

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

COMPANY NAME: Signal Peak Energy LLC

DATE: February 21, 2012

PERMIT#: C1993017

REVISION NO: MR140

LOCATION: Bull Mountain Mine, Musselshell Co., T6N, R26E, S33

Type and Purpose of Action:

The mine operator is proposing to install a fan at the south portal to increase air flow through the underground mine works. The increased air is needed to mitigate carbon monoxide levels for the safety of workers. The fan will be powered by a sled mounted diesel generator. The portal and installation area already exist as does the road to that location so no additional land disturbance is expected. The fan will be a temporary installation and not needed once mining progresses to the next mining panel, which the Operator expects to be August 2012.

Potential Impacts and Mitigation Measures:

There will be additional traffic on the access road due to fuel needs which is expected to be weekly. The greatest environmental concern is likely be the noise created by the fan and generator. As the area is relatively remote and undisturbed, this could be disruptive to wildlife as well as to the landowner. While there are federally protected species in the general area, there are no known species or nesting sites in the immediate affected vicinity.

The greatest mitigation of the noise issue will be the use of the BTCA to mitigate impacts as the Operator is committed per the mining permit. These could include deflection berms earthen or artificial or other methods.

Noise level dosimeter readings show up to **110** decibels at the fan, 80 to 90 decibels 100 feet away from the fan and ambient 65 decibels at +200 feet from the fan. Past operation of this fan at the mine portal was done with the mine office 130 feet from the fan and did not affect normal office activities. The low noise level is attributed to this fan being a relatively low horsepower and low capacity model. The noise level is controlled by the fan housing and discharge cone.

Alternative Actions:

Alternative appear to be limited and prohibitively expensive.

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