



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: PHL by [signature]

Partial: XXX Complete: Exploration:
Inspection Date & Time: 08/24/2001 / 8:30-10:30 AM
Date of Last Inspection: 07/25/2001

Mine Name: Centennial Project County: Carbon Permit Number: C/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): Mr. Mike Glasson, Senior Geologist
State Official(s): Peter Hess Federal Official(s): None
Weather Conditions: cloudy, cool; 70's Fahrenheit
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 4 columns: EVALUATED, N/A, COMMENTS, NOV/ENF. Rows include categories like PERMITS, SIGNS AND MARKERS, TOPSOIL, HYDROLOGIC BALANCE, EXPLOSIVES, DISPOSAL OF EXCESS SPOIL, etc.

INSPECTION REPORT

(Continuation sheet)

PERMIT NUMBER: C/007/019

DATE OF INSPECTION: 08/24/2001

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

4D. HYDROLOGIC BALANCE: WATER MONITORING

Mr. Mike Glasson notified the Division on August 6, 2001 that the second quarter water monitoring information for the Centennial site had been reviewed and that the data was considered acceptable for uploading into the Division data base.

A review of the information indicated that the Well #1 sample, taken on June 29, 2001, had several parameters reporting results which were several standard deviations outside of their normal reporting range. The parameters reporting results outside of their normal reporting range included chlorine, conductivity, and sodium.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

The pile of coal mine waste that had been stored on the North end of the Aberdeen Mine coal storage pad has been removed to the Wildcat Loadout refuse disposal area. The amount disposed was 220 tons.

9. PROTECTION OF FISH, WILDLIFE, AND RELATED ENVIRONMENTAL VALUES

Coal accumulations were noted in two locations which are not permitted for coal storage. These are described below.

- a) A coal spill was observed on the pavement in the vicinity of the Pinnacle Mine truck loadout. The spill existed not only under the loading chute, but extended up-canyon and east of the approach to the loading facility for about forty feet. Crushing of the coal and wind dispersal of the fines will be prevented by removing this accumulation.
- b) The storage yard located NE of the Apex Mine Office contained four rolls of conveyor belting hauled from the underground works. Coal accumulations were observed about the belting (approximately 4-5 bushels).

Mr. Glasson agreed to have the coal spillage cleaned up in both areas as soon as possible.

Inspector's Signature: _____


Peter Hess #46

Date: September 5, 2001

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

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

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