

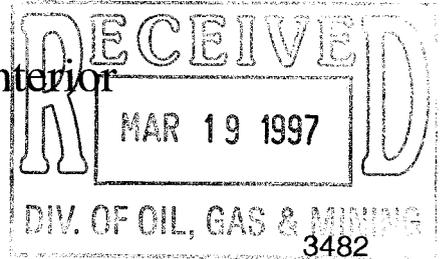
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United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab District
Price River/San Rafael Resource Area
125 South 600 West
Price, Utah 84501



U-66060
(UT-066)

Pamela Grubaugh-Littig
State of Utah
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

MAR 17 1997

Re: Incidental Boundary Change, 160 Acre Lease Modification, Centennial Mine, Andalex Resources, Inc., ACT/007/019-97B

Copy DAM

*For 97B = 97C
(100 ft extension) 160-Ac. IBC*

Dear Ms. Grubaugh-Littig:

#3

The Bureau of Land Management has received from your office a copy of the submission for the subject permit change. The addition of 160 acres to Federal coal lease U-66060 requires a modified resource recovery and protection plan (R2P2) as part of the permit modification. Our review of Andalex's submission follows:

The submission has been reviewed and it contains all necessary requirements of the R2P2. The 160-acre addition to the lease will allow Andalex to mine main entries north along the area where the "A" seam thickness pinches out, thus mining to the limits of the minable coal. This submission includes the mining plans for Andalex's immediate need to mine just into the new lease modification for the start-up development for the next longwall panel. This immediate development is critical due to a major panel reconfiguration to protect from dangerous coal bounces.

The BLM has determined that the R2P2 changes for the 160-acre lease modification, including the immediate main entry development, meets the requirements of the Mineral Leasing Act of 1920, as amended, the regulations at 43 CFR 3480, the lease terms and conditions, and will achieve maximum economic recovery of the Federal coal. If you have any questions, please contact Stephen Falk of my staff at 636-3600.

Sincerely,

Mark E. Bailey
Act. Area Manager

cc: UT-921, Utah State Office
Andalex Resources, Inc.
P. O. Box 902
Price, Utah 84501