



Big Sky Coal Company

November 30, 2015

Ms. Melissa Sjolund
Montana Department of Environmental Quality
Industrial and Energy Minerals Bureau
2001 11th Avenue, Building B
Helena, MT 59620

Permit ID: C1983004CR
Revision Type: Bond Release
Permitting Action: Deficiency Response
Subject: Response to First Round Acceptability Deficiency for Bond Release
Application #SL8, Final

Dear Ms. Sjolund:

Big Sky Coal Company (BSCC) hereby submits responses to deficiencies identified in the Department's November 16, 2015 letter regarding Bond Release Application #SL8 for final bond release at our Area A Mine (Permit No. C1984004CR). The responses follow reiterations of the Department's deficiencies below and reference edits to the revised November 2015 Hydrologic Demonstration Report attending this transmittal.

Deficiency: *Section 4.3.2.3: The discussion of the limited recovery of water levels on the north side of Area A does not discuss potential impacts from the nearby Rosebud Mine. Please include discussion on the proximity of mining at the Rosebud Mine to Big Sky Area A and the effects that continued drawdown associated with this active mining could have in delaying water level recovery in this area.*

Response: Additional narrative that discusses potential impacts at this area from the Rosebud Mine has been incorporated into this section of the report. Similar language was added to Section 4.3.2.4 for the McKay coal.

Deficiency: *Section 4.3.2.6: This section describes variable water levels in well ASP49 due to the influence of pumping at supply wells ASPW1 and ASPW2. This appears to be a typo as well ASP49 has shown a steady trend of recovery and is not located near these supply wells. Well ASP46 does show a variable water level and is located near the supply wells. Please correct this error.*

Response: The report text has been revised to reference the correct well.

Deficiency: Section 4.3.3.1: This section cites Table 12 for average spoil TDS. This information is contained in Table 8, not Table 12. Please reference the correct table.

Response: The report text has been revised to cite the correct table.

Deficiency: *Section 4.3.3.2: The references to Figures 20B and C are reversed in the bullet points. Figure 20B contains spoil wells and Figure 20C contains McKay wells. Please correct the figure references.*

Response: The report text has been revised to reference the correct figures.

Deficiency: *Section 4.3.3.2: The heading for the Sub-McKay section is on the same line as the end of the McKay Coal section. Please correct this formatting inconsistency.*

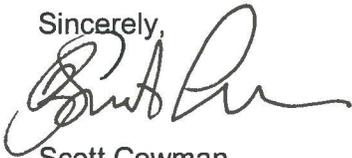
Response: The report text has been revised to correct the formatting.

Deficiency: *Section 4.3.3.2: While not necessary for the pre-89 final bond release in SL8 or Phase IV bond release in the northeastern mining area, greater detail in the discussion of the truck wash area will be necessary for Phase IV bond release in the facilities area. This comment can be addressed in this report, or a supplemental report focused on the truck wash area can be submitted with the appropriate bond release application in the future.*

Response: This comment is noted and will be addressed in the Phase IV bond release addressing the facilities area.

Please don't hesitate to contact me via email at scowman@peabodyenergy.com or by telephone at (970) 276-7003 if you have any questions regarding this response.

Sincerely,

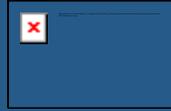


Scott Cowman
Senior Environmental/GIS Specialist
Peabody Investments Corporation

Attachment: Hydrologic Demonstration Report, Area A Bond Release, Big Sky Mine

cc: Bryce West (PIC)
Chris Yde (MDEQ-IEMB)
Michael Nicklin (Nicklin Earth and Water)
Judd Stark (Catena)

From: File Transfer Service <TransferService@MT.gov>
Sent: Monday, November 30, 2015 1:34 PM
To: DEQCoal
Subject: State of Montana File Transfer Service



FILE TRANSFER SERVICE

STATE OF MONTANA

**The following file has been sent to you
through the State of Montana File Transfer Service:**

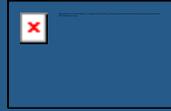
FILE NAME: AreaA_AppSL8 DefRespCover_2015_1130 signed.pdf
SENT FROM: b scott cowman
MESSAGE: You have a new file available in your File Transfer Service Inbox.

**To download this file,
login to the State of Montana File Transfer Service:**

[Download This File](#)

Replies to this email are not monitored.

From: File Transfer Service <TransferService@MT.gov>
Sent: Monday, November 30, 2015 1:34 PM
To: DEQCoal
Subject: State of Montana File Transfer Service



FILE TRANSFER SERVICE

STATE OF MONTANA

**The following file has been sent to you
through the State of Montana File Transfer Service:**

FILE NAME: SL8_AreaA_HydroDemonstReport_2015_1130-lowres.pdf
SENT FROM: b scott cowman
MESSAGE: You have a new file available in your File Transfer Service Inbox.

**To download this file,
login to the State of Montana File Transfer Service:**

[Download This File](#)

Replies to this email are not monitored.