

C/041/002 Incoming



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
440 West 200 South, Suite 500
Salt Lake City, UT 84101
<https://www.blm.gov/utah>



IN REPLY REFER TO:
3425
UTU-84102
(UT-9223)

JAN 10 2017

RECEIVED
JAN 13 2017
DIV. OF OIL, GAS & MINING

CERTIFIED MAIL – Return Receipt Requested
91 7199 9991 7037,5223 4135

Mr. John Baza, Director
Utah Division of Oil, Gas and Mining
P. O. Box 145801
Salt Lake City, Utah 84114-5801

Dear Mr. Baza:

This office held a competitive coal lease sale on January 4, 2017. Canyon Fuel Company, LLC was declared the highest qualified bidder for the Greens Hollow Tract, assigned serial number UTU-84102.

Enclosed is a copy of the minutes of the sale. I accepted the bid of \$22,850,000 on January 9, 2017.

Sincerely,

Edwin L. Roberson
State Director

Enclosure
Minutes of Sale

Minutes of Lease by Application
Coal Sale
Utah State Office

The Greens Hollow Tract

January 4, 2017

A coal lease sale was held at 1:00 p.m., January 4, 2017, pursuant to a notice posted November 30, 2016, and was conducted under the authority of Section 2(a)(1) of the Mineral Leasing Act of 1920, as amended.

The sale included one tract, the Greens Hollow Tract, which conformed to the Lease By Application sale criteria set forth in 43 CFR 3425.1-5, and was found to be environmentally suitable for leasing, potentially economic for coal production, and consistent with local or regional, social and economic needs. The tract contains 6,175.39 acres located approximately ten and one-half miles west of Emery, Utah in Sanpete and Sevier Counties, Utah.

The sale was held by Ed Roberson, State Director, Utah State Office. A list of attendees is attached.

The coal resources were offered for lease by sealed bid. One sealed bid was received on the tract. A summary is shown below:

UTU-84102

Salt Lake Meridian, Utah

T. 20 S., R. 4 E., (Sevier County)
sec. 36, lot 4, E1/2NE1/4, and NE1/4SE1/4.

T. 21 S., R. 4 E., (Sevier County)
sec. 1;
sec. 2, SE1/4;
sec. 11, E1/2, E1/2NW1/4, and E1/2SW1/4;
sec. 12, NE1/4, W1/2, and W1/2SE1/4;

sec. 13, W1/2NE1/4 and NW1/4;
sec. 14, NE1/4 and E1/2NW1/4.

T. 20 S., R. 5 E., (Sanpete and Sevier Counties)
sec. 19, lots 5 thru 8, E1/2SW1/4, and SE1/4;
sec. 20, S1/2;
sec. 21, W1/2SW1/4;
sec. 28, W1/2;
sec. 29;
sec. 30;

sec. 31;
sec. 32, N1/2, N1/2SW1/4, and N1/2SE1/4;
sec. 33, NW1/4NW1/4.

T. 21 S., R. 5 E., (Sevier County)
sec. 6.

Acres: 6,175.39

Coal Quality Upper Hiawatha:

Btu/lb.:	11,565
Percent Moisture:	7.46
Percent Ash:	9.81
Percent Volatile Matter:	36.55
Percent Fixed Carbon:	46.10
Percent Sulfur:	0.55

Coal Quality Lower Hiawatha:

Btu/lb.:	11,538
Percent Moisture:	7.21
Percent Ash:	9.69
Percent Volatile Matter:	38.88
Percent Fixed Carbon:	43.85
Percent Sulfur:	1.26

Minimum Acceptable Bid:	Per Acre	\$ 100.00
	Total	\$ 617,600.00

High Bidder: Canyon Fuel Company, LLC

Total Bid:	\$ 22,850,000
Bid per Acre:	\$ 3,700.17
Total Submitted With Bid:	\$ 4,570,000
Per Ton Bid:	\$ 0.41

It was announced at the sale that the sale panel will meet to determine whether the bid meets Fair Market Value.

The coal sale was declared closed at 1:03 p.m.