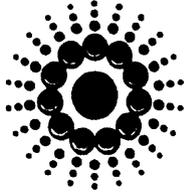


0005

Refer to Expandable 01122007
file in C0070019, 2007, Incoming
for additional information



ANDALEX
RESOURCES, INC.

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

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

January 12, 2007

Attn: Pamela Grubaugh-Littig/Wayne Hedberg
Permit Supervisors

Re: Andalex Resources, Inc., Centennial Project, C/007/0019
Feft Fork Fan Area, As-Built Map
Task # 2640

Incoming ^{OK}
C/007/0019
#2736

Dear Ms. Grubaugh-Littig and Mr. Hedberg:

Enclosed are ~~seven~~ ^{six} copies of the response to deficiencies for the installation of the new portal at the Left Fork Fan area, Task #2640.

Please note that Wayne Western has previously determined that the bond amount for the portal is \$8184, plus indirect costs and escalation (see enclosed work sheet). Our current bond obligation is \$1,164,936, and the bond posted is \$1,211,839. We therefore have \$47,839 overage. Mr. Western agrees that our present bond overage is sufficient to cover the bonding requirements of the new portal

Thank you for your co-operation.

If you have questions, please contact me at (435) 888-4017.

Sincerely,

David Shaver
Resident Agent

RECEIVED

JAN 18 2007

DIV. OF OIL, GAS & MINING

APPLICATION FOR PERMIT PROCESSING

<input checked="" type="checkbox"/> Permit Change X	<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: Left Fork Fan Area As-Built Map/Response to Deficiencies.						Mine: Centennial Project
						Permittee: Andalex Resources

Description, include reason for application and timing required to implement: Request by Division

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 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.

Dana Skene
Signed - Name - Position - Date

Subscribed and sworn to before me this 5 day of January, 2007.

Tami L Wardle
Notary Public
My Commission Expires: _____, 20____
Attest: STATE OF UTAH
COUNTY OF Garfield



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

JAN 18 2007

DIV. OF OIL, GAS & MINING

ASSIGNED TRACKING NUMBER