



United States Department of the Interior



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

March 7, 2016

Dear Stakeholders and Interested Parties,

The U.S. Department of the Interior (DOI), Office of Surface Mining Reclamation and Enforcement (OSMRE), Western Region Office, will prepare an environmental assessment (EA) for the Dry Fork Mine (DFM) mining plan modification for federal coal leases W-0271200 and W-0271201 (the Project). On June 2, 1989, in accordance with the Mineral Leasing Act of 1920 (MLA), the operator of the DFM, Dry Fork Coal Co. (currently Western Fuels Wyoming) received federal mining plan approval from the Assistant Secretary of Lands and Mineral Management (ASLM) to mine portions of federal coal leases W-0271200 and W-0271201 at the DFM, in accordance with the approved surface coal mining Permit No. 599 issued by the state regulatory authority; the Wyoming Department of Environmental, Land Quality Division (WDEQ-LQD). The DFM also has approval from WDEQ-LQD and the ASLM to mine federal coal lease W-5035 and portions of federal coal leases W-0271199 and W-0311810. On August 19, 2013, in accordance with its responsibilities under the federal Surface Mining Control and Reclamation Act of 1977, the WDEQ-LQD approved Amendment 2 (A2) for surface coal mining Permit No. 599, including the mining of portions of federal coal leases W-0271200 and W-0271201, not previously approved by the ASLM. In accordance with MLA, The ASLM must approve the mining plan modification for federal coal leases W-0271200 and W-0271201 before mining of the federal coal can occur.

OSMRE is preparing this EA to evaluate the environmental impacts resulting from the Project, pursuant to the requirements of the National Environmental Policy Act of 1969 (NEPA). The DFM is located approximately 4.5 miles north of Gillette, Wyoming. The total amount of federal coal authorized for removal at the DFM is approximately 255.1 million tons (mt) and an estimated 126.8 mt of coal remains to be mined. A2 proposes to add zero federal surface acres, approximately 268.0 federal coal acres and 33.4 mt of federal coal to the approved federal mining plan. The DFM conducts open pit surface coal mine using conventional truck and loader methods. The average production rate at the DFM is approximately 6 million tons per year (mtpy) and the maximum production rate is 15 mtpy. A2 would not change the average production rate or the maximum production rate for the life of the mining operation. This mining plan modification would extend the life of the mine by approximately 5.6 years, concluding in 2042.

The EA will disclose the potential for direct, indirect, and cumulative impacts to the environment from the Project. Through the EA, OSMRE will determine whether or not there are significant environmental impacts. If a finding of no significant impact is reached, the OSMRE Director will make a

recommendation to the ASLM on the federal mining plan modification, and the ASLM will approve, approve with conditions, or disapprove the federal mining plan modification. If the EA identifies significant impacts, an environmental impact statement will be prepared.

OSMRE is soliciting public comments on the Project. Your comments will help to determine the issues and alternatives that will be evaluated in the environmental analysis. You are invited to direct these comments to:

ATTN: Dry Fork Mine A2 EA
C/O: Lauren Mitchell,
OSMRE Western Region
1999 Broadway, Suite 3320,
Denver, CO 80202-3050
Email: OSM-NEPA-WY@OSMRE.gov.

Comments should be received or postmarked no later than April 8, 2016 to be considered during the preparation of the EA. Comments received, including names and addresses of those who comment, will be considered part of the public record and will be available for public inspection. Additional information regarding the project may be obtained from Lauren Mitchell, telephone number (303) 293-5028 and the project website provided below. When available, the EA and other supporting documentation will be posted at: <http://www.wrcc.osmre.gov/initiatives/DryForkMineA2.shtm>.

Sincerely,

A handwritten signature in black ink, appearing to read "Marcelo Calle". The signature is fluid and cursive, with the first name "Marcelo" written in a larger, more prominent script than the last name "Calle".

Marcelo Calle, Manager
Field Operations Branch

Enclosed: Project Map

Dry Fork Mine Amendment 2 Tract 1 Mining Plan Modification Environmental Assessment

