

**ENVIRONMENTAL ASSESSMENT FOR MINOR REVISION
COAL AND URANIUM PROGRAM
MONTANA DEPARTMENT OF ENVIRONMENTAL QUALITY**

COMPANY NAME: Big Sky Coal Company

DATE: July 9, 2009

OPERATING PERMIT#: 88004B

MR#: MR 09-04-01B

LOCATION: Big Sky Area B Mine

Type and Purpose of Action:

Big Sky Coal Company (BSCC) seeks to amend surface and ground water monitoring schedules and water quality sampling (Minor Revision MR 09-04-01B) of select hydrologic monitoring sites located within and adjacent to Area B of the Big Sky Mine.

BSCC requested to either abandon or amend the ground water level monitoring schedule and water quality sampling requirements of select wells. This request was submitted by BSCC to reduce or eliminate unnecessary or redundant sampling.

BSCC also proposed modifications to its surface water monitoring plan for stream and pond sites, including discontinuation of some sites, and generally reduced monitoring and sampling frequency at most others.

Potential Impacts and Mitigation Measures:

The Department considered each request to amend the monitoring and sampling of select wells based on whether or not any additional data associated with a particular well would be required in the future to determine hydrologic impacts. Potential impacts of amending the ground water program include reduced monitoring and sampling frequency of select wells that may hamper the ability of the Department to assess hydrologic impacts to the area. However, the Department does not anticipate adverse impacts associated with their respective decisions to either approve or not a specific request by BSCC.

Review and conclusions for surface water sites were based on review of the operator's proposal, previous hydrologic data, and Big Sky's historic monitoring program and related discussions. The review also considered the need for to demonstrate that Big Sky's Area B mining and reclamation operation will have adequately addressed relevant regulatory and final bond release requirements for surface water hydrology, including: ARM 17.24.314, 501, 631, 634, 642, 646, 650 and 1116. Several of BSCC's proposals were acceptable, and without significant potential for impacts. Other proposals were determined unacceptable for long-term monitoring needs; monitoring for these sites remained unchanged or were modified to an acceptable compromise solution. Among other requirements, BSCC is required to provide adequate monitoring to demonstrate that its mining and reclamation operations had minimized impacts to the hydrologic balance within and adjacent to the permit boundary, and prevented material damage to the hydrologic balance outside the permit boundary.

Alternative Actions:

Alternatively, the Department may have opted to continue the current ground water monitoring program by denying all reasonable requests of BSCC. Reasonable and technically sound requests were approved by the Department to streamline and make the ground water monitoring program efficient.

Alternatives to the proposed surface water modifications were included as part of MDEQ's partial approval and modification of the plan. Other possible alternatives include no changes to the current monitoring plan, or an increase in monitoring requirements to address any shortcomings in the current plan.

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