



DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[212.LLMTC03200.L13200000.EM0000 MO # 4500149507]

Notice of Lease Sale BNI Coal, Ltd. Center Mine Lease-by-Application NDM

105513, Oliver County, ND

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of coal lease sale.

SUMMARY: Notice is hereby given that Federal coal resources in lands in Oliver County, North Dakota, will be offered by the Bureau of Land Management (BLM) for competitive lease by sealed bid in accordance with the provisions of the Mineral Leasing Act of 1920, as amended.

DATES: The lease sale will be held at 10:00 a.m. Mountain Standard Time (MST) on January 15, 2020.

ADDRESSES: The lease sale will be held in the Main Conference Room of the BLM Montana State Office, 5001 Southgate Drive, Billings, Montana 59101-4669. Sealed bids must be submitted to the Cashier, BLM Montana State Office, at this same address. Social Distancing and limited seating will be applied during the sale due to COVID-19.

FOR FURTHER INFORMATION CONTACT: Greg Fesko, by telephone at 406-896-5080, or by email at gfesko@blm.gov. Persons who use telecommunication devices for the deaf (TDD) may call the Federal Relay Service (FRS) at 1-800-877-8339 to contact Mr. Fesko 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 filed by BNI Coal, Ltd. (BNI). The Federal coal resources to be offered are located on the following described lands:

Fifth Principal Meridian, North Dakota

T. 141 N., R. 83 W.,

sec. 8, S $\frac{1}{2}$ NE $\frac{1}{4}$ NE $\frac{1}{4}$.

T. 141 N., R. 84 W.,

sec. 14, E $\frac{1}{2}$ NE $\frac{1}{4}$, S $\frac{1}{2}$ SW $\frac{1}{4}$ and SE $\frac{1}{4}$

T. 142 N., R. 84 W.,

sec. 20, NE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, and SE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$.

The areas described aggregate 630.00 acres.

The coal in the tracts has one or two minable coal beds, which are designated as the Kinneman Creek and Hagel beds. The Kinneman Creek bed is present only on the section 20 tract and averages approximately 6.9 feet thick. The underlying Hagel bed is present in all three lease tracts and ranges in thickness from 7.1 feet to approximately 11.4 feet. The tracts are located adjacent to BNI's current mining operation and contain approximately 11.21 million tons of coal. The composite coal quality of both coal beds is as follows:

Heat Content (Btu/lb.)	6,784 Btu/lb.
Moisture	38.35%
Ash Content	6.05%
Sulfur Content	0.77%

The tracts 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 tracts. 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.

The sealed bids should be sent by certified mail, return receipt requested, or be hand delivered to the Public Room, BLM Montana State Office (see **ADDRESSES**), and clearly marked “Sealed Bid for NDM 105513 Coal Sale—Not to be opened before 10:00 a.m. MST on January 15, 2020.” The Public Room representative will issue a receipt for each hand-delivered bid. Bids received after 9:30 a.m. MST 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 \$50,963.02, in addition to all processing costs incurred by the BLM 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 12.5 percent of the value of coal mined by surface methods.

Bidding instructions for the tracts 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 Montana State Office (see **ADDRESSES**). Documents in case file NDM 105513 are available for public inspection at the BLM Montana State Office Public Room.

(Authority: 43 CFR 3422.3-2)

John J. Mehlhoff,

Montana/Dakotas State Director.

