



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

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INSPECTION REPORT

Handwritten initials/signature

Partial: XXX Complete: Exploration:
Inspection Date & Time: 10/31/2001 /8:15-9:15 AM
Date of Last Inspection: 09/26/2001

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: Cool; 50's Fahrenheit/ Partly Cloudy
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: PERMITS, CHANGE, TRANSFER, RENEWAL, SALE; SIGNS AND MARKERS; TOPSOIL; HYDROLOGIC BALANCE; EXPLOSIVES; DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES; COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS; PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL ISSUES; SLIDES AND OTHER DAMAGE; CONTEMPORANEOUS RECLAMATION; BACKFILLING AND GRADING; REVEGETATION; SUBSIDENCE CONTROL; CESSATION OF OPERATIONS; ROADS; OTHER TRANSPORTATION FACILITIES; SUPPORT FACILITIES/UTILITY INSTALLATIONS; AVS CHECK; AIR QUALITY PERMIT; BONDING & INSURANCE.

INSPECTION REPORT

(Continuation sheet)

PERMIT NUMBER: C/007/019

DATE OF INSPECTION: 10/31/2001

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

4D. HYDROLOGIC BALANCE: WATER MONITORING

The permittee's water monitoring specialist intends to initiate water monitoring requirements for the fourth quarter of 2001 for the Centennial site during the first week of November.

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

The permittee has revised pages 2 and 3 of the spill prevention control and countermeasure plan for the Wildcat and Centennial sites to include a "call down" list of individuals within the Company, as well as representatives of various government agencies (including the UDNR/OGM) who should be called immediately in the event of environmental problems. Responsible individuals who are to be notified at the Division include Ms. Mary Ann Wright, Associate Director of Mining, and the assigned reclamation specialist for those sites.

Inspector's Signature: _____


Peter Hess #46

Date: October 31, 2001

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

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

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