From: Karl Houskeeper
To: dshaver@coalsource.com
CC: ANGELANANCE@utah.gov; DARONHADDOCK@utah.gov; SUZANNESTEAB@utah.gov
Date: 3/28/2011 4:06 PM
Subject: March 2011 Inspection Reports
Attachments: Centennial March 2011.pdf; Crandall March 2011.pdf

Dave,

Attached are the March 2011 inspection reports for Crandall and Centennial.

Thanks,
Karl

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

Inspection Report

Permit Number:	**C0070019**
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, March 09, 2011
Start Date/Time:	3/9/2011 8:00:00 AM
End Date/Time:	3/9/2011 12:00:00 PM
Last Inspection:	Tuesday, February 15, 2011

Inspector: Karl Houskeeper,

Weather: Clear, Temp. 37 Deg. F.

InspectionID Report Number: 2672

Accepted by: jhelfric
3/17/2011

Representatives Present During the Inspection:	
Company	Dana Marrelli
OGM	Karl Houskeeper

Permitee: **ANDALEX RESOURCES INC**
Operator: **ANDALEX RESOURCES INC**
Site: **CENTENNIAL MINE**
Address: **PO BOX 910, EAST CARBON UT 84520-0910**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

6,528.83	**Total Permitted**
47.19	**Total Disturbed**
	Phase I
	Phase II
	Phase III

Mineral Ownership

- [x] Federal
- [x] State
- [ ] County
- [x] Fee
- [ ] Other

Types of Operations

- [x] Underground
- [ ] Surface
- [ ] Loadout
- [ ] Processing
- [ ] Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Checked in at UtahAmerican main office located at West Ridge Mine. Dana Marrelli provided the information for the paperwork review. Went to the Centennial Mine for an inspection unattended. Checked in at guard shack at Centennial Mine upon arrival.

Inspector's Signature: Karl R. Houskeeper

Karl Houskeeper,
Inspector ID Number: 49

Date Wednesday, March 09, 2011

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

UTAH DNR OIL, GAS & MINING

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. *Substantiate the elements on this inspection by checking the appropriate performance standard.*
   a. *For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.*
   b. *For PARTIAL inspections check only the elements evaluated.*
2. *Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.*
3. *Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.*
4. *Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.*

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	✔		✔	
2. Signs and Markers	✔		✔	
3. Topsoil	✔			
4.a Hydrologic Balance: Diversions	✔			
4.b Hydrologic Balance: Sediment Ponds and Impoundments	✔		✔	
4.c Hydrologic Balance: Other Sediment Control Measures	✔			
4.d Hydrologic Balance: Water Monitoring	✔			
4.e Hydrologic Balance: Effluent Limitations	✔		✔	
5. Explosives	✔	✔		
6. Disposal of Excess Spoil, Fills, Benches	✔	✔		
7. Coal Mine Waste, Refuse Piles, Impoundments	✔	✔		
8. Noncoal Waste	✔			
9. Protection of Fish, Wildlife and Related Environmental Issues	✔			
10. Slides and Other Damage	✔			
11. Contemporaneous Reclamation	✔			
12. Backfilling And Grading	✔			
13. Revegetation	✔			
14. Subsidence Control	✔			
15. Cessation of Operations	✔			
16.a Roads: Construction, Maintenance, Surfacing	✔			
16.b Roads: Drainage Controls	✔			
17. Other Transportation Facilities	✔			
18. Support Facilities, Utility Installations	✔			
19. AVS Check	✔			
20. Air Quality Permit	✔		✔	
21. Bonding and Insurance	✔			
22. Other	✔			

1. Permits, Change, Transfer, Renewal, Sale

The current DOGM permit was issued effective 01/04/2007 and expires on 01/05/2012.

-Certificate of Insurance issued 06/01/2010 and terminates 06/01/2011.
-Reclamation agreement dated and signed February 1990 (amended January 2001).
-UPDES permit UT0025674 effective 12/01/2006 and expires midnight 11/30/2011.
-Air Quality permit DAQE-997-96, issued October 25, 1996.
-SPCC Plan dated 11/2/2009.

2. Signs and Markers

The mine permit ID signs are located at the contact points of public access to the permit area.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Forth quarter 2010 sediment pond inspections were conducted on December 9, 2010.

4.e Hydrologic Balance: Effluent Limitations

Reviewed the discharge monitoring reports for the month of January 2011. Outfalls 00, 002, 003 and 004 did not discharge.

20. Air Quality Permit

The air quality permit DAQE-997-96 referenced above was issued on October 25, 1996 and remains in effect.