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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

November 7, 2014

Jay Marshall, Resident Agent  
Andalex Resources Inc.  
P.O. Box 910  
East Carbon, Utah 84520-0910

Subject: Midterm Completion Response, Andalex Resources, Inc., Centennial Mine, C/007/0019, Task ID #4683

Dear Mr. Marshall:

The Division has reviewed your Midterm Completion Response application. The Division has identified deficiencies that must be addressed before final approval can be granted. The deficiencies are listed as an attachment to this letter.

The deficiencies authors are identified so that your staff can communicate directly with that individual should questions arise. The application as submitted is denied. Please resubmit the entire application by no later than December 8, 2014.

If you have any questions, please call me at (801) 538-5325.

Sincerely,

Daron R. Haddock  
Coal Program Manager

DRH/sqs  
O:\007019.CEN\WG4683\Deficiencies.docm





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## Technical Analysis and Findings

### Utah Coal Regulatory Program

**PID:** C0070019  
**TaskID:** 4683  
**Mine Name:** CENTENNIAL MINE  
**Title:** MIDTERM COMPLETION RESPONSE

#### Reclamation Plan

##### Contemporaneous Reclamation General

###### *Deficiencies Details:*

R645-301-244.200 and R645-301-357.331, Sites 1 and 5 were fenced during operations and are still fenced. The permittee has indicated that sites 12, 13, 14, 15, 16 and 17 were fenced in 2014. Section 333.300 and Section 341 of MRP Appendix X describes fencing of all well sites during operations as well as reclamation. All sites must be fenced to promote vegetation growth and allow reclamation to succeed. i.e. GVH Sites 3, 4, 5A, 6, 7, 7A, 8, 8A, 9 reclaimed area, and 11 need fencing.

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##### Bonding Terms and Conditions Liability Insurance

###### *Deficiencies Details:*

In accordance with R645-301-840.300 and -840.400, only sites GVH 1 and GVH 5 can be considered for bond release. Unless UEI changes the post mining land use in the permit and Blue Tip permits the remaining locations under the Oil and Gas program, UEI retains full responsibility for reclamation of the remaining structures (vertical stand pipes, valves, collection pipes, solar arrays) and the bond clock can not begin until removal of these structures and backfilling and grading is completed at the affected sites (GVH-3, 4, 5A, 6, 7, 7A, 8, 8A, 9, 11,12, GVH-13, GVH-14, GVH-15, GVH-16, and GVH-17).

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