



WASHINGTON STATE DEPARTMENT OF  
**Natural Resources**  
Peter Goldmark - Commissioner of Public Lands

## APPLICATION FOR A COAL OPTION CONTRACT ON STATE UPLANDS

**Applications for Coal Option Contracts will be considered and decisions made based on the asset management criteria listed on the reverse side of this application. In addition, an administrative review will determine the potential impacts and benefits of the proposed contract. Documentation provided by the applicant, with the application, will be the sole source of information used to determine if the applicant meets the stated criteria.**

**Applications submitted without sufficient documentation for meeting the asset management criteria or without the required topographic map or aerial photo will be rejected. Rejected applications will be returned to the applicant with the application fee, minus a deduction for expenses incurred in the investigation of the character of the land.**

**Liability insurance and a performance security are required upon the signing of any lease.**

Please send two (2) copies of this application and the \$1.00 per acre application fee, with a minimum of \$50.00 per application to:

Department of Natural Resources  
Asset & Property Management Division  
PO Box 47061  
Olympia, WA 98504-7061

Exact acreage in each state trust land parcel can be obtained by contacting the DNR Land Records Section.

**Please provide a full legal description of the property for which the application is being made.** The maximum acreage per application is 640 acres or one government section. A lease may include land parcels in several sections within a single township and range, but it cannot exceed 640 acres.

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Section \_\_\_\_\_ Township \_\_\_\_\_, Range \_\_\_\_\_ (East/West), containing \_\_\_\_\_ acres, in  
\_\_\_\_\_ County.

**A topographic map or aerial photo at a scale of 1:24,000 (7 2 minute quadrangle), or a more detailed map showing at a minimum the outline of the area applied for and the access roads to be used, must accompany this application.**

Dated at \_\_\_\_\_, Washington, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Signature \_\_\_\_\_

Contact person \_\_\_\_\_

**Print** Name \_\_\_\_\_

**Print** Name \_\_\_\_\_

Title \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_ Zip+4 \_\_\_\_\_

\_\_\_\_\_ Zip+4 \_\_\_\_\_

Telephone No. (\_\_\_\_) \_\_\_\_\_

Telephone No. (\_\_\_\_) \_\_\_\_\_

UBI # \_\_\_\_\_

FAX No. (\_\_\_\_) \_\_\_\_\_

FOR DEPARTMENT USE ONLY		
Amts. Rec'd: \$ _____	App Fee: \$ _____	Date _____
Application No. 64- _____	Trust _____	Agency _____

### **State Trust Lands Asset Management**

Washington's Department of Natural Resources (DNR) manages about 5 million acres of State-owned lands for long-term economic, ecological and multiple use benefits. These lands include 2.1 million acres of aquatic lands (mostly submerged), and more than 3.3 million acres of uplands which consist of 2.1 million acres of forest lands, 1.2 million acres of agricultural and range lands and 26,000 acres of commercial properties.

Nearly 3 million acres of these lands are trust lands granted by Congress to Washington at statehood in 1889. As trust land manager DNR has the responsibility to generate revenue for specific trust beneficiaries designated at statehood.

## **Coal Option Contract**

Coal Option Contracts are issued if it is deemed by the Commissioner of Public Lands to be in the best interest of the State (RCW 79.14.490). Coal Option Contracts are issued for a period of one year, in which time the holder of the option may carry out exploration and prospecting activities for coal resources. Mining is not allowed under this option contract. Coal may only be removed for sampling and testing. A maximum of 250 tons of coal can be removed from each application.

The applicant for a Coal Option Contract shall provide a plan of activities, which will include but not limited to:

1. The type, location, schedule and depth of drilling;
2. Location and extent of other activities such as trenching, and adit construction;
3. Proposed roads;
4. Proposed reclamation including the methods to plug and seal drill holes, and adits;
5. Proposed erosion control for roads, landings, drill locations and trenches;
6. Proximity to surface waters

## **Contract Application**

All applications for Coal Option Contracts will consider the ability of the applicant to meet the following criteria. All supporting documentation must be provided with the application to lease or the application will be rejected and returned without further consideration.

Successful applicants will be required to provide proof of the required liability insurance, and a performance security upon the signing of the contract.

## **Experience**

Applicant must demonstrate at least one of the following:

### **Coal Exploration Experience**

Documentation of the equivalent of two years experience in the exploration for potential, commercially viable coal properties.

### **Mining Experience**

Documentation of the equivalent of two years experience in mining engineering, mining, or mine/property development of a commercially viable mining property.

## **Financial Capability**

Applicant must demonstrate at least one of the following:

- Documentation of the ability to conduct and fund initial exploration to determine the potential of a coal prospect.
- Documentation of the ability to obtain capital for coal exploration and/or development of a commercially viable coal prospect.

## **Authorization to do Business in the State of Washington**

All applicants, except those applying as an individual(s), must be authorized to do business in the state of Washington. A valid UBI number from the Washington State Department of Revenue is required on the application from all business. This includes corporations or other business that are licensed to do business in other states or counties.

## **Coal Mining Contract**

A Coal Mining Contract is required before coal can be mined. Applications to convert a Coal Option Contract to a Coal Mining Contract can be submitted anytime before the end of the one-year contract period. The contract will be converted to a Coal Mining Contract if the lessee can satisfy the conversion requirements of the Department.

## **For More Information Please Contact**

Asset & Property Management Division in Olympia at (360) 902-1600.