

WAC 332-14-100 Procedure for award of coal mining lease at public auction. The department may offer coal mining leases for lands known to contain workable coal at public auction and award the lease to the highest bidder. Public bidding shall be by sealed bid followed by oral auction. Oral bidding will be confined to persons previously submitting sealed bids. Notice of the public auction shall be given at least thirty days prior to the auction in two newspapers of general circulation, one of which shall be in the county in which the premises are located. The notice shall specify the following:

- (1) Place, date, and hour of the auction;
- (2) Legal description of the premises;
- (3) Royalty rates per RCW 79.01.668;
- (4) The minimum acceptable bonus bid.

Sealed bids shall be submitted in accordance with the notice of auction and shall be accompanied by a certified check for one-fifth of the total bid, together with the entire first year's minimum annual per acre royalty as established in the proposed lease. Unsuccessful sealed bidders will have their deposits refunded. A successful oral bidder shall submit payment within ten days of an additional payment to equal one-fifth of its total bid.

The coal lease will be awarded to the highest bidder, provided that it is duly executed and returned to the department with the balance of the bid. If an executed coal lease and the required payments are not received by the department within thirty days of the date of the auction, the proposed lease may be awarded to the next highest bidder and any moneys deposited by the defaulting bidder shall be forfeited to the department.

Award of a coal mining lease does not authorize any surface disturbing activities thereunder until SEPA requirements have been satisfied by the lessee.

[Statutory Authority: RCW 79.01.668. WSR 85-10-040 (Order 443), § 332-14-100, filed 4/29/85.]