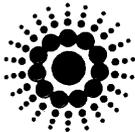


0066



ANDALEX
RESOURCES, INC

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

Refer to Expandable 11112006
file in C0070019.2006 INCOMING
for additional information

November 11, 2006

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

Attn: Pamela Grubaugh-Littig/Wayne Hedberg
Permit Supervisors

Re: Centennial Project, C/007/0019, Emergency GVH Application

Dear Ms. Grubaugh-Littig and Mr. Hedberg,

Enclosed are 5 copies of the Andalex Resources, Inc. emergency application for three additional Gob Ventilation drill holes (GVH).

In order for ANDALEX to continue mining on its Longwall Panel #7, it has become critically necessary for these additional vent holes to be installed. As the Division is aware, the Federal Mine Safety and Health Administration (MSHA) has told ANDALEX, in writing, that in order for us to maintain our *current* levels of production, (which are at best not economic), the only immediate solution is to drill additional GVHs. Unfortunately, the alternative to ANDALEX for not drilling these additional holes is to prematurely stop mining and abandon longwall Panel #7. This is not in the best interest of maximum economic recovery of the publicly owned resource and is certainly not in the best interest of the 265 ANDALEX Aberdeen Mine employees.

ANDALEX is aware of the Division's intention and willingness to expedite this approval, while at the same time assuring that the regulations governing this activity are met. So in an effort to assist in the review, ANDALEX has met with Division staff in advance of this submittal to review its contents and make sure that the staff is satisfied that the issues are all addressed and that the approval can be granted from a technical standpoint. From an administrative standpoint, ANDALEX has informed the Division and we would like to reiterate and emphasize that this GVH permit approval is absolutely the *only* action which we would desire the Division to be reviewing at this time, on behalf of any ANDALEX affiliate including ANDALEX Resources, Inc., GENWAL Resources, Inc., WEST RIDGE Resources Inc. and/or the Wildcat Loadout.

RECEIVED

NOV 14 2006

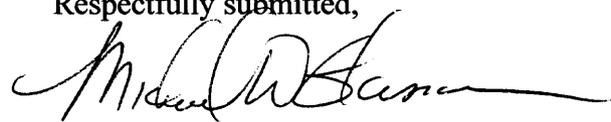
DIV. OF OIL, GAS & MINING

Shawing
C/007/0019 OK
Copy Pam
#2698

Pamela Grubaugh-Littig
Page 2

Required C₁/C₂ Forms are attached. If you have any questions, or need additional information, please let me know. Please be assured that ANDALEX will be available at a moment's notice to address any issues which may arise.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael W. Glasson", with a long horizontal flourish extending to the right.

Michael W. Glasson
Senior Geologist

cc: James Kohler

attachments

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: ACT/007/019
Title of Proposal: Revised Appendix X and Request for Approval of 3 Additional Gob Gas Vent Holes (GVH#5B, GVH#7A and GVH#8A).						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 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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain:
<input checked="" type="checkbox"/> Yes	<input 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 checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input checked="" type="checkbox"/> Yes	<input 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.

Signed - Name - Position - Date

Subscribed and sworn to before me this 14 day of Nov, 2006.

Tami L Wardle
Notary Public

My Commission Expires: 03-07, 2010
Attest: STATE OF UTAH
COUNTY OF CARBON



TAMI L WARDLE
NOTARY PUBLIC • STATE of UTAH
1323 SOUTH 600 WEST
PRICE UT 84501

MY COMMISSION EXPIRES: 03-07-2010

Received by Oil, Gas & Mining

RECEIVED

NOV 14 2006

DIV. OF OIL, GAS & MINING

ASSIGNED TRACKING NUMBER

