



ANDALEX
RESOURCES, INC.

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March 10, 2006

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

Attn: Wayne Hedberg, Permit Supervisor

Re: Appendix X, (Revised October 2005) Gob Gas Vent Hole Amendment, Centennial Project,
C/007/019, Carbon County, Utah

Dear Mr. Hedberg:

Enclosed are 5 copies of revised pages pertaining to the Appendix X text for the Centennial
Project Gob Ventilation Hole Amendment.

This revised text is provided per discussions with Jerriann Ernsten.

A C₁/C₂ Form is also enclosed. If you have any questions, or need additional information,
please let me know.

Sincerely,

Michael Glasson, P.G.
Senior Geologist

RECEIVED

MAR 13 2006

DIV. OF OIL, GAS & MINING

APPLICATION FOR PERMIT PROCESSING

<input checked="" type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: C/007/0019
Title of Proposal: Revised Text for Appendix X (Revised October 2005)						Mine: Centennial Project
						Permittee: Andalex Resources

Description, include reason for application and timing required to implement: To enhance mine safety by venting longwall gob gas to the surface.

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input checked="" type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	2. Is the application submitted as a result of a Division Order? DO #
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	9. Is the application submitted as a result of a Violation? NOV #
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain: Division Request
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

X Attach 5 complete copies of the application.

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations herein.

Michael Williams Sr. Geologist 03/10/06
Signed - Name - Position - Date

Subscribed and sworn to before me this 10th day of March, 2006.

Robyn Nelson
Notary Public
My Commission Expires: 8-8, 2008
Attest: STATE OF Utah COUNTY OF Carbon

ROBYN NELSON
NOTARY PUBLIC - STATE OF UTAH
82 WEST MAIN
PRICE, UTAH 84501
COMM. EXPIRES 8-8-2008

Received by Oil, Gas & Mining

RECEIVED
MAR 13 2006

DIV. OF OIL, GAS & MINING
ASSIGNED TRACKING NUMBER

310 INTRODUCTION

This chapter presents a description of the biological resources found on the completed Centennial Project gob gas vent hole sites GVH#1, GVH#3, GVH#4, GVH#5 and GVH#6 as well as the proposed sites GVH#5A, GVH#7, GVH#8, and GVH#9. Details for each of the sites are provided in this Appendix.

311 Vegetation, Fish and Wildlife Resources

Vegetative, fish, and wildlife resource conditions in and adjacent to the proposed degassification wells are discussed in Section 320 of this submittal and the approved M&RP.

312 Potential Impacts to Vegetative, Fish, and Wildlife Resources

Potential impacts to vegetative, fish, and wildlife resources and the associated mitigation plan is presented in Section 330 and 340 of this chapter.

313 Description of Reclamation Plan

The reclamation plan used to restore the vegetative, fish, and wildlife resources to a condition suitable for the post mining land use is presented in Section 340.

320 ENVIRONMENTAL DESCRIPTION

321 Vegetation Information

This section and the approved M&RP contain the environmental descriptions of the vegetation for the permit and adjacent areas.

Andalex Resources has been drilling "gob" gas vent holes as a safety requirement necessary to conduct their coal mining operations within the plateaus of the Book Cliffs mountain range. Because of the extreme urgency of the situation in early 2005, permitting of some emergency gas holes began in January 2005, with drilling proceeding soon afterwards. Initially, drill holes numbered GVH-01, GVH-02, GVH-03 were proposed for drilling (GVH-02 was later dropped for the plan). Following these drilling activities, additional drilling was necessary in the late-winter/early spring months the same year (sites: GVH-05 and GVH-06). Because it was necessary for the drilling to proceed during in the winter and spring months, or when quantitative assessment of the impacted plant communities was not possible, Andalex employed "Range Site" methods in the permitting process to drive the revegetation plan and provide final revegetation standards of success.

More gas holes were necessary for venting requirements in the spring of 2005 beginning with GVH-04. Prior to disturbance by the drill rig, the plant communities to be impacted by

the drilling operations were quantitatively sampled including the proposed access road and drill pad. Additionally, a "Reference Area" with the same plant community was sampled. The Reference Area was used for comparisons of the proposed disturbed site at that time and will also be used at the time of final reclamation for standards of final revegetation success.

The next proposed gob gas holes were numbered GVH-05A, GVH-07, GVH-08, and GVH-09. The plant communities that would be impacted by these drilling operations were quantitatively sampled in the growing season of 2005. Reference Areas were also chosen and sampled for these communities during the same time period. The following document was submitted to Andalex to report the results of the 2005 vegetation sampling period; and is included as Attachment 3-1 of this Appendix:

VEGETATION OF THE GAS VENT HOLES:
GVH-04, GVH-05A, GVH-07, GVH-08,
GVH-09 & REFERENCE AREAS
2005

for the
CENTENNIAL MINE

by
MT. NEBO SCIENTIFIC, INC.

January 2006

Because the aforementioned emergency drill sites GVH-01, GVH-03, GVH-05 and GVH-06 were constructed in the winter and early spring months, or before vegetation sampling could be conducted, Reference Areas for them were chosen later in the growing season of 2005 when a better assessment of them could be made. These Reference Areas will be used later as standards for final revegetation success at these sites instead of using the Range Site method mentioned above. Based on a qualitative assessment of these sites, the **Sagebrush/Grass Reference Area** as reported in the above document will be used for the emergency, or first drill sites.

Soil Surveys **are** included in Attachment 2-1 and Vegetation Surveys **are** included in Attachment 3-1 for the proposed sites.

321.100 Plant Communities Within the Proposed Permit Area

Plate 19A of the M&RP shows the sites to be generally in the sagebrush-grass, aspen and oak brush communities. Vegetation specific to each of the sites is provided in this Appendix. A qualitative vegetative inventory (analysis) **was completed** during the summer

322.300 Fish and Wildlife Service Review

If requested, Andalex Resources, Inc. authorizes the release of information pertaining to Section 322 and 333 to the U.S. Fish And Wildlife Service Regional and Field Office for their review.

323 Maps and Aerial Photographs

Location of the well sites can be seen in Figure 1-1 of this submittal.

323.100 Location and Boundary of Proposed Reference Area

Reference areas for **all** well sites **have been** established as described in Section 321. Subsequent holes will **also** use standard reference areas including baseline data.

323.200 Elevation and Locations of Monitoring Stations

N/A

323.300 Facilities for Protection and Enhancement

Section 333.300 and 358.500 of the approved M&RP contain additional discussion pertaining to protective measures to be taken by Andalex Resources, Inc.

323.400 Vegetation Type and Plant Communities

Vegetative types and plant communities will be outlined in the vegetative report in Attachment 3-1 upon completion.

330 OPERATION PLAN

331 Measures Taken to Disturb the Smallest Possible Area

The well sites will be sized to disturb the smallest acreage possible and still meet the requirements for the drilling equipment. The drainage control required will be built to satisfy the environmental requirements. Please refer to the typical proposed site plans for the gob gas wells which show estimated dimensions, location and type of sediment control, location of topsoil storage as well as approximate size and set-up of equipment.

332 Description of Anticipated Impacts of Subsidence

Refer to Section 525.

353.300 Vegetative Exception

Andalex Resources, Inc. does not require vegetative exception at this time.

353.400 Cropland

The permit area contains no land designated as cropland.

354 Revegetation: Timing

Andalex Resources, Inc. will follow the recommended guidelines for revegetation and planting during the first normal period for favorable planting conditions after replacement of the topsoil. In Utah the planting period is usually Fall due to the precipitation events.

355 Revegetation: Mulching and Other Soil Stabilizing Practices

Mulch and/or other soil stabilizing practices (roughing, etc.) Will be used on all areas that have been regraded and covered by topsoil (Section 341.200). Andalex, Resources, Inc. will exercise care to guard against erosion during and after application of topsoil.

356 Revegetation: Standards for Success

356.100 Success of Revegetation

The success of revegetation will be judged on the effectiveness of the vegetation for postmining land use, the extent of cover on each degassification well site compared to their respective reference areas as described in Section 321 and in Attachment 3-1.

Sampling Techniques - Andalex Resources, Inc. will comply with the standards for success, statistically valid sampling techniques for measuring success, and the approved methods outline in the Division's "Vegetation Information Guidelines, Appendix A" for sampling.

The sampling methods to be used during reclamation will be specific to the requirements at the time of reclamation. Nonetheless, according to the currently approved UDOGM guidelines, these sampling methods would be used: sample adequacy, cover (line interception), density (belt transects or plots) and productivity (clipping). The Jaccard's Community Coefficient will be used to calculate acceptable plant similarity and diversity.

Standards for Success - The standards for success will include criteria representative of undisturbed lands in the area of the degas wells as means to evaluate ground cover,