

## ATTACHMENT H

# United States Department of the Interior



OFFICE OF SURFACE MINING  
RECLAMATION AND ENFORCEMENT  
Western Region  
1999 Broadway St., Suite 3320  
Denver, CO 80202-3050



February 5, 2019

Dear Stakeholders and Interested Parties,

The OSMRE Western Region website was inaccessible from late December, 2018 through January, 2019 due to the government shutdown. Therefore, OSMRE is extending the scoping period for the preparation of an Environmental Assessment (EA) for the Caballo Mine West Tract new Federal mining plan for an additional 15 days. Scoping comments will be accepted from February 7, 2019 to February 22, 2019.

The U.S. Department of the Interior (DOI), Office of Surface Mining Reclamation and Enforcement (OSMRE), Western Region Office, will prepare an environmental assessment (EA) for the implementation of a federal mining plan for the Caballo West Tract for federal coal lease WYW172657 (the Project). In accordance with the Mineral Leasing Act of 1920 (MLA), the DOI Assistant Secretary for Land and Minerals Management (ASLM) must approve the Project before any mining and reclamation can occur on lands containing leased federal coal. The lease and sale of the federal coal included in the Caballo West LBA (WYW172657) was originally evaluated in the 2009 South Gillette Area Coal Lease Applications Environmental Impact Statement (2009 SGAC EIS). The coal was offered for sale in a sealed-bid, competitive lease process on August 17, 2011. Following determination by BLM that the highest bid at the sale met or exceeded the fair market value of the coal within the tract, the bid submitted by Alpha Wyoming Land Company was accepted. The lease was subsequently transferred from Alpha Wyoming Land Company to BTU Western Resources on July 24, 2012. BTU Western Resources owns and operates the Caballo Mine. The coal would be mined using conventional surface-mining methods and shipped from an onsite railroad loading facility to various sites within the United States. On November 30, 2015, the Wyoming Department of Environmental Quality (WDEQ)/Land Quality Division (LQD) approved Caballo Coal Company's (CCC) application to amend the Mine Permit No. 433 to include 1,294 acres, which included the Caballo West Tract.

OSMRE is preparing this EA to evaluate the environmental impacts resulting from the Project, pursuant to the requirements of the National Environmental Policy Act of 1969 (NEPA). The Caballo Mine is located in Campbell County, Wyoming, approximately 10 miles south-southeast of Gillette. The Project is located on federal coal leases administered by the Bureau of Land Management (BLM) Casper Field Office and located within the Caballo Mine's permit area, approved in accordance with the Surface Mining Control and Reclamation Act. The amount of remaining recoverable federal coal authorized for recovery within currently approved federal mining plans is approximately 363.9 million tons (Mt). The Project proposes to add approximately 119.8 Mt of recoverable federal coal. The annual production rate used to calculate the environmental impacts resulting from the Proposed Action will be 13.5 million tons per year (Mtpy), which is the estimated future annual production rate suggested by CCC and is below the maximum permitted production rate of 35 Mtpy set by WDEQ/AQD air quality permit MD-1477. CCC started operation in 1976 and the mine will continue to operate until 2042 under the current, approved mining plan. Using the estimated 13.5 Mtpy production rate, the Project would extend the life of the mine by approximately 8.9 years, to 2051.

The EA will update, clarify, and provide new and additional environmental information for the Project that has become available since the 2009 SGAC EIS was approved and the lease was issued. As a result of the EA process, OSMRE will determine whether or not there are significant environmental impacts related to the Project. An environmental impact statement will be prepared if the EA identifies significant impacts. If a finding of no significant impact (FONSI) is reached, and pursuant to 30 CFR § 746.13, OSMRE will prepare and submit to the ASLM a mining plan decision document recommending approval, disapproval, or conditional approval of the

mining plan. As required under the Mineral Leasing Act of 1920, the ASLM will approve, disapprove, or conditionally approve the federal mining plan document within the mining plan decision document.

OSMRE is soliciting public comments on the Project. Your comments will help to determine the issues and alternatives that will be evaluated in the environmental analysis. You are invited to direct these comments to:

ATTN: Caballo West Tract EA  
C/O: Logan Sholar  
OSMRE Western Region  
1999 Broadway, Suite 3320,  
Denver, CO 80202-3050

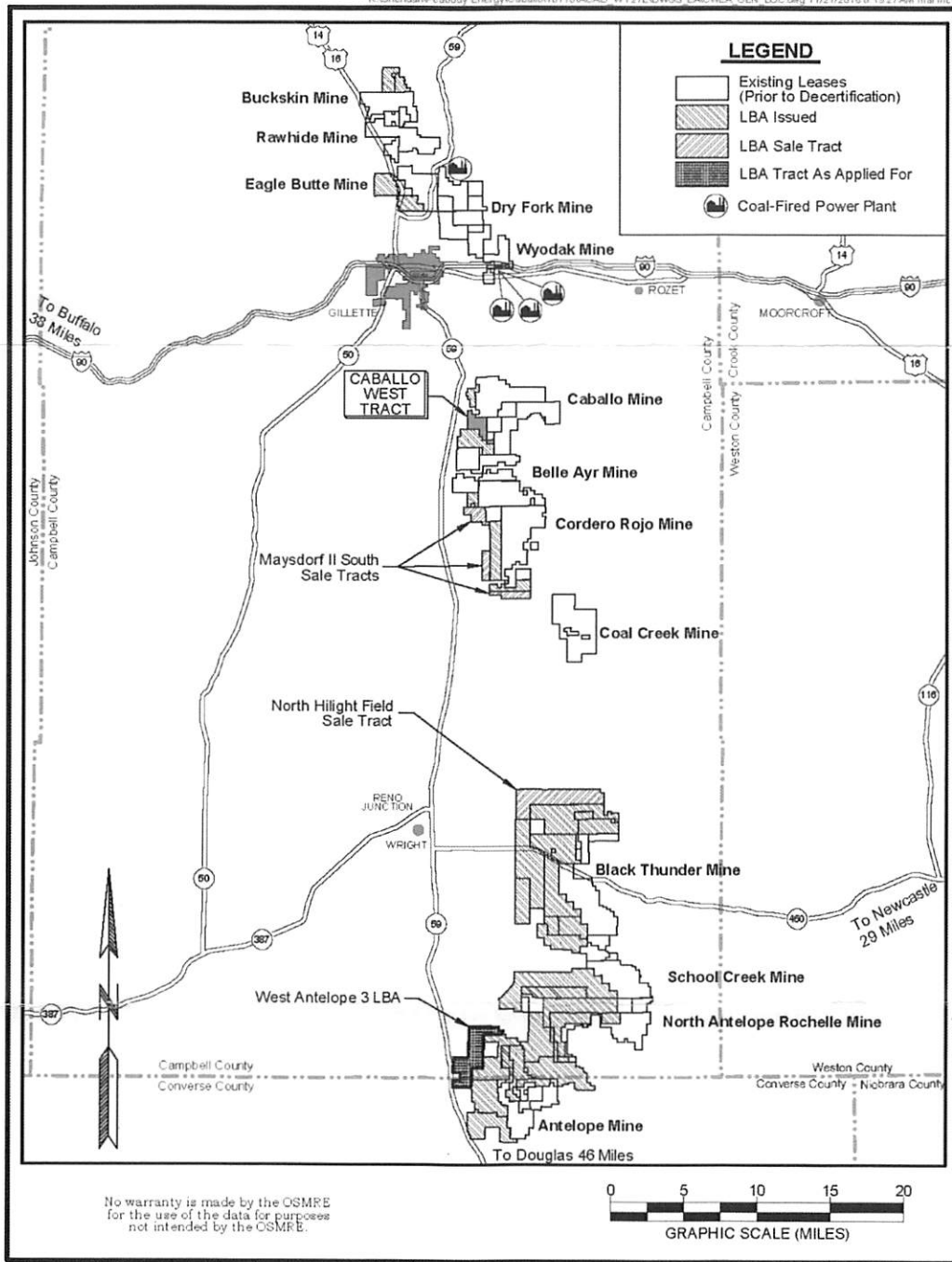
Comments may also be emailed to: [osm-nepa-wy@osmre.gov](mailto:osm-nepa-wy@osmre.gov), ensure the subject line reads: ATTN: OSMRE, Caballo West Tract EA. Comments should be received or postmarked no later than February 22, 2019 to be considered during the preparation of the EA. Comments received, including names and addresses of those who comment, will be considered part of the public record for this project and will be available for public inspection. Additional information regarding the Project may be obtained from Logan Sholar, telephone number (303) 293-5036 and the Project website provided below. When available, the EA and other supporting documentation will be posted at: <http://www.wrcc.osmre.gov/initiatives/caballoMine.shtm>.

Sincerely,



Elizabeth Shaeffer, Manager  
Field Operations Branch

Attachment – Location Map



Map I-1. General Location Map with Federal Coal Leases.