



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 1, 2017

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

Subject: 2016 Annual Report Review Completion, Centennial Mine, C/007/0019, Task #5403

Dear Karin:

The Division staff has completed the review of the 2016 Annual Report. Enclosed is a copy of the review with each reviewer's comments.

Thank you for your diligence in completing the Annual Report. If you have any questions, please call me at (801) 538-5325.

Sincerely,

Daron R. Haddock
Coal Program Manager

DRH/sqs
Enclosure
O:\007019.CEN\WG5403 ANNUAL RPT\ReviewCompletionLetter.doc



Print Form

Submit by Email

Reset Form

Annual Report

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 the date specified in the cover letter. During a complete inspection an inspector will check and verify the information.

GENERAL INFORMATION

Company Name	Andalex Resources INC	Mine Name	Centennial Mine
Permit Number	C/007/0019	Permit expiration Date	1-4-22
Operator Name	Andalex Resources, Inc.	Phone Number	+1 (435) 888-4000
Mailing Address	PO Box 910	Email	kmadsen@coalsource.com
City	East Carbon		
State	UT	Zip Code	84520

DOG M File Location or Annual Report Location

Excess Spoil Piles

- Required
 Not Required

Refuse Piles

- Required
 Not Required

Impoundments

- Required
 Not Required

Other:

Annual pond certifications included.

OPERATOR COMMENTS

Tower Mine was inactive during 2016.

REVIEWER COMMENTS

- Met Requirements Did Not meet Requirements

COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the Mining and Reclamation Plan 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: SUBSIDENCE MONITORING

Objective: Determine subsidence effects from mining.

Frequency: Annually

Status: Ongoing

Reports: Provide annual subsidence monitoring data **and MAP** and report of impacts in annual report.

Citation: Volume 1, Chapter 5, Page 5-150a, 5-151.

Operator Comments

Subsidence information was completed by Ware Surveying and is included in this submittal.

Reviewer Comments Met Requirements Did Not Meet Requirements

2016 Subsidence monitoring data was compiled by Ware Engineering. Data from 53 monitoring points was collected and no subsidence was detected. JE

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. "Provide a spreadsheet showing the progress of reclamation at each drill pad, indicating the date of interim or final grading; the date of seeding and mulching; stating whether the well is still producing; stating whether there is Blue Tip equipment (solar arrays, valves) still on site.

Please comment on the status of plugging wells and removal of Blue Tip Energy equipment from these sites.

The landowner requested that final reclamation include construction of water bars on the road down to GVH 13. Please comment on the status of water bar construction.

App. X Section 341.200 states that wood fiber mulch is to be applied on top of the seed with hydroseeding equipment at the rate of 2,000 lbs/ac and anchored with a tackifier. Where work differed from this plan, please comment on the type and rate of mulch applied to each site.

Roads constructed to GVH 4, GVH 5A, GVH 6, GVh 8, GVH 8A, GVH 11, GVH 12, GVH 16, and GVH 17 will be reclaimed as shown on Figure 1-1. Please comment on the status of road reclamation.

Frequency: Annually

Status: Ongoing

Reports: Annual report item

Citation: Appendix X, page 1-2

Operator Comments

The GVH Report is included. No changes in 2016. Water bar construction and all road reclamation will be completed upon final reclamation of the GVH Pads. No road reclamation was done in 2016.

Reviewer Comments Met Requirements Did Not Meet Requirements

Reclamation information regarding specific GVH wells, pads and associated roads was included. JE



FUTURE COMMITMENTS AND CONDITIONS

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" field. These commitments are included for information only, and do not currently require action. If you feel that the commitment is no longer relevant or needs to be revised, please contact the Division.

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 application

Citation: Appendix X, Chapter 3, page 3-5, paragraph 1

Title: RECLAMATION SUCCESS

Objective: Determine reclamation success.

Frequency: Reclaimed areas will be qualitatively monitored monthly for the first two growing seasons following reclamation. Quantitative veg analysis will be completed in years 5, 9 and 10. In year 7, a consultation with DOGM will determine if an additional inventory might be necessary.

Status: Check at reclamation.

Reports: When monitoring commences.

Citation: Appendix X, Chapter 3, page 3-17.

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 final reclamation

Reports: Report reclamation plans to Division for incorporation into MRP

Citation: Volume 1, Chapter 3, page 3-23, paragraph 1

Title: SEALING OF WELLS

Objective: Permanent closure of wells using measures required by the Division to prevent access and contamination of groundwater.

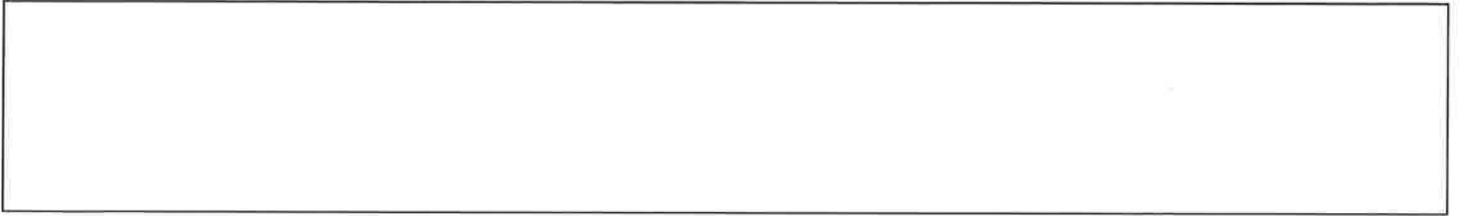
Frequency: When wells are no longer needed.

Status: Throughout mining

Reports: Report in Annual report the year when wells are completed.

Citation: Gob Gas Vent Wells: Appendix X R645-301.542.700 All other exploration and water wells: MRP - 301.529.100 301.755

OPERATOR COMMENTS (Optional)**REVIEWER COMMENTS:**



Text

REPORTING OF OTHER TECHNICAL DATA

Please list other technical data or information that was not included in the form above, but is required under the approved plan, which must be periodically submitted to the Division.

Please list attachments:

Reviewer Comments

The annual report meets the State of Utah R645 requirements for Impoundments.

The annual report provides impoundment inspections for all sediment ponds at the Centennial mine. The sediment ponds were inspected on 12/7/2016 by Karin Madsen and certified by David Hibbs P.E. The sediment elevations within the ponds are below the 60% cleanout level and all the embankments were in good order.

MAPS

Copies of mine maps, current and up-to-date, are to be provided to the Division as an attachment to this report in accordance with the requirements of R645-301-525.240. 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
mine map		<input checked="" 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"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reviewer Comments Met Requirements Did Not Meet Requirements

Detailed mine maps are included in the report. No coal was produced in 2016. JE