

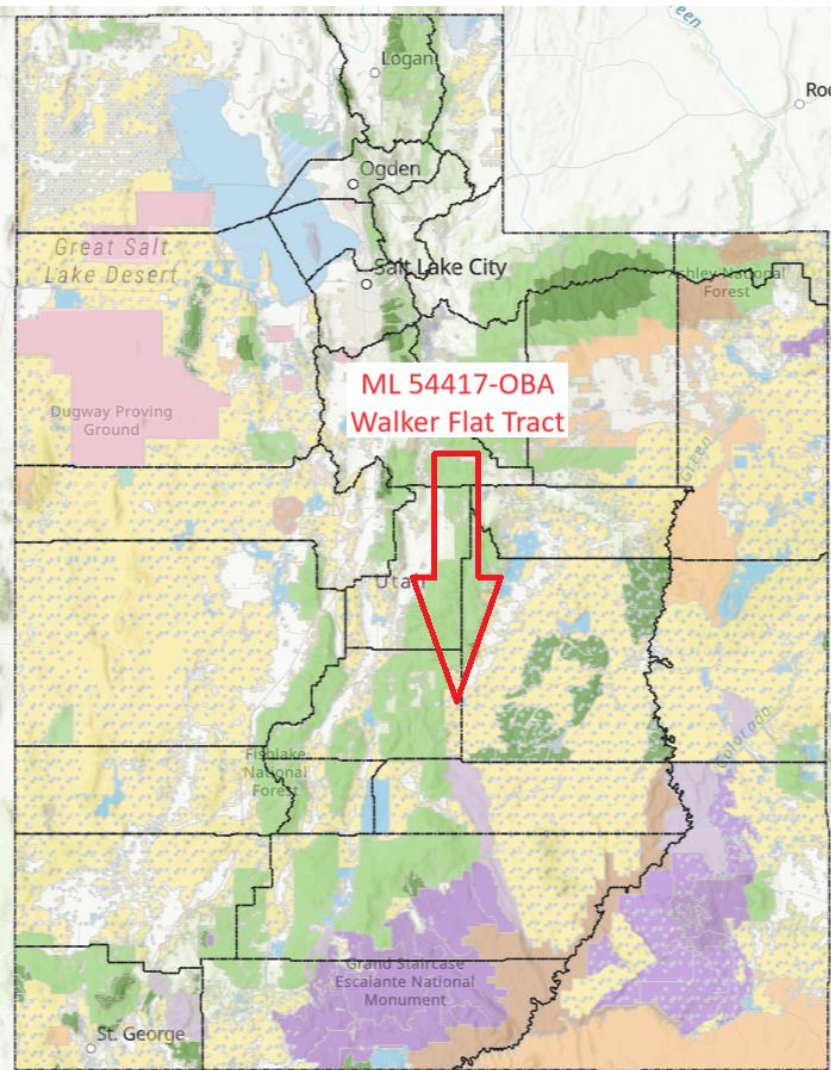
Coal Lease

ML 54417-OBA

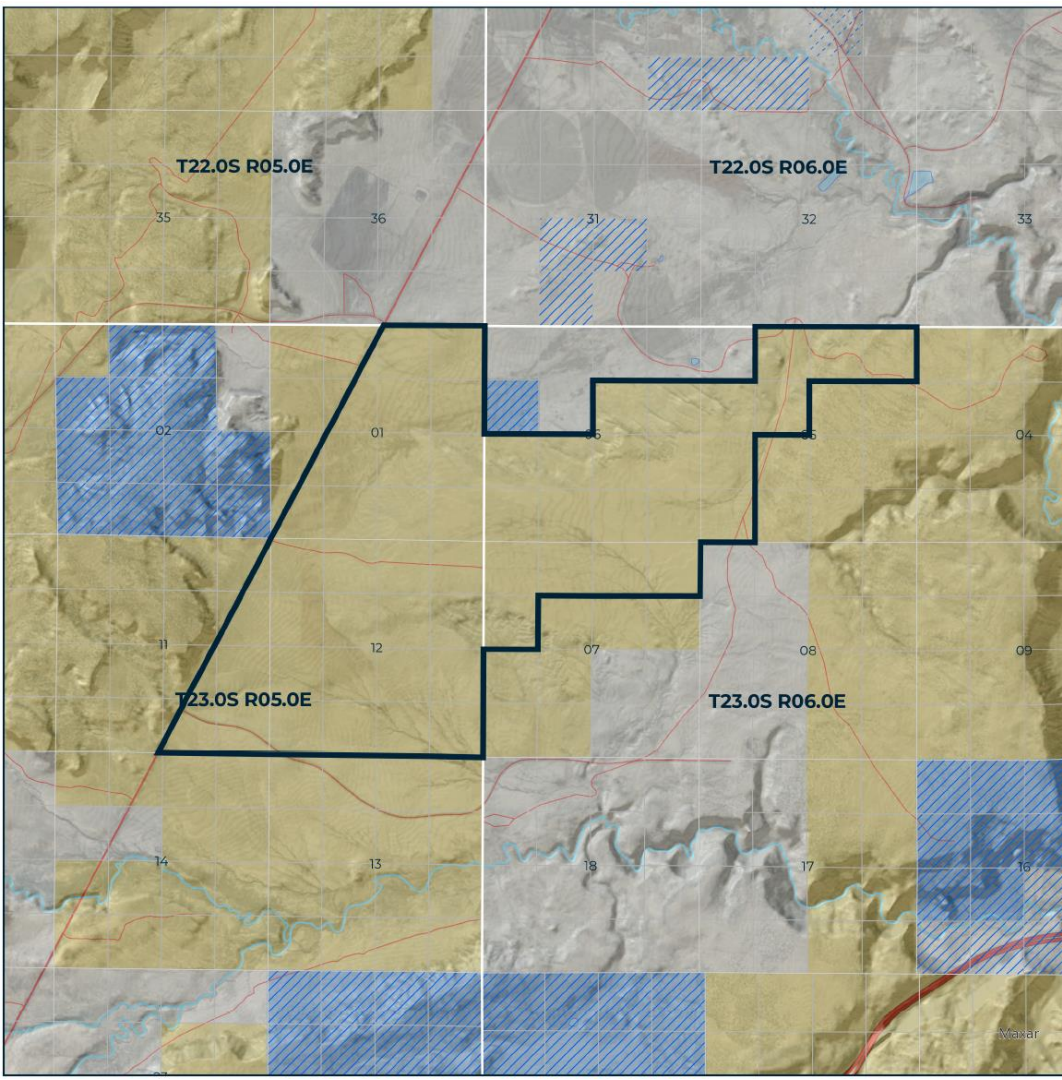
Energy & Minerals Group
Stephanie Barber-Renteria
Andy Bedingfield



Location



- Emery Deep Mine is located south of Ferron and Emery along S.R. 10 in Emery County
- The coal tract is known as the Walker Flat Coal Tract
- Lands contained within Dingell Act Land Exchange
- TLA cannot execute lease until title is granted by federal government



Walker Flat Tract

1. Emery Deep Mine operated by Bronco Coal – Room-and-Pillar Mine
2. Proposed lease is 2,159.02 acres
3. Mine is currently mining fee and SITLA coal – pulling pillars
4. Production on this lease likely in 2026
5. The Lease Royalties would be subject to LEDA – Land Exchange Distribution Account – Royalties: 50% TLA and 50% State of Utah
6. Lease Bonus – LEDA – 50% Federal Government, 50% State of Utah (53C-3-202)

OBA Proposal



- **\$3.00 per acre annual rental**
- **Bonus bid: \$50,000 up front, 1% Gross Value deferred bonus – pay as it is sold**
- **Standard 8% underground royalty rate**
- **10 Year primary term – extended if in production or diligent development**

Proposed Motion:

“I move to approve the Coal Lease OBA on the terms set forth in the Board Memorandum subject to TLA receiving title from the federal government, and to have the agency take all further actions necessary as outlined in the Board Memorandum.”