



United States Department of the Interior

OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT
Western Region Office
1999 Broadway, Suite 3320
Denver, CO 80202-3050



March 3rd, 2015

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To: Interested Party

From: Marcelo Calle, Manager, Program Support Division, Field Operations Branch

Subject: Federal Mining Plan Modification Environmental Assessment, Bull Mountains Mine No.1

Signal Peak Energy, LLC (SPE) owns and operates the Bull Mountains Mine No.1 underground coal mine located in the Bull Mountains in south central Montana. The mine is located in Musselshell and Yellowstone counties between the Musselshell and Yellowstone rivers, approximately 30 miles north of Billings and 20 miles southeast of Roundup, Montana (see below).

The Federal Coal Tract contains the following lands:

Township 6 North, Range 27 East, PMM, Musselshell County, Montana

| | |
|---|-----------------------|
| Sec. 4, lot 1, S1/2NE1/4, SE1/4NW1/4 and S1/2; | 479.76 acres |
| Sec. 8, NE1/4, NE1/4NW1/4, S1/2NW1/4 and S1/2; | 460.00 acres |
| Sec. 10, W1/2NE1/4, SE1/4NE1/4, NW1/4 and S1/2; | 600.00 acres |
| Sec. 14, SW1/4NE1/4, NW1/4 and S1/2; | 520.00 acres |
| Sec. 22, W1/2 and SE1/4. | 480.00 acres |
| Total | 2,539.76 acres |

The Office of Surface Mining Reclamation and Enforcement (OSMRE) is responsible for reviewing plans to conduct coal mining and reclamation operations on lands containing leased Federal coal. Pursuant to 30 CFR 746, the OSMRE must prepare and submit to the Secretary of the Interior a decision document recommending approval, disapproval or approving with condition(s) of the proposed mining plan modification.

OSMRE has completed an Environmental Assessment (EA), which analyzes the potential environmental effects that may result from approval of the mining plan modification for Federal Lease MTM 97988. The OSMRE finding of no significant impact (FONSI) determined that approval of a Federal mining plan modification authorizing expanded underground mining operations into 2,539.76 acres of Federal Lease MTM 97988 would not have a significant impact on the quality of the human environment under section 102(2)(C) of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4332(2)(C), and therefore, an Environmental Impact Statement is not required. On February 24, 2015 the Assistant Secretary, Lands and Mineral Management approved the proposed mining plan modification for Federal Lease MTM979988 at the Bull Mountains Mine No. 1 without conditions.

FC: 620.905

The signed mining plan approval, EA and FONSI are available on OSMRE's Western Region website at the following address:

<http://www.wrcc.osmre.gov/initiatives/bullMountainsMine.shtm>

The Mining Plan Decision Document including the EA and FONSI are available for public review in the Technical Library and Mine Plan Reference Center at the OSMRE Western Region Office location:

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