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Lucy
4/07/033 *AK*

April 4, 2007

Pamela Grubaugh-Littig and Wayne Hedberg
Permit Supervisors
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED
APR 09 2007
DIV. OF OIL, GAS & MINING

Re: Request for Extension
Division Order, Task 2410
Wildcat Loadout
C/007/033
Carbon County, Utah

Dear Ms. Littig and Mr Hedberg:

We have been working diligently to comply with the April 5 submittal date for responding to the Division Order Task 2410, (Wildcat Design Drawings and Specifications, also known as the wind-blown fines issue). Because of the following circumstances we are not quite ready to make a submittal at this time.

1) Over the past month we have had numerous meetings with Priscilla Burton and Pete Hess to discuss the conceptual plans and iron out the details of the proposal. In fact, these meetings and discussions are still on-going as the details of the plan become more focused. It is our hope that by involving DOGM personnel in the planning process early-on we can prepare a higher quality submittal that will be easier for DOGM to review and approve.

2) In addition to addressing the Division Order we are also proposing to enlarge our coal stockpile area by about three acres for operational purposes. Many of the design criteria of the two proposals (addressing wind-blown fines and enlarging the stockpile area) are closely intertwined, such as topsoil protection, removal and storage, drainage control, and sed pond design.

3) In our discussions with BLM regarding plans to add additional stockpile area they decided that, even though it would not involve the newly acquired ROW expansion area, they would still need to make a determination of "Non-Substantial Deviation" from the terms and conditions of the right-of-way grant. It was not until March 23 that BLM approved this deviation. At that time they also modified the ROW grant to correct a legal description discrepancy.

4) We have been instructed by our management to include an area (approx. six acres) within our ROW as a material/equipment storage area. This area would be contiguous to, and part of, our existing operational area. Its inclusion affects the overall mining and reclamation plan parameters such as topsoil storage and sedimentation and drainage control. Because it would be an integral part of the plan we feel (and assume that DOGM agrees) that it would be better to include this addition in a complete package at this time for Division review, rather than piecemealing the approval process. In my discussions with Ms. Burton we have determined that by salvaging extra topsoil from this area we will be able to nearly eliminate the present topsoil deficit that exists under the current plan. This is another way in which the separate components of the pending proposal tie together in an overall plan. Recently, Ms. Burton assisted us in preparing a topsoil evaluation of this area, and we are currently awaiting the analysis results from the lab.

5) The BLM has determined that a portion of the new ROW area had insufficient NEPA clearance, namely archeological. Therefore, over the past week-end we commissioned Senco-Phenix to conduct an additional on-the-ground cultural survey, and the report was submitted to BLM earlier this week in order for them to conclude their Determination of NEPA Adequacy.

6) Due to the plans for stockpile expansion we will have to locate a new vegetation reference area. We recently had Patrick Collins (Mount Nebo Scientific) do a site survey to locate a suitable representative area. He is preparing do the detailed site inventory but must wait until later this month (growing season) to meet the identification protocol.

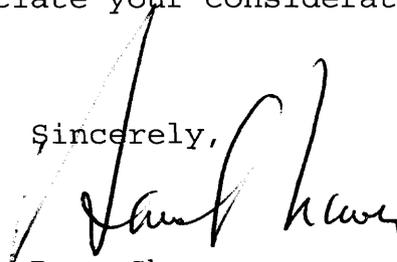
7) The Wildcat permit is more than twenty years old. All of the maps are hand-drawn on mylars, Many of these old mylars have been altered so many times that their accuracy is in question. In anticipation of upgrading the permit we recently had the area

DOGM
April 4, 2007
page 3

mapped on an electronic format. We are now converting many of the MRP maps to AutoCad, essentially starting from scratch. Due to the magnitude of the changes required we have determined that most of the existing maps and drawings in the permit will have to be redone electronically. We are presently working full-time to make these changes, but the task has been more time-consuming as small changes ripple through the permit necessitating more and more map changes.

Based on the situations cited above we hereby request an extension of time to respond to the Division Order, Task #2410. We realize that several extensions have been granted in the past, which we very much appreciate. This particular submittal has grown in complexity over the past several months, but we feel we have made considerable progress in defining the scope of the amendment, getting the necessary BLM procedural pre-requisites met, reaching a consensus with DOGM staff on the conceptual details of the proposed amendment, getting the baseline studies together, and making significant strides in re-formatting the permit electronically. In other words the hard part (the preliminaries) have now been taken care of and we are now down to the mechanical part of making map changes and text change (which we presently working on). Our sense of urgency to complete the amendment in a timely manner is based not only on a desire to address the Division Order to your satisfaction, but also to accommodate the new operational requirements that have been directed by our management. With some additional time granted by the Division, it is my intent to prepare a single quality submittal that addresses all the current Wildcat issues at once, and which will be much easier for the Division to review. Please be assured that this is our most pressing permitting matter and that all efforts are being made to complete the submittal as soon as possible. As always, we appreciate your consideration of this request.

Sincerely,



Dave Shaver
Resident Agent

cc: Priscilla Burton
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