



4310-JB-P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

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Notice of Federal Competitive Coal Lease Sale, Application COC-78825, Dunn

Ranch Tract, Colorado

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of coal lease sale.

SUMMARY: Notice is hereby given that the coal resources in the lands described below in La Plata County, Colorado, will be offered for competitive sale by sealed bid, in accordance with the Mineral Leasing Act of 1920, as amended.

DATES: The lease sale will be held at 10 a.m. on **[INSERT DATE 31 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. Sealed bids must be received by the Bureau of Land Management (BLM) Colorado State Office Public Room on or before 9:30 a.m. on **[INSERT DATE 31 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: The lease sale will be held in the 4th floor conference room of the BLM Colorado State Office, 2850 Youngfield Street, Lakewood, CO 80215. Sealed bids must be submitted to the Public Room, BLM Colorado State Office, at this same address.

FOR FURTHER INFORMATION CONTACT: Doug Siple, Mining Engineer, at 303-239-3774 or dsiple@blm.gov. Persons who use a telecommunications device for the deaf (TDD) may call the Federal Relay Service (FRS) at 1-800-877-8339 to contact Mr.

Siple during normal business hours. The FRS is available 24 hours a day, 7 days a week, to leave a message or question. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION: This sale is being held in response to a lease by application (LBA) filed by GCC Energy, LLC (GCCE). These lands, known as the Dunn Ranch Tract (Tract), are located in La Plata County, Colorado, southwest of Hesperus, Colorado. The Federal coal resources to be offered are located in the following described lands:

New Mexico Principal Meridian, Colorado

T. 35 N., R. 11 W.,

sec. 18, lots 2 thru 5, 8, 9, and 10, SE1/4NW1/4, and NE1/4SW1/4;

sec. 19, lots 1, 2, 6, and 7, NE1/4NW1/4, and N1/2SE1/4NW1/4.

T. 35 N., R. 12 W.,

sec. 13, S1/2NE1/4, SE1/4NW1/4, S1/2SW1/4, NE1/4SE1/4, and S1/2SE1/4;

sec. 14, S1/2NE1/4SW1/4, S1/2NW1/4SW1/4, S1/2SW1/4, S1/2NW1/4SE1/4, and S1/2SE1/4;

sec. 15, SE1/4SW1/4 and S1/2SE1/4;

sec. 22, N1/2NE1/4, N1/2SW1/4NE1/4, SE1/4SW1/4NE1/4, SE1/4NE1/4, E1/2NE1/4NW1/4, NE1/4SE1/4NW1/4, and E1/2NW1/4SE1/4;

sec. 23, N1/2NE1/4, SE1/4NE1/4, N1/2NW1/4, SE1/4SW1/4, and SE1/4;

sec. 24, N1/2, SW1/4, and NW1/4SE1/4;

sec. 26, N1/2NE1/4NE1/4, SW1/4NE1/4NE1/4, NW1/4NE1/4, N1/2NW1/4, N1/2SW1/4NW1/4, SE1/4SW1/4NW1/4, and SE1/4NW1/4;

sec. 27, NE1/4NE1/4 and SE1/4NW1/4NE1/4.

The area described contains 2,462.07 acres.

The coal in the Tract has one minable coal bed, which is designated as the Upper Menefee coal seam. This seam is approximately 8.4 feet thick. The Tract is adjacent to GCCE's King II Mine and contains approximately 9.54 million tons of recoverable high-volatile bituminous coal. The coal quality in the Upper Menefee coal seam is as follows:

British Thermal Unit (BTU)	12,700 BTU/lb
Moisture	6.24%
Sulfur Content	0.89%
Ash Content	7.04%

The Tract will be leased to the qualified bidder of the highest cash amount, provided that the high bid meets or exceeds the BLM's estimate of the fair market value (FMV) of the Tract. The minimum bid for the Tract is \$100 per acre or fraction thereof. The minimum bid is not intended to represent FMV. The authorized officer will determine if the bids meet FMV after the sale.

The sealed bids should be sent by certified mail, return receipt requested, or be hand delivered to the Public Room, BLM Colorado State Office (see **ADDRESSES**), and clearly marked "Sealed Bid for COC-78825 Coal Sale – Not to be opened before 10 a.m. on **[INSERT DATE 31 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**." The Public Room representative will issue a receipt for each hand-delivered bid. Bids received after 9:30 a.m. will not be considered. If identical high bids are received, the tying high bidders will be requested to submit follow-up sealed bids until a high bid is received. All tie-breaking sealed bids must be submitted within 15 minutes following the sale official's announcement at the sale that identical

high bids have been received.

Prior to lease issuance, the high bidder, if other than the applicant, must pay the BLM the cost recovery fee in the amount of \$117,668.15, in addition to all processing costs the BLM incurs after the date of this sale notice (43 CFR 3473.2(f)).

A lease issued as a result of this offering will require payment of an annual rental of \$3 per acre, or fraction thereof, and a royalty payable to the United States of 8 percent of the value of coal mined by underground methods.

Bidding instructions for the Tract offered and the terms and conditions of the proposed coal lease are included in the Detailed Statement of Lease Sale, with copies available at the BLM Colorado State Office (see **ADDRESSES**). Documents for case file COC-78825 are available for public inspection at the BLM Colorado State Office Public Room.

(Authority: 43 CFR 3422.3-2)

Gregory P. Shoop,

Colorado Associate State Director.

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