

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

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April 3, 2007

TO: Internal File

THRU: Pamela Grubaugh-Littig, Permit Supervisor

FROM: Wayne H. Western, Team Lead *WHL*

RE: Appendix X, Gob Vent Holes 10 through 17, Andalex Resource Inc., Centennial Mine, C/007/0019, Task ID #2766

SUMMARY:

On March 16, 2007, the Division received an amendment from Andalex Resources Inc. to drill eight primary and seven alternate gob vent holes. They are located on the Deadman 7.5 minuet quadrangle in Township 12 South Range 8 East, Sections 31 and 36. The Permittee intends to facilitate the uninterrupted mining and maximum recovery of the coal by lowering the percentage of methane gas in the mine. This memo will address the engineering and bonding.

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TECHNICAL ANALYSIS:

OPERATION PLAN

MINING OPERATIONS AND FACILITIES

Regulatory Reference: 30 CFR 784.2, 784.11; R645-301-231, -301-526, -301-528.

Analysis:

The Permittee did not meet the requirements of this section of the regulations. The Permittee gave a general description of the gob vent holes in Chapter 5. The Permittee plans to drill eight new gob hole vents to reduce the amount of methane gas on panel #10. In addition, the Permittee wants to receive permission to dill an addition seven contingency holes should conditions warrant.

The Permittee will bond for the eight main holes but wants to delay bonding for the seven additional contingency holes until they are needed. The Division will grant conditional approval for the seven contingency holes on the condition that the Permittee clearly identify each hole contingency hole and state in the MRP that the holes will not be constructed until the bond is in place.

Findings

The information in the proposed amendment is not considered adequate to meet the requirements of this section. Before approval, the Permittee must provide the following in accordance with:

R645-301-830.140 and R645-301-121.200, The Permittee must clearly identify each of the seven alternative holes that have been conditionally approved upon submission of an adequate bond. In addition, the Permittee must state that they will construct any of the alternative holes until adequate bond is posted.

RELOCATION OR USE OF PUBLIC ROADS

Regulatory Reference: 30 CFR 784.18; R645-301-521, -301-526.

Analysis:

The Permittee met the minimum requirements of this section. The Permittee will not use or relocate a public road. The Permittee will use existing jeep trails and pipeline corridors for general access. The Permittee will construct some ancillary as needed for access.

Findings

The Permittee met the minimum requirements of this section.

ROAD SYSTEMS AND OTHER TRANSPORTATION FACILITIES

Regulatory Reference: 30 CFR Sec. 784.24, 817.150, 817.151; R645-301-521, -301-527, -301-534, -301-732.

Analysis:

Road Classification System

The Permittee met the requirements of this section by classifying all new roads associated with the gob vent holes as ancillary.

Plans and Drawings

The Permittee met the requirements for maps and cross sections. The Permittee described the roads in Section 527 of the MRP and showed the location of the roads used to access holes 10, 11A, 12, 12A, 15, 16A. The rest of the holes should be accessed from existing roads or jeep trails.

Performance Standards

The Division will inspect the site to make sure that performance standards are kept.

Findings:

The Permittee met the minimum requirements for this section.

RECLAMATION PLAN

MINE OPENINGS

Regulatory Reference: 30 CFR Sec. 817.13, 817.14, 817.15; R645-301-513, -301-529, -301-551, -301-631, -301-748, -301-765, -301-748.

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Analysis:

The Permittee met the requirements of this section by providing a plan in Section 542.700 of the MRP that meet all State and federal requirements.

Findings:

The Permittee met the minimum requirements of this section.

ROAD SYSTEMS AND OTHER TRANSPORTATION FACILITIES

Regulatory Reference: 30 CFR Sec. 701.5, 784.24, 817.150, 817.151; R645-100-200, -301-513, -301-521, -301-527, -301-534, -301-537, -301-732.

Analysis:

Reclamation

The Permittee met the requirements of this section to reclaim the roads as outline in Section 542.600 of the MRP.

Findings:

The Permittee met the minimum requirements of this section.

BONDING AND INSURANCE REQUIREMENTS

Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

Analysis:

General

The Permittee did not meet the requirements of this section. The Permittee must update the reclamation cost estimate for 2007 until costs and the 2007 escalation factor. The Division will provide the Permittee with a copy of the updated reclamation cost estimate in either electronic or paper copy.

The Permittee did agree to post adequate bond to reclaim the additional drill holes in the event of bond forfeiture.

Findings:

The information in the proposed amendment is not adequate to meet the requirements of this section of the regulations. Before approval, the Permittee must provide the following in accordance with:

R645-301-830.110, The Permittee must include the Division's revised reclamation cost estimate into the MRP. The revised estimate contains 2007 unit costs along with the 2007 escalation factor. The Division will provide the Permittee with a copy of the revised reclamation costs in either electronic or paper format.

RECOMMENDATIONS:

The Division should deny the amendment until the above mentioned deficiencies have been addressed.