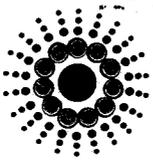


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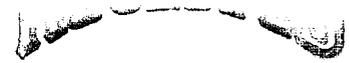


ANDALEX
RESOURCES, INC.
Tower Division

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PRICE, UTAH 84501
PHONE (801) 637-5385
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October 29, 1993

State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203



NOV 08 1993

Attn: Daron Haddock
Permit Supervisor

DIVISION OF
OIL, GAS & MINING

Re: ACT 007/019; Longwall Mine Plan

Dear Mr. Haddock:

Enclosed please find Andalex's application for a Permit Revision involving a change from 100% continuous miner production to longwall production using continuous miner support. We have been issued an approval by the Bureau of Land Management to modify our R2P2 to longwall mining. The BLM's approval order (letter attached) is based on the attached plates 26-28.

This change to longwall mining does not involve any coal resources which were not included in our room-and-pillar mining plan. As such, where our PHC has not identified any adverse consequences under room-and-pillar, the recovery of the same reserve by longwall will not produce adverse hydrologic consequences. By the same token, where Andalex currently operates under an approved subsidence monitoring plan, we will continue to use the same plan with the new mining method. Again, this will suffice where no new reserves are being added.

Please call with questions.

Sincerely,

Michael W. Glasson
Senior Geologist

Enclosures: Permit Change Application
BLM Letter
MRP Text
Plates