

**NOTICE OF ACCEPTABILITY and
DRAFT ENVIRONMENTAL ASSESSMENT AVAILABILITY**

On October 18, 2013, the Department of Environmental Quality (DEQ) granted Signal Peak Energy's application for Amendment 03 to its Surface Mining Permit of Bull Mountain Coal Mine #1, Permit No. C1993017. The issuance of this permit was appealed to the Montana Board of Environmental Review (Board), and on January 14, 2016, the Board determined that the permit record did not demonstrate compliance with the legal requirement that the mine be designed to prevent material damage to the hydrologic balance outside the permit area. The Board remanded the matter to DEQ for reconsideration.

In response to this ruling, Signal Peak Energy amended its previous application by submitting to DEQ a new analysis of the probable hydrologic consequences of mining in the amendment area.

Pursuant to A.R.M. 17.24.404(3)(a), notice is hereby given that the DEQ has determined that Signal Peak Energy's revised application for Amendment 03 to Surface Mining Permit of Bull Mountain Coal Mine #1, Permit No. C1993017, is acceptable.

The Bull Mountain Coal Mine #1 is located near Roundup, Montana. The general legal description of the amendment area is as follows:

Township 6 North, Range 27 East

Section 3 SW¹/₄; SW¹/₄SE¹/₄; W¹/₂NW¹/₄

Section 4 S¹/₂NE¹/₄; NE¹/₄NE¹/₄; SE¹/₄NW¹/₄; S¹/₂

Section 5 S¹/₂SE¹/₄

Section 8 NE¹/₄; E¹/₂NW¹/₄; Portion SW¹/₄NW¹/₄; Portion S¹/₂;

Section 9 ALL

Section 10 S¹/₂; NW¹/₄; W¹/₂NE¹/₄; SE¹/₄NE¹/₄

Section 11 S¹/₂SW¹/₄; NW¹/₄SW¹/₄; SW¹/₄NW¹/₄

Section 14 S¹/₂; NW¹/₄; SW¹/₄NE¹/₄

Section 15 ALL

Section 16 N¹/₂; SE¹/₄; E¹/₂SW¹/₄; Portion W¹/₂SW¹/₄

Section 17 Portion E¹/₂

Section 21 Portion N¹/₂; Portion SE¹/₄

Section 22 ALL

Section 23 N¹/₂; SW¹/₄; NW¹/₄SE¹/₄

Section 26 W¹/₂; W¹/₂SE¹/₄; NE¹/₄SE¹/₄; W¹/₂NE¹/₄; SE¹/₄NE¹/₄

Section 27 E¹/₂; Portion W¹/₂

Section 28 Portion NE¹/₄NE¹/₄

Section 34 Portion W¹/₂NE¹/₄

All M.P.M., Musselshell and Yellowstone County, Montana and containing 7,161 acres, more or less.

The current bond for Bull Mountain Coal Mine #1 is \$11,700,000 and has been determined to be adequate.

The revised amendment application is available for inspection at the DEQ offices in Helena (2001 11th Avenue, Building B), and Billings (1371 Rimtop Drive, Building IP-9, Airport Industrial

Park), and at the Musselshell County Courthouse in Roundup, MT. Electronic copies of the application may be requested by visiting the website <http://deq.mt.gov/Land/CoalUranium> or by emailing DEQCoal@mt.gov.

DEQ has prepared a Draft Environmental Assessment (EA) on the application. Copies of this Draft EA are available to interested parties by calling (406) 444-4970, writing the Coal and Uranium Program, Department of Environmental Quality, P.O. Box 200901, Helena, MT 59620-0901, visiting the website <http://deq.mt.gov/Land/CoalUranium>, or emailing DEQCoal@mt.gov.

Any person with an interest that is or may be adversely affected may, within 10 days of the second published notice of acceptability (to be published on June 1, 2016), file written objections and/or a request for an informal conference. Written objections and/or a request for an informal conference on the acceptability determination may be submitted to the Department of Environmental Quality, Coal and Uranium Program, P.O. Box 200901, Helena, MT 59620-0901 or by going to <http://svc.mt.gov/deq/publiccomment/>.

The State of Montana, Department of Environmental Quality is an equal opportunity program and makes reasonable accommodations for persons with a disability that may interfere with their ability to participate in the above state governmental proceedings or who are not English speakers. Persons needing an accommodation must notify DEQ with their requests for informal conference to allow adequate time to make needed arrangements. You may call (406) 444-4970, write to the Coal and Uranium Program, Department of Environmental Quality, P.O. Box 200901, Helena, MT 59620-0901 or email DEQCoal@mt.gov to make your request known.