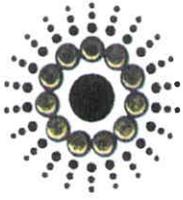


ANDALEX RESOURCES, INC.

CENTENNIAL PROJECT
“TOWER MINE”
C/007/019

2010 ANNUAL REPORT



ANDALEX
RESOURCES, INC.

P.O. BOX 910
EAST CARBON, UTAH 84520
PHONE (435) 888-4000
FAX (435) 888-4002

Incoming
C0070019
3789
R

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

March 28, 2011

Attn: Daron Haddock
Permit Supervisor

RE: Andalex Resources, Inc., C/007/019
Tower (Centennial) Mine
2010 Annual Report

Dear Mr. Haddock:

Enclosed are two copies of the 2010 annual report.

If you have any questions or comments regarding this submittal please contact me at (435) 888-4017.

Sincerely,

David Shaver
Resident Agent

RECEIVED

MAR 29 2011

DIV. OF OIL, GAS & MINING

APPLICATION FOR PERMIT PROCESSING

Permit Change <input type="checkbox"/>	New Permit <input type="checkbox"/>	Renewal <input type="checkbox"/>	Transfer <input type="checkbox"/>	Exploration <input type="checkbox"/>	Bond Release <input type="checkbox"/>	Permit Number: 007/019
Title of Proposal: 2010 annual report						Mine: Centennial Project
						Permittee: Andalex Resources, Inc.

Description, include reason for application and timing required to implement.

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 specialist.

<input type="checkbox"/> Yes	<input 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 type="checkbox"/> No	2. Is the application submitted as a result of a Division Order?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input type="checkbox"/> Yes	<input 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 type="checkbox"/> No	9. Is the application submitted as a result of a Violation?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain:
<input 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 type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

Attach 3 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. (R645-301-123)

Signed - Name - Position - Date

Subscribed and sworn to before me this 22nd day of March, 2011.

Linda Kerns
 Notary Public
 My Commission Expires: March 27, 2013
 Attest: Utah STATE OF
Carbon COUNTY OF



Notary Public
LINDA KERNS
 Commission #578211
 My Commission Expires
 March 27, 2013
 State of Utah

Received by Oil, Gas & Mining

RECEIVED

MAR 29 2011

DIV. OF OIL, GAS & MINING

ASSIGNED TRACKING NUMBER

CHECK-SHEET

Submit by Email

Print Form

Reset Form

Annual Report

Date

3/22/11

This Annual Report shows information the Division has for your mine. Submit the completed document and any additional information identified in the Appendices to the Division by **March 31, 2011**. During a complete inspection an inspector will check and verify the information.

GENERAL INFORMATION

Company Name

Mine Name

Permit Number

Permit expiration Date

Operator Name

Phone Number

Mailing Address

Email

City State Zip Code

CERTIFIED REPORTS

DOGM File Location or Annual Report Location

Excess Spoil Piles

- Required
- Not Required

Refuse Piles

- Required
- Not Required

Impoundments

- Required
- Not Required

Other:

OPERATOR COMMENTS

The Centennial Mine Operation was inactive during the year 2010

Sediment Pond E was clean out in June, 2010

REVIEWER COMMENTS

- Met Requirements
- Did Not meet Requirements

Note: Indicated in the 2009 annual report, sediment pond E must be cleaned out by summer 2010

COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the MRP and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If additional written response is required, it should be filed as an attachment to this report.

Title: FIRE SUPPRESSION

Objective: Andalex will commit to prevent, control and suppress range forest and coal fires within the permit area.

Frequency: To the extent possible

Status: Ongoing

Reports: Report if range fires have occurred on the permit area during the year.

Citation: Volume 1 chapter 3 page 3-10 paragraph 5.

OPERATOR COMMENTS

There were no range fires or coal fires within the permit area during 2010

REVIEWER COMMENTS

Met Requirements

Did Not meet Requirements

Title: SUBSIDENCE MONITORING

Objective: Determine subsidence effects.

Frequency: Annually

Status: On going.

Reports: Provide annual subsidence monitoring data and report of impacts in Annual Report.

Citation: Vol. 1, Chapter 5, Pg. 5-150a, pg. 5-151

OPERATOR COMMENTS

Subsidence monitoring information is included

REVIEWER COMMENTS

Met Requirements

Did Not meet Requirements

[Redacted]

Title: Gas Vent Hole Status Update

Objective: To keep the Division apprised of the status of all wells drilled above the Aberdeen mine including any future venting of existing wells and / or development of non GVH pads and to ensure that reclamation of each disturbance is accomplished in a timely manner once the wells are no longer in use.

Frequency: Annually beginning in 2010

Status: Ongoing

Reports: Annual report item

Citation: Appendix X, page 1-2

OPERATOR COMMENTS

Even though the Tower Mine is inactive, all active GVH holes are under contract with Oso Energy for commercial methane capture. GVH site 1 and 5 have been reclaimed.

REVIEWER COMMENTS Met Requirements Did Not meet Requirements

[Redacted]

Title: SUBSIDENCE MITIGATION

Objective: Andalex has committed to compensation of livestock lost as a result of subsidence from underground mining activities. Andalex commits to mitigate all subsidence related damage to renewable resources including, but not limited to water, grazing and wildlife habitat including raptor nests.

Frequency: Annual Review

Status: Ongoing

Reports: Identify if any compensation was paid out or if mitigation was completed in annual report.

Citation: Volume 1 chapter 3 page 3-11, paragraph 2, pg 3-19 paragraph 1.

OPERATOR COMMENTS

There was no loss of livestock from subsidence, hence no compensation or mitigation.

REVIEWER COMMENTS Met Requirements Did Not meet Requirements

[Redacted]

The following commitments are not required for the current annual report year, but will be required by the permittee in the future as indicated by the Status item. These commitments are included for information only, and do not currently require action.

Title: CULTURAL RESOURCES

Objective: If during the course of mining operations, previously unidentified cultural resources are discovered, the permittee shall ensure that the site(s) is not disturbed and shall notify the Division of Oil, Gas, and Mining. The Division, after coordination with OSM, shall inform the permittee of necessary actions required. The permittee shall implement the mitigation measures required by the Division within the time frame specified by the Division.

Frequency: As needed

Status: Not required while mine is in cessation. Will be required during operations or reclamation activities.

Reports: NA

Citation: Permit Condition Sec. 16

OPERATOR COMMENTS (Optional)

Title: TAKE PERMITS

Objective: Andalex is committed to acquiring take permits prior to longwall mining in areas where golden eagle nests have been identified

Frequency: As needed

Status: None required to date

Reports: NA

Citation: Volume 1 chapter 3 page 3-11 paragraph 1

OPERATOR COMMENTS (Optional)

Title: SAGE GROUSE NEST SITE EVALUATION

Objective: Prior to development of the well site a Sage Grouse nest site evaluation will be conducted by a knowledgeable wildlife biologist. If nests are located an alternative drill site location will be determined

Frequency: Based on the need to drill additional de-gas wells

Status: Required in future if new de-gas wells are proposed.

Reports: Send with new application.

Citation: Appendix X, chapter 3, page 3-5, paragraph 1.

OPERATOR COMMENTS (Optional)

Title: RECLAMATION SUCCESS

Objective: Determine reclamation success

Frequency: Reclaimed areas will be monitored monthly for the first two growing seasons following reclamation.

Status: Check at reclamation.

Reports: When monitoring commences.

Citation: Volume 1 chapter 3 page 3-17 paragraph 5.

OPERATOR COMMENTS (Optional)

Title: RECLAMATION ENHANCEMENT MEASURES

Objective: Andalex will consult with the Division of Wildlife Resources, at the time of final reclamation, to determine exactly what reclamation designs, planting arrangements, and artificial structures would best enhance wildlife habitat.

Frequency: once

Status: Will be required prior to reclamation

Reports: Report reclamation plans to division for incorporation into MRP

Citation: Volume 1 chapter 3 page 3-23 paragraph 1.

OPERATOR COMMENTS (Optional)

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 an attachment to this report or currently on file with the Division.

Please List Attachments:

REVIEWER COMMENTS Met Requirements Did Not meet Requirements

LEGAL, FINANCIAL, COMPLIANCE AND RELATED INFORMATION

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. Please 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 change 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 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 an attachment to the report.

LEGAL/ FINANCIAL UPDATE

Included

DOGM File Location or Annual Report Location

REVIEWER COMMENTS

Met Requirements

Did Not meet Requirements

MAPS

Copies of mine maps, current and up-to-date through at least December 31, 2010, are to be provided to the Division as an attachment to this report in accordance with the requirements of R 645-301-525.240. The map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Mine maps are not considered confidential.

Map Name	Map Number	Included		Confidential	
		Yes	No	Yes	No
Annual subsidence map		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mine Map		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

REVIEWER COMMENTS Met Requirements Did Not meet Requirements

OTHER INFORMATION

Please provide any comments of further information to be included as part of the Annual Report. Any other attachments are to be provided as an attachment to this report. If information is submitted as a group rather than by individual mine, please identify each of the mine's data in the list below.

Please List Attachments:

REVIEWER COMMENTS

SEDIMENT POND CERTIFICATION

**Andalex Resources, Inc.
Centennial "Tower" Mine
2010 Annual Pond Certification Report**

POND: Sediment Basin B

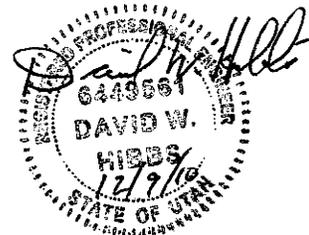
LOCATION: Tower Mine

IMPOUNDMENTS	
(1) Stability	All impoundment slopes are stable
(2) Structural Weakness/Erosion	There are no apparent structural problems, and no erosion is noted
(3) Potential Safety Hazards	There are no signs of any safety hazards
(4) Depth of Impounded Water	There was no water at time of inspection
(5) Existing Storage Capacity	0.2 ac-ft
(6) Monitoring Procedures	Quarterly inspections are performed
(7) Sediment Accumulation (Elevation)	Cell 2: 7079.7 (est)
(8) Sediment Cleanout Level (Elevation)	Cell 2: 7081.0
(9) Principle Spillway (Elevation)	Cell 1: 7077.0
(10) Emergency Spillway (Elevation)	Cell 1: 7078.0
(11) Existing Sediment Capacity (To Cleanout)	Approx 0.04 ac-ft (est)
GENERAL	
(12) Comments/Recommendations	Cells 3 and 4 were cleaned in September, 2008. No discharge was occurring at time of inspection

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 or under my direction, and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

David W. Hibbs
(Signature)
12/9/10
(Date)



**Andalex Resources, Inc.
Centennial "Tower" Mine
2010 Annual Pond Certification Report**

POND: Sediment Pond C

LOCATION: Tower Mine

IMPOUNDMENTS	
(1) Stability	Slopes stable
(2) Structural Weakness/Erosion	None noted
(3) Potential Safety Hazards	None noted
(4) Depth of Impounded Water	dry
(5) Existing Storage Capacity	0.3 ac-ft
(6) Monitoring Procedures	UPDES discharge, quarterly inspection

(7) Sediment Accumulation (Elevation)	7042.8' (est)
(8) Sediment Cleanout Level (Elevation)	7046.9
(9) Principle Spillway (Elevation)	7053.1
(10) Emergency Spillway (Elevation)	7055.0
(11) Existing Sediment Capacity (To Cleanout)	0.59 ac-ft (est)

GENERAL	
(12) Comments/Recommendations	No discharge was occurring at time of inspection. This pond was cleaned in October, 2006

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 or under my direction, and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

David W. Hibbs
(Signature)

12/9/10
(Date)



**Andalex Resources, Inc.
Centennial "Tower" Mine
2010 Annual Pond Certification Report**

POND: Sediment Pond E

LOCATION: Tower Mine

IMPOUNDMENTS	
(1) Stability	Slopes stable
(2) Structural Weakness/Erosion	None noted
(3) Potential Safety Hazards	None noted
(4) Depth of Impounded Water	dry
(5) Existing Storage Capacity	2.1 ac-ft
(6) Monitoring Procedures	UPDES discharge, quarterly inspection

(7) Sediment Accumulation (Elevation)	6939.0' (est)
(8) Sediment Cleanout Level (Elevation)	6946.5'
(9) Principle Spillway (Elevation)	6957.6
(10) Emergency Spillway (Elevation)	6958.6
(11) Existing Sediment Capacity (To Cleanout)	0.225 ac-ft

GENERAL	
(12) Comments/Recommendations	No discharge was occurring at time of inspection. This pond was cleaned in June 2010

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 or under my direction, and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.

David W. Hill

(Signature)

12/9/10

(Date)



SUBSIDENCE INFORMATION

TOWER RESOURCES, INC.
2010 RTK GPS SUBSIDENCE SURVEY

12/18/2010

STATION	NORTHING (FEET)	EASTING (FEET)	2003 ELEVATION	2004 ELEVATION	2005 ELEVATION	2006 ELEVATION	2007 ELEVATION	2008 ELEVATION	2009 ELEVATION	2010 ELEVATION	NOTES
Rebar on ridge	505,141.92	2,217,261.07	8,241.62	8,241.62	8,241.62	8,241.62	8,241.62	8,241.62	8,241.62	8,241.62	CONTROL
Yellow Rebar	507,073.59	2,223,128.18	8,534.90	8,534.90	8,534.90	8,534.90	8,534.90	8,534.90	8,534.90	8,534.90	CONTROL
S-10	507,824.28	2,217,196.61	8,594.59	8,594.59	8,594.59	8,594.59	8,594.59	8,594.59	8,594.59	8,594.59	CONTROL
S16	508,650.48	2,210,725.70	8,809.53	8,809.58	8,809.66	8,809.64	8,809.64	8,809.75	8,809.71	8,809.72	---
S17	508,190.63	2,213,802.51	8,624.48	8,624.50	8,624.51	8,624.46	8,624.43	8,624.43	8,624.44	8,624.43	---
99-1	508,942.12	2,215,063.90	8,572.35	8,572.32	8,572.26	8,572.17	8,572.13	8,572.14	8,572.12	8,572.14	---
99-2	509,023.29	2,218,624.20	8,551.12	8,551.01	8,551.03	8,550.95	8,551.01	8,550.98	8,550.96	8,551.00	---
S20	510,331.29	2,217,642.56	8,574.26	8,574.07	8,574.07	8,573.90	8,573.87	8,573.78	8,573.77	8,573.78	---
S21	510,581.75	2,214,956.87	8,489.90	8,490.02	8,489.80	8,489.37	8,489.22	8,489.35	8,489.39	8,489.48	---
S32	509,739.02	2,218,933.12	8,548.93	8,548.88	8,548.85	8,548.78	8,548.80	8,548.81	8,548.79	8,548.77	---
G-17	513,692.46	2,210,938.01	---	---	---	---	8,488.24	8,488.23	8,488.22	8,488.24	---
G-12	513,184.13	2,216,526.83	---	---	---	---	8,311.00	8,311.02	8,311.00	8,311.01	---
E1/4 36	513,118.57	2,214,340.00	---	---	---	---	8,280.66	8,280.65	8,280.61	8,280.61	Section cor.
S1/4 36	510,454.70	2,211,696.79	---	---	---	---	8,606.46	8,606.43	8,606.44	8,606.43	Section cor.
West Side Subsidence Line, Set in 2007											
1	509,702.03	2,211,401.87	---	---	---	---	8,702.64	8,702.59	8,702.60	8,702.61	W. side line
2	509,802.00	2,211,401.17	---	---	---	---	8,693.70	8,693.69	8,693.69	8,693.69	W. side line
3	509,905.87	2,211,391.89	---	---	---	---	8,684.35	8,684.35	8,684.36	8,684.34	W. side line
4	510,003.89	2,211,387.55	---	---	---	---	8,673.73	8,673.77	8,673.77	8,673.75	W. side line
5	510,100.53	2,211,381.55	---	---	---	---	8,663.92	8,663.94	8,663.94	8,663.92	W. side line
6	510,205.72	2,211,424.42	---	---	---	---	8,646.43	8,646.50	8,646.49	8,646.51	W. side line
7	510,305.04	2,211,417.01	---	---	---	---	8,635.74	8,635.70	8,635.68	8,635.70	W. side line
8	510,401.40	2,211,415.19	---	---	---	---	8,625.82	8,625.81	8,625.80	8,625.81	W. side line
9	510,505.66	2,211,402.20	---	---	---	---	8,614.38	8,614.39	8,614.39	8,614.38	W. side line
10	510,608.91	2,211,401.63	---	---	---	---	8,603.45	8,603.45	8,603.46	8,603.45	W. side line
11	510,709.16	2,211,393.00	---	---	---	---	8,596.31	8,596.29	8,596.29	8,596.30	W. side line
12	510,798.94	2,211,380.99	---	---	---	---	8,588.76	8,588.74	8,588.72	8,588.72	W. side line
13	510,898.92	2,211,375.38	---	---	---	---	8,578.09	8,576.10	8,576.09	8,576.09	W. side line
14	511,010.59	2,211,370.03	---	---	---	---	8,561.49	8,561.50	8,561.47	8,561.49	W. side line
15	511,112.19	2,211,366.93	---	---	---	---	8,548.90	8,548.83	8,548.81	8,548.81	W. side line
16	511,228.34	2,211,359.45	---	---	---	---	8,543.69	8,543.65	8,543.61	8,543.63	W. side line
17	511,338.04	2,211,366.01	---	---	---	---	8,542.64	8,542.59	8,542.57	8,542.60	W. side line
18	511,437.15	2,211,398.56	---	---	---	---	8,535.12	8,535.08	8,535.06	8,535.10	W. side line
19	511,553.98	2,211,419.93	---	---	---	---	8,526.12	8,526.05	8,526.02	8,526.04	W. side line
20	511,693.22	2,211,455.79	---	---	---	---	8,517.15	8,517.08	8,517.07	8,517.06	W. side line
21	511,807.12	2,211,469.85	---	---	---	---	8,512.56	8,512.50	8,512.49	8,512.47	W. side line
22	511,915.39	2,211,476.19	---	---	---	---	8,510.95	8,510.89	8,510.90	8,510.87	W. side line
23	512,092.42	2,211,408.58	---	---	---	---	8,505.00	8,504.98	8,504.98	8,504.93	W. side line
24	512,192.21	2,211,384.74	---	---	---	---	8,495.80	8,495.72	8,495.71	8,495.71	W. side line
25	512,292.93	2,211,375.13	---	---	---	---	8,483.93	8,483.94	8,483.94	8,483.94	W. side line
26	512,408.97	2,211,358.60	---	---	---	---	8,471.08	8,471.04	8,471.05	8,471.04	W. side line
27	512,515.37	2,211,308.35	---	---	---	---	8,462.95	8,462.90	8,462.89	8,462.91	W. side line
28	512,650.10	2,211,333.27	---	---	---	---	8,449.75	8,449.72	8,449.72	8,449.73	W. side line
29	512,873.07	2,211,295.54	---	---	---	---	8,430.09	8,430.05	8,430.03	8,430.06	W. side line
30	512,993.25	2,211,287.69	---	---	---	---	8,428.71	8,428.68	8,428.69	8,428.74	W. side line
31	513,091.16	2,211,285.96	---	---	---	---	8,427.18	8,427.16	8,427.15	8,427.18	W. side line
32	513,217.13	2,211,297.36	---	---	---	---	8,423.25	8,423.21	8,423.20	8,423.24	W. side line
33	513,353.03	2,211,313.87	---	---	---	---	8,425.43	8,425.38	8,425.38	8,425.40	W. side line
34	513,491.93	2,211,317.92	---	---	---	---	8,407.84	8,407.78	8,407.79	8,407.80	W. side line
35	513,607.49	2,211,335.06	---	---	---	---	8,406.22	8,406.17	8,406.17	8,406.18	W. side line
36	513,719.38	2,211,366.06	---	---	---	---	8,403.71	8,403.68	8,403.66	8,403.69	W. side line
37	513,810.83	2,211,402.93	---	---	---	---	8,400.29	8,400.24	8,400.26	8,400.26	W. side line
38	513,932.97	2,211,450.36	---	---	---	---	8,396.17	8,396.14	8,396.14	8,396.15	W. side line
39	514,038.94	2,211,462.97	---	---	---	---	8,394.29	8,394.25	8,394.24	8,394.26	W. side line

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



TOWER RESOURCES, INC.
2010 DIFFERENTIAL LEVEL SUBSIDENCE SURVEY

12/18/2010

STATION	NORTHING (FEET)	EASTING (FEET)	8/22/2005 ELEVATION	10/28/2006 ELEVATION	10/10/2007 ELEVATION	10/30/2008 ELEVATION	10/26/2009 ELEVATION	10/21/2010 ELEVATION	NOTES
Rebar on ridge	505,141.92	2,217,261.07	8,241.62	8,241.62	8,241.62	8,241.62	8,241.62	8,241.62	CONTROL
Yellow Rebar	507,073.59	2,223,128.18	8,534.90	8,534.90	8,534.90	8,534.90	8,534.90	8,534.90	CONTROL
S-10	507,824.28	2,217,196.61	8,594.59	8,594.59	8,594.59	8,594.59	8,594.59	8,594.59	CONTROL
1	511,963.35	2,216,981.20	8,509.59	8,509.63	8,509.51	8,509.33	8,509.30	8,509.29	1/2" rebar w/cap
2	512,062.12	2,216,965.01	8,503.78	8,503.80	8,503.70	8,503.54	8,503.49	8,503.47	1/2" rebar w/cap
3	512,165.33	2,216,978.66	8,496.82	8,496.84	8,496.74	8,496.58	8,496.57	8,496.55	1/2" rebar w/cap
4	512,263.52	2,217,010.76	8,486.13	8,486.14	8,486.04	8,485.87	8,485.90	8,485.89	1/2" rebar w/cap
5	512,367.50	2,217,038.78	8,473.91	8,473.89	8,473.81	8,473.67	8,473.69	8,473.67	1/2" rebar w/cap
6	512,490.58	2,217,143.42	8,461.52	8,461.51	Destroyed	Destroyed	Destroyed	Destroyed	1/2" rebar w/cap
7	512,589.90	2,217,213.86	8,453.25	8,453.25	8,453.19	8,453.09	8,453.12	8,453.11	1/2" rebar w/cap
8	512,692.18	2,217,262.33	8,445.26	8,445.25	8,445.23	8,445.16	8,445.17	8,445.17	1/2" rebar w/cap
9	512,800.40	2,217,300.21	8,436.64	8,436.66	8,436.64	8,436.67	8,436.66	8,436.65	1/2" rebar w/cap
10	512,891.71	2,217,336.16	8,430.74	8,430.79	8,430.77	8,430.77	8,430.76	8,430.77	1/2" rebar w/cap
11	513,000.47	2,217,368.65	8,424.38	8,424.43	8,424.41	8,424.40	8,424.40	8,424.41	1/2" rebar w/cap
12	513,103.93	2,217,402.82	8,416.62	8,416.64	8,416.67	8,416.69	8,416.68	8,416.67	1/2" rebar w/cap
13	513,196.61	2,217,451.14	8,408.31	8,408.36	8,408.37	8,408.36	8,408.36	8,408.37	1/2" rebar w/cap
14	513,295.64	2,217,494.35	8,393.48	8,393.50	8,393.50	Destroyed	Destroyed	Destroyed	1/2" rebar w/cap
15	513,371.68	2,217,541.37	8,380.48	8,380.51	8,380.50	8,380.51	8,380.53	8,380.52	1/2" rebar w/cap
16	513,462.85	2,217,588.68	8,368.30	8,368.34	8,368.36	8,368.35	8,368.35	8,368.34	1/2" rebar w/cap
17	513,556.68	2,217,641.91	8,360.76	8,360.76	8,360.77	8,360.75	8,360.74	8,360.74	1/2" rebar w/cap
18	513,635.51	2,217,689.80	8,360.47	8,360.47	8,360.47	8,360.46	8,360.44	8,360.46	1/2" rebar w/cap
19	513,711.41	2,217,742.70	8,356.49	8,356.52	8,356.51	8,356.51	8,356.49	8,356.51	1/2" rebar w/cap
20	513,820.43	2,217,768.54	8,346.15	8,346.17	8,346.16	8,346.17	8,346.15	8,346.14	1/2" rebar w/cap
21	513,912.62	2,217,806.85	8,331.93	8,331.92	8,331.92	8,331.93	8,331.90	8,331.92	1/2" rebar w/cap
22	513,997.37	2,217,848.12	8,315.25	8,315.22	8,315.23	8,315.22	8,315.20	8,315.21	1/2" rebar w/cap
23	514,100	2,217,900	8,298.55	8,298.52	8,298.53	8,298.52	8,298.49	8,298.49	1/2" rebar w/cap
24	514,250	2,218,000	8,286.01	8,285.97	8,285.97	8,285.98	8,285.95	8,285.97	1/2" rebar w/cap
25	514,400	2,218,150	8,273.43	8,273.39	8,273.40	8,273.40	8,273.37	8,273.38	1/2" rebar w/cap
26	514,500	2,218,200	8,256.00	8,255.95	8,255.96	8,255.97	8,255.95	8,255.95	1/2" rebar w/cap

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

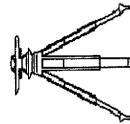


TOWER RESOURCES, INC.
2010 STATIC GPS SUBSIDENCE SURVEY

12/18/2010

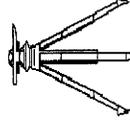
STATION	NORTHING (FEET)	EASTING (FEET)	2005 ELEV. (FEET)	2006 ELEV. (FEET)	2007 ELEV. (FEET)	2008 ELEV. (FEET)	2009 ELEV. (FEET)	2010 ELEV. (FEET)	NOTES
S10	507,824.28	2,217,196.61	8,594.72	8,594.75	8,594.75	8,594.74	8,594.75	8,594.75	1/2" alum. Cap
S20	510,331.38	2,217,642.84	8,573.89	8,573.72	8,573.70	8,573.71	8,573.71	8,573.70	5/8" rebar w/cap
SEC 36-31	513,118.67	2,214,339.99	8,280.12	8,280.01	8,279.91	8,279.92	8,279.91	8,279.92	1923 brass cap
SEC 36-1-31	510,465.01	2,214,345.45	8,459.10	8,458.70	8,458.52	8,458.50	8,458.51	8,458.52	1923 brass cap
SEC 36-1	510,454.53	2,211,696.78	8,606.30	8,606.12	8,605.98	8,605.97	8,605.97	8,605.96	1923 brass cap

LOCAL COORDINATE SYSTEM



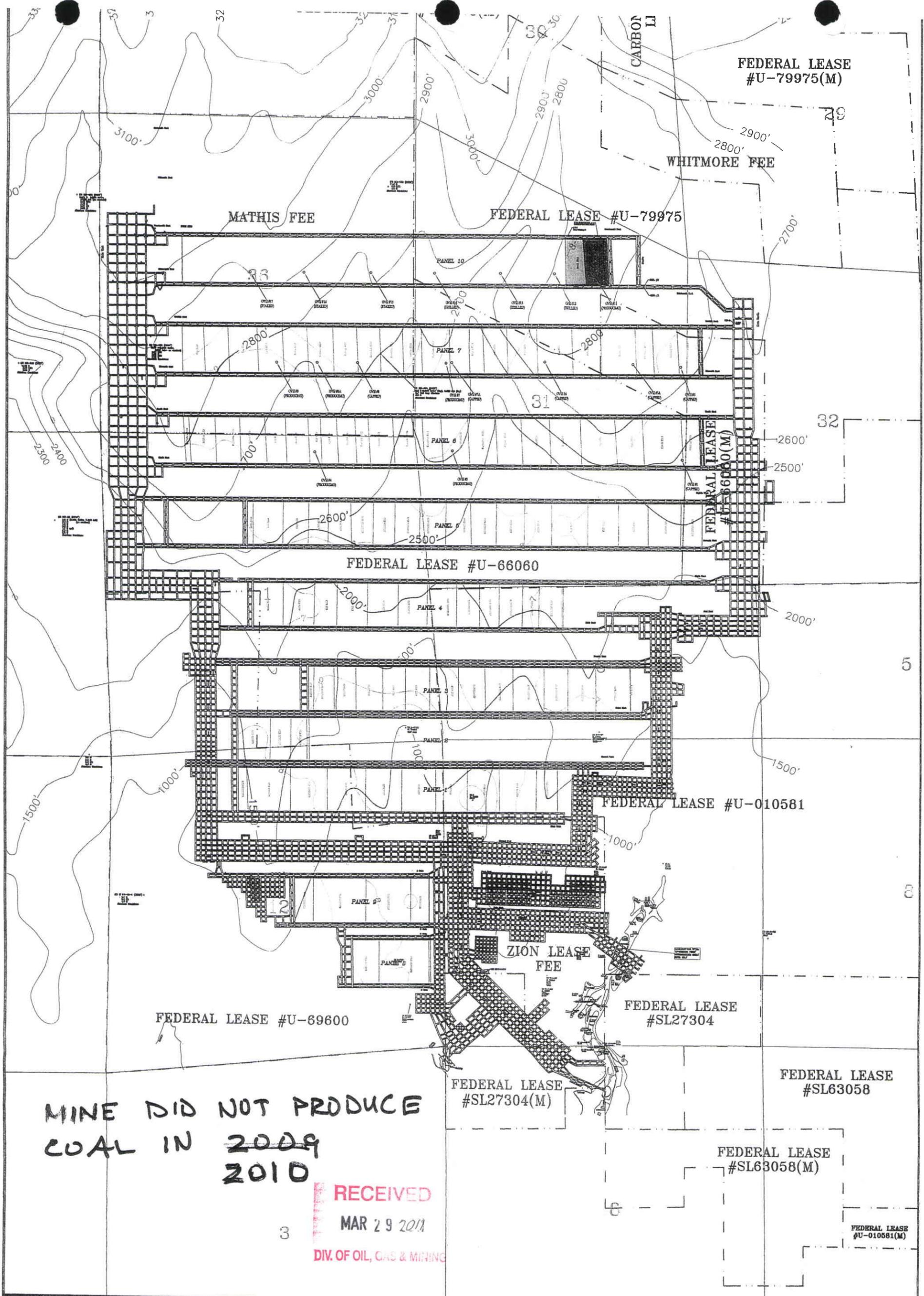
WARE SURVEYING & ENGINEERING

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



MINE MAP

G:\Current Drawings\Volume\Tower Mine\2008\Tower 2008 Year End.dwg, Tower 2008 Year End 11x17, 5/5/2009 11:36:16 AM



I CERTIFY THIS MAP TO BE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

DAVID W. HIBBS
 #6449561
 David W. Hibbs
 05/2009
 PROFESSIONAL ENGINEER

David W. Hibbs 5/6/09
 DAVID W. HIBBS, P.E. NO. 6449561-2202

MINE PRODUCTION LEGEND

- LONGWALL GOB AREAS
- JANUARY 2008 PRODUCTION AREA
- FEBRUARY 2008 PRODUCTION AREA
- MARCH 2008 PRODUCTION AREA

NOTE:
 MINE DID NOT PRODUCE COAL FROM APRIL THROUGH DECEMBER 2008.

2008 MINE PRODUCTION AREAS

ANDALEX RESOURCES
ABERDEEN MINE
 6750 AIRPORT ROAD
 PRICE, UTAH 84501

MSHA MINE ID #42-02028

DRAWN BY	PJ	SCALE	1" = 1500'
APPROVED BY	DS	DATE	5 MAY 2009
SHEET			1 of 1