



U.S. Department of the Interior
Bureau of Land Management &
Office of Surface Mining Reclamation and Enforcement

NEWS RELEASE

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BLM and OSMRE begin scoping period on coal lease by application near Hesperus, Colorado

DURANGO, Colo. - The Bureau of Land Management (BLM) Tres Rios Field Office and Office of Surface Mining Reclamation and Enforcement (OSMRE) Western Region, are seeking public scoping comments regarding the preparation of an Environmental Assessment (EA) that will analyze potential impacts from the proposed Lease by Application (LBA) and associated proposed mine plan modification at the King II coal mine, operated by GCC Energy, LLC. The proposed lease area, known as the “Dunn Ranch”, is located adjacent to the current mine and lease and is between 3.5 and 6.5 miles east-southeast from the town of Hesperus, La Plata County, Colorado.

The lease would cover 2,462 acres and provide approximately 7.6 million tons of recoverable coal, extending the life of the underground mine operation about 22 years. Surface facilities at the existing King II Coal Mine would not change. The proposed production rate would be 600,000 tons per year for the first 2 years and then go up to 800,000 tons per year thereafter.

The coal mined from the King II mine is known for its low sulfur, ash and alkali content, and it is sold mostly in the southwestern U.S. and Mexico for use in manufacturing cement, local home heating and operating the railroad in Durango, Colorado.

The BLM and OSMRE EA is part of an innovative Department of the Interior pilot project to streamline required National Environmental Policy Act (NEPA) compliance. In order to increase operational efficiencies, the BLM and OSMRE are working as co-lead agencies on an EA that will allow each agency to issue its own findings regarding the significance of potential impacts resulting from leasing and permitting coal mining.

The purpose of the scoping process is to obtain feedback from the public on relevant issues that may influence the development of the environmental analysis, including alternatives, and guide the process for preparing the environmental assessment. Comments will be accepted for a 30-day period ending on March 11, 2019.

The BLM and OSMRE also plan to have the draft EA available for public review period by late Spring of 2019, at which time public comments on the document and associated analyses will be accepted and considered.

Public comments regarding the proposal should be submitted by March 11, 2019. Comments can be e-mailed to: coalcommenttresrios@blm.gov or mailed to: Stantec

Attn: Neil Lynn - King II Coal LBA & Mine Plan
3325 S Timberline Road, Ste 150
Fort Collins, CO 80525-2903

For additional information on the proposal, including maps of the area that would be affected, go to the BLM website: <https://go.usa.gov/xEKTv> or OSMRE website: <https://www.wrcc.osmre.gov/initiatives/kingIICoalMine.shtm>

Those who intend to provide comments are advised that including an address, phone number, email address or other personal-identifying information, may be made publicly available at any time. While those commenting can ask in their comments to have personal-identifying information withheld from public review, the agencies cannot guarantee that they will be able to do so. All submissions from organizations, from businesses and from individuals identifying themselves as representatives of organizations or businesses, will be available for public review.

Coal production is a valuable economic driver for the State of Colorado. Coal mines on the public mineral estate support about 6,000 jobs and contribute \$42 million in federal royalties to the State of Colorado. The King II coal mine employs between 140 and 165 people with total salaries and employee benefits estimated to be about \$12 million annually.

Currently, there are seven producing coal mines in the State of Colorado (two are surface mines, the remaining five are subsurface mines) totaling 60,000 acres and with an estimated economic output of \$1.2 billion. There are 55 coal leases in Colorado, covering 88,677 acres.

For more information contact the BLM Project Manager, James Blair, at (970)882-1135 or the OSMRE Project Manager, Gretchen Pinkham, at (303)293-5088.

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