



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Tres Rios Field Office
29211 Highway 184
Dolores, CO 81323



OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT
WESTERN REGION
1999 Broadway, Suite 3320
Denver, CO 80202

In Reply Refer To:
FILE CODE (COS01000)
RE: COC-78825

NOTICE OF PUBLIC SCOPING
Public Input Requested
DOI-BLM-CO-S010-2019-0003-EA
Dunn Ranch Area Lease-by-Application and Mine Plan Modification

February 08, 2019

OPTIONAL REPLY: DUE MARCH 11, 2019

On January 10, 2018, the Bureau of Land Management (BLM) received a Lease by Application (LBA) from GCC Energy, LLC (GCCE) to expand the King II Mine, located in La Plata County, Colorado. The LBA seeks to add 2,462 acres of land lands immediately north and northwest of GCCE's existing federal lease and mine operations.

The BLM and Office of Surface Mining Reclamation and Enforcement (OSMRE) are responsible for preparing an environmental assessment (EA) under the National Environmental Policy Act (NEPA) of 1969, as amended. The BLM and OSMRE are jointly preparing the EA to analyze potential impacts of leasing and mining the 2,462 acres of federal coal.

The BLM and OSMRE are initiating the EA jointly. In accordance with the Tres Rios Field Office Resource Management Plan, the BLM will decide whether to hold a lease sale for the lands in the LBA. And, if the BLM holds a lease sale, whether or not to approve the lease. Should the BLM approve and issue the lease, OSMRE will review the proposed mining plan to mine the leased federal coal and provide the Assistant Secretary for Land and Minerals Management (ASLM) a recommendation to approve, approve with conditions, or disapprove the mining plan. OSMRE and BLM will issue separate decision documents.

As part of the NEPA process, BLM and OSMRE have initiated a 30-day scoping period on the LBA starting on February 8, 2019. Public scoping comments are being requested to identify relevant issues concerning GCCE's proposed expansion of the King II Mine, discussed in more detail below. Scoping comments are most useful when they are specific, cite relevant issues, and/or determine the extent of those issues.

A more detailed description of the proposed action, along with copies of this letter, maps, and other pertinent information are available on BLM's ePlanning website at <https://go.usa.gov/xEKTv>, and at OSMRE's website at: <https://www.wrcc.osmre.gov/initiatives/kingIICoalMine.shtm>. Additional documentation including review and final drafts of the EA and decision documents will be posted on these sites as they become available.

Project Background:

GCCE's LBA proposes to lease coal underlying the following lands:

New Mexico Principle Meridian

Township 35 North, Range 11 West

Section 18: lots 2 thru 5, 8, 9, 10, SE $\frac{1}{4}$ NW $\frac{1}{4}$, and NE $\frac{1}{4}$ SW $\frac{1}{4}$.

Section 19: lots 1, 2, 6, and 7, NE $\frac{1}{4}$ NW $\frac{1}{4}$, and N $\frac{1}{2}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$.

Township 35 North, Range 12 West

Section 13: S $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$, and S $\frac{1}{2}$ SE $\frac{1}{4}$;

Section 14: S $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$, S $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$, and S $\frac{1}{2}$ SE $\frac{1}{4}$;

Section 15: SE $\frac{1}{4}$ SW $\frac{1}{4}$, and S $\frac{1}{2}$ SE $\frac{1}{4}$;

Section 22: N $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, E $\frac{1}{2}$

NE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ NW $\frac{1}{4}$, and E $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$;

Section 23: N $\frac{1}{2}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$; Section 24: N $\frac{1}{2}$, SW $\frac{1}{4}$, and NW $\frac{1}{4}$ SE $\frac{1}{4}$;

Section 26: N $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$ NW $\frac{1}{4}$, and SE $\frac{1}{4}$ NW $\frac{1}{4}$;

Section 27: NE $\frac{1}{4}$ NE $\frac{1}{4}$, and SE $\frac{1}{4}$ NW $\frac{1}{4}$ NE $\frac{1}{4}$.

Containing 2,462.07 acres more or less.

The proposed project area consists mostly of split-estate federally owned coal, with a mixture of surface estate owners, including the Ute Mountain Ute Tribe, Devil's Canyon Trust, C & C Livestock, Shirard Colorado LTD Partnership and BLM in an area collectively referred to as the "Dunn Ranch" area.

Leasing these lands would result in a continuation of underground coal mining operations at the King II Coal Mine into the newly-leased lands. It would extend the life of the mine by approximately 22 years. The proposed action would cause approximately 20 acres of surface disturbance, primarily associated with the construction of a "low cover crossing"—an engineered, below-grade, steel-lined haulage way that would connect the existing mine to the LBA area. This "low cover crossing" would allow underground mining equipment to pass beneath East Alkali Gulch without coming to the surface. The low cover crossing would be constructed at the southwest end of the existing mine workings. Surface facilities, operations and haulage at the existing King II Coal Mine would not change. Up to approximately 800,000 tons per year could be mined, though present production rates are closer to 600,000 tons per year. All coal is shipped from the mine by truck, with a maximum daily average of 120 trucks per day. At present mining rates roughly two thirds of coal is delivered for use at cement manufacturing plants owned by GCCE in the USA and Mexico, with the remainder being sold for use on local scenic railways, home heating and the spot market. Coal bound for Mexico and some spot market buyers is trucked to a railroad hub in Gallup, New Mexico.

How to Comment:

Submit your substantive comments and information related to this proposal in writing to the BLM by March 11, 2019. Your name and address must be included for your submission to be considered. All submissions received will be forwarded to OSMRE. OSMRE may hold informational meetings, at which time additional comments would be accepted.

Email: coalcommenttresrios@blm.gov

BLM Website: <https://go.usa.gov/xEKTv>

OSMRE Website: <https://www.wrcc.osmre.gov/initiatives/kingIICoalMine.shtm>

Postal Service: Stantec
Attn: Neil Lynn – King II Coal LBA and Mine Plan
3325 S Timberline Road, Ste 150
Fort Collins, CO 80525-2903

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 ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

If you have questions about the BLM coal program or analysis, please contact James Blair at (970) 882-1135. For questions regarding the OSMRE NEPA process, please contact Gretchen Pinkham at (303) 293-5088.

Sincerely,

/s/ Connie Clementson

Connie Clementson
Field Manager
BLM – Tres Rios Field Office

/s/ Mychal Yellowman

Mychal Yellowman
Manager, Indian Program Branch
OSMRE – Western Region