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DIVISION OF
OIL GAS & MINING

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

(UT-920-93-4120-01)

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UTAH: Notice of Public Hearing and Call for Public Comment on Fair Market Value and Maximum Economic Recovery; Coal Lease Application UTU-68082

AGENCY: Bureau of Land Management

ACTION: Notice of Public Hearing

SUMMARY: The Bureau of Land Management announces a public hearing on a proposed coal lease sale and requests public comment on the fair market value of certain coal resources it proposes to offer for competitive lease sale.

The Federal coal lands in the vicinity of coal lease application UTU-68082 have been delineated into a coal lease tract referred to as the Crandall Canyon Tract. The tract under consideration is located in the Manti-LaSal National Forest of Emery County, Utah, approximately 15 miles northwest of Huntington, Utah, and is described as follows:

T. 15 S., R. 6 E., SLM

Section 25, S½;

Section 26, S½;

Section 27, E½SE¼;

Section 34, lot 1, E½NE¼, NE¼SE¼;

Section 35, lots 1-4, N½, N½S½.

T. 15 S., R. 7 E., SLM

Section 30, lots 7-12, SE¼;

Section 31, lots 1-12, NE¼, N½SE¼, SW¼SE¼.

T. 16 S., R. 6 E., SLM

Section 1, lots 1-12, SW¼;

Section 3, lot 1, SE¼NE¼, E½SE¼.

T. 16 S., R. 7 E., SLM

Section 6, lots 2-4, SW¼NE¼.

Containing 3,384.02 acres more or less.

One economically minable coal bed (the Hiawatha) is found in this tract. The Hiawatha seam averages 8 feet in thickness in this area. This tract contains an estimated 18 million tons of recoverable, high-volatile C bituminous coal. Coal quality in the seam, on an as received basis, is as follows: 12,790 BTU/lb. 4.08 percent moisture, 0.63 percent sulfur, and 8.75 percent ash, 45.31 percent fixed carbon, and 42.45 percent volatile matter.

The public is invited to the hearing to make public comment and also to submit written comments on the fair market value and the maximum economic recovery of the tract.

SUPPLEMENTAL INFORMATION: In accordance with Federal coal management regulations 43 CFR 4322 and 4325, a public hearing shall be held on the proposed sale to allow public comment on and discussion of the potential effects of mining the proposed lease. Not less than 30 days prior to the publication of a notice of sale, the Secretary shall solicit public comments on fair market value appraisal and maximum economic recovery and on factors that may affect these two determinations. Proprietary data marked as confidential may be submitted to the Bureau of Land Management in response to this solicitation of public comments. Data so marked shall be treated in accordance with the laws and regulations governing the confidentiality of such information. A copy of the comments submitted by the public on fair market value and maximum economic recovery, except those portions identified as proprietary by the author and meeting exemptions stated in the Freedom of Information Act, will be available for public inspection at the mentioned address during regular business hours (8 a.m. to 4 p.m.) Monday through Friday.

Comments on fair market value and maximum economic recovery should be sent to the Bureau of Land Management and should address, but not necessarily be limited to, the following information:

1. The quality and quantity of the coal resource.
2. The mining method or methods which would achieve maximum economic recovery of the coal including specification of seams to be mined and the most desirable timing and rate of production.
3. The quantity of coal.
4. If this tract is likely to be mined as part of an existing mine and therefore be evaluated, on a realistic incremental basis, in relation to the existing mine to which it has the greatest value.
5. If this tract should be evaluated as part of a potential larger mining unit and evaluated as a portion of a new potential mine (i.e., a tract which does not in itself form a logical mining unit).
6. The configuration of any larger mining unit of which the tract may be a part.
7. Restrictions to mining which may affect coal recovery.
8. The price that the mined coal would bring when sold.
9. Costs include mining and reclamation of producing the coal and tons of production.
10. The percentage rate at which anticipated income streams should be discounted, either in the absence of inflation or with inflation, in which case the anticipated rate of inflation should be given.
11. Depreciation and other tax accounting factors.
12. The value of any surface estate where held privately.
13. Documented information on the terms and conditions of recent and similar coal land transactions in the lease sale area.
14. Any comparable sales data of similar coal lands.

Coal values developed by BLM may or may not change as a result of comments received from the public and changes in market conditions between now and when final economic evaluations are completed.

DATES: The public hearing will be held August 31, 1993, and comments on fair market value and maximum economic recovery must be received by September 30, 1993.

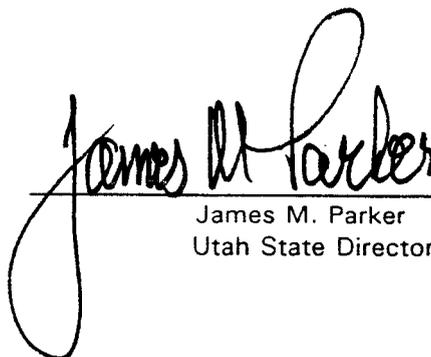
ADDRESS: For more complete data on this tract, please contact Max Nielson, 801-539-4038, Bureau of Land Management, Utah State Office, P.O. Box 45155, 324 South State Street, Salt Lake City, Utah, 84145-0155.

The public hearing will be held at the Emery County Courthouse, 2nd Floor, Conference Room, 95 East Main Street, Castledale, Utah, at 7 p.m.

FOR FURTHER INFORMATION CONTACT: Max Nielson, 801-539-4038.

JUL 30 1993

Date

A handwritten signature in black ink, reading "James M. Parker". The signature is written in a cursive style with a large, looping initial "J".

James M. Parker
Utah State Director