

007/019 #2

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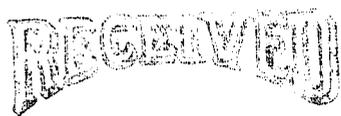
# United States Department of the Interior



BUREAU OF LAND MANAGEMENT  
Price River Resource Area  
900 North 700 East  
Price, Utah 84501

IN REPLY REFER TO:  
3482  
SL-027304  
(UT-066)

CERTIFIED MAIL - Return Receipt Request  
Certification No. P 118 951 037



OCT 27 1993

Mr. Laine Adair  
Chief Engineer  
Andalex Resources, Inc.  
P. O. Box 902  
Price, Utah 84501

OCT 29 1993

DIVISION OF  
OIL, GAS & MINING

Re: Resource Recovery and Protection Plan (R2P2) Minor Modification, Longwall Mining System Installation.

Dear Mr. Adair:

On August 2, 1993, the Bureau of Land Management (BLM) received from Andalex Resources, a minor modification to the approved R2P2 for the mines in the Centennial Project. After further discussions between Andalex and the Price Coal Office of the BLM, additional information was submitted to our office on September 21, 1993. The subject minor modification encompasses the whole of the permit area and all the Federal coal leases therein.

Andalex proposes to change mining methods from room-and-pillar to a longwall mining system for the remaining reserves on the property. Specifically, continuous miner sections would begin developing gate and bleeder entries in the Centennial seam around the edge of the 6-foot minable coal limit to block out three east-west longwall panels. The mining section in the Gilson seam would develop two projected longwall panels (depending on the exact location of the indicated rock split) where room-and-pillar panels were previously planned. The mining section in the Aberdeen seam would halt the North Main development, along with the planned room-and-pillar panels off North Mains, and begin development mining around the edge of the property on the west and the channel margin on the east to block out a number of east-west longwall panels. The mining of the access entries to the Upper A seam would continue, but two longwall panels would be mined in the area instead of room-and-pillar panels. The Apex Mine in the upper (Sunnyside) seam would be idled, but maintained for future room-and-pillar mining if warranted by economics and demand.

Andalex's justification for changing to longwall mining methods is to increase recovery of the reserves and remain competitive in the local market.

BLM recognizes the fact that overall coal recovery in longwall mining panels is far greater than in room-and-pillar panels. Since longwall panels are planned in the same areas where room-and-pillar mining was approved, more reserves will be recovered from the Federal leases. We

acknowledge that longwall mining is more productive than room-and-pillar mining and should reduce overall costs.

A number of items have been analyzed in determining if the proposed mining plan will achieve maximum economic recovery (MER) of the Federal coal reserves. The planned longwall panels are laid out to the limit of the projected minable coal reserves, leaving no fringe coal unmined. The Gilson and Centennial seams have small areas which are not configured for longwall panels. These small areas are planned to be mined with continuous miners as economics warrant. The reserves in the Apex Mine, Lower Sunnyside seam, which are too thin for the longwall machinery, are to be mined with continuous miners, depending on market and economic conditions. The effects of multiple seam mining are considered. Coal reserves will be mined from the upper seams first, except for the Lower Sunnyside seam where the lower Gilson seam has already been mined. This issue has already been addressed and will not affect the recovery of any coal due to the large interburden between Sunnyside and Gilson seams. Main access entries in the Centennial and A seams will be superimposed and longwall panels will be oriented east/west. The north triangle block of coal in the A seam cannot be planned to be mined by room-and-pillar mining methods due to the 2600-foot depth of the coal. However, the area is planned for longwall mining if adjacent properties are obtained and if nearby longwall panels under the same depth are successfully mined.

The BLM has determined that the proposed modification complies with the Mineral Leasing Act of 1920, as amended, the regulations at 43 CFR 3480, the lease terms and conditions, and will achieve MER of the Federal coal. Andalex's plan for longwall mining is approved as submitted. A copy of the plan will need to be submitted to Utah Division of Oil, Gas and Mining, and corresponding narratives in the Mining and Reclamation Permit will need to be updated. A copy of the approved mine map is enclosed.

If you have any questions, please contact Stephen Falk at (801) 637-4584.

Sincerely,

**/S/ DEAN NYFFELER**

Area Manager

**Acting**

Enclosure:

Approved Mine Maps (4)

cc: DM, Moab (UT-065) (w/encl.)  
SD, Utah (UT-921) (w/encl.)  
UDOGM, Salt Lake City (w/encl.)

2800' cover  
2600' cover

Mathis Family Reserve Holdings

Open Federal Reserves

Note:  
If the longwall mining method proves successful at 2600' to 2800' of cover, additional reserves will be acquired and the longwall will continue to extract panels to the north of the existing reserve holdings as shown. Continuous miner production is not considered economical or practical at this depth of cover.

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SEP 21 11 02 AM '93  
BUREAU OF LAND MANAGEMENT

**ANDALEX**  
RESOURCES, INC.  
Tower Division

# TOWER DIVISION ABERDEEN SEAM PRODUCTION AREAS LONGWALL PLAN

Lower A Seam Isopachs

EXISTING COAL LEASE BOUNDARY

Upper A Seam Isopachs

SCALE:  
500' 0" 1000' 2000'  
September 16, 1993

ACAD REF. ART171

**LEGEND:**

Mined Areas	[Blank Box]
1993 Production Area	[Diagonal Lines /]
1994 Production Area	[Diagonal Lines \]
1995 Production Area	[Horizontal Lines]
1996 Production Area	[Vertical Lines]
1997 Production Area	[Diagonal Lines /]
1998 Production Area	[Diagonal Lines \]
1999 Production Area	[Horizontal Lines]
2000 Production Area	[Vertical Lines]
2001-2005 Production Area	[Cross-hatch]
2006-2009 Production Area	[Stippled]



MINOR MODIFICATION TO  
MINING PLAN APPROVED BY  
BUREAU OF LAND MANAGEMENT

Recommended By:

*Stephen W. Falk* 10/26/93  
Mining Engineer (Date)

Approved By:

*Sean Nyffeler* 27 October 93  
Area Manager (Date)

**Aberdeen Mine**  
P.O. Box 902  
Price, Utah 84501

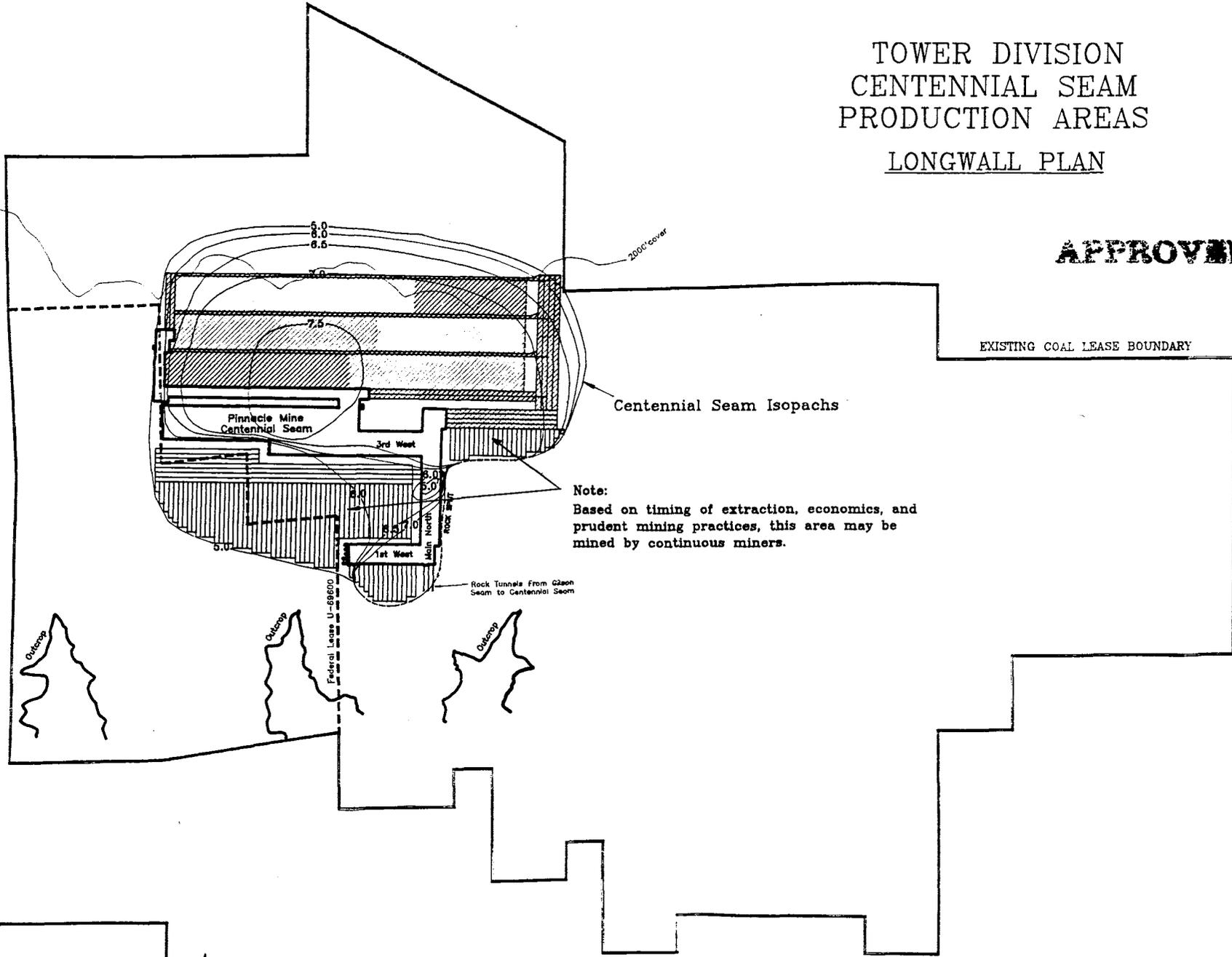
RECEIVED  
 SAN CARLOS COUNTY RIVER  
 WASHINGTON AREA  
 93 SEP 21 AM 8:42  
 BUREAU OF LAND MANAGEMENT

TOWER DIVISION  
 CENTENNIAL SEAM  
 PRODUCTION AREAS  
LONGWALL PLAN

**ANDALEX**  
 RESOURCES, INC.  
 Tower Division



**APPROVED**



**LEGEND:**

Mined Areas	[Empty Box]
1993 Production Area	[Diagonal Hatching]
1994 Production Area	[Cross-hatch]
1995 Production Area	[Horizontal Hatching]
1996 Production Area	[Vertical Hatching]
1997 Production Area	[Diagonal Hatching]



SCALE:  
 500' 0' 1000' 2000'  
 September 14, 1993  
 ACD REF: C712F1

**Pinnacle Mine**  
 P.O. Box 902  
 Price, Utah 84501

RECEIVED  
 SAN CARLOS COUNTY RIVER  
 WATERSHED AGENCIES  
 93 SEP 21 AM 9:42  
 BUREAU OF LAND MANAGEMENT

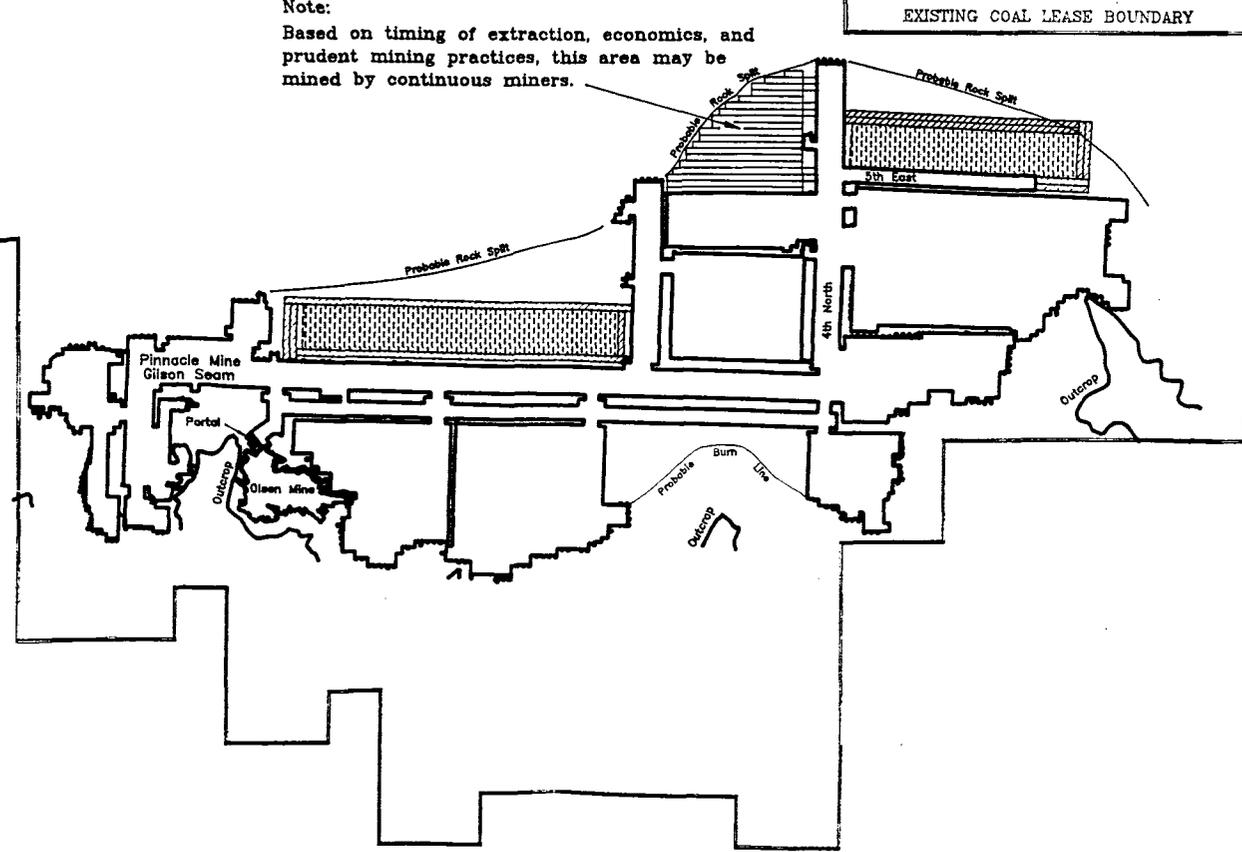
TOWER DIVISION  
 GILSON SEAM  
 PRODUCTION AREAS  
LONGWALL PLAN

**ANDALEX**  
 RESOURCES, INC.  
 Tower Division



**APPROVED**

Note:  
 Based on timing of extraction, economics, and prudent mining practices, this area may be mined by continuous miners.



**LEGEND:**

Mined Areas	
1993 Production Area	
1994 Production Area	
1995 Production Area	
1996 Production Area	
2006-2009 Production Area	

SCALE:  
 500' 0' 1000' 2000'  
 ACAD REF: PRT151  
 September 18, 1993

**Pinnacle Mine**  
 P.O. Box 902  
 Price, Utah 84501

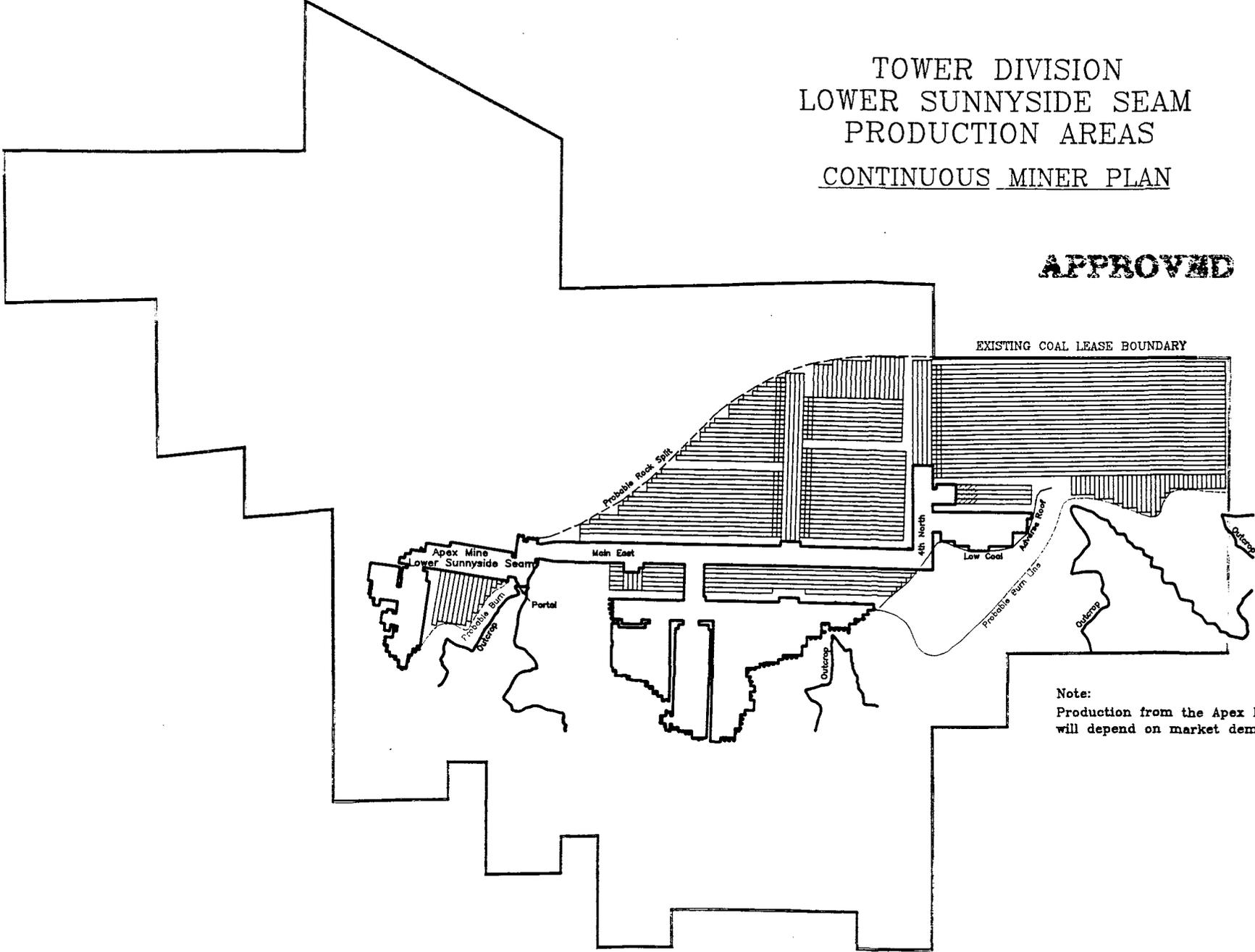
TOWER DIVISION  
 LOWER SUNNYSIDE SEAM  
 PRODUCTION AREAS  
CONTINUOUS MINER PLAN

RECEIVED  
 SAN CARLOS & FENCE RIVER  
 MINING AREAS  
 93 SEP 21 AM 8:42  
 BUREAU OF LAND MANAGEMENT

**ANDALEX**  
 RESOURCES, INC.  
 Tower Division



**APPROVED**



Note:  
 Production from the Apex Mine  
 will depend on market demand.

SCALE:  
 500' 0' 1000' 2000'  
 ACAD REF: APT151  
 September 16, 1993

Note: Legend reflects Room & Pillar Mining.

LEGEND:	
Mined Areas	
1993 Production Area	



Apex Mine  
 P.O. Box 902  
 Price, Utah 84501