

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

COMPANY NAME: Signal Peak Energy, LLC

DATE: August 16, 2010

OPERATING PERMIT#: 93017

MR#: 10-17-08

LOCATION: Bull Mountains Mine, T6N, R27E, Section29

Type and Purpose of Action:

The proposed minor revision permit provides for very minor alterations to the mine facility's control of surface water and sediment control measures. The proposed alterations are intended to improve sediment control. The plan calls for removing one sediment trap and enlarging another to accept the associated runoff. Other minor earthwork including the construction of a few hundred feet of water control berms to route drainage is being proposed.

Potential Impacts and Mitigation Measures:

The area is within the active mine facility area and all the lands affected, including borrow areas; have all been disturbed in the past year. The earth work construction will entail localized dust, noise and equipment traffic. This is an active mining area so the additional impacts are expected to be negligible.

Alternative Actions:

The action will improve surface drainage and sediment control. Effective sediment control is required by the mining permit. No action would increase the potential for sediment disruption of the downstream intermittent drainage course. Plausible alternative actions will have similar or more extensive potential impacts.

Prepared by: David Adair

Title: Mine Engineer