



Suzanne Steab <suzannesteab@utah.gov>

2017 Annual Report Review Completion

Suzanne Steab <suzannesteab@utah.gov>
To: "Madsen, Karin" <kmadsen@coalsource.com>
Cc: Justin Eatchel <jeatchel@utah.gov>

Tue, Jun 12, 2018 at 11:24 AM

The Division staff completed the review of the 2017 Annual Report for the Centennial Mine. Attached is a copy of the review with comments.

No hard copy will follow.

Thank you for your diligence in completing the Annual Report.

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 **Centennial.pdf**
42K

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 |

DOGM File Location or Annual Report Location

| | | |
|--------------------|---|--------------------------------------|
| Excess Spoil Piles | <input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required | |
| Refuse Piles | <input type="checkbox"/> Required <input checked="" type="checkbox"/> Not Required | |
| Impoundments | <input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required | Annual Pond certifications included. |
| Other: | | |

OPERATOR COMMENTS

Tower Mine was inactive during 2017

REVIEWER COMMENTS Met Requirements Did Not meet Requirements

4/13/18, PB. Notice of temporary cessation was received in April 2008 (Incoming document 0008.pdf). Annual pond certifications for Pond B (cells 1 on the South through cell 4 to the North), Pond C, and Pond E (at the mine entrance) were completed on 12/27/2017 and are included with this report. The report was reviewed during a complete inspection in March 8, 2018.

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

2017 Subsidence monitoring data compiled by Ware Engineering is included in the annual report. Data from 65 monitoring points was collected and less than one inch of vertical offset 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.

Frequency: Annually

Status: Ongoing

Reports: Annual report item

Citation: Appendix X, page 1-2

OPERATOR COMMENTS

The GVH Report is included. No major changes made in 2017. Water bar construction and all road reclamation will be completed upon final reclamation of the GVH pads. No road reclamation was done in 2017.

REVIEWER COMMENTS

Met Requirements

Did Not Meet Requirements

A report detailing the status of 28 gob vent holes is included. Some holes were originally intended for development, but plans were later discontinued. Other sites have been partially reclaimed and are awaiting Phase II bond release. Five holes (GVH #3, 7, 8A, 9 & 11) are reported to be in production, or capable of production by OSO/Blue Tip/Liberty Pioneer Energy. JE

4/13/18, PB:

The GVH report states the following GVH sites are eligible for Phase 2 bond release: GVH sites 1, 5, 5A, 12, and 14. The Division has noted that GVH 5A has a leaking well-head. As such, the Division does not agree that GVH 5A is eligible for phase II bond release. Further work must be done to cut off the pipe below ground level and plug the well before Phase 1 or 2 bond release. GVH 5A was one of several sites treated for noxious weeds in 2017.

The GVH report states that the following GVH sites will be eligible for Phase I bond release after the vertical culvert is removed: GVH sites 13, 15, 16, 17.



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: 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

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

