

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[A2407-014-004-065516; #O2412-014-004-047181.1]

Lease for Sale Coteau Properties Company, Freedom Mine Lease-by-Application NDM 111186, Mercer 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 Mercer County, North Dakota, will be offered 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 a.m. Mountain Time (MT) on [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. **ADDRESSES**: The lease sale will be held in the Main Conference Room of the Bureau of Land Management (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.

FOR FURTHER INFORMATION CONTACT: Tessa Wallace, telephone: 406-896-5086; email: tlwallace@blm.gov. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States

SUPPLEMENTARY INFORMATION: This sale is being held in response to a Lease-by-Application filed by Coteau Properties Company. The Federal coal resources to be offered are contained in four tracts located on the following described lands:

Fifth Principal Meridian, North Dakota

T. 145 N., R. 86 W.,

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

sec. 4, lot 2, S1/2NW1/4, and SW1/4SW1/4;

sec. 6, lots 3 thru 5 and SE1/4NW1/4.

T. 146 N., R. 86 W.,

sec. 30, NE1/4SW1/4.

T. 144 N., R. 89 W.,

sec. 2, N1/2SW1/4, N1/2SW1/4SW1/4, SE1/4SW1/4SW1/4, SE1/4SW1/4, and W1/2SE1/4;

sec. 12, W1/2.

The areas described aggregate 1,062.92 acres, according to the official plats of the surveys of the said lands, on file with the BLM.

The coal in the tracts have two coal beds, which are designated as the Schoolhouse bed and the Beulah coal bed. Beulah coal bed and its associated splits of the Upper and Lower Beulah and their subordinate splits Upper Beulah 1 and 2, and Lower Beulah 3 and 4 are considered minable. The Beulah bed, or its splits, are present in all 4 lease tracts and ranges in thickness from 10.0 feet to approximately 14.2 feet thick. The tracts are located adjacent to or within Coteau's current mining operation and contain approximately 19.0 million tons of coal. The composite coal quality of the Beulah coal bed and splits are as follows: Heat Content (Btu/lb.) 6,770 Btu/lb.; Moisture 38.11 percent; Ash Content 6.97 percent, Sulfur Content 0.85 percent.

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 111186 Coal Sale—Not to be opened before 10

a.m. Mountain Time on [INSERT DATE 30 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. MT 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 \$206,727.00, 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 because 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 pursuant to

section 7(a) of the Mineral Leasing Act (30 U.S.C. 207(a)) as amended.

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 111186 are available for public inspection at the BLM Montana State Office Public

Room.

(Authority: 43 CFR 3422.3-2)

Tessa L. Wallace,

Branch Chief, Solid Minerals. BLM Montana/Dakotas.