

0009



ANDALEX
RESOURCES, INC.

P.O. BOX 902
PRICE, UTAH 84501
PHONE (435) 637-5385
FAX (435) 637-8860

COPY

March 10, 2004

Mr. Daron R. Haddock
Permit Supervisor
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

*Incoming
C/007/019*

Re: Annual Report for 2003
Centennial Minesite
C/007/019
Carbon County, Utah

Daron
Dear Mr. Haddock:

Enclosed is one copy of the 2003 Annual Report for the Centennial Minesite. An additional report has been submitted to the Price Field Office.

If you need any additional information, please let me know.

Sincerely,

Michael W. Glasson

Michael W. Glasson
Senior Geologist

cc: Price Field Office
File

File in:

- Confidential
- Shelf
- Expandable

Refer to Record No. *0009* Date *03/10/2004*
In C *007/0019* *2004 Incoming*
For additional information

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APR 05 2004

DIV. OF OIL, GAS & MINING

2003 ANNUAL REPORT

**ANDALEX RESOURCES, INC.
CENTENNIAL MINESITE
C/007/019**

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APR 05 2004

DIV. OF OIL, GAS & MINING

GENERAL INFORMATION

1. Permit Number	C/007/019
2. Mine Name	Centennial Minesite
3. Permittee Name	Andalex Resources, Inc
4. Operator Name (if other than Permittee)	
5. Permit Expiration Date	
6. Permit Number	C/007/033
7. Company Representative, Title	Michael W. Glasson, Senior Geologist
8. Phone Number	(435) 637-5385
9. Fax Number	(435) 637-8860
10. E-mail Address	
11. Mailing Address	Andalex Resources, Inc.
	P.O. Box 902
	Price, Utah 84501
12. Resident Agent, Title	Michael W. Glasson
13. Mailing Address	Andalex Resources, Inc.
	P.O. Box 902
	Price, Utah 84501
14. Number of Binders Submitted	(2) 1- Salt Lake Office and 1- Price Field Office

IDENTIFICATION OF OTHER PERMITS

Identify other permits which are required in conjunction with mining and reclamation activities.

Permit Type	ID Number	Description	Expires on
1. MSHA Mine ID(s)	42-01474	Pinnacle	N/A
	42-01750	Apex	N/A
	42-02028	Aberdeen	N/A
2. MSHA Impoundment(s)	N/A		

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3. NPDES/UPDES Permit(s) (water)	UTG-040008	Deadman Canyon, 001-004	04/30/08
4. PSD (Air) Permit(s)	DAQE-997-96	Centennial	N/A
5.			
6.			

CERTIFIED REPORTS

List the certified inspection reports as required by the rules and under the approved plan which must be periodically submitted to the Division. Specify whether the information is included as APPENDIX A to this Annual Report or currently ON FILE with the Division.

Certified Reports:	Reports Required?		INCLUDED or ON FILE w/DOGM?		Comments
	YES	NO	Included	ON FILE	
1. Excess Spoil Piles		X			
2. Refuse Piles		X			
3. Impoundments	X		X		Appendix A
4.					
5.					

REPORTING OF OTHER TECHNICAL DATA

List other technical data and information as required under the approved plan which must be periodically submitted to the Division. Specify whether the information is included as APPENDIX B to this Annual Report or currently ON FILE with the Division.

Technical Data:	Reports Required?		INCLUDED or ON FILE w/DOGM?		Comments
	YES	NO	Included	ON FILE	
1. Climatological Data		X			
2. Subsidence Monitoring Data	X		X		Appendix B
3. Vegetation Monitoring Data		X			
4. Raptor Survey		X			
5. Soils Monitoring Data		X			
6. Water Monitoring Data	X			X	
First Quarter Report	X			X	
Second Quarter Report	X			X	
Third Quarter Report	X			X	

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Fourth Quarter Report	X			X	
7. Geological/Geophysical Data		X			
8. Engineering Data		X			
9. Other Data	N/A				
10. Non Coal Waste/Abandoned Underground Equipment					

LEGAL, FINANCIAL, COMPLIANCE AND RELATED INFORMATION

Changes in administration or corporate structure can often bring about necessary changes to information found in the mining and reclamation plan. The Division is requesting that each permittee review and update the legal, financial, compliance and related information in the plan as part of the Annual Report. Provide the Department of Commerce, Annual Report of Officers, or other equivalent information as necessary to ensure that the information provided in the plan is current. Provide any other changes as necessary regarding land ownership, lease acquisitions, legal results from appeals of violations, or other changes as necessary to update information required in the mining and reclamation plan. Include any certified financial statements, audits or worksheets which may be required to meet bonding requirements. Specify whether the information is currently ON FILE with the Division or included as APPENDIX C to this Annual Report.

Legal/Financial Data:	Report Required?		INCLUDED or ON FILE w/DOGM?		Comments
	YES	NO	Included	ON FILE	
1. Department of Commerce, Annual Report of Officers	X			X	
2. Other					

MINE MAPS

Copies of mine maps, current and up-to-date through at least December 31, 1998, are to be provided to the Division as APPENDIX D to this Annual Report in accordance with the requirements of R645-301-525.270. These map copies shall be made in accordance with 30 CFR 75.1200, as required by MSHA. Upon request, mine maps shall be kept confidential by the Division.

Map Number(s)	Map Title / Description	Confidential?
Appendix D	Aberdeen Mine	Y
Appendix D	Pinnacle Mine	Y

APPENDIX A

Certified Reports

Excess Spoil Piles
Refuse Piles
Impoundments

as required under R645-301-514

CONTENTS

Annual Impoundment Inspections



BLACKHAWK ENGINEERING, INC.

1056 West 2060 North - Helper, Utah 84526 - Telephone (435) 637-2422 - Fax (435) 637-2431

**Mr. Mike Glasson
Andalex Resources, Inc.
P.O. Box 902
Price, Utah 84501**

**Re: Centennial Project
Pond Inspections**

Dear Mike:

The Annual Pond Inspections and Certifications were done on 10/23/03. Since these inspections are done in the 4th Quarter, the Annual Inspection Report should also be used as the 4th Quarter Pond Inspection Report for this site.

If you have any questions, or need any further information, please let me know.

Sincerely,

**Dan W. Guy
President**

ANDALEX RESOURCES, INC.
2003 ANNUAL POND INSPECTION REPORT

POND: Sed. Basin "B"

LOCATION: Centennial

IMPOUNDMENTS	
(1) <i>Stability</i>	<i>Slopes Stable.</i>
(2) <i>Structural Weakness/Erosion</i>	<i>None Noted.</i>
(3) <i>Potential Safety Hazards</i>	<i>None Noted.</i>
(4) <i>Depth of Impounded Water</i>	<i>N/A - Dry.</i>
(5) <i>Existing Storage Capacity</i>	<i>0.324 acre feet.</i>
(6) <i>Monitoring Procedures</i>	<i>Sediment Level. Cleanout at 50% accumulation. (Between 1 and 2)</i>

SEDIMENT PONDS ONLY	
(7) <i>Sediment Accumulation (Elevation)</i>	<i>7077.0 - #2</i>
(8) <i>Sediment Cleanout Level (Elevation)</i>	<i>7081.0 - #2</i>
(9) <i>Principle Spillway (Elevation)</i>	<i>7077.0 - #1</i>
(10) <i>Emergency Spillway (Elevation)</i>	<i>7078.0 - #1</i>
(11) <i>Existing Sediment Capacity (To Cleanout)</i>	<i>0.119 acre feet.</i>

GENERAL	
(12) <i>Comments/Recommendations</i>	<i>Cell B4 - Full (7091.0) Ponds O.K. Cell B3 - Full (7087.0) Outlets/Spillway O.K. Cell B2 - 3.8' Remaining (7077.2) Cell B1 - 6.0' Remaining (7071.0) Minor erosion below inlet pipe. Some gravel in bottom below dike.</i>

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



 (Signature)

 10/23/03
 (Date)



**ANDALEX RESOURCES, INC.
2003 ANNUAL POND INSPECTION REPORT**

POND: Sed. Pond "C"

LOCATION: Centennial

IMPOUNDMENTS	
(1) <i>Stability</i>	<i>Slopes Stable.</i>
(2) <i>Structural Weakness/Erosion</i>	<i>Minor Erosion in Bottom of Pond.</i>
(3) <i>Potential Safety Hazards</i>	<i>None Noted.</i>
(4) <i>Depth of Impounded Water</i>	<i>Dry.</i>
(5) <i>Existing Storage Capacity</i>	<i>2.556 acre feet.</i>
(6) <i>Monitoring Procedures</i>	<i>U.P.D.E.S Quarterly Inspection.</i>

SEDIMENT PONDS ONLY	
(7) <i>Sediment Accumulation (Elevation)</i>	<i>7046.0</i>
(8) <i>Sediment Cleanout Level (Elevation)</i>	<i>7046.9</i>
(9) <i>Principle Spillway (Elevation)</i>	<i>7053.1</i>
(10) <i>Emergency Spillway (Elevation)</i>	<i>7055.0</i>
(11) <i>Existing Sediment Capacity (To Cleanout)</i>	<i>0.225 acre feet.</i>

GENERAL	
(12) <i>Comments/Recommendations</i>	<i>Interior Partially Vegetated. No Discharge. Inlets O.K.</i>

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



(Signature)

10/23/03

(Date)



**ANDALEX RESOURCES, INC.
2003 ANNUAL POND INSPECTION REPORT**

POND: Sed. Pond "E"

LOCATION: Centennial

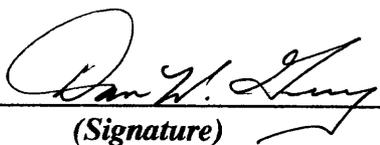
IMPOUNDMENTS	
(1) <i>Stability</i>	<i>Slopes Stable.</i>
(2) <i>Structural Weakness/Erosion</i>	<i>None Noted.</i>
(3) <i>Potential Safety Hazards</i>	<i>None Noted.</i>
(4) <i>Depth of Impounded Water</i>	<i>6" Water.</i>
(5) <i>Existing Storage Capacity</i>	<i>2.332 acre feet.</i>
(6) <i>Monitoring Procedures</i>	<i>U.P.D.E.S. Quarterly Inspection.</i>

SEDIMENT ZONING DATA	
(7) <i>Sediment Accumulation (Elevation)</i>	<i>6940.1</i>
(8) <i>Sediment Cleanout Level (Elevation)</i>	<i>6946.5</i>
(9) <i>Principle Spillway (Elevation)</i>	<i>6957.6</i>
(10) <i>Emergency Spillway (Elevation)</i>	<i>6958.6</i>
(11) <i>Existing Sediment Capacity (To Cleanout)</i>	<i>0.435 acre feet.</i>

GENERAL	
(12) <i>Comments/Recommendations</i>	<i>Pond cleaned. No Discharge. Inlets O.K. Outlets O.K.</i>

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



 (Signature)

 10/23/03
 (Date)



APPENDIX B

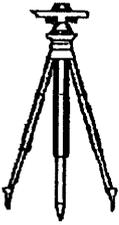
Reporting of Technical Data

including monitoring data, reports, maps, and other information
as required under the approved plan
or as required by the Division

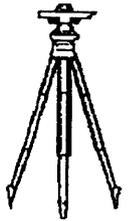
in accordance with the requirements of R645-301-130 and R645-301-140.

CONTENTS

Subsidence Monitoring



WARE SURVEYING & ENGINEERING



G.P.S. & CONVENTIONAL SURVEYING - AUTOCAD MAPPING - CIVIL ENGINEERING

2223 North 1200 West - Helper, UT 84526

Office: 435-637-2620

Email: waresurveying@castlernet.com

October 9, 2003

Andalex Resources, Inc.

Attn: Mike Glasson

P.O. Box 902

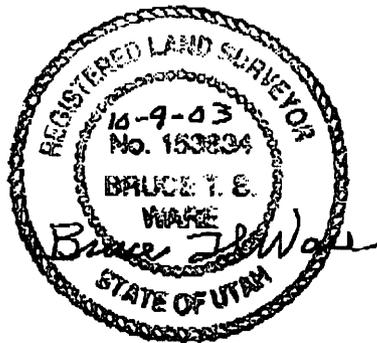
Price, UT 84501

Dear Mr. Glasson,

As you requested I have completed a survey of your company's Subsidence Monitoring Points. I have calculated the survey and have found that there has been no movement horizontally or vertically since they were established. A visual inspection was made when walking between subsidence points and no subsidence was seen.

Sincerely,

Bruce T.S. Ware



**ANDALEX RESOURCES, INC.
2003 SUBSIDENCE SURVEY**

Andalex Resources, Inc.
Attn: Mike Glasson
P.O. Box 902
Price, UT 84501

10/9/2003

STATION	NORTHING (FEET)	EASTING (FEET)	ELEVATION (FEET)	NOTES
Rebar on ridge	505,141.92	2,217,261.07	8,241.62	CONTROL
Yellow Rebar	507,073.59	2,223,128.18	8,534.90	CONTROL
S-10	507,824.28	2,217,196.61	8,594.59	CONTROL
1A	504,057.58	2,216,580.88	8,147.07	—
1	502,940.58	2,216,278.88	8,178.03	—
4	503,238.24	2,221,322.30	8,285.02	—
11	498,938.94	2,218,688.72	7,671.20	—
9	506,252.83	2,221,663.50	8,544.02	—
5	504,194.62	2,224,746.97	8,001.92	—
7	502,013.30	2,225,964.02	8,102.98	—
13	500,747.04	2,228,007.64	7,854.72	—
S31	506,353.06	2,217,376.97	8,386.64	—
S30	506,015.09	2,215,357.96	8,118.02	—
S16	508,650.53	2,210,725.69	8,809.53	—
S17	508,190.56	2,213,802.61	8,624.48	—
99-1	508,942.14	2,215,063.91	8,572.35	—
99-2	509,023.29	2,218,624.10	8,551.12	—



WARE SURVEYING & ENGINEERING

G.P.S. & CONVENTIONAL SURVEYING - AUTOCAD MAPPING - CML ENGINEERING



APPENDIX C

Legal, Financial, Compliance and Related Information

Annual Report of Officers
as submitted to the Utah Department of Commerce
and other changes in ownership and control information
as required under R645-301-110.

CONTENTS

On File

APPENDIX D

Mine Maps

as required under R645-301-525.270.

CONTENTS

Aberdeen Mine
Pinnacle Mine

APPENDIX E

Other Information

in accordance with the requirements of R645-301 and R645-302.

CONTENTS

N/A