A. Introduction

Signal Peak Energy, LLC submitted a permit application package (PAP) for a permit revision for the Bull Mountains Mine No. 1 to the Montana Department of Environmental Quality, Coal Program (MDEQ). The PAP proposed extending underground mining operations into 140 acres of Federal Lease MTM97988. Under the Mineral Leasing Act of 1920, the Assistant Secretary, Land and Minerals Management, must approve, approve with conditions, or disapprove the proposed new mining plan for Federal Lease MTM97988. Pursuant to 30 CFR Part 746, the Office of Surface Mining Reclamation and Enforcement (OSM) is recommending approval of the mining plan action without special conditions.

B. Statement of Environmental Significance of the Proposed Action

The undersigned person has determined that the above-named proposed action 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. This finding of no significant impact (FONSI) is based on the attached Bureau of Land Management Environmental Assessment DOI-BLM-MT-C010-2009-0010-EA and associated FONSI and Decision Record (DR) which was prepared by BLM's Billings Montana Field Office of the Montana BLM. OSM was a cooperating agency in the development of the environmental assessment (EA). In accordance with 43 CFR 46.320, OSM has independently reviewed the EA and finds that the EA complies with 43 CFR Part 46, Subpart D, the relevant provisions of the Council on Environmental Quality (CEQ) regulations and other program requirements. Based on this review OSM has adopted the EA prepared by the BLM and referenced above. This finding is also based on consideration of the CEQ criteria for significance (40 CFR 1508.27), both with regard to the context and to the intensity of the impacts described in the EA.

In addition, BLM’s review and approval of the R2P2, the PAP, and MDEQ’s Written Findings have been independently reviewed by OSM. These documents reviewed in conjunction with the attached EA adequately and accurately assess the environmental impacts of the proposed action and provide sufficient evidence and analysis for this finding of no significant impact. The opportunity for public input was provided during and with completion of the EA, with submission of the PAP, and during issuance of the
State permit. OSM takes full responsibility for the accuracy, scope, and content of the attached EA and other contributing documents.

The undersigned has determined that OSM's public involvement requirements for EAs have been met. The EA was subject to public review and comment prior to publication of the final EA. Comments on the EA were received from five parties. Those comments were reviewed and analyzed by the BLM and the EA was revised as appropriate. Comments outside the scope of the EA or that required a response not included in the EA were addressed in the BLM FONSI and DR. Comments on the PAP were received from four sources. The comments covered the following topics: bonding, subsidence, hydrology, surface mining, the current EIS being outdated, air quality, spring mitigation and no plan for emergencies and disasters. All comment topics were addressed in either the PAP or the State's Written Findings. All commenters were notified of the completed decision and provided a copy of the Written Findings, including the Cumulative Hydrologic Impact Assessment. In addition, the referenced EA and this FONSI will be made publicly available on the OSM Western Region's website.

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Attachment