



The State of Utah
 Department of
 Natural Resources
 Division of
 Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director
 LOWELL P. BRAXTON
Division Director

MICHAEL O. LEAVITT
Governor

OLENE S. WALKER
Lieutenant Governor

Representatives Present During the Inspection		
Company	Mike W. Glasson	Environmental Coordinator
OGM	Karl Houskeeper	Reclamation Specialist III

Inspection Report

Permit Number:	C0070019
Inspection Type:	COMPLETE
Inspection Date:	Friday, October 24, 2003
Start Date/Time:	10/24/2003 8:00:00 AM
End Date/Time:	10/24/2003 11:00:00 PM
Last Inspection:	Friday, September 26, 2003

Inspector: Karl Houskeeper, Reclamation Specialist III

Weather: Clear, ~Temp 56 deg. F

Accepted by: pgrubaug
 11/05/2003

Permittee: **ANDALEX RESOURCES INC TOWER DIVISION**
 Operator: **ANDALEX RESOURCES INC TOWER DIVISION**
 Site: **CENTENNIAL MINE**
 Address: **PO BOX 902, PRICE UT 84501**
 County: **CARBON**
 Permit Type: **PERMANENT COAL PROGRAM**
 Permit Status: **INACTIVE**

Current Acreages

5,419.49	Total Permitted
35.27	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- Federal
- State
- County
- Fee
- Other

Types of Operations

- Underground
- Surface
- Loadout
- Processing
- Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Inspector's Signature: _____

Date: Friday, October 24, 2003

Karl Houskeeper, Reclamation Specialist III

Inspector ID Number: 49

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

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
 telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7223 • www.ogm.utah.gov



REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENT

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 Not Applicable.*
 - b. *For PARTIAL inspections check only the elements evaluated.*
2. *Document any noncompliance situation by reference 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, Divison Orders, and amendments.*

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The current DOGM permit was re-issued effective 05/24/2002, to include the Mathis Tract, and expires 01/06/2007.

- Certificate of Insurance issued 07/01/2003 and terminates 07/01/2004
- Reclamation agreement dated and signed February 1990 (amended January 2001).
- UPDES permit UTG040008 effective 05/01/2003 and expires midnight 04/30/2008
- Air Quality permit DAQE-997-96, issued October 25, 1996
- SPCC Plan dated 08/29/2003

2. Signs and Markers

The mine permit ID sign located at the contact point of the public access to the permit area contained the required information. Other signs and markers observed during the inspection met the coal rules.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The third quarter 2003 sediment pond inspections were done on 09/29/03 for Ponds B, C, and D. No problems or instabilities were noted.

4.d Hydrologic Balance: Water Monitoring

The third quarter field water monitoring information was reviewed during the inspection. Water monitoring for the mine is current. Second quarter 2003 water monitoring information is in the EDI website and uploaded.

4.e Hydrologic Balance: Effluent Limitations

Reviewed the discharge monitoring reports. No discharge occurred from any of the outfalls during August 2003.

14. Subsidence Control

Reviewed a letter from Bruce Ware, RLS. Mr. Ware stated in his letter dated October 19, 2003 that no horizontal or vertical movement has occurred at the listed sites in his report since they were established. Mr. Ware signed dated and certified this report with his RLS stamp.

20. Air Quality Permit

The air quality permit DAQE-997-96 referenced above remains in effect.

Permit Number: C0070019
Inspection Type: COMPLETE
Inspection Date: Friday, October 24, 2003

21. Bonding and Insurance

The insurance referenced in item #1 above is through Federal Insurance Company, policy #37102594. The insurance has explosion coverage, meets the minimum coverage requirements, lists the Division as the certificate holder, and has the proper language on the notification policy.

Bond No. SU34593 is for \$381,839 and Bond No.SU1354086 is for \$699,000. Both bonds remain in effect for the term of the permit and are through Utica Mutual Insurance Company.