



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

INSPECTION REPORT

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Michael O. Leavitt
Governor
Lowell P. Braxton
Division Director

Partial: Complete: XXX Exploration:
Inspection Date & Time: 11/23/99 / 7:30a.m.-1:30p.m.
Date of Last Inspection: 10/27/99

Mine Name: Centennial Project County: Carbon Permit Number: ACT/007/019
Permittee and/or Operator's Name: Andalex Resources, Inc.
Business Address: P.O. Box 902, Price, Utah 84501
Type of Mining Activity: Underground XXX Surface Prep. Plant Other
Company Official(s): Mike Glasson
State Officials(s): Peter Hess Federal Official(s): None
Weather Conditions: Clear, Mild
Existing Acreage: Permitted- 5063 Disturbed- 35.27 Regraded- 0 Seeded- 0 Bonded- 35.27
Increased/Decreased: Permitted- Disturbed- Regraded- Seeded- Bonded-
Status: Exploration/ XXX Active/ Inactive/ Temporary Cessation/ Bond Forfeiture
Reclamation (Phase I/ Phase II/ Final Bond Release/ Liability Year)

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

Instructions

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
a. For complete inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check N/A.
b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

Table with 5 columns: EVALUATED, N/A, COMMENTS, NOV/ENF. Rows include: PERMITS, CHANGE, TRANSFER, RENEWAL, SALE; SIGNS AND MARKERS; TOPSOIL; HYDROLOGIC BALANCE; DIVERSIONS; SEDIMENT PONDS AND IMPOUNDMENTS; OTHER SEDIMENT CONTROL MEASURES; WATER MONITORING; EFFLUENT LIMITATIONS; EXPLOSIVES; DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES; COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS; NONCOAL WASTE; PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL VALUES; SLIDES AND OTHER DAMAGE; CONTEMPORANEOUS RECLAMATION; BACKFILLING AND GRADING; REVEGETATION; SUBSIDENCE CONTROL; CESSATION OF OPERATIONS; ROADS; CONSTRUCTION/MAINTENANCE/SURFACING; DRAINAGE CONTROLS; OTHER TRANSPORTATION FACILITIES; SUPPORT FACILITIES/UTILITY INSTALLATIONS; AVS CHECK (4th Quarter-April, May, June) (date); AIR QUALITY PERMIT; BONDING & INSURANCE.

INSPECTION REPORT
(Continuation sheet)

Page 2 of 3

PERMIT NUMBER: ACT/007/019

DATE OF INSPECTION: 11/23/99

(Comments are Numbered to Correspond with Topics Listed Above)

2. SIGNS AND MARKERS

The permittee has moved the identification sign which was referred to in the October inspection report down the Canyon such that it is now located near the northern disturbed area boundary for the site.

4A. HYDROLOGIC BALANCE: DIVERSIONS

The following items which were referred to in last month's inspection report have been corrected:

- 1) The two erosion gullies and berm 200 feet NNW of the Pinnacle Mine truck loadout.
- 2) Mr. Glasson showed me a revised Plate 6 which will designate the erosion gully directly east of the Pinnacle Mine truck loadout as ditch DD-2A upon submittal and UDNR/OGM approval. As observed today, Plate 6 refers to an 18-inch culvert 220 feet due north of the Pinnacle Mine truck loadout hopper; today's field inspection revealed that this culvert is actually a 12-inch unit. Mr. Glasson intends to make this revision on Plate 6 prior to submitting the addition of ditch DD-2A on Plate 6 to the Division.
- 3) The permittee has pulled back the machinery which was blocking the flow path in diversion DD-9 located on the west side of the Apex Mine truck loading loop; same has been redefined.
- 4) The discharge end of culvert CD-8 has been cleaned.
- 5) The gullies which were cut around the energy dissipaters on the west side of primary road PR-2 have been filled in with gravel.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The third quarter impoundment inspections for the site were conducted on September 30, 1999 by Mr. Glasson. No signs of instability or other hazardous conditions were noted for any of the three ponds; all were noted as dry.

Pond "E" is in need of cleaning, and the permittee has budgeted \$14,000 to accomplish this. Mr. Glasson anticipates starting this work as soon as Nielsen Construction Co. can free a track hoe from the West Ridge project.

4C. HYDROLOGIC BALANCE: OTHER SEDIMENT CONTROL MEASURES

The permittee has replaced the straw bales in undisturbed diversion ditch UD-3.

4D. HYDROLOGIC BALANCE: WATER MONITORING

Sampling for the third quarter water monitoring report was conducted on September 30, 1999. Most of the sample sites were reported as not having flows.

INSPECTION REPORT
(Continuation sheet)

Page 3 of 3

PERMIT NUMBER: ACT/007/019

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Well #1 was the only sample point having a sufficient volume to be analyzed; a -3.6% cation/anion balance was reported, which is within the acceptable error range.

Discharge monitoring reports for the sites four UPDES discharge points were reviewed for submittal and exceedances. None of the points had outfalls for the months which were reviewed.

Mr. Glasson's past practice has been to submit the EPA discharge monitoring reports on a quarterly basis. The site's UPDES permit requires that same be submitted monthly, by the 28th day of the following month. Upon pointing this out to Mr. Glasson, it was agreed that all future reports would be submitted monthly.

8. NONCOAL WASTE

The permittee has disposed of the numerous empty barrels which were noted in the October inspection report.

14. SUBSIDENCE CONTROL

Mr. Bruce T. S. Ware conducted the field survey for the site's 1999 subsidence survey the latter part of September. Analysis of the data by Mr. Ware revealed that no horizontal or vertical movement occurred at any of the 23 monitoring points. A visual surface examination was made by traversing the area between the monitoring points; no subsidence was reported as being visible. This information was forwarded to the permittee in a letter dated October 3, 1999.

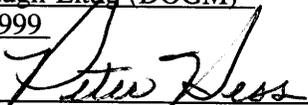
20. AIR QUALITY PERMIT

The Utah Department of Environmental Quality, Bureau of Air Quality conducted it's annual inspection at the site on November 22, 1999. The mine's radial stacker and loadout were inspected for fugitive dust emissions; the Mine was in compliance, as noted by the BAQ inspection report.

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas, and Mining.

Copy of this Report:

Mailed to: Mike Glasson (Andalex) Henry Austin (OSM)
Given to: Pam Grubaugh-Littig (DOGM) Filed to: Price Field Office
Date: December 2, 1999

Inspector's Signature:  #46
Peter Hess