



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

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

INSPECTION REPORT

Handwritten initials/signature: DGL by JD

Partial: XXX Complete: Exploration:
Inspection Date & Time: 45a.m.-10a.m.
Date of Last Inspection: 06/22/2001

Mine Name: Centennial Project County: Carbon Permit Number:
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): Mr. Mike Glasson, Senior Geologist
State Official(s): Peter Hess Federal Official(s): None
Weather Conditions: Partly cloudy, Warm, 70's F
Existing Acreage: Permitted 5179.49 Disturbed 35.27 Regraded Seeded
Status: Active XXX

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

- 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: Item, EVALUATED, N/A, COMMENTS, NOV/ENF. Rows include categories like PERMITS, SIGNS AND MARKERS, TOPSOIL, HYDROLOGIC BALANCE, etc.

INSPECTION REPORT
(Continuation sheet)

PERMIT NUMBER: C/007/019

DATE OF INSPECTION: 7/25/2001

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

There were no problems observed with any of the sediment containment impoundments at the Centennial site this day. Pond E did contain some water.

4D. HYDROLOGIC BALANCE: WATER MONITORING

The permittee conducted water monitoring sampling for the second quarter of 2001 on June 28 and 29. To date, the permittee has not received any analytical results from their lab for the samples taken on those two days.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

There is a pile of coal mine waste (pushed up dirt, salt, road debris, etc.) stored on the North end of the Aberdeen Mine coal storage pad. The pile has been allowed to melt down over the past several months, but is now considered to be as small as it will get. Mr. Glasson indicated that the material would be hauled to the Wildcat Loadout coal mine waste permanent storage facility in the near future.

21. BONDING AND INSURANCE

The permittee has forwarded updated Acord insurance forms for the required general liability insurance for the Centennial site to Division headquarters in Salt Lake City.

Inspector's Signature: _____


Peter Hess #46

Date: July 25, 2001

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

sd

cc: James Fulton, OSM
Mike Glasson, Andalex
Price Field office

O:\007019.CEN\Compliance\2001\p_0725.wpd