

## Bureau of Land Management, Interior

## § 3420.0-1

the competitive position of the licensee, whichever comes first. (43 CFR 2.20 and 3481.3)

[44 FR 42613, July 19, 1979, as amended at 47 FR 33136, July 30, 1982; 50 FR 8626, Mar. 4, 1985]

### § 3410.5 Use of surface.

(a) Operations under these regulations shall not unreasonably interfere with or endanger operations authorized under any other Act or regulation.

(b) The licensee shall comply with all applicable Federal, state and local laws and regulations, including the regulations.

[44 FR 42613, July 19, 1979, as amended at 47 FR 33136, July 30, 1982]

## PART 3420—COMPETITIVE LEASING

### Subpart 3420—Competitive Leasing

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AUTHORITY: The Mineral Leasing Act of 1920, as amended and supplemented (30 U.S.C. 181 *et seq.*), the Mineral Leasing Act for Acquired Lands of 1947, as amended (30 U.S.C. 351-359), the Multiple Mineral Development Act of 1954 (30 U.S.C. 521-531 *et seq.*), the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201 *et seq.*), the Department of Energy Organization Act of 1977 (42 U.S.C. 7101 *et seq.*), the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 *et seq.*) and the Small Business Act of 1953, as amended (15 U.S.C. 631 *et seq.*).

SOURCE: 44 FR 42615, July 19, 1979, unless otherwise noted.

### Subpart 3420—Competitive Leasing

#### § 3420.0-1 Purpose.

This subpart sets forth how the Department will conduct competitive

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leasing of rights to extract Federal coal.

**§ 3420.0-2 Objectives.**

The objectives of these regulations are to establish policies and procedures for considering development of coal deposits through a leasing system involving land use planning and environmental assessment or environmental impact statement processes; to promote the timely and orderly development of publicly owned coal resources; to ensure that coal deposits are leased at their fair market value; and to ensure that coal deposits are developed in consultation, cooperation and coordination with the public, state and local governments, Indian tribes and involved Federal agencies.

[47 FR 33136, July 30, 1982]

**§ 3420.0-3 Authority.**

(a) The regulations in this part are issued under the authority of the statutes cited in § 3400.0-3 of this title.

(b) The regulations in this part implement: (1) Primarily section 2(a) of the Mineral Leasing Act of 1920, as amended by sections 2 and 3 of the Federal Coal Leasing Amendments Act of 1976 (30 U.S.C. 201(a)); and (2) the Small Business Act of 1953, as amended (15 U.S.C. 631 *et seq.*).

**§ 3420.1 Procedures.**

**§ 3420.1-1 Lands subject to evaluation for leasing.**

All lands subject to coal leasing under the mineral leasing laws are subject to evaluation under this subpart (43 CFR 3400.2).

[44 FR 42615, July 19, 1979. Redesignated at 47 FR 33136, July 30, 1982]

**§ 3420.1-2 Call for coal resource and other resource information.**

(a) Prior to or as part of the initiation or update of a land use plan or land use analysis, a Call for Coal and Other Resource Information shall be made to formally solicit indications of interest and information on coal resource development potential and on other resources which may be affected by coal development for lands in the planning unit. Industry, State and

local governments and the general public may submit information on lands that should be considered for coal leasing, including statements describing why the lands should be considered for leasing.

(b) Proprietary data marked as confidential may be submitted in response to the Call for Coal and Other Resource Information, however, all such proprietary data shall be submitted to the authorized officer only. Data marked as confidential shall be treated in accordance with the laws and regulations governing the confidentiality of such information.

(c) The Call for Coal and Other Resource Information may be combined with the notice of intent to conduct land use planning published in accordance with § 1601.3(g) of this title or with the issue identification process in accordance with part 1600 of this title. If the agency conducting land use planning is other than the Bureau of Land Management, that agency may combine the Call for Coal and Other Resource Information with its land use planning process at the appropriate step.

[47 FR 33136, July 30, 1982, as amended at 50 FR 8626, Mar. 4, 1985; 51 FR 18888, May 23, 1986]

**§ 3420.1-3 Special leasing opportunities.**

(a) The Secretary shall, under the procedures established in this subpart, including § 3420.3 of this title, reserve and offer a reasonable number of lease tracts through competitive lease sales open only to a restricted class of potential bidders. Except for the limitation on bidding contained in paragraph (b) of this section, all requirements in this subpart apply equally to special leasing opportunities, including the requirement that coal be leased at its fair market value.

(b) Special leasing opportunities shall be provided for two classes of potential lessees:

(1) *Public bodies.* (i) Only public bodies with a definite plan for producing energy for their own use or for their members or customers shall bid for leases designated as special leasing opportunities for public bodies. To qualify as a definite plan, a plan must

clearly state the intended use of the coal and have been approved by the governing board of the public body submitting the plan. In the event an electric generating station which will produce energy for the public body is either jointly owned with or participated in by others, or both, the definite plan shall assure that the public body's proportionate part of the energy produced is utilized pursuant to this paragraph.

(ii) Each public body shall submit the information specified in § 3472.2-5(a) (1) and (2) of this title as part of its expression of leasing interest or upon submission of a bid if no expression of leasing interest is made. The information specified in § 3472.2-5(a) (3) and (4) of this title shall be submitted within 60 days after submission of an expression of leasing interest or lease bid if no expression of leasing interest is made.

(iii) The Secretary may designate, during the process of preparing a regional lease sale schedule, certain coal lease tracts for special leasing opportunities for public bodies only if a public body has submitted an expression of leasing interest under § 3420.3-2, requesting that the procedures of this section apply.

(iv) Leases issued under this section to public bodies may be assigned only to other public bodies, or to a person who will mine the coal on behalf of and for the use of the public body, or to a person for the limited purpose of creating a security interest in favor of a lender who agrees to be obligated to mine the coal on behalf of the public body.

(2) *Small businesses.* (i) When necessary to comply with the requirements of the Small Business Act, the Secretary shall designate a reasonable number of tracts for special leasing opportunities for businesses qualifying under 13 CFR part 121.

(ii) Leases issued under this section may be assigned only to other small businesses qualifying under 13 CFR part 121.

(c) Potential lessees qualifying for special leasing opportunities may participate in competitive lease sales not designated as special leasing opportunities and shall not be required to sub-

mit the evidence and information required specifically for a special leasing opportunity to participate.

[44 FR 42615, July 19, 1979. Redesignated and amended at 47 FR 33136, July 30, 1982]

**§ 3420.1-4 General requirements for land use planning.**

(a) The Secretary may not hold a lease sale under this part unless the lands containing the coal deposits are included in a comprehensive land use plan or land use analysis. The land use plan or land use analysis will be conducted with public notice and opportunity for participation at the points specified in § 1610.2(f) of this title. The sale must be compatible with, and subject to, any relevant stipulations, guidelines, and standards set out in that plan or analysis.

(b)(1) The Bureau of Land Management shall prepare comprehensive land use plans and land use analyses for lands it administers in conformance with 43 CFR part 1600.

(2) The Department of Agriculture or any other Federal agency with surface management authority over lands subject to leasing shall prepare comprehensive land use plans or land use analyses for lands it administers.

(3) The Secretary may lease in any area where it is found either that there is no Federal interest in the surface or that the coal deposits in an area are insufficient to justify the costs of a Federal land use plan upon completion of a land use analysis in accordance with this section and 43 CFR part 1600.

(c) In an area of Federal lands not covered by a completed comprehensive land use plan or scheduled for comprehensive land use planning, a member of the public may request the appropriate Bureau of Land Management State Office to prepare a land use analysis for coal related uses of the land as provided for in this group.

(d) A comprehensive land use plan or land use analysis shall contain an estimate of the amount of coal recoverable by either surface or underground mining operations or both.

(e) The major land use planning decision concerning the coal resource shall

be the identification of areas acceptable for further consideration for leasing which shall be identified by the screening procedures listed below:

(1) Only those areas that have development potential may be identified as acceptable for further consideration for leasing. The Bureau of Land Management shall estimate coal development potential for the surface management agency. Coal companies, State and local governments and the general public are encouraged to submit information to the Bureau of Land Management at any time in connection with such development potential determinations. Coal companies, State and local governments and members of the general public may also submit nonconfidential coal geology and economic data during the inventory phase of planning to the surface management agency conducting the land use planning. Where such information is determined to indicate development potential for an area, the area may be included in the land use planning for evaluation for coal leasing.

(2) The Bureau of Land Management or the surface managing agency conducting the land use planning shall, using the unsuitability criteria and procedures set out in subpart 3461 of this title, review Federal lands to assess where there are areas unsuitable for all or certain stipulated methods of mining. The unsuitability assessment shall be consistent with any decision of the Office of Surface Mining Reclamation and Enforcement to designate lands unsuitable or to terminate a designation in response to a petition.

(3) Multiple land use decisions shall be made which may eliminate additional coal deposits from further consideration for leasing to protect other resource values and land uses that are locally, regionally or nationally important or unique and that are not included in the unsuitability criteria discussed in paragraph (e) of this section. Such values and uses include, but are not limited to, those identified in section 522(a)(3) of the Surface Mining Reclamation and Control Act of 1977 and as defined in 30 CFR 762.5. In making these multiple use decisions, the Bureau of Land Management or the surface management agency con-

ducting the land use planning shall place particular emphasis on protecting the following: Air and water quality; wetlands, riparian areas and sole-source aquifers; the Federal lands which, if leased, would adversely impact units of the National Park System, the National Wildlife Refuge System, the National System of Trails, and the National Wild and Scenic Rivers System.

(4)(i) While preparing a comprehensive land use plan or land use analysis, the Bureau of Land Management shall consult with all surface owners who meet the criteria in paragraphs (gg) (1) and (2) of §3400.0-5 of this title, and whose lands overlie coal deposits, to determine preference for or against mining by other than underground mining techniques.

(ii) For the purposes of this paragraph, any surface owner who has previously granted written consent to any party to mine by other than underground mining techniques shall be deemed to have expressed a preference in favor of mining. Where a significant number of surface owners in an area have expressed a preference against mining those deposits by other than underground mining techniques, that area shall be considered acceptable for further consideration only for development by underground mining techniques. In addition, the area may be considered acceptable for further consideration for leasing for development by other than underground techniques if there are no acceptable alternative areas available to meet the regional leasing level.

(iii) An area eliminated from further consideration by this subsection may be considered acceptable for further consideration for leasing for mining by other than underground mining techniques if:

(A) The number of surface owners who have expressed their preference against mining by other than underground techniques is reduced below a significant number because such surface owners have given written consent for such mining or have transferred ownership to unqualified surface owners; and

(B) The land use plan is amended accordingly.

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(f) In its review of cumulative impacts of coal development, the regional coal team shall consider any threshold analysis performed during land-use planning as required by § 1610.4-4 of this title and shall apply this analysis, where appropriate, to the region as a whole.

[44 FR 42615, July 19, 1979. Redesignated and amended at 47 FR 33136, July 30, 1982; 50 FR 8626, Mar. 4, 1985; 51 FR 18888, May 23, 1986; 52 FR 46472, Dec. 8, 1987; 64 FR 52242, Sept. 28, 1999]

### § 3420.1-5 Hearing requirements.

After public notice, the Bureau of Land Management or other surface management agency shall conduct a public hearing on the proposed comprehensive land use plan or land use analysis if it involves the potential for coal leasing before it is adopted if such a hearing is requested by any person who is or may be adversely affected by the adoption of the plan. A hearing conducted under part 1600 of this title of this chapter shall fulfill this requirement.

[47 FR 33137, July 30, 1982]

### § 3420.1-6 Consultation with Federal surface management agencies.

Where a Federal surface management agency other than the Bureau of Land Management administers limited areas overlying Federal coal within the boundaries of a comprehensive land use plan or land use analysis being prepared by the Bureau of Land Management, or where the Bureau of Land Management manages lands on which coal development may impact land units of other Federal agencies, the Bureau of Land Management shall consult with the other agency to jointly determine the acceptability for further consideration for leasing of the potentially impacted lands the other agency administers or lands managed by the Bureau of Land Management that may impact lands of another agency.

[52 FR 46473, Dec. 8, 1987]

### § 3420.1-7 Consultation with states and Indian tribes.

Before adopting a comprehensive land use plan or land use analysis that makes an assessment of lands accept-

able for further consideration for leasing, the Bureau of Land Management or other surface management agency shall consult with the state Governor and the state agency charged with the responsibility for maintaining the state's unsuitability program (43 CFR 3461.4-1). Where a tribal government administers areas within or near the boundaries of a comprehensive land use plan or land use analysis being prepared by the Bureau of Land Management, the Bureau shall consult with the tribal government.

[44 FR 42615, July 19, 1979. Redesignated and amended at 47 FR 33137, July 30, 1982]

### § 3420.1-8 Identification of lands as acceptable for further consideration.

(a) Identification of lands as acceptable for further consideration for leasing will be made in the adoption of a comprehensive land use plan or land use analysis. Any lands identified as acceptable may be further considered for leasing under § 3420.3 of this title.

(b) Activity planning shall begin with a regional coal team meeting to review market analyses and land-use planning summaries. The market analyses and land-use planning summaries shall be available at least 45 days prior to such meeting.

[44 FR 42615, July 19, 1979. Redesignated and amended at 47 FR 33137, July 30, 1982; 51 FR 18888, May 23, 1986]

## § 3420.2 Regional leasing levels.

This section sets out the process to be followed in establishing regional leasing levels. Regional leasing levels shall be established by the Secretary. The Secretary shall particularly rely upon the advice and assistance of affected State Governors in ensuring that leasing levels have properly considered social, environmental and economic impacts and constraints.

(a) The regional coal teams shall be the forum through which initial leasing level recommendations are transmitted to the Secretary. Initial leasing level recommendations shall be developed as follows:

(1) The appropriate Bureau of Land Management State Director on the regional coal team, as designated by the regional coal team chairperson, shall

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prepare a broadly stated range of initial leasing levels for the region. This range of initial leasing levels must be based on information available to the State Director including: land use planning data; the results of the call for coal resource information held under § 3420.1-2 of this subpart; the results of the call for expressions of leasing interest held under § 3420.3-2 of this subpart; and other considerations. The State Director will consider comments received from the public in writing and at hearings, and input and advice from the Governors of the affected States regarding assumptions, data, and other factors pertinent to the region;

(2) This initial range of leasing levels shall be made available to the other members of the regional coal team for review and comment. This review shall be designed to ensure consideration of relevant social, environmental and economic factors of which the Secretary should be aware in setting leasing levels;

(3) Governors of affected States shall be requested by the regional coal team chairperson to provide comments and recommendations concerning the leasing levels through the Governor's representatives on the regional coal team. Governors may use any methodologies, systems or procedures available to determine their recommendations;

(4) The regional coal team chairperson shall call upon the team members to present their findings and recommendations on the initial leasing levels. The chairperson shall refer the members' recommendations to an appropriate Bureau State Director serving on the team. The State Director shall: (i) Ensure the recommendations are in an appropriate format; (ii) add any additional information from the Bureau of Land Management data sources which may be available and pertinent to leasing level decision-making; (iii) address any questions and clarify any issues raised by the members' recommendations; and (iv) outline any additional alternative leasing levels. The regional coal team shall consider the State Director's review and shall transmit to the Secretary alternative leasing levels and a preferred leasing level presented in ranges of tons to be offered for lease. The team

also must transmit to the Secretary, without change, all comments and recommendations of the Governor and the public.

(5) The regional coal team transmittal to the Secretary shall be made through the Director, who may provide additional data and recommendations, but only as separate documentation.

(b) The Secretary, upon receipt of the regional coal team transmittal, shall initiate consultations, in writing, with the Secretary of Energy, the Attorney General and affected Indian tribes. The Secretary shall establish leasing levels by region for the purposes of approximating the amount of coal to be offered through proposed lease schedules after consideration of potential policy conflicts or problems concerning, but not limited to:

(1) The Department's responsibility for the management, regulation and conservation of natural resources; and

(2) The capabilities of Federal lands and Federal coal resources to meet the proposed leasing levels, and the contributions State and privately owned coal lands can make.

(c) Leasing levels shall be based on the following factors:

(1) Advice from Governors of affected States as expressed through the regional coal team;

(2) The potential economic, social and environmental effects of coal leasing on the region, including recommendations from affected Indian tribes;

(3) Expressed industry interest in coal development in the region and indications of the demand for coal reserves;

(4) Expressed interests for special opportunity sales;

(5) Expected production from existing Federal coal leases and non-Federal coal holdings;

(6) The level of competition within the region and recommendations from the Department of Justice;

(7) U.S. coal production goals and projections of future demand for Federal coal;

(8) Consideration of national energy needs;

(9) Comments received from the public in writing and at public hearings; and

(10) Other pertinent factors.

(d) Prior to determining a final leasing level, the Secretary shall consult with the Governors of affected States to obtain final comments and recommendations. The Secretary shall then establish a final leasing level for the proposed coal lease sale.

(e) The levels shall be established for each coal production region where activity planning is conducted under the provisions of § 3420.3 of this subpart. The levels shall be developed separately for each region, but levels for 2 or more regions may be developed at the same time as the Secretary deems appropriate. Leasing levels may be stated in terms of a range of values.

(f) The leasing levels established for any given region shall become the basis for the proposed action for study in the regional coal lease sale environmental impact statement prepared pursuant to § 3420.3-4 of this subpart. The Secretary's final decision on which coal lease tracts, if any, within a region to offer for sale, and the schedule for the offering of such tracts shall be based on all information at the Secretary's disposal at the time of the decision.

[47 FR 33137, July 30, 1982, as amended at 48 FR 37655, Aug. 19, 1983; 50 FR 8626, Mar. 4, 1985; 64 FR 52242, Sept. 28, 1999]

**§ 3420.3 Activity planning: The leasing process.**

**§ 3420.3-1 Area identification process.**

(a) This section describes the process for identifying, ranking, analyzing, selecting, and scheduling lease tracts after land use planning has been completed. This process constitutes the "activity planning" aspect of the coal management program. Activity planning may occur where areas acceptable for further consideration for leasing have been identified by land use planning completed consistent with the provisions of § 3420.1-4 of this subpart.

(b) Split estate land otherwise acceptable for further consideration for leasing shall, upon verification of a refusal to consent received from a qualified surface owner under § 3427.2 of this title, be deleted from further activity planning.

(c) Each regional coal team established under § 3400.4 of this title shall:

(1) Guide tract delineation and preparation of site specific analyses of delineated tracts;

(2) Rank delineated tracts, select tracts that meet the leasing level established by the Secretary, and identify all alternative tract combinations to be analyzed in the regional lease sale environmental impact statement;

(3) Guide the preparation of the regional lease sale environmental impact statement; and

(4) Recommend a regional coal lease sale schedule to the Director.

(d) Public notice and opportunity for participation in activity planning must be appropriate to the area and the people involved. The Bureau of Land Management will make available a calendar listing of the points in the planning process at which the public may participate, including:

(1) The regional coal team meeting to recommend initial leasing levels (see § 3420.2(a)(4));

(2) The regional coal team meeting for tract ranking (see § 3420.3-4(a));

(3) Publication of the regional coal lease sale environmental impact statement (see § 3420.3-4(c)); and

(4) The regional coal team meeting to recommend specific tracts for a lease sale and a lease sale schedule (see § 3420.3-4(g)).

[44 FR 42615, July 19, 1979. Redesignated and amended at 47 FR 33138, July 30, 1982; 64 FR 52243, Sept. 28, 1999]

**§ 3420.3-2 Expressions of leasing interest.**

(a) A call for expressions of leasing interest may be made after areas acceptable for further consideration for leasing have been identified by land use planning completed consistent with the provisions of § 3420.1-4 of this subpart.

(b) Each call for expressions of leasing interest shall be published as a notice in the FEDERAL REGISTER and in at least 1 newspaper of general circulation in each affected state.

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(c) All information submitted under this subpart shall be available for public inspection and copying upon request. Data which are considered proprietary shall not be submitted as part of an expression of leasing interest.

[44 FR 42615, July 19, 1979. Redesignated and amended at 47 FR 33138, July 30, 1982]

**§ 3420.3-3 Preliminary tract delineation.**

(a) Tracts may be delineated in any areas acceptable for further consideration for leasing whether or not expressions of leasing interest have been received for those areas.

(b) When public bodies have submitted expressions of leasing interest, tracts shall be delineated when and where technically feasible for public body special leasing opportunities in accordance with § 3420.1-3 of this subpart.

(c) In cooperation with the Small Business Administration, tracts may be delineated when and where technically feasible for small business special leasing opportunities in accordance with § 3420.1-3 of this title.

(d) Other tracts to be used in a lease or fee exchange (43 CFR subparts 3435 and 3436) may be delineated.

(e) A tract profile shall be formulated for each tract. The profile shall include:

(1) A summary of the information used in the delineation of the tract, and

(2) A site-specific environmental inventory and preliminary analysis.

[44 FR 42615, July 19, 1979. Redesignated and amended at 47 FR 33138, July 30, 1982]

**§ 3420.3-4 Regional tract ranking, selection, environmental analysis and scheduling.**

(a)(1) Upon completion of tract delineation and preparation of the tract profiles, the regional coal team shall rank the tracts in classes of high, medium or low desirability for coal leasing. Three major categories of consideration shall be used in tract ranking: coal economics; impacts on the natural environment; and socioeconomic impacts. The subfactors the regional coal team will consider under each category are those the regional coal team determines are appropriate for that region. The re-

gional coal team will make its determination after publishing notice in the FEDERAL REGISTER that the public has 30 days to comment on the subfactors. The regional coal team will then consider any comments it receives in determining the subfactors. BLM will publish the subfactors in the regional lease sale environmental impact statement required by this section. Tracts may also be ranked for other coal management purposes, such as emergency leasing under subpart 3425 of this title or exchanges under subparts 3435 and 3436 of this title.

(2) The regional coal team may modify tract boundaries being ranked, if appropriate, to reflect additional information.

(3) In ranking tracts, the regional coal team shall solicit the recommendations of the Federal and State agencies having appropriate expertise, including the Geological Survey, the Fish and Wildlife Service and the Federal surface management agency, if other than the Bureau of Land Management.

(4) Where Federal leasing decisions are likely to have impacts on lands held in trust for an Indian tribe, the regional coal team shall solicit the recommendations of the tribe and the Bureau of Indian Affairs.

(5) A statement that descriptions of the tracts to be ranked are available shall be included with the notice announcing any regional coal team meeting at which those tracts shall be ranked. BLM will publish the notice no later than 45 days before the meeting. The notice will list potential topics for discussion. An opportunity for public comment on the tract rankings shall be provided during the regional coal team meeting.

(b)(1) Upon completion of tract ranking, the regional coal team shall select at least 1 combination of tracts that approximates the regional leasing level. One combination of tracts within the regional leasing level shall be identified as the proposed action for study in the environmental impact statement. The team shall also select tract combinations representing alternative leasing levels. The team may identify alternative combinations of tracts within a leasing level.



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(2) The regional coal team may adjust the tract ranking and select tracts to reflect considerations including:

- (i) The compatibility of coal quality, coal type and market needs;
- (ii) Environmental and socio-economic impacts;
- (iii) The compatibility of reserve size and demand distribution for tracts;
- (iv) Public opinion;
- (v) Avoidance of future emergency lease situations; and
- (vi) Special leasing opportunity requirements.

(c) After tract ranking and selection, a regional lease sale environmental impact statement on all tract combinations selected by the regional coal team for the various leasing levels and all other reasonable alternative leasing levels shall be prepared by the Bureau of Land Management in accordance with the provisions of the National Environmental Policy Act. The statement shall consider both:

(1) The site-specific potential environmental impacts of each tract being considered for lease sale; and

(2) The intraregional cumulative environmental impacts of the proposed leasing action and alternatives, and other coal and noncoal development activities.

(d) The results of the ranking and selection process, including the tract rankings, the tract selected and the list of ranking criteria used shall be published in the regional lease sale environmental impact statement required by paragraph (c) of this section. Detailed information on each of the tracts shall be available for inspection in the Bureau of Land Management State offices that have jurisdiction over lands within the coal production region (See 43 CFR subpart 1821). BLM will publish a notice in the FEDERAL REGISTER of the 60-day comment period and the public hearing on the draft environmental impact statement. BLM also will publish the notice at least once per week for two consecutive weeks in a newspaper of general circulation in the area of the sale.

(e) Public hearings shall be held in the region following the release of the draft regional lease sale environmental impact statement to announce and discuss the results of the ranking and se-

lection process and the potential impacts, including proposed mitigation measures.

(f) When the comment period on the draft environmental impact statement closes, the regional coal team will analyze the comments and make any appropriate revisions in the tract ranking and selection. The final regional lease sale environmental impact statement will reflect such revisions and will include all comments received.

(g) When BLM completes and releases the final regional lease sale environmental impact statement, the regional coal team will meet and recommend specific tracts for lease sale and a lease sale schedule. The regional coal team will provide notice in the FEDERAL REGISTER of the date and location at least 45 days before its meeting. The chairperson shall submit the recommendations to the Director. Any disagreement as to the recommendation among the team shall be documented and submitted by the chairperson along with the team recommendation. The Director shall submit the final regional environmental impact statement to the Secretary for his/her decision, together with the recommendation of the team and any recommendations the Director may wish to make.

(h) The tract ranking, selection and scheduling process and the regional lease sale environmental impact statement shall be revised or repeated as needed. The Secretary may, in consultation with the Governor(s) of the affected State(s) and surface management agencies, initiate or postpone the process to respond to considerations such as major land use planning updates, new tract delineations or increases or decreases in the leasing levels.

[47 FR 33138, July 30, 1982; 47 FR 38131, Aug. 30, 1982, as amended at 48 FR 37655, Aug. 19, 1983; 51 FR 18888, May 23, 1986; 64 FR 52243, Sept. 28, 1999]

### § 3420.4 Final consultations.

#### § 3420.4-1 Timing of consultation.

Following the release of the final regional lease sale environmental impact

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statement, and prior to adopting a regional lease sale schedule, the Secretary shall engage in formal consultation as specified in §§ 3420.4-2 through 3420.4-5 of this title.

[44 FR 42615, July 19, 1979. Redesignated and amended at 47 FR 33139, July 30, 1982]

### § 3420.4-2 Consultation with surface management agencies.

(a) The Secretary, for any proposed lease tract containing lands the surface of which is under the jurisdiction of any agency other than the Department, shall request that the agency: (1) Consent, if it has not already done so, to the issuance of the lease (43 CFR 3400.3-1), and (2) if it consents, prescribe the terms and conditions the Secretary will impose in any lease which the head of the agency requires for the use and protection of the non-mineral interests in those lands.

(b) The Secretary may prescribe additional terms and conditions that are consistent with the terms proposed by the surface management agency to protect the interest of the United States and to safeguard the public welfare.

[44 FR 42615, July 19, 1979. Redesignated at 47 FR 33139, July 30, 1982]

### § 3420.4-3 Consultation with Governors.

(a) The Secretary shall consult the Governor of the state in which any tract proposed for sale is located. The Secretary shall give the Governor 30 days to comment before adopting a regional lease sale schedule or, for lease applications, before publishing a notice of sale for any tract within the State.

(b) When a tract proposed for lease sale within the boundaries of a National Forest would, if leased, be mined by surface mining methods, the Governor of the state in which the land to be leased is located shall be so notified by the Secretary. If the Governor fails to object to the lease sale proposal in 60 days, the Secretary may publish a notice of sale, including that tract. If, within the 60 day period, the Governor, in writing, objects to the lease sale proposal, the Secretary may not publish a notice of sale for that tract. Publication of the notice of sale shall be held in abeyance for 6 months from the date that the Governor objects. The

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Governor may, during this six-month period, submit a written statement of reasons why the tract should not be proposed for lease sale, and the Secretary shall, on the basis of this statement, reconsider the lease sale proposal.

(c) Before determining whether to conduct a lease sale, the Secretary shall seek the recommendation of the Governor of the State(s) in which the lands proposed to be offered for lease are located as to whether or not to lease such lands and what alternative actions are available and what special conditions could be added to the proposed lease(s) to mitigate impacts. The Secretary shall accept the recommendations of the Governor(s) if he determines that they provide for a reasonable balance between the national interest and the State's interests. The Secretary shall communicate to the Governor(s) in writing and publish in the FEDERAL REGISTER the reasons for his determination to accept or reject such Governor's recommendations.

[44 FR 42615, July 19, 1979. Redesignated and amended at 47 FR 33139, July 30, 1982; 48 FR 37655, Aug. 19, 1983]

### § 3420.4-4 Consultation with Indian tribes.

The Secretary shall consult with any Indian tribe which may be affected by the adoption of the proposed regional lease sale schedule. The Secretary shall give the tribe 30 days in which to comment prior to adopting a lease sale schedule.

[44 FR 42615, July 19, 1979. Redesignated and amended at 47 FR 33139, July 30, 1982]

### § 3420.4-5 Consultation with the Attorney General.

The Secretary shall consult with and give due consideration to the advice of the Attorney General before the adoption of the proposed regional lease sale schedule. The Secretary shall provide 30 days in which the Attorney General may advise the Secretary prior to adopting a lease schedule.

[44 FR 42615, July 19, 1979. Redesignated and amended at 47 FR 33139, July 30, 1982]

## Bureau of Land Management, Interior

## § 3422.2

### § 3420.5 Adoption of final regional lease sale schedule.

#### § 3420.5-1 Announcement.

Following completion of the requirements of §§ 3420.3 and 3420.4 of this title, the Secretary shall announce the adoption of a final regional lease sale schedule. The announcement shall be published in the FEDERAL REGISTER and contain a legal description of each tract included in the lease sale schedule and the date when each tract has been tentatively scheduled for sale. Notice of this announcement shall be published in at least 1 newspaper of general distribution in each state within the region for which the regional lease sale schedule is adopted.

[44 FR 42615, July 19, 1979. Redesignated and amended at 47 FR 33139, July 30, 1982]

#### § 3420.5-2 Revision.

(a) The Secretary may revise either the list of tracts included in the schedule or the timing of the lease sales in accordance with any alternatives which were considered in the regional lease sale environmental impact statement and during consultation under § 3420.4 of this title. BLM will publish a notice in the FEDERAL REGISTER and provide a 30-day comment period before it makes any revision increasing the number or frequency of sales, or the amount of coal offered. BLM will publish any revision in the FEDERAL REGISTER.

(b) Any regional lease sale schedule may be updated or replaced as a result of a new regional tract ranking, selection, and scheduling effort conducted in accordance with the provisions of § 3420.3-4 of this title.

[44 FR 42615, July 19, 1979. Redesignated and amended at 47 FR 33140, July 30, 1982; 64 FR 52243, Sept. 28, 1999]

### § 3420.6 Reoffer of tracts not sold in previous regional lease sales.

Following the offering of tracts in accordance with the procedures outlined in §§ 3420.2, 3420.3, 3420.4 and 3420.5, any tracts not sold in accordance with the above listed provisions may be reoffered for sale by the Department provided a lease sale schedule has been reviewed by the regional coal team and,

after consultation with the Governor, adopted by the Secretary. Provisions of subpart 3422 shall apply to these tracts.

[48 FR 37655, Aug. 19, 1983]

## Subpart 3422—Lease Sales

### § 3422.1 Fair market value and maximum economic recovery.

(a) Not less than 30 days prior to the publication of a notice of sale, the Secretary shall solicit public comments on fair market value (FMV) appraisal and the maximum economic recovery (MER) of the tract or tracts proposed to be offered and on factors that may affect these 2 determinations. BLM will publish the solicitation in the FEDERAL REGISTER and at least once per week for two consecutive weeks in a newspaper of general circulation in the area of the sale. Proprietary data marked as confidential may be submitted to the Bureau of Land Management in response to the solicitation of public comments. Data so marked shall be treated in accordance with the laws and regulations governing the confidentiality of such information.

(b) The authorized officer shall prepare a written report containing information on the mining method evaluation, estimated coal reserves by bed, coal quality assessment, royalty and lease bond recommendations and an evaluation of the public comments on the FMV and MER.

(c)(1) The authorized officer shall not accept any bid that is less than the fair market value as determined by the Department.

(2) Minimum bids shall be set on a regional basis and may be expressed in either dollars-per-acre or cents-per-ton. In no case shall the minimum bid be less than \$100 per acre or its equivalent in cents-per-ton.

[47 FR 33140, July 30, 1982, as amended at 50 FR 8626, Mar. 4, 1985; 51 FR 18888, May 23, 1986; 64 FR 52243, Sept. 28, 1999]

### § 3422.2 Notice of sale and detailed statement.

(a) Prior to the lease sale, the authorized officer shall publish a notice of the proposed sale in the FEDERAL