



Montana Department of
ENVIRONMENTAL QUALITY

"Healthy environment, healthy people"

Steve Bullock, Governor
Tracy Stone-Manning, Director

P. O. Box 200901 • Helena, MT 59620-0901 • (406) 444-2544 • Website: www.deq.mt.gov

January 15, 2014

Ms. Dicki Peterson
Western Energy Company
Rosebud Coal Mine Area B, C1984003B
P.O. Box 99
138 Rosebud Lane
Colstrip, MT 59323-0099

Permit ID: C1984003B
Revision Type: Amendment
Permitting Action: Deficiency
Subject: AM4, Sixth Round Acceptability Deficiency

Dear Dicki:

The Department of Environmental Quality (DEQ) has completed its acceptability review regarding Western Energy Company's application for Amendment AM4. The following deficiencies must be adequately addressed before DEQ can determine the application acceptable:

ARM 17.24.314(3):

Please provide more detail on the surface water model used to create tables G-1, G-2, G-3, and G-5. Specifically, state the inputs to the model that were used and how they were calculated. A map or a reference to an exhibit in the permit is also needed as it is unclear how many sub-basins were used, how the streams for the model were calculated or which streams were used, and how the model was constructed. An example can be provided upon request.

The explanation as to why Areas A, B, and C can be analyzed separately from Areas E and D should be included in the text of the PHC.

P. 36 Section 4.2.4.1 General Water Quality Evaluation: A statement was added to the revised PHC determination that states: "A sample is considered to represent baseline conditions if it was collected before mining approached within 0.5 miles. There were no samples meeting this criterion for overburden, interburden and sub-McKay wells, as mining started in 1975." Although not numerous, there are water quality samples for these units that were collected and analyzed prior to encroachment of mining within a half-mile. Please check to confirm the statement in the PHC is accurate.

Figure 23A, Simulated Potentiometric Heads, Pre-Mine Conditions still has the proposed Area F permit outline on it. The data may be used, but the permit outline must be deleted.

As a suggestion for future documents, a list of acronyms or introduction of the terms an acronym represents (e.g. PHC, TDS) during its first use in a document would be helpful to a reader

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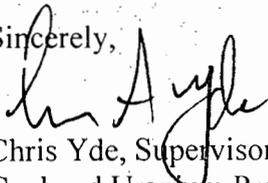
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unfamiliar with commonly used permit acronyms. The acronym "PHC" appears to be used to represent the probable hydrologic consequences *determination* as well as probable hydrologic consequences of mining and causes confusion. In future documents please use "PHC" to represent the probable hydrologic consequences determination, as that is the most common use of the acronym.

Upon receipt of satisfactory responses to these deficiencies, DEQ will determine the application to be acceptable.

Please feel free to contact Robert D. Smith at 406-444-7444 with questions regarding this letter.

Sincerely,



Chris Yde, Supervisor
Coal and Uranium Program
Industrial and Energy Minerals Bureau
Phone: 406-444-4967
Fax: 406-444-4988
Email: CYde@mt.gov

C: Jeff Fleischman, Office of Surface Mining
Gene Hay, Office of Surface Mining

FC: 620.112 (AM4)