



IN REPLY REFER TO:

United States Department of the Interior

OFFICE OF SURFACE MINING
Reclamation and Enforcement
P.O. Box 46667
Denver, Colorado 80201-6667

UT-0022

June 14, 2004

Utah Division of Oil, Gas, & Mining
Coal Regulatory Program
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Incoming
C/007/0019
Requires MPA

RE: Andalex Resources, Inc. - "Centennial" Mine - Application for a Permit Revision,
Incidental Boundary Change

Dear Sir or Madam:

This in response to the Utah Division of Oil, Gas, & Mining's (UT-DOGM) May 12, 2004, request for a decision, under 30 CFR 944.30, whether the above subject permit revision constitutes a mining plan modification.

Mining plan approvals by the Secretary of the Interior are required under the Mineral Leasing Act of 1920, 30 U.S.C. 181, *et seq.* before coal mining can occur on Federal lands. This letter serves to document OSM's determination whether or not a mining plan approval from the Secretary is required for the above permitting action.

OSM's review of the Application for a Permit Revision, Incidental Boundary Change has determined that it proposes to add approximately 92 acres to the current Centennial mine, Utah State permit C/007/019. Of those acres, approximately 72 acres are contained in two small parcels in the new Federal Summit Creek lease UTU-79975.

Based on a review of the activities associated with the permit revision, OSM has determined that the proposal does meet the requirements of 30 CFR 746.18(d)(3) and 746.18(d)(4). Therefore, the proposed Significant Permit Revision does constitute a mining plan action requiring Secretarial approval.

OSM's decision was based solely upon the Federal regulations under 30 CFR PART 746 and not the technical aspects of the revision application itself. Consequently, OSM's decision does not relieve UT-DOGM from coordinating the review and approval of the Application for a Permit Revision, Incidental Boundary Change with other Federal agencies for compliance with other Federal regulations.

OSM also electronically transmitted the May 12, 2004 request to the Bureau of Land Management and the U.S. Forest Service for their review and comment.



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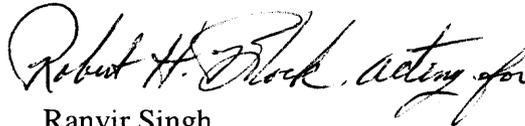
DIV. OF OIL, GAS & MINING

Neither agency provided any comments in the thirty day time frame established by the Federal regulations under 30 CFR 944.30, Article VI. D.

Please notify the applicant of our decision on this matter.

Should you have any questions regarding this letter or approval, please contact Carl R. Johnston, Utah Federal Lands coordinator, at (303) 844-1400, extension 1500.

Sincerely,

A handwritten signature in cursive script that reads "Robert H. Dwork, acting for".

Ranvir Singh
Manager, Northwest Branch

cc: Denver Field Division