# United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Tres Rios Field Office
Lands and Minerals
15 Burnett Court
Durango, Colorado 81301

**In Reply Refer To: 3432**
**COC 62920**

November 23, 2012

**OPTIONAL REPLY: due December 24, 2012**

The Bureau of Land Management Tres Rios Field Office (BLM), is seeking comments on the proposed modification of a federal coal lease on split-estate lands. GCC Energy, LLC (GCC) has applied to the BLM to modify their existing federal coal lease (COC 62920). The lease and proposed modification are located near Hesperus, in La Plata County, Colorado. The proposed lease modification would add approximately 952.21 acres to existing coal lease, COC 62920. The proposed modification tracts are adjacent to the existing federal coal lease. If granted, the modification would allow the expansion of the currently operating King Coal II Mine.

The lease modification is located on lands in which BLM manages the coal estate. All of the surface estate is private. The application was made to obtain known mineable federal coal reserves and prevent bypass of those reserves. The BLM is required by law to consider leasing Federal Coal for economic recovery.

The coal lease modification areas are described below and illustrated in Figure 1:

**COC-69290 Modification**

**Tract A**

Township 35 North, Range 11 West, N.M.P.M.
Section 19; NE4
Section 20: NW4NW4
containing 194.44 acres, more or less

**Tract B**

Township 35 North, Range 11 West, N.M.P.M
Section 19; Lot 3
Section 30; Lots 1-4, E2NW4, NW4NE4
Township 35 North, Range 12 West, N.M.P.M
Section 24; Lot 3
Section 25; Lots 3-8
containing 354.85 acres, more or less

**Tract C**
Township 35 North, Range 12 West, N.M.P.M.
Section 25; W2NW4SE4
containing 22.36 acres, more or less

**Tract D**
Township 35 North, Range 12 West, N.M.P.M.
Section 26; SE4NE4NE4
containing 10.10 acres, more or less

**Tract E**
Township 35 North, Range 12 West, N.M.P.M.
Section 35; SW4, S2SE4, S2NW4, NE4NW4
containing 370.46 acres, more or less

If the BLM decides to authorize the lease modification, the modification would then be offered by non-competitive sale. The BLM would also identify any needed stipulations to protect non-coal (surface) resources. If the lease modification is issued, the tracts would serve to extend underground development by room and pillar mining. This would allow more efficient recovery of federal coal from the existing lease and recovery from the applied-for tracts. The additional federal coal recovery would extend the life of the current mine by approximately nine years.

A more detailed description of the proposed project is available on the BLM Tres Rios Field website below.

http://www.blm.gov/co/st/en/BLM_Information/nepa/TRFO_NEPA.html

A hard copy of the document will also be available for review at the BLM - Tres Rios Field Office, located at the above address. Alternately you may request a hard copy be sent to you by calling (970) 247-4874.

The BLM has determined that this action must be evaluated under the National Environmental Policy Act to identify potential environmental impacts related to the proposed action. The BLM is seeking any comment you may have related to this project. Your comments will assist the interdisciplinary team in identifying issues that should be addressed as part of the evaluation being prepared for this project.

Written comments[1] concerning this analysis should be submitted to the BLM by December 27th, 2012. You may send comments by any of the following methods:

E-mail coalcommenttresrios@blm.gov

[1] By including your address, phone number, email address, or other personally identifying information in your comment, you should be aware that your entire comment – including your personally identifying information – may be made publically available at any time. While you can as us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

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| postal service | BLM Tres Rios Field Office<br>attn: King Coal II Lease Modification<br>15 Burnett Court<br>Durango, CO 81301 |
| fax | 970.375.2338 |

If you have questions regarding this analysis or process, please contact Helen Mary Johnson at (970) 385-1359.

Sincerely,

Connie Clementson
Field Manager

att: Figure 1 – location map