

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

COMPANY NAME: Signal Peak Energy, LLC

DATE: January 31, 2011

OPERATING PERMIT#: SMP 93017

MR#: 10-17-01

LOCATION: Bull Mountains Mine No. 1, T6N R27E Sections 18 & 20

Type and Purpose of Action:

The operator is proposing to install a borehole pad in a remote location and make improvements to the two track road used for access. The pad and road improvements are needed to insert concrete into the underground mine works at that particular location. The pad earth work will consist of leveling a circular area approximately 220 feet in diameter and surfacing with 6 inches of gravel. Road improvements are needed to level the primitive road to allow access for heavy trucks. Improvements are proposed for approximately 2500 lineal feet of two track farm road.

Potential Impacts and Mitigation Measures:

Impacts will include the noise and dust associated with minor earth work. Surface vegetation and top soil will be disturbed in the work area. Mitigation measures will include salvaging of top soils for later reclamation of the pad area. Heavy equipment activity will be restricted to the immediate area. Best available practices will be utilized to minimize sediment transport off the disturbed areas and minimize hydrologic impacts.

Alternative Actions:

Impacts are expected to be relatively minor and no reasonable alternatives appear to exist.

Prepared by: David Adair

Title: Mining Engineer