

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
LITTLE SNAKE FIELD OFFICE**

FINDING OF NO SIGNIFICANT IMPACT (FONSI)

DOI-BLM-CO-N010-2010-0003-EA

PERMIT/LEASE NUMBER: COC 74219

PROJECT NAME: Wadge Seam Coal Lease by Application

LEGAL DESCRIPTION: T. 5 N., R. 87 W. of the 6th PM
Sec. 22, N½
Sec. 22, NW¼SW¼
Sec. 21, NE¼NE¼

APPLICANT: Peabody Sage Creek Mining, LLC

BACKGROUND

Peabody Energy/Sage Creek Mining, LLC (PSCM) submitted a Lease by Application (LBA) for a 400 acre lease. To process an LBA, the Bureau of Land Management (BLM) must evaluate the environmental and socioeconomic impacts of leasing the Federal coal in accordance with the requirements of the National Environmental Policy Act (NEPA) of 1969. BLM prepared an Environmental Assessment (EA), DOI-BLM-CO-N010-2010-0003-EA, to evaluate and disclose environmental effects of leasing the Federal coal included in the LBA.

By law and regulation, the LBA process is an open, public, competitive sealed-bid process. Bidding at any potential sale is not restricted to the applicant. In order for BLM to award and issue a coal lease, the highest bid received must meet or exceed fair market value of the coal as determined by BLM's economic evaluation.

PSCM submitted the LBA because the area is adjacent to their permitted Sage Creek Mine and the federal coal can be mined using Peabody's PSCM and Foidel Creek Mine facilities, equipment and employees. The coal in the 400 acre LBA will be bypassed if not leased due to its isolated location and the character of the surrounding coal ownership. In the Sage Creek LBA EA, the alternatives that were analyzed in detail assume that the applicant will be the successful bidder if a competitive sale is held

FINDING OF NO SIGNIFICANT IMPACT

On the basis of the information contained in the EA, and all other information available to me, it is my determination that: (1) the implementation of the Proposed Action will not have significant environmental impacts beyond those already addressed in the 2007 Little Snake RMP Draft EIS

and the 2010 Little Snake RMP Final EIS; (2) the Proposed Action is in conformance with the 2011 Little Snake Record of Decision and Approved Resource Management Plan; and (3) the Proposed Action does not constitute a major federal action having a significant effect on the human environment. Therefore, an environmental impact statement is not necessary and will not be prepared.

This finding is based on my consideration of the Council on Environmental Quality's (CEQ) criteria for significance (40 C.F.R. § 1508.27), both with regard to the context and to the intensity of the impacts described in the EA or as articulated in the letters of comment.

Context

This project is a site-specific action directly involving underground mining of federal coal reserves in a 400 acre lease tract. The surface estate is owned by PSCM. There will be no direct surface impacts as a result of leasing this federal coal.

The 400 acre LBA is located in Routt County, Colorado, in an area with a rich history of mining and livestock grazing. The area also contains scattered rural development and habitat for many wildlife species. Surrounding communities include Steamboat Springs, Oak Creek, Hayden and Craig. No short or long term significant impacts are expected.

Intensity

I have considered the potential intensity/severity of the impacts anticipated from the Peabody Sage Creek Mining, LLC 400 acre Lease by Application decision relative to each of the Ten significance Criteria listed in 40 C.F.R § 1508.27. With regard to each:

1. ***Impacts that may be both beneficial and adverse***

Beneficial, adverse, direct, indirect, and cumulative environmental impacts have been disclosed in the EA. Analysis indicated no significant impacts on society as a whole, the affected region, the affected interests or the locality. The physical and biological effects are limited to the Little Snake Field Office area and adjacent land.

2. ***The degree to which the proposed action affects public health and safety.***

Public health and safety would not be adversely impacted. There are no known or anticipated concerns with project waste or hazardous materials.

3. ***Unique characteristics of the geographic area such as proximity of historic or cultural resources, park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas.***

There would be no adverse impacts to regional or local air quality, prime or unique farmlands, known paleontological resources on public land within the area, wetlands, floodplain, areas with unique characteristics, ecologically critical areas or designated Areas of Critical Environmental Concern.

4. ***The degree to which the effects on the quality of the human environment are likely to be highly controversial.***

There are no highly controversial effects on the environment.

5. ***The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks.***

There are no effects that are highly uncertain or involve unique or unknown risk. Sufficient information on risk is available based on information in the EA and other past actions of a similar nature.

6. ***The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration.***

This alternative does not set a precedent for other actions that may be implemented in the future to meet the goals and objectives of adopted Federal, State or local natural resource related plans, policies or programs.

7. ***Whether the action is related to other actions with individually insignificant but cumulatively significant impacts.***

No cumulative impacts related to other actions that would have a significant adverse impact were identified or are anticipated.

8. ***The degree to which the action may adversely affect districts, sites, highways, structures, or objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historic resources.***

Based on previous and ongoing cultural surveys, and through mitigation by avoidance, no adverse impacts to cultural resources were identified or anticipated. There are no known American Indian religious concerns or persons or groups who might be disproportionately and adversely affected as anticipated by the Environmental Justice Policy.

9. ***The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act of 1973.***

No adverse impacts to any threatened or endangered species or their habitat that was determined to be critical under the Endangered Species Act were identified. If, at a future time, there could be the potential for adverse impacts, treatments would be modified or mitigated not to have an adverse effect or new analysis would be conducted.

10. ***Whether the action threatens a violation of Federal, State, or local law or requirements***

imposed for the protection of the environment.

This alternative is in compliance with relevant Federal, State, and local laws, regulations, and requirements for the protection of the environment.

I have reviewed the direct, indirect and cumulative effects of the proposed activities documented in the Wadge Seam Coal Lease by Application EA, No. DOI-BLM-N010-2010-0003-EA. I have also reviewed the project record for this analysis and the impacts of the proposed action and alternatives as disclosed in the Alternatives and Environmental Impacts sections of the EA. Based upon a review of the EA and the supporting documents, I have determined that the project is not a major federal action and will not significantly affect the quality of the human environment, individually or cumulatively with other actions in the general area. Because there would not be any significant impact, an environmental impact statement is not required.

Approved:

/s/ Timothy J Wilson for _____
Wendy Reynolds
Manager, Little Snake Field Office

April 19, 2012
Date