



GARY R. HERBERT  
Governor

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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

Outgoing  
C0070033  
#3787  
R

April 12, 2011

David Shaver  
Andalex Resources, Inc.  
P.O. Box 910  
East Carbon, Utah 84520-0910

Subject: 2010 Annual Report Review, Wildcat Loadout, C/007/0033, Task ID #3787, Outgoing File

Dear Mr. Shaver:

The Division staff has completed the 2010 Annual Report Review. Enclosed is a copy of the review for Wildcat Loadout, C/007/0033 completed on April 12, 2011.

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  
Permit Supervisor

DRH/sqs  
Enclosure  
O:\AnnualReport\2010 Annual Reports\reviewletter.doc

# Annual Report

Date 4/12/11

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 **March 31, 2011**. During a complete inspection an inspector will check and verify the information.

## GENERAL INFORMATION

Company Name	<span style="border: 1px solid black; padding: 2px;">Andalex Resources, Inc.</span>	Mine Name	<span style="border: 1px solid black; padding: 2px;">Wildcat Loadout</span>		
Permit Number	<span style="border: 1px solid black; padding: 2px;">C/007/0033</span>	Permit expiration Date	<span style="border: 1px solid black; padding: 2px;">2014-05-05</span>		
Operator Name	<span style="border: 1px solid black; padding: 2px;">Andalex Resources, Inc.</span>	Phone Number	<span style="border: 1px solid black; padding: 2px;">+1 (435) 888-4017</span>		
Mailing Address	<span style="border: 1px solid black; padding: 2px;">P.O. Box 910</span>	Email	<span style="border: 1px solid black; padding: 2px;">dshaver@coalsource.com</span>		
City	<span style="border: 1px solid black; padding: 2px;">East Carbon</span>	State	<span style="border: 1px solid black; padding: 2px;">UT</span>	Zip Code	<span style="border: 1px solid black; padding: 2px;">84520</span>

## CERTIFIED REPORTS

### DOGM File Location or Annual Report Location

Excess Spoil Piles	<input type="checkbox"/> Required	<div style="border: 1px solid black; height: 20px; width: 100%;"></div>
	<input type="checkbox"/> Not Required	
Refuse Piles	<input checked="" type="checkbox"/> Required	<div style="border: 1px solid black; padding: 2px;">Refuse Pile Certification (included)</div>
	<input type="checkbox"/> Not Required	
Impoundments	<input checked="" type="checkbox"/> Required	<div style="border: 1px solid black; padding: 2px;">Sediment Pond Certification (included)</div>
	<input type="checkbox"/> Not Required	
Other:	<div style="border: 1px solid black; width: 150px; height: 20px;"></div>	<div style="border: 1px solid black; width: 100%; height: 20px;"></div>

## OPERATOR COMMENTS

Wildcat Loadout became inoperative during 2010, pending transfer of ownership to IPA.

Sediment pond and refuse pile certifications are included.

## REVIEWER COMMENTS

Met Requirements     Did Not meet Requirements

Andalex Resources, Inc., a subsidiary of UtahAmerican Energy, Inc., notified the Division on September 10, 2010, that the Wildcat Loadout was being placed in temporary cessation status, pending a transfer of ownership to Intermountain Power Agency, the contractual obligee. The site has had the high voltage power disconnected and all accesses have been locked. Truck dump grizzlies have been barricaded. There is no activity at the site, except for R 645 maintenance issues, should they be identified. Surface water monitoring requirements are being continued. The 2010 Annual Report for this site contains P.E. certified inspection reports for the six sediment ponds and the waste rock disposal pile. Mr. David Hibbs, Utah registered professional engineer, completed the inspections and certifications for the ponds on December 13, 2010, and for the refuse pile on December 30, 2010. There were no hazards, compliance issues or signs of instability identified for any of the seven facilities. All ponds had sediment storage capacity remaining below the 60 % cleanout elevation.

## COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the MRP 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: Coal Fine Accumulation Monitoring**

**Objective:** To minimize coal fine accumulations on undisturbed ground within the disturbed area boundary. This area did not have topsoil salvaged, but was vacuumed, disced, mulched and seeded in September 2010.

**Frequency:** Quarterly monitoring.

**Status:** Ongoing.

**Reports:** Monitoring protocol, location of observations, digital photographs and results to be filed with the Annual Report.

**Citation:** MRP Appendix P, Item 7.

### OPERATOR COMMENTS

This area was cleaned up and reclaimed in 2010. The site is presently not in operation, pending transfer of ownership to IPA. Monitoring will continue as IPA determines to resume operation after permit transfer.

### REVIEWER COMMENTS



Met Requirements



Did Not meet Requirements

The Permittee graded the coal fines off the area which had been previously been identified by Division Order DO-04. The fines were deposited on the west side of the RR tracks adjacent to Topsoil Soil Storage Pile "B". Topsoil was not recovered from the area; the acreage was stabilized by spreading straw mulch at a rate of 1000 pounds / acre , with 19 pounds of the approved seed mix per acre. The area was then disced to crimp the mulch and seed into the soil. Sediment control has been provided by the installation of excelsior logs in low areas to which runoff will report. The area is monitored during monthly inspections, and it appears to be stable. As of March 6, 2011, the permit transfer to the Intermountain Power Agency remains pending. The following actions remain to be completed in order to comply with the permit changes made by UtahAmerican Energy in response to DO-04: topsoil recovery and storage from the area east of the main stockpile area (MRP Appendix P Item 2), construction of new sediment pond "G" must be constructed SSW of Pond "B" (MRP Appendix P Item 3), gravel placement along 570 feet of access road PR-5 (MRP Appendix P Item 6), and initiation of ongoing quarterly fines accumulation monitoring (MRP Appendix P Item 7). Intermountain Power will be responsible for the completion of these requirements.

UtahAmerican Energy has met all of the requirements of this section, as the commitment in the MRP states that "[a]fter the cleanup and construction is finished, the company will continue with an operational monitoring plan for the area." At this time, construction has been finished, therefore monitoring is not required.

## REPORTING OF OTHER TECHNICAL DATA

List other technical data and information as required under the approved plan, which must be periodically submitted to the Division. Specify whether the information is included as an attachment to this report or currently on file with the Division.

**Please List Attachments:**

**REVIEWER COMMENTS**    Met Requirements    Did Not meet Requirements

**LEGAL, FINANCIAL, COMPLIANCE AND RELATED INFORMATION**

The Division is Requesting that each Permittee review and update the legal, financial, compliance and related information in the plan as part of the annual report. Please provide the Department of Commerce, Annual Report of Officers, or other equivalent information as necessary to ensure that the information provided in the plan is current. Provide any other change as necessary regarding land ownership, lease acquisitions, legal results from appeals of violations, or other changes as necessary to update information required in the mining and reclamation plan. Include certified financial statements, audits or worksheets, which may be required to meet bonding requirements. Specify whether the information is currently on file with the Division or included as an attachment to the report.

**LEGAL/ FINANCIAL UPDATE**

Included

DOGGM File Location or Annual Report Location

**REVIEWER COMMENTS**

Met Requirements

Did Not meet Requirements

\*Note: The permittee should submit the Department of Commerce, Annual report of Officers to the Division on an annual basis. This report was not submitted in the 2009 annual report.

**MAPS**

Copies of mine maps, current and up-to-date through at least December 31, 2010, are to be provided to the Division as an attachment to this report in accordance with the requirements of R 645-301-525.240. 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
NA		<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"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**REVIEWER COMMENTS**     Met Requirements     Did Not meet Requirements

**OTHER INFORMATION**

Please provide any comments of further information to be included as part of the Annual Report. Any other attachments are to be provided as an attachment to this report. If information is submitted as a group rather than by individual mine, please identify each of the mine's data in the list below.

**Please List Attachments:**

**REVIEWER COMMENTS**