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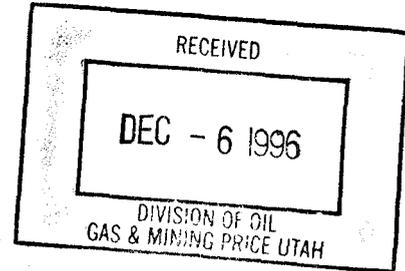


State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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November 27, 1996



Mike Glasson, Sr. Geologist
Andalex Resources, Inc.
6750 Airport Road
P. O. Box 902
Price, Utah 84501

Re: Midterm Review, Andalex Resources Inc., Wildcat Loadout, ACT/007/033, Folder #3, Carbon County, Utah

Dear Mr. Glasson:

As required by R645-303-211, the Division is commencing the mid-term permit review for the Wildcat Loadout. The elements of review will include the following:

- A review of the Plan to ensure that the requirements of all permit conditions, division orders, abatement plans, and plan changes approved subsequent to permit renewal are appropriately incorporated into the Plan document.
- A review of applicable portions of the permit to ensure that the Plan contains commitments for application of the best technology currently available (BTCA) to prevent additional contributions of suspended solids to stream flows outside of the permit area.
- An evaluation of the compliance status of the permit to ensure that all unabated enforcement actions comport with current regulations for abatement; verify the status of all finalized penalties levied subsequent to permit renewal and verify that there are no demonstrated patterns of violation.
- An evaluation of the reclamation bond to ensure that coverage adequately addresses permit changes approved subsequent to permit renewal, and to ensure that the bond amount is appropriately escalated in current-year dollars.



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It is anticipated that the review will be completed within 30 days. You will be notified shortly thereafter of the results of the review and if there will need to be any follow up made by Andalex. If you have any questions regarding the mid-term permit review, please call.

Sincerely,



Daron R. Haddock
Permit Supervisor

blb

cc: S. Johnson
S. Demczak
W. Western
P. Grubaugh-Littig
M. Wright

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