

**Environmental Assessment**

**for**

**School Creek Lease WYW172413 Modification**

**Prepared by**

**Teresa Johnson, Environmental Protection Specialist**

**Bureau of Land Management**

**Wyoming High Plains District Office**

**Casper, Wyoming**

**DOI-BLM-WY-P0702012-063-EA**



## 1.0 INTRODUCTION

a) Proposed Action Title:

School Creek Lease WYW 172413 Modification

b) Environmental Assessment (EA) Number:

DOI-BLM-WY-P060-2012-063-EA

c) Type of Project:

*Lease Modification:* This is an addition of a 40.80-acre parcel located at T. 42 N., R. 70 W., 6<sup>th</sup> PM, Sec. 13, lot 12 that surrounds approximately 1.25 acres containing about 135,876 tons of coal located between the School Creek Mine's current lease WYW 172413 acquired in 1960 and the Wyodak-Anderson coal burn crop line in order to avoid coal bypass.

d) Name and location of preparing office:

Bureau of Land Management (BLM), Wyoming High Plains District Office,  
Casper WY

e) Serial Number:

WYW172413

f) Applicant Name:

School Creek Coal Resources, LLC  
Peabody School Creek Mining, LLC  
School Creek Mine

g) Location of Proposed Action:

The Proposed Action is located in Campbell County, approximately 16 miles southeast of Wright, Wyoming, as described below.

**T. 42 N., R. 70 W., 6<sup>th</sup> P.M., Wyoming**  
Sec. 13: Lot 12

## 1.1 Background

The applicant is School Creek Coal Resources, LLC, Peabody School Creek Mining, LLC, and the School Creek Mine. The mine owns the private land in the project area. The minerals under the private land are federal administered by the BLM, Buffalo Field

Office. School Creek Coal Resources, LLC and West Roundup Resources, LLC both subsidiaries of Peabody Energy Corporation, own all surrounding existing leases. The only adjacent coal mine is the School Creek mine which is in operation by the applicant. The proposed project area is within the existing School Creek Mine permit area and is located between existing lease WYW172413 and the coal outcrop burn line. The acreage that is included in the modification application area, which is not underlain by federal coal, is included because BLM cannot lease areas less than one lot in size. Other land use, as allowed by the School Creek Mine permit, is livestock grazing. This EA analyzes the proposed action and what effects, if any, it may have on the environment.

## **1.2 Purpose and Need for the Proposed Action**

The purpose of the proposed action is to evaluate modifying lease number WYW 172413 to include approximately 1.25 acres containing about 135,876 tons of coal located against the Wyodak-Anderson coal outcrop to avoid coal bypass. Leasing the 40.80 acres surrounding the 1.25 acres of coal is required because the lot is the smallest area that BLM can lease. This would allow the applicant to remove coal from between its existing lease boundary up to the coal outcrop line within the current coal mine permit boundary.

The action is needed because according to the requirement under the Mineral Leasing Act of 1920, as amended, federal coal on public lands managed by the Bureau of Land Management is not to be bypassed if at all possible. Pursuant to the 43 CFR 3432.2, the authorized officer may modify a lease to include all or part of the lands applied for if the said officer determines that:

- (1) the modification serves the interests of the United States;
- (2) there is no competitive interest in the lands or deposits; and
- (3) the additional lands or deposits cannot be developed as part of another potential or existing independent operation.

Decision to be made: The BLM will decide whether or not to issue the proposed lease modification, and if so, will identify any stipulations and mitigation measures needed.

## **1.3 Relationship to Statutes, Regulations, Plans, or Other Environmental Analyses**

### **1.3.1 Relationship to Statutes and Regulations**

The proposed action is authorized under the Mineral Leasing Act of 1920, as amended, and is in conformance with 43 CFR 3432, which was discussed earlier in this document.

The BLM and the Office of Surface Mining Reclamation and Enforcement (OSM) have completed the compliance work required under section 106 of the National Historic Preservation Act in relation to the existing lease and mine plan. The entire area of the proposed action (40.80 acres) surrounding the 1.25 acres containing approximately

135,876 tons of coal has been inventoried. No historic properties were located; thus, there will be no impact to historic properties by the proposed project. Following the Wyoming State Protocol Section VI(A)(1) the BLM electronically notified the Wyoming State Historic Preservation Officer (SHPO) on January 20, 2012 that no historic properties exist within the area of potential effects.

### 1.3.2 Other Environmental Analysis

The 40.80 acres included in the Proposed Action was analyzed in the Final Environmental Assessment for the School Creek Mine Mining Plan Approval prepared by Environmental Solutions, Inc. Gillette, WY under the direction of the U.S. Department of the Interior, OSM, Denver, Colorado, in October of 2009.

In addition, the proposed action conforms with the *Record of Decision for the Resource Management Plan/Final Environmental Impact Statement for the Buffalo Resource Area (1985)*, as updated (2001) and amended (2003, 2011). The document, in accordance with 43 CFR 1610.5-3, provides management direction and allocation of resources and uses including the leasing of public coal lands administered by the Wyoming High Plains District Office and the Buffalo Field Office.

## **1.4 Scoping, Public Involvement and Issues**

This project was internally scoped through the appropriate BLM specialists. Public involvement was not needed as this area is adjacent to active mines and pits operated by the applicant and is near the Black Thunder mine and pits operated by Arch Coal Inc. and because the applied for area is within the current mining permit boundary, and the previously approved mining plan disturbance area.

## **2.0 PROPOSED ACTION AND ALTERNATIVES**

### **2.1 Alternative I – Proposed Action**

The proposed action is to modify lease WYW172413 in order to mine an additional 1.25 acres containing about 135,876 tons of coal located between the existing WYW 172413 lease and the coal outcrop line within the existing approved permit area of the School Creek Mine. The additional area would be subject to all lease conditions currently in place on the existing WYW172413 lease.

This action also complies with the Mineral Leasing Act of 1920 and 43CFR3432.2 because (1) the Proposed Action is in the interests of the public; (2) there is no competitive interest in the lands or deposits; and, (3) the additional lands or coal cannot be developed as part of another potential or existing mine.

### **2.2 Alternative II – No Action Alternative**

Under the No Action Alternative, modification of the lease would not be approved by the BLM. School Creek Coal Resources, LLP would continue to mine and sell the coal under the current lease. Rejection of the modification would not alter the currently permitted mining activities in the School Creek Mine. The BLM's Competitive Coal Leasing Manual (BLM Manual 3420-1) requires BLM to evaluate modifying the configuration of federal coal tracts based on providing for maximum economic recovery of the coal resource, maintaining or increasing the potential for competition, and avoiding future bypass or captive tract situations. If the Proposed Action were not approved, about 135,876 tons of coal would be lost. The No Action alternative would not comply with the Mineral Leasing Act of 1920 and 43CFR3432.2 as discussed above in section 1.2.

### **3.0 AFFECTED ENVIRONMENT**

The area in the proposed lease modification is best described as the coal outcrop where the coal burn line is exposed on the surface, with grass and limited sagebrush in the remaining acreage. All mining operations would be conducted in a manner that is consistent with the current lease and mining requirements. A map of the proposed lease modification is included at the end of this document.

The area included in the Proposed Action was analyzed in the environmental effects section of the Final Environmental Assessment for the School Creek Mine Mining Plan Approval prepared by Environmental Solutions, Inc. of Gillette, WY, under the Direction of the U.S. Department of the Interior Office of Surface Mining, Denver, Colorado, in October of 2009.

### **4.0 ENVIRONMENTAL EFFECTS**

The proposed lease modification area has already been permitted for mining by the School Creek Mine by appropriate state and federal agencies, and thus is destined to be disturbed regardless of future decisions associated with the School Creek Mine Lease Modification. The 40.80 acres that surround the 1.25 acres containing about 135,876 tons of coal would still be disturbed because it lies entirely within the current mine disturbance permit boundary.

#### **4.1 Cumulative Effects**

Cumulative impacts result from the incremental impacts of an action added to other past, present, and reasonably foreseeable future actions, regardless of who is responsible for such actions. Cumulative impacts can result from individually minor, but collectively significant, actions occurring over time.

The Final Environmental Assessment for the School Creek Mine's Mining Plan Approval addresses cumulative effects for the area of the proposed WYW172413 lease modification, which is fully within the current mine disturbance permit boundary. Furthermore, Task 3 of the Powder River Basin (PRB) Coal Review provides a thorough evaluation of the cumulative effects of the past, present, and reasonably foreseeable

development in the region up to and including the year 2020. The School Creek Mine is included in the PRB Coal Review analysis. The PRB Coal Review can be found online at [http://www.blm.gov/wy/st/en/programs/energy/Coal\\_Resources/PRB\\_Coal/prbdocs.html](http://www.blm.gov/wy/st/en/programs/energy/Coal_Resources/PRB_Coal/prbdocs.html) or from the BLM Wyoming State Office located at 5353 Yellowstone Road, Cheyenne, Wyoming, 82009 or at the Wyoming High Plains District Office, 2987 Prospector Drive in Casper, Wyoming, 82604.

## **5.0 LIST OF PREPARERS AND INDIVIDUALS CONSULTED**

Teresa Johnson	Project Coordinator, Environmental Protection Specialist, BLM Wyoming High Plains District Office
Don Brewer	Wildlife Biologist BLM Buffalo Field Office
Mike Brogan	Geologist, BLM Wyoming High Plains District Office
Buck Damone	Archaeologist BLM Buffalo Field Office
Patricia Karbs	Writer-Editor, BLM Casper Field Office
Mavis Love	Land Law Examiner, BLM Wyoming State Office

7.0 ATTACHMENT: As noted in 3.0:

