MOUNTAIN COAL COMPANY L.L.C.
A Subsidiary of Arch Western Bituminous Group, LLC

Received
County Adminstration
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Roadless Area Conservation – Colorado
P.O. Box 162909
Sacramento, CA 95816-2909

Submitted Via United States Mail and E-mail: COcomments@fsroadless.org

Dear Roadless Area Conservation – Colorado:

These comments are submitted on behalf of Arch Coal, Inc (ACI), who is the parent of the Mountain Coal Company (MCC) subsidiary. MCC has operating responsibility for the West Elk Mine near Somerset, Colorado. **ACI/MCC supports the Colorado Roadless Area rule.**

The West Elk Mine (WEM) is an underground coal mine in the North Fork Valley, producing high quality bituminous coal for power generation across the United States. West Elk provides fuel to utilities and industrial customers located in Colorado, Nevada, Texas, Iowa, Kentucky, Tennessee, Illinois, Mexico and a number of international locations.

The West Elk Mine operates primarily on the GMUG National Forest, and some of the lands are labeled as Colorado Roadless Areas (CRA's).

The following table summarizes the socioeconomics of the three active underground coal mines in the North Fork Valley.

	2007
Total Production - tons	17,398,105
Total Sales Value of Production	$453,120,218
In State Sales- tons	949,522
Out of State Sales - tons	16,042,724
Property Tax	$5,604,000
Severance Tax	$4,361,241
Black Lung Tax	$16,680,434
Abandoned Mine Land Tax	$2,459,651
Federal Royalty	$27,693,197
Total Employee Pay and Benefits	$105,057,146
Average Annual Pay and Benefits	$96,368
Total Mine Employees	1,034
Supplies & Services	$184,748,923

Source: Colorado Mining Association

History of Mining in the Area of the West Elk Mine

In 1910, the General Land Office identified this area as a "Known Recoverable Coal Resource Area", specifically designated for potential coal leasing and extraction. In 1912, this area was identified by the USGS in a bulletin

depicting coal reserves on Grand Mesa and the West Elk Mountains. In the 1920's, various coal patents were issued along the Minnesota Creek drainage and outcrops. In 1947, USGS commenced coal exploration to identify coal reserves in the Coal Creek area. In 1950, a coal permit was issued by BLM one mile west of the Sunset Trail area. In 1961, U.S. Steel obtained a lease for this same area. That lease was later relinquished in 1987. In the 1960's ARCO obtained federal coal leases C-1362 and D-044569. These are the leases that the West Elk Mine has or is mining. In 1990, Consolidation Coal Company explored the Ravens Mesa area for coal reserves. That area continues to be of interest because of this exploration-drilling program. In the last 10 years, exploration and leasing of federal coal reserves has occurred in the area to further support the West Elk Mine.

Roadless Area Inventory

Over the past seven plus years West Elk has been working with several different roadless area inventories in the area of the West Elk Mine. The first was the inventory on which the enjoined 2001 Roadless Area Conservation Rule was based. As of the date of this letter, this inventory has been permanently enjoined and is invalid. However, the Colorado Roadless Area Task Force used this inventory as the basis of their report and petition.

The Colorado Roadless Area Task Force requested that the North Fork Valley coal mining operators narrowly define those roadless areas that contained commercial quantities of coal. Based on the 2001 inventory it was determined that approximately 80,000 acres of roadless areas contained coal. These are the lands submitted to and included by the Colorado Roadless Area Taskforce.

The 2001 Roadless Area boundaries is the basis for Alternative 1 in the Draft Environmental Impact Statement. These roadless area boundaries have been permanently enjoined from being implemented unless subsequent litigation overturns the ruling of the Federal District Judge.

The second Roadless Area inventory is based on work that has been done under the GMUG Forest Plan Revision that is currently pending. The end result is a redrawing of some roadless area boundaries in the vicinity of the West Elk Mine. Some of the "new" roadless areas overlie active mining operations, and as such should be removed from the roadless area inventory. Based on this "new" inventory, the Forest Service and Bureau of Land Management estimate that only about 29,000 acres of commercial quantities of coal are included in Colorado Roadless Areas in the North Fork Valley.

Source of Roadless Area Boundaries Under Alternative 2

The Colorado Roadless Area inventory is based upon criteria contained in Forest Service Handbook 1909.12 – Land Management Planning Handbook; Chapter 70 – Wilderness Evaluation. Under 71.11 – Criteria for Including Improvements it states:

> *Areas may qualify for the inventory of potential wilderness even though they include the following types of areas or features:*
>
> *4. Evidence of historic mining (50+years ago).* ***Do not include areas of significant current mineral activity,*** *including prospecting with mechanical or motorized earthmoving equipment. The inventory may include areas where the only evidence of prospecting is holes that have been drilled without access roads to the site.*

As discussed in this comment letter, the vicinity around the West Elk Mine has a long history of exploration, drilling, development and production. Arguably, the coal-bearing lands around the West Elk Mine should be removed from the roadless area inventory. The Forest Service should carefully scrutinize the Roadless Areas in and around the coal fields in the North Fork Valley and remove those lands from the inventory that don't meet the definition in the Handbook.

Wildlife

There has been a significant amount of discussion surrounding the issue of wildlife, and specifically recommending additional wildlife evaluations. These comments discuss the significant level of review of wildlife issues relative to underground coal mines in the North Fork Valley using a specific example.

In September, 2003, MCC filed a federal coal lease application with the Bureau of Land Management. This coal lease application, named the Dry Fork lease, is located on GMUG National Forest, so the Forest Service took the lead on NEPA. In this instance the FS decided to prepare an Environmental Impact Statement. Included in both the DEIS and FEIS was a rigorous evaluation of any impacts to wildlife. These evaluations serve to frame any stipulations to the lease relative to wildlife protection.

In addition to the DEIS/FEIS process, the U.S. Fish and Wildlife Service does an independent review of wildlife issues by preparing a Biologic Assessment/Biologic Evaluation (BABE). The BABE is used to issue a Biologic Opinion (BO) regarding the action. The BO can lead to additional requirements/stipulations, if needed.

Once the Federal coal lease is issued, then the project must be permitted through the Colorado Department of Natural Resources. This is the agency that has primacy over the federal mine permitting program. Once again, wildlife is addressed in the permitting process. This will be the same process that will be utilized with any subsequent leasing of Federal coal in the North Fork Valley.

Long-Term Temporary Roads

The proposed rule introduces the concept of long-term temporary roads. The proposed rule states:

> *The proposed rule would establish a new category of road, long-term temporary road, which would have application only in CRAs. The intent is to provide a classification for roads associated with oil and gas, or coal leases that better recognizes the longer term, but non-permanent nature that is typical of such roads. Long-term temporary roads would be expected to be in place anywhere from 10 to 30 years.*

ACI/MCC supports this new term as it is much more transparent to the public as to the potential length of use of some of these roads.

Methane Capture and Utilization

There has been much discussion about the issue of methane capture and utilization of methane associated with underground mines in the North Fork Valley. Methane ventilation of the underground mine is necessary to provide a safe work environment for our employees. The Forest Service, Bureau of Land Management, the State of Colorado and ACI/MCC have worked diligently to address the practical capture and utilization of the methane that is currently vented from the mine. Until recently it was believed that the sale of a gas lease with proper stipulations would solve this issue. The proposed rule addressed this issue:

> *The proposed rule also provides the opportunity for an oil and gas lessee to use roads for the purpose of collecting and transporting coal mine methane rather than venting the methane into the atmosphere. These activities will remain within the authorized right of way for the long-term temporary roads; no additional roads or pipelines outside the right-of-way will be constructed. Any roads constructed pursuant to a coal lease or exploration license and used for collection and transportation of coal mine methane under an oil and gas lease shall be decommissioned and the affected landscape restored when the road is no longer needed for coal mining purposes or coal mine methane collection, whichever is greater.*

Flexibility is needed in the rule to allow for the capture and transport of coal mine methane in the event that capture is economical and desirable.

Thank you for the opportunity to provide these comments. Please let us know if you would like us to provide any more detail.

Sincerely,

Gene E. DiClaudio

cc:

Mr. Charlie Richmond, GMUG Forest
Mr. Mathew Birnie, Gunnison County
Ms. Susan Hansen, Delta County