

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

COMPANY NAME: Signal Peak Energy

DATE: January 10, 2012

PERMIT#: C1993017

REVISION NO: MR136

LOCATION: Bull Mountain Mine Facilities Area, Musselshell Co., T6N, 26E, S14

Type and Purpose of Action:

The mine operator is proposing to change the design of an existing sediment pond. The proposal is to expand the pond footprint by approximately 0.3 acres and divide the pond into two cells. The new larger pond will allow for containment of runoff and sediment from the 10yr-24 hr rainfall event as required by administrative rule as well as provide storage for excess water pumped from the underground mine. Also associated with this revision will be minor changes in ditches that route runoff to the pond.

Potential Impacts and Mitigation Measures:

The construction associated with the MR is within the active mine facilities area and on land that has previously been disturbed. The greatest potential impact appears to be sediment during the construction process and continuing until vegetation is reestablished on the pond embankment. The mine permit already commits the operator to employment of the BTCA for addressing this issue. Permit commitments are in place concerning appropriate salvage of soil resources. The pond will be reclaimed when no longer needed. The pond changes should improve the sediment protection in place for the downstream native drainage

Alternative Actions:

No alternatives have appreciable advantages.

Prepared by: David Adair

Title: Mining Engineer

FC: 620.97 (MR136)