

DEQ OPENCUT MINING PROGRAM

SUPPLEMENTAL ENVIRONMENTAL ASSESSMENT

APPLICANT: American Bank

COUNTY: Gallatin

SITE NAME: Valley West

DATE: April 2012

LOCATION: Section 9, T2 S, R5 E

APPROVED PERMIT #: 2181 (formerly #730 permitted to Bozeman Lakes, LLC)

Type and Purpose of Action: Operator has applied for an amendment to add 1.4 acres to their 18.8-acre permit for the purpose of expanding the facility area. The total permitted area would be 20.2 acres. The operator has conducted Opencut activities outside of the permitted area. This amendment serves to incorporate the additional disturbed acreage as well as release the mine area acreage that has been reclaimed.

Site Description: The 1.4-acre proposed amendment area is an addition directly adjacent and to the north, west, and south of the existing permitted area. Mining activities are complete at this site, and reclamation to two ponds and a grassland area has been completed in the mine area. The remaining facility area is being used for storage of mineral stockpiles and soil. Once the stockpiles have been depleted, the facility area would be reclaimed. There are no site characteristics of special concern, or nearby residences or public use areas.

Species of Concern: The Montana Natural Heritage Program (MNHP) lists the following four species of concern in the vicinity of the site:

Yellowstone cutthroat trout (*Oncorhynchus clarkii bouvieri*) is a subspecies of the cutthroat trout (*Oncorhynchus clarki*) and is a freshwater fish in the salmon family of order salmoniformes. Yellowstone cutthroat trout inhabit relatively clear, cold streams, rivers, and lakes. Their original range was upstream of Shoshone Falls on the Snake River and its tributaries, also across the Continental Divide in Yellowstone Lake and in the Yellowstone River and its tributaries downstream to the Tongue.

A Stonefly (*Isocapnia crinita*) - Species within the Capniidae are small winter stoneflies. These species are generally cold-water stenotherms and hatch in late-winter through early spring. The adults emerging in the winter are often found walking around on the snow. Members of the genus *Isocapnia* are found in both creeks and rivers, and are trophically shredder-detritivores, eating large particulate organic materials such as detritus, leaves, and plants. Few records exist for this species.

Rocky Mountain Twinpod (*Physaria saximontana* var. *dentata*) is a Montana endemic and is typically found in limestone-derived talus, fellfields, and gravelly slopes at moderate to high elevations. Variety *saximontana* which is currently only known from Wyoming, can be distinguished by its entire basal/rosette leaves and longer styles (3 or more times the length of the replum) vs. the toothed apical margins of the basal/rosette leaves of variety *dentata* and the shorter styles (1-2 times or less the length of the replum). Flowering and fruiting in June and July with fruits maturing into August.

Slender Wedgegrass (*Sphenopholis intermedia*) - This species is distinguished from the more common *Sphenopholis obtusata* by the relatively open inflorescence in which branches are evident, pointed glume tips, and lemma length 2.5 mm or greater. Fruiting occurs in July-August. Habitat includes wet areas in the valleys or foothills.

Historical and Archaeological Sites: The Montana State Historic Preservation Office (SHPO) was notified of the application. It reported that a few sites have been previously recorded within the designated search locale. In addition, there have been a few previously conducted cultural resource inventories done in the area. A pedestrian survey of the area by DEQ personnel did not reveal any artifacts or signs of occupation. No signs were evident at depth in the previously disturbed area. SHPO feels that as long as there will be no disturbance or alteration to structures over fifty years of age, there is a low likelihood cultural properties will be impacted. SHPO therefore feels that a recommendation for a cultural resource inventory is unwarranted at this time. Should structures be altered or cultural materials be discovered, SHPO would like to be contacted and the site investigated.

Potential Impacts and Mitigation: Use of the amendment area would not cause substantial impacts on the physical environment and human population. Proponent would be legally bound by their permit to reclaim the site to rangeland/pasture, year round ponds, and an internal road by December 2015. The 1998 Environmental Assessment is applicable to this action.

Prepared By: Kenley Stone Opencut Mining Program Environmental Specialist
Name Title

Reviewed By: Chris Cronin Opencut Mining Program Supervisor
Name Title

PRIVATE PROPERTY ASSESSMENT ACT (PPAA) CHECKLIST

DOES THE PROPOSED AGENCY ACTION HAVE TAKINGS IMPLICATIONS UNDER THE PPAA?

| YES | NO | |
|-----|----|---|
| X | | 1. Does the action pertain to land or water management or environmental regulation affecting private real property or water rights? |
| | X | 2. Does the action result in either a permanent or indefinite physical occupation of private property? |
| | X | 3. Does the action deprive the owner of all economically viable uses of the property? |
| | X | 4. Does the action deny a fundamental attribute of ownership? |
| | X | 5. Does the action require a property owner to dedicate a portion of property or to grant an easement? (If answer is NO, skip questions 5a and 5b and continue with question 6.) |
| | | 5a. Is there a reasonable, specific connection between the government requirement and legitimate state interests? |
| | | 5b. Is the government requirement roughly proportional to the impact of the proposed use of the property? |
| | X | 6. Does the action have a severe impact on the value of the property? |
| | X | 7. Does the action damage the property by causing some physical disturbance with respect to the property in excess of that sustained by the public generally? (If the answer is NO, skip questions 7a-7c) |
| | | 7a. Is the impact of government action direct, peculiar, and significant? |
| | | 7b. Has the government action resulted in the property becoming practically inaccessible, waterlogged, or flooded? |
| | | 7c. Has the government action diminished property values by more than 30% and necessitated the physical taking of adjacent property or property across a public way from the property in question? |

Taking or damaging implications exist if YES is checked in response to question 1 and also to any one or more of the following questions: 2, 3, 4, 6, 7a, 7b, 7c; or if NO is checked in response to questions 5a or 5b.

If taking or damaging implications exist, the agency must comply with § 5 of the Private Property Assessment Act, to include the preparation of a taking or damaging impact assessment. Normally, the preparation of an impact assessment will require consultation with agency legal staff.

VALLEY WEST

Located in Section 9, Township 2S, Range 5E
Operator: American Bank



| PERMIT BOUNDARY AREA | | | |
|----------------------|-----------|-------------|------------------------------|
| WGS84 LAT-LONG DATA | | | |
| POINT NUMBER | LATITUDE | LONGITUDE | AREA (S.F.) |
| ID#1 | N45.68559 | W-111.11762 | 881,469 S.F. (20.2 ACRES) |
| ID#2 | N45.68272 | W-111.11901 | |
| ID#3 | N45.68215 | W-111.11899 | |
| ID#4 | N45.68219 | W-111.11480 | |
| ID#5 | N45.68284 | W-111.11482 | |
| ID#6 | N45.68274 | W-111.11787 | |
| ID#7 | N45.68469 | W-111.11788 | |
| ID#8 | N45.68479 | W-111.11178 | |
| ID#9 | N45.68568 | W-111.11204 | |

| PARTIAL RELEASE AREA | | | |
|----------------------|-----------|-------------|--------------------------------|
| WGS84 LAT-LONG DATA | | | |
| POINT NUMBER | LATITUDE | LONGITUDE | AREA (S.F.) |
| ID#10 | N45.68469 | W-111.11788 | 1,158,459 S.F. (26.6 ACRES) |
| ID#11 | N45.68274 | W-111.11787 | |
| ID#12 | N45.68295 | W-111.11170 | |
| ID#13 | N45.68385 | W-111.11115 | |
| ID#14 | N45.68480 | W-111.11130 | |

| PERMIT CENTER POINT | |
|---------------------|-------------|
| WGS84 LAT-LONG DATA | |
| LATITUDE | LONGITUDE |
| N45.68420 | W-111.11597 |

| TEST PIT POINTS | | |
|---------------------|-----------|-------------|
| WGS84 LAT-LONG DATA | | |
| TP NUMBER | LATITUDE | LONGITUDE |
| TP#3 | N45.68481 | W-111.11734 |
| TP#4 | N45.68428 | W-111.11753 |
| TP#9 | N45.68371 | W-111.11732 |
| TP#10 | N45.68309 | W-111.11730 |

| LEGEND | |
|--------|--------------------------|
| | PERMIT BOUNDARY |
| | PARTIAL RELEASE AREA |
| | WATER SURFACE |
| | TEST PIT |
| | TEST PIT SYMBOL / NUMBER |
| | IDENTIFICATION NUMBER |

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Surveyor: [Signature]
Planner: [Signature]

DATE: 2/2/12

BOZEMAN MT

VALLEY WEST - PERMIT #730

BOUNDARY, PARTIAL RELEASE, AND TEST PIT SURVEY EXHIBIT

PROJECT NO. 2011-004

FIGURE NUMBER A

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