond G) in February 2000.

Due to updated surveying techniques the existing permit area was revised from 50.55 acres to 52.97 acres. The entire permit area of 52.97 acres is permitted for disturbance. The proposed permit area would be 71.48 acres. The 18.51 acre increase would include a new gravel pit (Pond H) that would eventually be used for tailings disposal, as well as an existing gravel pit (Pond G) and a narrow strip of land along the west side of the permit boundary. This strip of land would be included to allow for reclamation of some access and disposal areas not included in past mapping. The existing and proposed gravel pits would be located along the northern perimeter of the permit boundary. The operating plan calls for reclamation of all surface disturbances, with a post-mining land use of livestock grazing and wildlife habitat.

The Draft CEA addressed issues and concerns raised during public involvement and from agency scoping. There are three stipulations attached to approval of the amendment: (1) A new downgradient monitoring well will be required to be installed within 90 days of approval of the amendment; (2) BMI will need to add TDS to the groundwater sampling program, and; (3) BMI will be required to update their Storm Water Pollution Prevention Plan before construction of the proposed new gravel pit (Pond H), or disposal of tailings into the existing gravel pit (Pond G).

Copies of the environmental assessment can be obtained by writing DEQ, Environmental Management Bureau, P.O. Box 200901, Helena, MT 59620, c/o Herb Rolfes, or calling (406) 444-3841; or sending email addressed to hrolfes@mt.gov.

Warren D. McCullough — 10/6/08

Warren D. McCullough, Chief
Environmental Management Bureau

Date

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