

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

COMPANY NAME: Westmoreland Resources, Inc

DATE: March 31, 2011

OPERATING PERMIT#: SMP 85005

MR#: 09-05-04

LOCATION: Absaloka Mine located at Sarpy Creek, approximately 30 miles east of Hardin, Montana, via State Highway 384 and Sarpy Basin Road. The proposed changes include sections in T1N and T1S in R38E.

Type and Purpose of Action:

Westmoreland Resources, Inc. submitted a request for a minor revision to the permit. The proposed request would allow for the recovery of additional coal reserves, the enlargement of Ponds 29 and 31, an increase to the width of mining passes from approximately 165' to 210' wide, re-design of the placement of ramps, and changes to the post mine topography (PMT). Approximately 7.5 million more tons of coal would be recovered out of approximately 10.0 million in-place tons. Ponds 29 and 31 would be excavated deeper to allow for additional de-watering of the pit. Wider mine passes would facilitate operations: better pit cycle time and dragline stripping of the inner-burden. Re-design of the ramps and changes to the PMT would be in support of the other operational changes. In addition, the proposed action includes updating numerous sections of the permit to accommodate the proposed operational changes.

Potential Impacts and Mitigation Measures:

Potential impacts include a 2% increase in the already permitted disturbance area (4835 acres to 4955 acres) and changes to the propose PMT. The proposed additional disturbance area is small in comparison to that already approved and would result in an insignificant impact. Mitigation includes established sediment control, soil salvage and reclamation of all disturbed areas. Potential impacts associated with changes to the PMT would be insignificant: no changes to the PHC or post mine land use would be expected. Potential impacts identified in this assessment do not change the findings in prior environmental reviews.

Alternative Actions:

Conservation of coal and other resources' would be better maximized through acceptance of this minor revision to the permit. No alternatives were considered.

Prepared by: Peter Mahrt
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