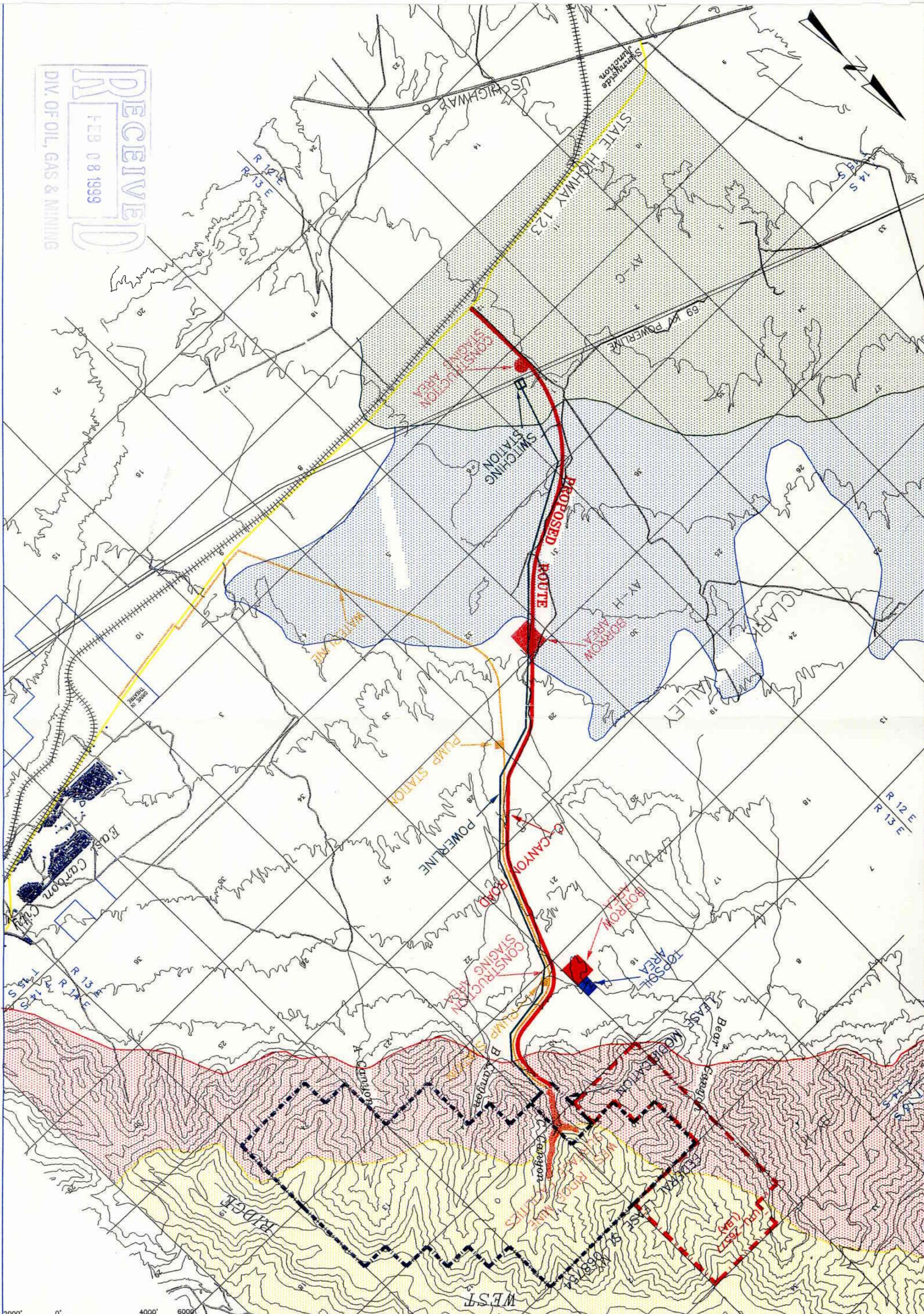


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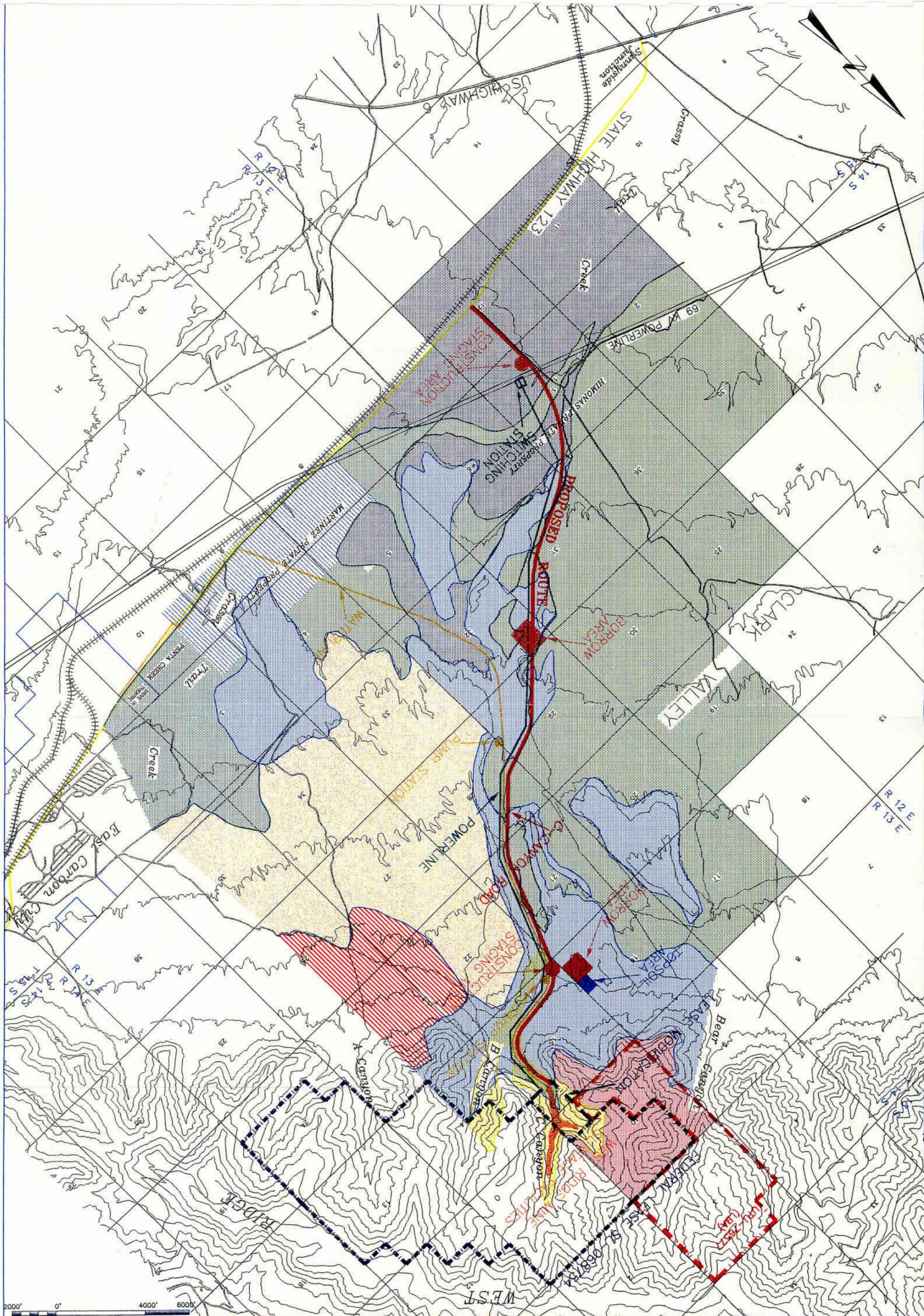


LEGEND:

| | |
|--|--|
| | ANTELOPE YEARLONG CRITICAL (AY-C) |
| | ANTELOPE YEARLONG HIGH PRIORITY (AY-H) |
| | BEAR YEARLONG HIGH PRIORITY (BY-H) |
| | MOOSE YEARLONG LIMITED HABITAT (MY-L) |

WEST RIDGE PROJECT
Carbon County
 WILDLIFE
 ANTELOPE, BEAR, MOOSE

ENVIRONMENTAL INDUSTRIAL SERVICES
 HELPER, UTAH
 Plate No.: PLATE IX



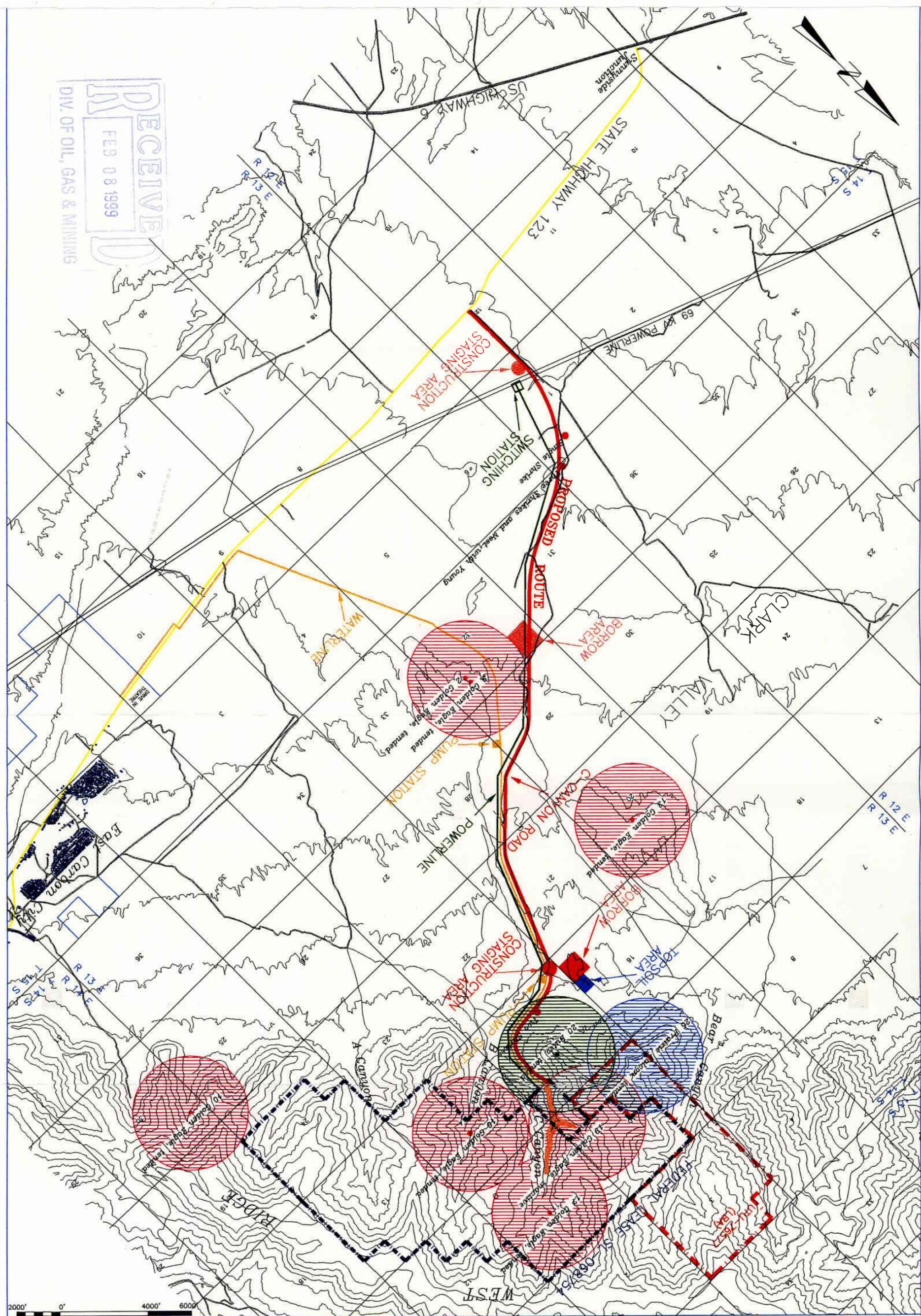
LEGEND:

| | | | |
|--|----------------------------|--|------------------------------|
| | Pinon Juniper | | Pinon Juniper Treatment Area |
| | Sagebrush/Grass | | Canyon Sweet Vetch |
| | Salt Desert Shrub | | Burned Area |
| | Transitional Pinon Juniper | | Private Farmland |

WEST RIDGE PROJECT
Carbon County
VEGETATION MAP

ENVIRONMENTAL INDUSTRIAL SERVICES
 HELPER, UTAH
 Plate No.: **PLATE V**

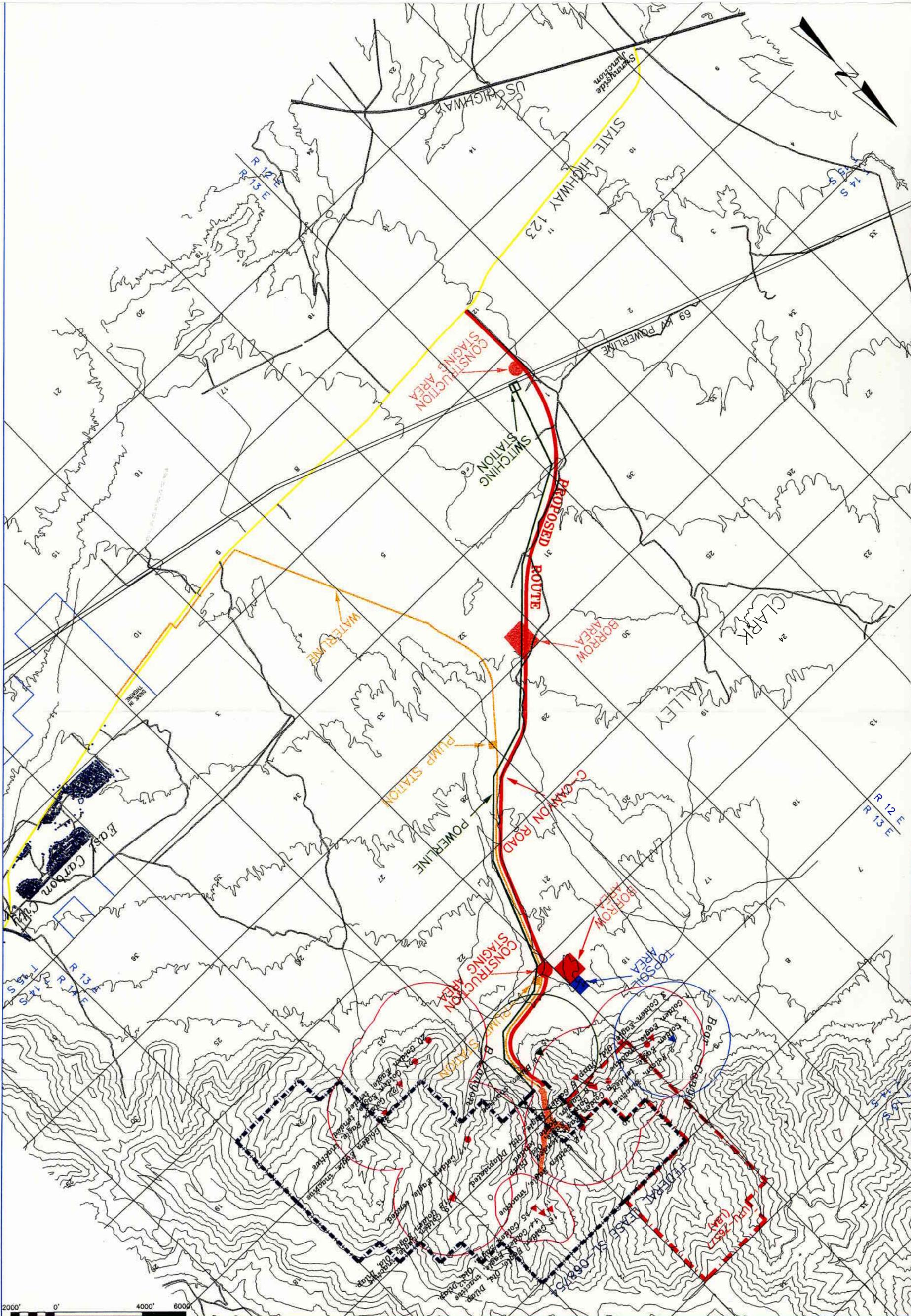
RECEIVED
 FEB 08 1999
 DIV. OF OIL, GAS & MINING



- LEGEND:**
- Active Golden Eagle Nest, 1/2 mile buffer
 - ▲ Inactive Golden Eagle Nest, 1/2 mile buffer
 - Active Shrike
 - Active Buteo Nest, 1/2 mile buffer
 - Active Prairie Falcon Nest, 1/2 mile buffer

WEST RIDGE PROJECT
Carbon County
WILDLIFE - RAPTORS
 1997 DATA

ENVIRONMENTAL INDUSTRIAL SERVICES
 HELPER, UTAH
 Plate No.: **PLATE VIII-A**



2000' 0' 4000' 6000'

- LEGEND:**
- Active Golden Eagle Nest, 1/2 mile buffer
 - ▲ Inactive Golden Eagle Nest, 1/2 mile buffer
 - ▲ Inactive Buteo Nest, 1/2 mile buffer
 - ▲ Inactive Falcon Nest, 1/2 mile buffer

WEST RIDGE PROJECT
Carbon County
WILDLIFE - RAPTORS
 1998 DATA

ENVIRONMENTAL INDUSTRIAL SERVICES
 HELPER, UTAH
 Plate No.: PLATE VIII-B



United States Department of the Interior

OFFICE OF SURFACE MINING

Reclamation and Enforcement
1999 Broadway, Suite 3320
Denver, Colorado 80202-5733

PRO/007/041 #3
Copy Bob

March 18, 1999

UT-0079

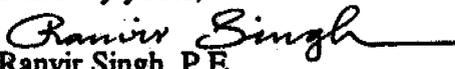
Ms Pam Grubaugh-Littig
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

Dear Ms Grubaugh-Littig:

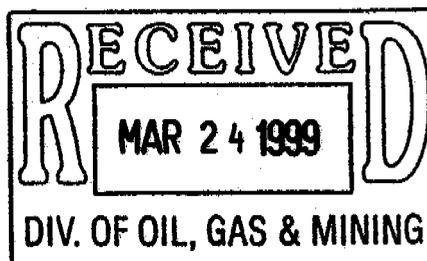
The Regional Director has approved the Experimental Practice proposed by the West Ridge Resources, Inc. for topsoil protection at the West Ridge Mine. A copy of approval, along with supporting documents is enclosed for your use and records.

If you have any questions regarding this approval, please let me know.

Sincerely yours,


Ranvir Singh, P.E.
Program Support Division

copy with enclosure to:
Scott Boyce, O.M. HQ
James Fulton, Denver Field Division





United States Department of the Interior

OFFICE OF SURFACE MINING

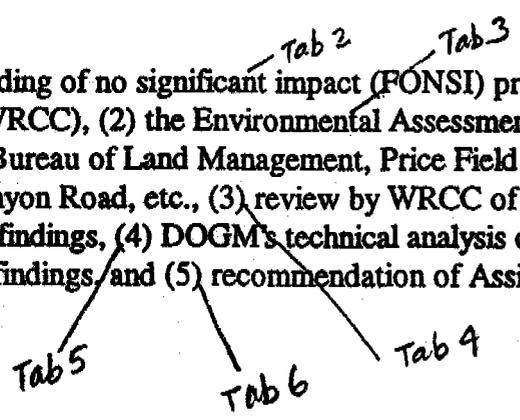
Reclamation and Enforcement
1999 Broadway, Suite 3320
Denver, Colorado 80202-5733

UT-0079

March 10, 1999

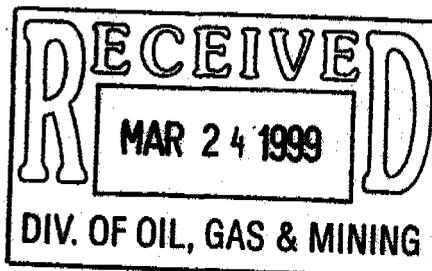
I concur with the findings of Utah Division of Oil, Gas and Mining (DOGM) made in accordance with Utah regulations at R645-032-214, and hereby approve the Experimental Practice proposed by the West Ridge Resource, Inc. for Topsoil Protection at the West Ridge Mine, Carbon County, Utah.

This approval is based on the attached: (1) finding of no significant impact (FONSI) prepared by the Western Regional Coordinating Center (WRCC), (2) the Environmental Assessment No. UT-066-98-41, dated May 1998 prepared by the Bureau of Land Management, Price Field Office for Carbon County for Development of the C Canyon Road, etc., (3) review by WRCC of the Experimental Practice proposal and DOGM's findings, (4) DOGM's technical analysis of the Experimental Practice proposal and resulting findings, and (5) recommendation of Assistant Director, Program Support.



Approved Brent Wahlquist
Brent Wahlquist, Regional Director
Western Regional Coordinating Center

Date 3/18/99



**U.S. DEPARTMENT OF THE INTERIOR
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT**

**FINDING OF NO SIGNIFICANT IMPACT
for
EXPERIMENTAL PRACTICE APPROVAL**

**West Ridge Mine
Carbon County, Utah**

A. Introduction

West Ridge Resources, Inc.(WRRRI) is proposing a new mine site facility, the West Ridge Mine, in C Canyon approximately 6 miles north of East Carbon City, Utah. In conjunction with development of this new facility, WRRRI is proposing an experimental practice on approximately 4.75 acres of the 29-acre proposed disturbed area to protect the topsoil resources (Strych and Midfork soils) in place with a geotextile fabric. Necessary depths of fill material would be placed over the fabric, preserving the existing stream channel and bank morphology and original ground surface configuration. The proposed practice was submitted as an integral part of the permit application package (PAP) for the new permit for the West Ridge Mine to the Utah Division of Oil, Gas and Mining (DOG M) under the Utah State program (30 CFR Part 944).

Pursuant to Federal regulation at 30 CFR 740.4(b)(2), the Director of the Office of Surface Mining Reclamation and Enforcement (OSM) must approve experimental practices on Federal lands before Utah DOGM can approve the PAP and issue a permit to conduct coal mining at the West Ridge mine. The Director of OSM has delegated this authority to the Regional Director, Western Regional Coordinating Center.

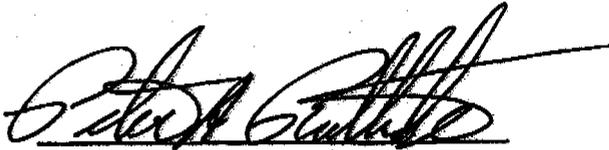
B. Statement of Environmental Significance of the Proposed Action

The undersigned person has determined that the above-named proposed action would not have a significant impact on the quality of the human environment under section 102(2)(C) of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. 4332(2)(C), and therefore, an Environmental Impact Statement is not required.

C. Reasons

This finding of no significant impact is based on the attached: (1) technical analysis of the experimental practice proposal by and findings of DOGM, (2) technical analysis of the experimental practice proposal by WRCC, and (3) BLM-prepared Environmental Assessment (i.e., EA No. UT-066-98-41: Carbon County Development of the C Canyon Road; West Ridge

Resources, Incorporated Development and Surface Operation of the West Ridge Mine; Development of the C Canyon 69kV Power Line; Development of the C Canyon Telephone Line; Development of the C Canyon Water Line; and, East Carbon City Development of the C Canyon Water Line in Carbon County, Utah, May 1998). These documents have been independently evaluated by OSM and determined to assess the environmental impacts of the proposed action adequately and accurately and to provide sufficient evidence and analysis for this finding of no significant impact. In addition, OSM takes full responsibility for the accuracy, scope, and content of the attached environmental assessment.



Chief, Program Support Division
Western Regional Coordinating Center

3/16/99
Date

Attachments

**WEST RIDGE MINE
PROPOSED EXPERIMENTAL PRACTICE
Technical Analysis**

General Site Description

WEST RIDGE Resources, Inc. (WRI) is proposing a new mine site facility, the West Ridge Mine, in C Canyon approximately 6 miles north of East Carbon City, Utah. The West Ridge minesite surface facilities will be located in C-Canyon where the Lower Sunnyside coal seam outcrops to the surface. The elevation of the minesite ranges from 6,860' at the west end to 7,140' at the upper (east) end of the mine yard. Because of the narrowness of the canyon in this area, surface facilities will be confined to a narrow strip along the bottom of the canyon. Suitable surface area for the minesite will be created by constructing a series of earthen pads within the canyon bottom. This will be accomplished by hauling in fill material and by leveling out the area in the bottom of the canyon drainage. The entire mine site area would be less than 29 acres.

The proposed minesite is located in an area where the main canyon branches into two forks and resembles the letter Y. For simplicity, the minesite can be delineated into four distinct areas: the area located within the left fork (left fork); the area located within the right fork (right fork); the area located within the main canyon south of the forks (main canyon); and the area where the main canyon and the two forks converge (confluence).

Construction of the mine site would involve salvage and protection of topsoil resources prior to construction of the mine pads and site facilities. At the C-Canyon minesite most of the topsoil exists in the confluence area and in the right fork. The confluence area contains pods of Brycan, Strych and Midfork soils. Within the right fork Strych is located along the canyon bottom near the flanks of the stream channel. Midfork also exists along the more densely vegetated south slope (i.e., north facing slope) of the right fork. In these areas topsoil depths vary from 2" to 24" and average about 12". The remainder of the minesite is predominantly rock outcrop/rubbleland with limited topsoil resources. Small isolated patches of Travessilla soil occurs within this rock outcrop/rubbleland.

Description of the Proposed Experimental Practice

Approximately 2.7 acres of the site would have topsoil salvaged and stockpiled with traditional methodology. However, on a portion of the mine site adjacent to an incised drainage channel WRI is proposing to use an experimental practice to protect the topsoil resources (Strych and Midfork soils) in place with a geotextile fabric. This experimental practice would be used on approximately 4.75 acres of the 29 acre proposed disturbed area.

Rather than removing the topsoil from certain areas of the proposed mine yard area, (specifically, areas located along the channel bottom and south slope of the right fork which will be filled over during minesite construction) WRI proposes to protect the soil resource in-place. This will be accomplished by removing large boulders, clearing vegetation while leaving roots in-place, covering the soil surface with a geotextile fabric,

and then placing the necessary depths of fill material over the fabric. The existing stream channel and bank morphology and original ground surface configuration will also be preserved with the layer of geotextile fabric. The fill material which will be placed on top of the geotextile will be hauled in by trucks from an off-site source. The fill will be built up in compacted lifts until the required yard elevation has been reached. The fill itself is a suitable substitute topsoil medium. It does not contain any toxic or unsuitable material and meets the soil suitability recommended by the DOGM guidelines.

At the time of reclamation, the fill material will be removed down to the geotextile layer. The geotextile will then be removed, exposing the original, intact soil surface. To enhance the ability of the soil to absorb moisture, the surface of the re-exposed soil will be gouged and hay worked into the soil. The hay will be applied at a rate of 2,000 pounds per acre. Gouging will serve to control erosion through water retention and allow for air and water penetration into the soil horizon thus promoting vegetation establishment and growth. Gouging should allow rain, snowmelt and runoff to infiltrate the soil to provide aeration and moisture at depth. The winter freeze/thaw cycles will also help to reduce soil compaction. This treatment will be applied as the fill is removed and the hillside is exposed. To enhance soil microbial establishment and promote more rapid stabilization of the soil, the seed mixture will be hand broadcast over the area and raked into the soil surface. A straw mulch will be applied over the seed bed at a rate of 2,000 pounds per acre, then the surface will be sprayed with mulch and tackifier to hold the straw in place. The mulch will be applied at a rate of 500 pounds per acre.

Another component of the experimental practice is the use of marker strips within the rock rubbleland areas. The rock rubbleland areas are defined as "areas of stones and boulders that are essentially free of vegetation and are so closely spaced that there is little soil between the rocks". However, in the rubbleland there are scattered, limited topsoil resources. Prior to placing any fill material in rock rubbleland areas, brightly colored marker strips will be laid on top of the natural undisturbed surface on approximately 12 of the 29 acres. By placing the marker strips on the top of the native earth surface before the fill material is laid down, the boundary between the pre-existing and fill materials will be effectively delineated. Later, during final reclamation, equipment operators will remove the fill material to re-establish approximate original contour. When the operators encounter the marker strips they will know they have reached the original pre-existing surface. In this manner the risk of sub-excavating into the pre-existing surface will be greatly reduced.

To evaluate the effects of the geotextile and fill over the existing in-place topsoil material, a test plot area will be established at the upper end of the mine yard in the right fork near the topsoil stockpile. The test plot set up and reclamation will actually mirror the procedures to be conducted on the Strych and Midfork soils in the mine yard during reclamation. Topsoil salvaged from the stripped half of the test plot area will be stockpiled on the geotextiled half of the test plot area. A soil depth of about one foot will be salvaged from both the Strych and Midfork soil types. Then, the topsoil material stripped from the Strych and Midfork test plot areas will be placed on the geotextiled

area in two separate stockpiles based on soil type. Although topsoil is not being stripped from the Strych area in the mine yard (it is being covered by geotextile to preserve the topsoil in place) the test plot will allow an evaluation of the conventional technique of removing and stockpiling topsoil prior to final reclamation.

Five years after the experimental practice test plot area is established, the test plot site will undergo restoration to original conditions to simulate reclamation of the minesite. The eastern half of the reclamation test plots will represent salvaging, stockpiling and replacement of the topsoil. The western half of the test plots will be created by removing the Strych and Midfork experimental practice test plot stockpiles. Once the stockpiles are removed, the bypass culvert will be removed and the geotextile beneath the stockpiles will be taken up re-exposing the original soil surface. This will create the geotextile-protected test plots which represent in-place topsoil storage. The surface will be gouged to eliminate soil compaction, increase water infiltration and reduce erosion. As the four test plots are being constructed, one ton of weed free hay will be worked into the top 12-18".

After the surface treatments have been applied, the plots will be seeded with the final reclamation seed mix. Straw mulch will be applied over the seed bed of the test plot at a rate of 2,000 pounds per acre. The straw surface will then be sprayed with a mulch and tackifier. A portion of the test plot area could be treated/inoculated with a commercial treatment designed for revitalizing soil in order to evaluate whether treatment of the soil promotes faster growth or more diverse vegetation. Although this is not currently being proposed in the final reclamation plan, it could be used to assist vegetation establishment in the geotextile area at the time of final reclamation.

Vegetation monitoring will compare the results of plant growth on the test plot site with the growth on a similar size test area located on the nearby topsoil stockpile. Both test sites will be monitored for five years or until a determination of success has been made. The two test plot areas will be compared with each other as well as the reference area for the Douglas Fir/Maple vegetation type. WRI will consult closely with the Division regarding the results of the test plot study. Should the results show a need to revise the reclamation plan, WRI will work with the Division to amend the plan and incorporate the changes needed to ensure reclamation of the mine yard area will be successful.

As an added element of assurance for the success of reclamation at the West Ridge minesite, WRI has preserved, under long-term lease, a separate source of high quality topsoil which can be used to reclaim the minesite if needed. This substitute material is located nearby. The sole purpose of this topsoil borrow site is to be used for final reclamation on an as needed basis in the unlikely event that the left-in-place topsoil at the minesite cannot be sufficiently revitalized and re-utilized at the time of final reclamation.

Appendix 2-6 of the WRI permit application contains a complete description of the proposed West Ridge Mine experimental practice for in-place topsoil protection. Appendix 5-5 contains the West Ridge Mine Construction/Reclamation Plan, which further discusses implementation of the experimental practice.

Performance Standard For Which the Variance Is Requested

WRI's proposed experimental practice requests variance from Utah performance standard R645-301-251. This performance standard requires that all topsoil, subsoil and topsoil substitutes or supplements will be removed, maintained and redistributed according to the plan given under R645-301-230 and R645-301-240. Under R645-301-230, regulation R645-301-232.100 requires that all topsoil be removed as a separate layer from the area to be disturbed, and segregated. State regulation R645-301-234.100 requires that materials removed under R645-301-232.100 be segregated and stockpiled when it is impractical to redistribute such materials promptly on regraded areas. Under R645-301-240, R645-301-242.100 requires redistribution of salvaged and stockpiled topsoil. The counterpart Federal regulations are 30 CFR 816.22(a), (c) and (d).

Technical Analysis

The topsoil handling regulations are designed to protect and preserve the existing, available topsoil resource that will be affected by mining operations. The proposed experimental practice to leave in-place topsoil located along the channel bottom and south slope of the right fork is potentially more, or at least as environmentally protective during and after mining, than would be possible under the topsoil handling performance standards. The following are significant elements for environmental protection of the topsoil resource and the effect of the experimental practice versus standard operating procedures.

Topsoil quantity

Site conditions were observed September 28, 1998. Both the channel bottom and south slope can be characterized as steeply sloping, boulder strewn and covered by a mature forest. Efforts to salvage topsoil in these areas would require removal of the boulders and vegetation prior to any topsoil salvage. This effort, and in particular the grubbing of vegetation on the steep south slope prior to topsoil salvage, would result in the permanent loss of a portion of the in-place topsoil. This loss will not occur with in-place storage, thereby maximizing the amount of topsoil available for revegetation following mining. Further, the in-place topsoil will not be subject to transportation handling losses common in all topsoil salvage operations.

Topsoil contamination

The in-place topsoil will be protected from contamination with placement of the geotextile fabric over the topsoil and use of non-toxic, non-acid forming fill material in constructing the mine yard. This level of protection is equivalent to placement of the topsoil in a topsoil stockpile. Both the stockpiled and in-place topsoil would undergo a loss of the microbial activity, although the upper two feet of the stockpile would remain active. However, because of the small size of the mine site, loss of microbial activity in topsoil materials at the mine site should be temporary. Proximity to undisturbed areas will result in rapid invasion of native soil microbes.

Topsoil compaction

Both the in-place and stockpiled topsoil would be subject to compaction. Placement of the fill material will compact the in-place topsoil. The process of stockpiling and redistribution of salvaged topsoil will compact the salvaged topsoil. While the levels of compaction each material will undergo is unclear, both in-place and stockpiled topsoil will suffer a loss of existing soil structure. In either case the reclamation plan calls for practices, such as roughening or pitting and incorporation of mulch prior to seeding. This will serve to reduce compaction and increase infiltration in both in-place and respread topsoil.

As discussed above the proposed experimental practice results in at least equivalent levels of environmental protection. In addition, there are other benefits to the proposed practices that should facilitate reclamation success. Because of the proposal to leave topsoil resources along the existing stream channel in-place, the level of disturbance to the channel geometry is minimized. The changes to the channel will be those necessary for installation of the bypass culvert, which will follow the original channel course. These include movement of the large boulders and removal of trees and shrubs. In the areas of in place topsoil protection the geotextile will be laid down prior to any bedding material or culvert is placed. This will ensure that when the fill and geotextile are removed the majority of the premine channel geomorphology and bedrock control will be reestablished resulting in a far more geologically and hydrologically stable reclaimed channel than if the channel had been drastically disturbed and required complete reconstruction following mining.

The use of marker strips to denote the premine surface within the rock rubbleland areas is another potential benefit of the proposed experimental practice. Although it will be impossible to remove all fill material from these slopes this practice will facilitate restoration of approximate original contour and slope stability for these areas. It will also aid in revegetation efforts by exposing some the isolated patches of Travessilla soil that existed in the rock rubbleland, but could not be salvaged because of location and size.

WRI has proposed a set of well conceived test plots to analyze the effects of the proposed experimental practice. The proposed test plots, which will be created five years after the start of mining, will allow WRI to evaluate the effectiveness of proposed in-place topsoil protection compared to topsoil removal, stockpiling and replacement. Monitoring of the test plots will continue for a minimum of five years (cover, production and shrub density will be evaluated for 10 years). Results of the test plots will be used by WRI, if necessary, to modify the proposed treatment of in-place topsoil prior to final revegetation activities following the completion of mining operations.

Finally, WRI has ensured that, regardless of the outcome of the experimental practice, soil resources are available for reclamation of the site. This will assure revegetation success following completion of mining.

The proposed practice represents a potential advance in mining and reclamation

technology because, if successful, it would identify an alternative to the standard requirements at R645-301-251 and 30 CFR 816.22 for topsoil salvage, storage and redistribution in environments similar to that encountered at the West Ridge Mine site.

The proposed experimental practice does not reduce the protection afforded public health and safety below that provided by the performance standards. The topsoil resource is still protected and no hazards to the public are created by in-place topsoil storage.

The practice is not larger than necessary. The proposed practice is constrained by the location and layout of the minesite. Not all disturbed areas will be affected by the proposed practice and will be subject to standard topsoil salvage, storage and redistribution requirements. This experimental practice is not being proposed at other permitted underground coal operations in Utah or the Western States.

Utah DOGM Review

The State has completed a technical analysis of WRI's proposed experimental practice. The analysis discusses the proposed experimental practice and test plots and evaluates the impacts of the proposed practice, including compaction, microbial activity, contamination and channel geomorphology. The State concludes that it considers it highly unlikely the experimental practice will fail and that the borrow area will be needed. DOGM states that the proposed reclamation plan should result in vegetative cover that meets or exceeds the performance standards.

The Utah DOGM has made the findings required under R645-302-214 (counterparts to 30 CFR 785.13(d)).

Recommendation

Based on my review the proposed experimental practice meets the requirements of 30 CFR 785.13. In accordance with 30 CFR 740.4(b)(2) OSM should approve the proposed experimental practice on Federal lands included in the proposed permit area. In accordance with 30 CFR 785.13(d) OSM should concur with the Utah DOGM findings to approve the proposed experimental practice.



Robert Postle, Ecologist
Technical Project Officer

3/9/99
Date



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

March 9, 1999

James Fulton, Chief
Denver Field Division
Office of Surface Mining
1999 Broadway, Suite 3320
Denver, Colorado 80202

Re: Revised Findings and Analysis on Experimental Practice, West Ridge Resources, Inc.
Proposed West Ridge Mine, PRO/007/041, File #2, Carbon County, Utah

Dear Mr. Fulton:

As a result of discussions with Bob Postal and Dennis Winterringer of your staff, some changes were made to the experimental practice section of the West Ridge Mine Permit Application Package (PAP). These changes have now been incorporated into the application and the Division has revised our analysis to reflect the changes. In accordance with our regulations at R645-302-210 and OSM Directive Reg-7, we are forwarding a copy of our revised findings to your office and again request your concurrence on this proposal. We are also including a copy of the changes to the application for insertion to OSM's copy of the PAP.

We believe the applicant has provided adequate plans for protecting topsoil resources which will accomplish the objectives of SMCRA and will result in better reclamation than would occur using conventional salvage and replacement techniques. Your expeditious review and concurrence on the experimental practice is greatly appreciated.

If you have any questions or need more information please contact me at (801) 538-5325 or Robert Davidson at (801) 538-5264.

Sincerely,

Daron R. Haddock
Permit Supervisor

tam
Enclosures: ta & revised plans
cc: Daron Haddock
Robert Davidson
Jean Semborski (West Ridge)
O:\007041.BC\FINAL\TATOOSM.LTR

REQUIREMENTS FOR PERMITS FOR SPECIAL CATEGORIES OF MINING

REQUIREMENTS FOR PERMITS FOR SPECIAL CATEGORIES OF MINING

EXPERIMENTAL PRACTICES

Regulatory Reference: 30 CFR Sec. 785.13; R645-302-210, -302-211, -302-212, -302-213, -302-214, -302-215, -302-216, -302-217, -302-218.

Analysis:

Chapter 2, Soils, incorporates traditional methods of salvaging/stockpiling and an Experimental Practice method for protecting soils in-place. The Experimental Practice is unique by taking a Reclamation Approach for topsoil protection.

Operations - Experimental Practices

Appendix 2-6, West Ridge Mine Experimental Practice In-Place Topsoil Protection, details protecting topsoil resources in-place for (1) buried topsoil areas, and (2) buried RO/RL (rock outcrop/rubbleland) Travessilla Complex soil area. These two combined areas account for 16.75 acres of the total 29 acres of disturbed area.

(1) Buried Topsoil Areas

West Ridge Resources is proposing a topsoil protection plan which incorporates Experimental Practices (R645-302-200) for protecting in-place soil with a layer of geotextile fabric. The geotextile fabric provides a protective barrier between the existing soils and the imported fill materials used to construct the mine pads. By utilizing this procedure, soils are not only preserved in-place, but the existing stream channel geomorphology and original ground surface configuration are preserved likewise. Approximately 4.75 acres of the proposed 29-acre disturbed area will be affected using the geotextile fabric.

(2) Buried RO/RL Travessilla Complex Areas

The buried RO/RL Travessilla Complex mapping unit will be included in the Experimental Practices. As stated in the Order-III soil survey, the RO/RL Travessilla Complex unit contains 35% soils by volume (25% Travessilla plus 10% other soils) that support a significant vegetation community. Successful reclamation requires the same soil and rock parameters that currently exist to establish revegetation success standards. By preserving these soils in-place underneath the pad fills, successful revegetation should be achieved. Placing the RO/RL Travessilla Complex mapping unit under Experimental Practices will not require the use of geotextile fabric. As stated in the plan, the RO/RL areas will not be covered with geotextile, but instead, fill will be placed directly over the existing ground surface which will be marked with brightly colored marker flagging strips placed on 8-foot centers for the purpose of identifying the original surface during reclamation and excavation of the pad fills. Marker strips will be used on approximately 12 of the 29 acres of the disturbed area.

Construction Sequence

REQUIREMENTS FOR PERMITS FOR SPECIAL CATEGORIES OF MINING

Map 5-11, Construction Sequence, illustrates the different stages of construction for the West Ridge Mine site. Steps 2 and 3 illustrate the Experimental Practice steps for installing geotextile fabric and marker strips. Construction sequence steps are outlined as follows:

- Steps 1 through 4 are preparatory steps prior to topsoil salvage. Step 1 is removing vegetation; Step 2 is installing culvert and culvert backfill while placing geotextile in channel bottom and placing marker strips in RO/RL areas; Step 3 is installing geotextile fabric over topsoil fill slopes, and placing marker strips in RO/RL areas; and Step 4 is pulling boulders from the surface of slopes that will be cut. Topsoil salvage occurs in Step 5. After topsoil salvage has occurred from the topsoil area and RO/RL areas, excavation of the side slopes will occur in Step 6. These excavated native materials will be used as pad fill and will be placed over the backfilled culvert adjacent to the cut slopes. Step 7 shows completion of the pad level by hauling in imported fill from offsite, commercial gravel borrow areas. A final cap layer of road base material is placed over the imported fill surface as shown in Step 8.

Reclamation - Experimental Practices

During fill removal, a 12- to 18-inch deep working layer will be left over the Experimental Practice slopes. Care will be taken not to subexcavate or disturb the geotextile soil surfaces. Equal care will be taken to protect the "ribbon" surfaces in the RO/RL areas. Fill removal from the slopes will be done carefully without disturbing the in-place soils located under the geotextile and marker strips. Fill removal will be done by small earth moving equipment and/or by hand labor if necessary to minimize disturbance of the topsoil. After the pad fill has been removed, the backfilled culvert will serve as the primary access way for machinery and materials associated with the remaining reclamation efforts.

Once the geotextile fabric has been exposed, the fabric will be carefully peeled away from the soil and the condition of the underlying soil materials observed at this time. The soil will be re-exposed in 5-10 foot horizontal zones that can be easily accessed and worked by hand from the adjacent pad fill level.

In RO/RL fill areas, fill will be removed down to the original, undisturbed surface as delineated by the marker strips. Because of the roughness of the ground surface, pad fill be removed to the extent possible.

To relieve soil compaction and increase the ability of the soil to absorb moisture, the re-exposed soil surface will be gouged and hay worked into the soil at the rate of 2,000 pounds per acre. Gouging depressions will approximately measure 24" X 36" X 18" deep and will create a pattern of depressions that help control erosion through water retention, minimize siltation, and allow for air and water penetration into the soil horizon.

Reclamation Sequence

Map 5-12, Reclamation Sequence, illustrates the different stages of reclamation for the West Ridge Mine site. Steps 3 through 8 illustrate all Experimental Practice steps involved with reclamation for removing fill, restoring buried soils and reclaiming the original soil surface. Reclamation sequence steps are outlined as follows:

REQUIREMENTS FOR PERMITS FOR SPECIAL CATEGORIES OF MINING

- Steps 1 through 5 show reclamation steps prior removing geotextile and reclaiming the original soil surface. Step 1 is removing cap layer and surface structures; Step 2 is removing excess imported pad fills; Step 3 is removing remaining native pad fill and backfilling cutslopes; Step 4 is replacing topsoil on re-established slopes; and Step 5 is relocating boulders on re-established slopes and preparing soiled surface for revegetation. Steps 6 through 7 show removal of geotextile, soil restoration steps and revegetation; Step 8 shows final culvert removal and restoration of Channel, which includes geotextile removal and re-exposure of the original soil surfaces while maintaining the geomorphology of the stream channel.

Field Trials

In order to evaluate the effects of the geotextile and fill over the existing in-place topsoil resources, a test plot study area will be established in the upper right fork northeast of the topsoil stockpile. The purpose for the test plots is to evaluate the Experimental Practice reclamation plan proposed for the mine yard area.

The test plots will be established in an areas upstream from the topsoil stockpile in the right fork. As in the Experimental Practice, soil will not be salvaged from the west half of the test plot area. First, geotextile will be placed in the west half of the test plot area with the culvert and fill material placed on top of the geotextile in the same sequence and manner as used in the mine yard construction. Next, topsoil will be salvaged from the two different soil types in the east half of the test plot area and placed separately on the fill on the west side of the test plot area. Geotextile will then be placed on the northeast portion of the test plot area where soil was stripped (Strych soil) and the culvert extended through this area. Cut material from the southeast portion of the test plot area from which Midfork topsoil had previously been salvaged will be placed on top of the culvert. Finally, the test plot topsoil stockpiles on the west side of the test plot area and the cut and fill on the east half will be seeded with the interim seed mix.

After the test plot area is constructed, the cut/fill area will remain intact for five years to simulate the operation phase of the mine yard. Following the five year period, reclamation will be performed on the test plot area to actually implement and test the final reclamation plan in comparison to conventional reclamation techniques. Appendix 2-6 contains a complete discussion of the Experimental Practice test plot plan.

The resulting four test plots will be grouped into two categories, the "removed topsoil test plot" and the "in-place topsoil test plot". One portion of the test plot area could be treated/inoculated with a commercially available soil activator designed for revitalizing soil in order to evaluate whether inoculating the topsoil promotes faster or more diverse revegetation. Although this is not currently being proposed in the final reclamation plan, it could be used to assist vegetation establishment in the geotextile area at the time of final reclamation.

After the surface treatments have been applied, the plots will be seeded with the final reclamation seed mix. Canyon sweetvetch will also be seeded on the test plots. Because of the small area to be treated (about 0.31 acre), the seed will be broadcast on the surface and raked in by hand. Straw mulch will be applied over the seed bed of the test plot at a rate of 2,000 pounds per acre. Then the surface will be sprayed with a mulch and tackifier.

REQUIREMENTS FOR PERMITS FOR SPECIAL CATEGORIES OF MINING

The test plot area will be accessed via the extreme edge of the topsoil stockpile and the adjacent cutslope during late summer or early fall. Any compaction or disturbance to the stockpile surface will be ripped and reseeded following completion of the test plot installation and reclamation of this area.

Vegetation monitoring will compare the results of plant growth between the Experimental Practice in-place soils to replaced topsoil. Monitoring will compare re-vegetation response for each soil type (Strych and Midfork) for each of the two soil surfaces (channel bottom and hillside). For example, comparisons will be made between in-place soils and replaced soils for the channel bottom soils consisting mainly of Strych; likewise, comparisons will be made for hillside Midfork soils. The experimental test plot area will also be compared with the reference area for the Douglas Fir/Maple vegetation type. Vegetation will be monitored for five years or until a determination of success has been made for the Experimental Practice. WEST RIDGE Resources will consult closely with the Division regarding the results of the test plot study. Should the results show a need to revise the reclamation plan, WEST RIDGE Resources will work with the Division to amend the plan and incorporate the changes needed to ensure reclamation of the mine yard area will be successful. As a last resort, West Ridge Resources will utilize the soil borrow area for obtaining soils to reclaim the site if the Experimental Practice is determined to be unworkable.

Analysis of the Proposed Experimental Practice

The Utah State soils regulations (R645-301-200) are intended to protect and preserve topsoil resources for the purpose of revegetation, thus providing a stable surface capable of supporting the postmining land use. The proposed Experimental Practice, including operation and reclamation procedures, provides soil resource protection equal to or greater than what would be obtained through traditional methods of salvaging and stockpiling as required in the Utah State soil's regulations. The Division has analyzed the proposed Experimental Practice for preserving topsoil resources in-place with respect and in relation to the State's regulatory obligations, and the applicant has adequately addressed each of these requirements. The following discussion gives an analysis of the proposed Experimental Practice after listing the applicable regulation:

R645-302-214 No application for an experimental practice under R645-302-210 will be approved until the Division first finds in writing and the Office then concurs that:

R645-302-214.100 The experimental practice encourages advances in coal mining and reclamation technology or allows a postmining land use for industrial, commercial, residential, or public use (including recreational facilities) on an experimental basis;

Through the Experimental Practice, the applicant intends to demonstrate that in certain situations, topsoil storage in place provides the same degree of protection for the topsoil materials plus provides a soil bed that promotes faster establishment of vegetative cover and greatly enhances the stability of the reclaimed slopes while providing a very natural looking reclaimed surface. The Division finds that the Experimental Practice encourages advances in coal mining and reclamation technology by providing an opportunity for a demonstration that these goals can be achieved.

The second required finding in this regulation does not apply to the West Ridge proposal.

R645-302-214.200 The experimental practice is potentially more, or at least as, environmentally protective, during and after coal mining and reclamation

REQUIREMENTS FOR PERMITS FOR SPECIAL CATEGORIES OF MINING

operations, as would otherwise be required by standards promulgated under R645-301 and R645-302;

The environmental protection standards normally required under R645-301 that are applicable to the Experimental Practice are:

- R645-301-232.100 All topsoil will be removed as a separate layer from the area to be disturbed, and segregated.
- R645-301-234.200 Stockpiled materials will:
R645-301-234.220 Be protected from contaminants and unnecessary compaction that would interfere with revegetation;
R645-301-234.230 Be protected from wind and water erosion through prompt establishment and maintenance of an effective, quick growing vegetative cover or through other measures approved by the Division; and

R645-301-242 Soil Redistribution

- R645-301-243 Soil Nutrients and Amendments. Nutrients and soil amendments will be applied to the initially redistributed material when necessary to establish the vegetative cover.

Under the Experimental Practice, topsoil on a portion of the site will not be salvaged as a separate layer from the area to be disturbed, segregated, and stored for later use. However, it will be protected as required under R645-301-234.200 as follows:

1. **Contamination.** Native soils could be contaminated by imported fill material; however, no imported fill will contact the undisturbed soils. In reclamation, the imported fill will be taken away and the native fill from adjacent slopes will be replaced in the cuts (see Map 5-12). In all cases, there will be a buffer of native fill between the imported fill and the native soils. In order to minimize the impact of any deleterious effects of the imported fill, bright marker flagging will be placed between the native and imported fills to delineate between the two fills during reclamation for the purpose of ensuring complete excavation and removal of the native fills.

After removing the imported fills, the native fills will be excavated and placed in the cutslopes to achieve approximate original contour. The native fill should not mix with the undisturbed Midfork soils because of the geotextile. There will be some mixing in RO/RL areas, but the native fill is essentially the same material as the RO/RL soil.

The imported fill may mix with and contaminate some of the native fill; however, this potentially-contaminated material will be the first to be replaced on cutslopes and will be buried the most deeply.

2. **Compaction.** Pad fill material will compact the soil, but in reclamation, the applicant intends to gouge the surface eighteen inches deep and incorporate alfalfa hay. Below eighteen inches, there should be few effects from the fill. This procedure, combined with natural processes (e.g., freeze/thaw), should adequately alleviate compaction and allow vegetation to become established.

REQUIREMENTS FOR PERMITS FOR SPECIAL CATEGORIES OF MINING

3. **Erosion Protection.** Because the soil will be buried under the fill, it will not be vegetated. However, there will obviously be no erosion.
4. **Soil Redistribution.** No topsoil redistribution is necessary since the soils are retained and preserved in-place, thus preserving and re-establishing the original contour surface. In addition to adequately protecting the topsoil for use in reclamation in-place, the Experimental Practice will also preserve the channel geomorphology resulting in decreased erosion and a more stable channel very similar to what currently exists.
5. **Soil Microbial Viability.** The Division considered the question of decreased microbial activity in the soil being stored under the pad. Soil that is buried for several years has been demonstrated to have few, if any, microorganisms when it is uncovered. Many microorganisms are beneficial in plant establishment and growth.

While soils in the Experimental Practice area may have few live microorganisms when uncovered during reclamation, natural inoculation is likely to occur quickly since the site is surrounded by undisturbed areas. Nearly all of the proposed disturbed area would be less than 200 feet from undisturbed areas with the farthest being about 250 feet away. The Division is aware of a nearby area where cryptobiotic soils have become established naturally on a soil borrow area after only eight years. The applicant will try a soil activation treatment on the test plots, and if the test plots are unsuccessful, a commercial soil inoculant could also be tried.

Soil sterility is also a problem where soil is salvaged, stored for several years, and respread, so there is little difference between the proposed practice and what would normally be required.

In the event the Experimental Practice fails, West Ridge Resources has secured and permitted a topsoil borrow area for supplying substitute soil materials that are equal to, or more suitable for sustaining vegetation on nonprime farmland than the majority of the existing topsoil in the Experimental Practice area. The exception is the Midfork soil, which is identified as a Mollisol. However, the Midfork soil only occupies a small percentage of the geotextile protected surface.

The Division finds that the Experimental Practice adequately protects topsoil with the added benefit that channel geomorphology will be preserved resulting in decreased erosion and sedimentation. Thus, the Experimental Practice is at least as, and potentially more environmentally protective during and after coal mining and reclamation operations as would otherwise be required by standards promulgated under R645-301 and R645-302.

R645-302-214.300 **The coal mining and reclamation operations approved for a particular land use or other purpose are not larger or more numerous than necessary to determine the effectiveness and economic feasibility of the experimental practice;**

The Experimental Practice is being proposed on approximately 4.75 acres for the geotextile placement and 12 acres for the marker strips. This includes the (1) geotextile area which lies in and adjacent to the drainage channel in the right fork of C Canyon overlying Strych and Midfork soils and which would be filled in during construction and (2) the rubbleland areas where brightly colored marker strips would be placed on the original surface prior to fill placement. The only part of the Experimental

REQUIREMENTS FOR PERMITS FOR SPECIAL CATEGORIES OF MINING

Practice area where it would be practical to salvage soil is the geotextiled area. The larger 12 acre area is identified as rock rubbleland where numerous rocks and boulders are intermingled with soil materials or where rocks and boulders are so closely spaced that there is little soil. Topsoil removal, storage and replacement would be impractical in this area. Therefore, protecting the soil resources within the rubbleland will preserve these soils in-place which otherwise would have likely been lost.

The entire surface disturbance area is 29 acres. The Experimental Practice area is about 17 acres. The topsoil in the remainder of the disturbed area (~12 acres) will be handled according to the R645-301-200 regulations for salvaging, stockpiling, and redistribution.

The Division finds that the Experimental Practice is being carried out in an area not larger than necessary to determine its effectiveness and economic feasibility.

R645-302-214.400 The experimental practice does not reduce the protection afforded public health and safety below that provided by standards promulgated under R645-301 and R645-302.

The soils regulations to which the Experimental Practice applies do not contain requirements dealing with public health and safety. Therefore this regulation does not apply to the situation.

The proposed Experimental Practice should have essentially no effect on any aspect of the reclamation dealing with public health and safety. If anything, the reclaimed slopes should be more stable after applying the Experimental Practice since they will not have been excavated and replaced.

Findings:

Information provided in the application is considered adequate to meet the requirements of this section. Specifically, in accordance with:

R645-302-214, The Division finds that the Experimental Practice:

1. Promotes advances in coal mining and reclamation technology by providing an opportunity for the applicant to demonstrate that topsoil storage in place provides the same degree of protection for the topsoil materials plus provides a soil bed that promotes faster establishment of vegetative cover and greatly enhances the stability of the reclaimed slopes while providing a very natural looking reclaimed surface.

The applicant is not proposing a postmining land use for industrial, commercial, residential, or public use (including recreational facilities) on an experimental basis, so the second finding in R645-302-214.400 does not apply.

2. Provides at least the same degree of protection of the topsoil resource as would be given using traditional salvage operations. Other components of reclamation would be enhanced by the proposed practice. Stream channel morphology is preserved which should lead to less erosion and sedimentation. Soil structure and integrity would be easier to reestablish when the site is reclaimed. Rocks, roots, and other materials should still be present at the time of reclamation, and this should lead to greater surface structural diversity and greater plant and animal species diversity.

REQUIREMENTS FOR PERMITS FOR SPECIAL CATEGORIES OF MINING

3. Is being carried out in an area not larger than necessary to determine its effectiveness and economic feasibility. The majority of the area containing topsoil will have the topsoil removed and stockpiled prior to construction of the proposed mine site. The only part of the Experimental Practice area where it would be practical to salvage soil is the geotextiled area. The larger 12 acre area is identified as rock rubbleland where numerous rocks and boulders are intermingled with soil materials or where rocks and boulders are so closely spaced that there is little soil. Topsoil removal, storage and replacement would be impractical in this area. Therefore, protecting the soil resources within the rubbleland will preserve these soils in-place which otherwise would have likely been lost.
4. Because the soil protection regulations from which the applicant is seeking an exemption do not contain provisions for protection of public health and safety, the requirements of R645-302-214.400 do not apply. However, the proposed Experimental Practice will have no negative effect on public health and safety. It should, if anything, increase the stability of the reclaimed slopes thus assisting in providing safe and stable slopes.

R645-302-210, Issuance of this permit will specifically authorize West Ridge Resources, Inc. to conduct an Experimental Practice in conjunction with their approved Coal Mining and Reclamation Operations which allows for the protection of topsoil "IN-PLACE" rather than salvaging soil and stockpiling it for future reclamation. West Ridge Resources, Inc. will follow the plans as outlined in the approved Mining and Reclamation Plan, Chapter 2 and Appendix 2-6 and will be required to evaluate the effectiveness of the Experimental Practice on an annual basis. The Division will conduct annual reviews of the practice to ensure that it fully protects the environment and the public health and safety. In the event that the Experimental Practice is determined to be not as environmentally protective as would otherwise be required by standards promulgated under R645-301 and R645-302, revised reclamation plans which utilize standard reclamation technology will be required.



United States Department of the Interior

OFFICE OF SURFACE MINING
RECLAMATION AND ENFORCEMENT
Washington, D.C. 20240



Memorandum

MAR 3 1999

To: James Fulton, Chief
Denver Field Division

From: Mary Josie Blanchard, Assistant Director
Program Support

Subject: Proposed West Ridge Mine Experimental Practice

We have reviewed the information provided on the proposed experimental practice for in-place topsoil protection at the Andalex Resources Inc., West Ridge Mine. We recommend approval of the experimental practice.

It is our understanding that an Environmental Assessment (EA) is being developed for the experimental practice. Please forward a copy of the EA to Scott Boyce of my staff when it is available. Also, assuming approval, please let Scott know the date of approval and who to contact for information about the experimental practice.

KAM

BEFORE THE DIVISION OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

---ooOoo---

IN THE MATTER OF THE PROPOSED : INFORMAL CONFERENCE
WEST RIDGE MINE, ANDALEX :
RESOURCES, INC., CARBON : FINDINGS, CONCLUSIONS
COUNTY, UTAH : AND ORDER

: CAUSE NO. PRO/007/041

---ooOoo---

On August 20, 1998, the Division of Oil, Gas and Mining ("Division") held an informal conference concerning the proposed West Ridge Mine, West Ridge Resources, Inc., Carbon County, Utah. The following individuals attended:

- Presiding: Lowell P. Braxton
Acting Director
Division of Oil, Gas and Mining
- Petitioner: G. Milton Thayn
David Thayn
- Applicant: Jean Semborski
Dave Shaver
West Ridge Resources, Inc.

The findings, conclusions, and order in this matter are based on information provided by the Petitioner and Applicant in connection with this informal conference, and on information in the files of the Division.

FINDINGS OF FACT

On August 20, 1998, an informal conference was held to review a public request for additional information concerning the permit application package for the proposed West Ridge coal mine. As a result of a review of all pertinent data and facts presented at the informal conference, the following shall constitute the findings of fact, conclusions of law and order.

A newspaper notice was published in the local newspaper on May 12, 19, 26 and June 2, 1998, providing notice to the public that an administratively complete copy of the West Ridge coal mine permit application package was available for public comment. On June 30, 1998, the Division of Oil, Gas and Mining received a request for an informal conference to seek information on how the permit application package addressed minimization of fan noise, location of the permit with respect to the Thayn's property, nature and extent of water monitoring, nature and extent of proposed underground workings with respect to the Thayn's property, how mining could affect water flow, water quality and air quality, and general background information on how proposed mining operations at the West Ridge Mine would be accomplished within the Division's regulatory framework. On July 27, 1998, the Division of Oil, Gas and Mining provided notice of intent to conduct an informal conference in Price, Utah, at 7:00 p.m. on August 20, 1998.

The informal conference was convened shortly after 7:00 p.m. at the Carbon County Courthouse. The following Division employees were in attendance: Lowell Braxton, Conference Officer; Mary Ann Wright, Associate Director of Mining; Daron Haddock, Permit Supervisor; Bob Davidson, Senior Reclamation Specialist; and Pete Hess, Senior Reclamation Specialist. Persons requesting the conference were Mr. Milton Thayn and Mr. David Thayn. West Ridge Resources, Inc. was represented by Ms. Jean Semborski and Mr. Dave Shaver.

An agenda for the informal conference was distributed as was a copy of the R645-300-122 and 123 rules governing comments, objections to permit applications and informal conferences resulting therefrom. The conference agenda consisted of six parts:

1. Welcome, Introduction, Background and Purpose
2. Presentation of the Mining and Reclamation Plan
3. Status of the Plan and the Division's Technical Review
4. Public Identification of Issues

5. Addressing Concerns
6. Closure and Follow-up Plan

A written record was made for all discussion relating to agenda items 1, 4, 5 and 6, and is available for review by parties of the conference. Agenda items 2 and 3 were an overview of the permit application package by West Ridge personnel, and an overview of the Division's application review process and mine inspection procedures by Messrs. Haddock, Davidson and Hess. Issues raised in the conference request were discussed by West Ridge, the Division and the Thayns in an informal, off the record, manner to ensure Milton Thayn and David Thayn were fully informed prior to creating a conference record on these issues.

At the conclusion of the discussions for agenda items 2 and 3, the transcript record for the conference was reestablished. At this point the Conference Officer summarized the issues that had been informally discussed during the preceding one hour and forty minutes, and asked members of the public (in this case David Thayn and Milton Thayn) if they had concerns on the issues that they had identified or any other specific concerns they would like to raise for the record.

Mr. David Thayn identified himself and stated: "our only-- I'd like to have continued feed back on their decision as far as fan noise, you know, what-- with what steps they're going to take to reduce fan noise as the decision gets closer. I think the other issues have been addressed. I appreciate your time and effort."

No other comments or concerns were raised for the record. After brief concluding remarks, the informal conference was ended.

1. Request for the informal conference was appropriately made and timely.
2. The informal conference was appropriately noticed.
3. The issues raised by the Thayn's June 9, 1998, letter requesting the conference were identified as a matter of record at the conference.

4. The Thayns did not object to the permit application package at the Addressing Concerns or the Public Identification of Issues portion of the conference or at any other opportunity, but requested additional information on how West Ridge Resources, Inc. proposes to minimize fan noise as the final decision for the permit is made.

CONCLUSIONS OF LAW

No issues requiring an amendment or revision to the permit application package were identified at the conference.

ORDER

NOW THEREFORE, it is ordered that:

The Division shall continue its ordinary review of the West Ridge permit application package, and when final designs for the mine fan and noise reduction for the fan are received, the Division shall provide these to the Thayns. Should the Thayns request an opportunity to discuss fan noise reduction designs, the Division will assign a Reclamation Specialist versed in this issue to meet with the Thayns.

APPEAL PROVISIONS

As anticipated at R645-300-200, within 30 days of your receipt of this order, you or your agent may make a written appeal of these findings and order to the Board of Oil, Gas and Mining. Failure to comply with the 30-day requirement will result in a waiver of your right of further recourse.

SO DETERMINED AND ORDERED this 19th day of September, 1998.



Lowell P. Braxton, Acting Director
Division of Oil, Gas and Mining
State of Utah

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing FINDINGS, CONCLUSIONS AND ORDER for Cause No. ACT/007/041 to be mailed by certified mail, postage prepaid, on the 15th day of September, 1998, to the following:

CERTIFIED RETURN RECEIPT P 074 976 900

Jean Semborski, Environmental Coordinator

West Ridge Resources, Inc.

6750 Airport Road

P. O. Box 902

Price, Utah 84501

CERTIFIED RETURN RECEIPT P 540 714 057

Dave Shaver

Andalex Resources, Inc.

6750 Airport Road

P. O. Box 902

Price, Utah 84501

CERTIFIED RETURN RECEIPT P 540 714 058

G. Milton Thayn

7730 E Hwy 6

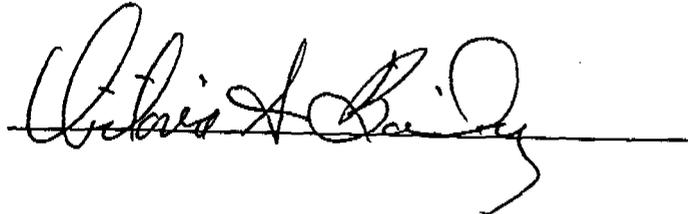
Price, Utah 84501

CERTIFIED RETURN RECEIPT P 540 714 059

David and Robin Thayn

7732 E Hwy 6

Price, Utah 84501

A handwritten signature in cursive script, appearing to read "Robert A. Rainey", is written over a horizontal line.

First-Mail, Postage Prepaid to:

SCOTT KNIGHT
10 W BROADWAY STE 200
SALT LAKE CITY UT 84111

JAMES FULTON CHIEF
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RANVIR SINGH
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DAVE ARIOTTI DST ENGR
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SOUTHEASTERN UTAH HEALTH DEPT
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GARY L ROEDER DIST ENGR
NTRL RESRS CNSV
350 N 400 E
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DAVID WINDER EX DIR
DEPT OF COMM & ECON DEV

BUILDING MAIL

DAVID LEVANGER
CARBON CNTY PLANNING & ZONING
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BILL HOWELL EX DIR
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145 E 1300 S STE 404
SALT LAKE CITY UT 84115

ROBERT MORGAN STATE ENGR
DIV OF WATER RIGHTS
DEPT OF NATURAL RESOURCES

BUILDING MAIL

JOHN KIMBALL DIR
DEPT OF NATURAL RESOURCES
DIV OF WILDLIFE RESOURCES

MAX J EVANS DIR
UTAH DIV OF STATE HISTORY

DAVID T TERRY DIR
SCHOOL & INSTNL TRUST LNDS

BUILDING MAIL

BUILDING MAIL

BUILDING MAIL

RONALD P PARKIN STATE MN INSPC
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TOM BINGHAM
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CAROLYN B WRIGHT RSCH ANLST
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DENVER CO 80202

KATHLEEN CLARKE EX DIRECTOR
DEPARTMENT OF NATURAL RESOURCES

BUILDING MAIL

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BOARD OF OIL GAS AND MINING
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P O BOX 310
HUNTINGTON UT 84528

CHUCK SEMBORSKI, CHAIR
ENVIRONMENTAL SUBCOMMITTEE
PACIFICORP
ENERGY WEST
P O BOX 310
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State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

Michael O. Leavitt
Governor
Lowell P. Braxton
Division Director

July 7, 1998

Jean Semborski, Environmental Coordinator
Andalex Resources, Inc.
6750 Airport Road
P.O. Box 902
Price, Utah 84501

Re: Comments on Permit Application, West Ridge Mine Application, West Ridge Resources, Inc., West Ridge Mine, PRO/007/041-98A, Folder #2, Carbon County, Utah

Dear Ms. Semborski:

The Division has received comments from an adjacent land owner, regarding the West Ridge Mine Application. As required by the Utah Coal Regulations at R645-300-122.310 we are transmitting a copy of the comments to you. We anticipate holding an informal conference in the near future to discuss your application and any comments or objections. Our office will contact you to schedule this.

Please call if you have any questions.

Sincerely,

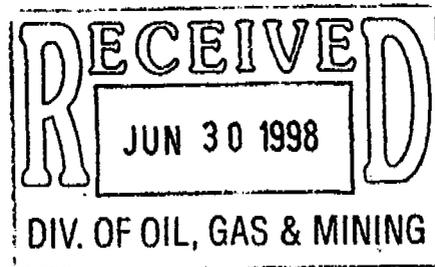
Daron R. Haddock
Permit Supervisor

tam
Enclosure

cc: Mary Ann Wright
Pam Grubaugh-Littig
Bob Davidson

O:\007041.BCN\FINAL\COMMENT.LTR

June 9, 1998



Daron Haddock
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

*Copy Daron, May 6
Joe & Ann
PR/003/041*

Dear Mr. Haddock:

We as a adjacent land owner have some concerns about the West Ridge Mine purpose by Andalex. The first is the fan noise that will be a constant presents to us for the life of the mine. We would like management to provide to us the information concerning the steps they have taken to insure minimum noise related to the fan operation. Who have they consulted with to insure that a informed decision has been made. What options are available? Why this decision was selected. A person we can contact so we can receive information to help us with a informed decision.

2

We would like information concerning location of mining activity related to our property. Has surface property lines been established? Where has the water monitoring been conducted? Is there a plan to mine under or next to the Thayns property? Activity that could effect water flows, water quality, air quality, and any other right relating to our property is a concern to us. Please have them address these concerns before approving the mining permit

Thank You, *George M Thayn*

G. Milton Thayn
7730 East Hwy 6
Price, Utah 84501
(435) 637-0261

AFFIDAVIT OF PUBLICATION

STATE OF UTAH)

ss.

County of Carbon,)

I, Kevin Ashby, on oath, say that I am the Publisher of the Sun Advocate, a twice-weekly newspaper of general circulation, published at Price, State and County aforesaid, and that a certain notice, a true copy of which is hereto attached, was published in the full issue of such newspaper for 1 (One) consecutive issues, and that the first publication was on the 4th day of August, 1998 and that the last publication of such notice was in the issue of such newspaper dated the 4th day of August, 1998.

Kevin Ashby

Kevin Ashby - Publisher

Subscribed and sworn to before me this 4th day of August, 1998.

Linda Thayne

Notary Public My commission expires January 10, 1999 Residing at Price, Utah

Publication fee, \$ 60.00

**NOTICE OF INFORMAL CONFERENCE
CAUSE NO. PRO/007/041**

IN THE MATTER OF THE
PROPOSED WEST RIDGE MINE,
ANDALEX RESOURCES, INC.,
CARBON COUNTY, UTAH

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE ABOVE ENTITLED MATTER.

Notice is hereby given that the Division of Oil, Gas and Mining ("Division") will conduct an informal conference on Thursday, August 20, 1998, beginning at 7:00 p.m., at the Carbon County Court House, Carbon County Commission Chambers, 120 East Main, Price, Utah.

The informal conference will be conducted in accordance with the Utah Code Ann. § 40-10-13 (1953 amended) and Utah Admin. R. 645-300-112 and R. 645-300-123.

Concerns about the proposed West Ridge Mine have been received. An informal conference will be conducted to accept written or oral statements from any party and to accept any other relevant information pertaining to the permitting of the West Ridge Mine.

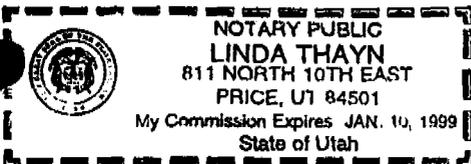
Persons interested in this matter may participate pursuant to Utah Admin. R. 645-300-123. The applicants, subsequent public comments, and request for informal conference may be inspected in the office of the undersigned, 1594 West North Temple, Suite 1210, Salt Lake City, Utah.

Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this conference should call Vicki Bailey at (801) 538-5304, at least three working days prior to the hearing date.

DATED, this 27th day of July, 1998.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
-s- Mary Ann Wright, Associate Director of Mining
Division of Oil, Gas and Mining
State of Utah

Published in the Sun Advocate August 4, 1998.



TAM

BEFORE THE DIVISION OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

---ooOoo---

IN THE MATTER OF THE
PROPOSED WEST RIDGE MINE, : NOTICE OF INFORMAL
ANDALEX RESOURCES, INC., : CONFERENCE
CARBON COUNTY, UTAH : CAUSE NO. PRO/007/041

---ooOoo---

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DATED this 27th day of July, 1998.

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING



Mary Ann Wright, Associate Director of Mining
Division of Oil, Gas and Mining
State of Utah

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF INFORMAL CONFERENCE for Cause No. ACT/007/041 to be mailed by certified mail, postage prepaid, on the 29th day of July, 1998, to the following:

CERTIFIED RETURN RECEIPT P 074 976 896
Jean Semborski, Environmental Coordinator
Andalex Resources
6750 Airport Road
P. O. Box 902
Price, Utah 84501

CERTIFIED RETURN RECEIPT P 074 976 897
Dave Shaver
Andalex Resources
6750 Airport Road
P. O. Box 902
Price, Utah 84501

CERTIFIED RETURN RECEIPT P 074 976 898
G. Milton Thayn
7730 East Hwy 6
Price, Utah 84501

CERTIFIED RETURN RECEIPT P 074 976 899
David and Robin Thayn
7732 E Hwy 6
Price, Utah 84501

A handwritten signature in cursive script, reading "Victoria A. Bailey", is written over a horizontal line.

First-Mail, Postage Prepaid to:

JAMES FULTON CHIEF
DENVER FIELD DIV
OFFICE OF SURFACE MINING R & E
1999 BROADWAY STE 3320
DENVER CO 80202-5733

RANVIR SINGH
DENVER FIELD DIV
OFFICE OF SURFACE MINING R & E
1999 BROADWAY STE 3320
DENVER CO 80202-5733

DICK MANUS AREA MNGR
SAN RAFEL/PRICE RVR RSRCE AREA
BUREAU OF LAND MANAGEMENT
125 S 6 W
PRICE UT 84501

ALAN RABINOFF GROUP LEADER
SOLID MNRLS
BUREAU OF LAND MNGMNT
P O BOX 45155
SALT LAKE CITY UT 84145-0155

MARK PAGE RGNL ENGR
UT DIV OF WATER RIGHTS
SOUTHEASTERN REGIONAL OFF
453 S CARBON AVE
P O BOX 718
PRICE UT 84501-0718

DAVE ARIOTTI DST ENGR
DEPT OF ENVR QLTY
SOUTHEASTERN UTAH HEALTH DEPT
28 S 100 E
P O BOX 800
PRICE UT 84501

BILL BATES HABITAT MNGR
DIV WILDLIFE RESOURCES
475 W PRICE RVR DR STE C
PRICE UT 84501

GARY L ROEDER DIST ENGR
NTRL RESRS CNSV
350 N 400 E
PRICE UT 84501

DAVID WINDER EX DIR
DEPT OF COMM & ECON DEV

DAVID LEVANGER
CARBON CNTY PLANNING & ZONING
120 E MAIN
PRICE UT 84501

BILL HOWELL EX DIR
SOUTHEASTERN UTAH ASSOC OF LOCAL
GVRNMNTS
P O BOX 1106
PRICE UT 84501

BUILDING MAIL

ROBERT D WILLIAMS ASST FLD SUP
U S FISH & WILDLIFE SERV ECO SERV
LINCOLN PLAZA
145 E 1300 S STE 404
SALT LAKE CITY UT 84115

ROBERT MORGAN STATE ENGR
DIV OF WATER RIGHTS
DEPT OF NATURAL RESOURCES

JOHN KIMBALL DIR
DEPT OF NATURAL RESOURCES
DIV OF WILDLIFE RESOURCES

BUILDING MAIL

BUILDING MAIL

MAX J EVANS DIR
UTAH DIV OF STATE HISTORY

DAVID T TERRY DIR
SCHOOL & INSTNL TRUST LNDS

RONALD P PARKIN STATE MN INSPC
INDUSTRIAL COMM OF UT
COLLEGE OF EASTERN UT
451 E 400 N
PRICE UT 84501

BUILDING MAIL

BUILDING MAIL

TOM BINGHAM
UTAH MINING ASSC
KEARNS BLDG
136 S MAIN STE 825
SALT LAKE CITY UT 84101

CAROLYN B WRIGHT RSCH ANLST
OFFICE OF PLANNING & BUDGET
STATE PLANNING COORD OFF

MIKE SCHWINN DST ENGR
U S ARMY CORPS OF ENGINEERS
1403 S 600 W
BOUNTIFUL UT 84010

CAPITOL MAIL

WILLIAM P YELLOWTAIL JR RGNL ADM
ENVR PROTECTION AGENCY
DENVER PL STE 500
999 18TH ST
DENVER CO 80202

KATHLEEN CLARKE EX DIRECTOR
DEPARTMENT OF NATURAL RESOURCES

DAVE LAURISKI CHRMN
BOARD OF OIL GAS AND MINING
C/O ENERGY WEST MINING CO
P O BOX 310
HUNTINGTON UT 84528

BUILDING MAIL

CHUCK SEMBORSKI, CHAIR
ENVIRONMENTAL SUBCOMMITTEE
PACIFICORP
ENERGY WEST
P O BOX 310
HUNTINGTON UT 84528



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

April 28, 1998

Jean Semborski, Environmental Coordinator
Andalex Resources, Inc.
6750 Airport Road
P.O. Box 902
Price, Utah 84501

Re: Determination of Administrative Completeness, West Ridge Mine Application, Andalex Resources, Inc., West Ridge Mine, PRO/007/041-98A, Folder #2, Carbon County, Utah

Dear Ms. Semborski:

The Division has completed a review of the additional information you submitted dated April 7, 1998, which amended the West Ridge Mine Application Package. The purpose of this review was to determine the Administrative Completeness of your application or in other words determine if the application contains all information necessary to initiate processing and public review. With the additional information which you supplied, your application is now considered to be administratively complete. There are some "Right-of-Entry" problems with your plan that we are aware of (no right of entry for Township 14 South, Range 13 East, SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sect. 10; NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sect. 15; and a portion of Sect. 16), but we feel that your application is adequate at this time to initiate processing. The record is clear that lease applications are pending with the appropriate surface management agencies. Certainly the official right-of-entry will need to be obtained before a permit can be issued.

A technical review of your plan has been initiated. Technical deficiencies will be forwarded to you as individual reviews are completed. The Division will also coordinate with other agencies and incorporate their comments into our review process. Issues raised will need to be resolved prior to permit issuance.

At this time you should publish a Notice of Complete Application for the West Ridge Mine as required by R645-300-121. A copy of the publication should be sent to the Division as soon as it is available. You should also insure that a copy of the application is on file at the Carbon County Courthouse. The Division will complete a technical analysis which must find that your application is technically complete. We anticipate that additional information may be necessary to make your application technically complete and look forward to working with you throughout the permitting process. Please call if you have any questions.

Sincerely,

Daron R. Haddock
Permit Supervisor

cc: Mary Ann Wright
Pam Grubaugh-Littig
Joe Helfrich
PFO

O:\007041.BCN\FINAL\ADMCOM.LET



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

April 30, 1998

FIELD(name)

FIELD(company)

FIELD(address)

FIELD(city), **FIELD**(state) **FIELD**(zip)

Re: Determination of Administrative Completeness for Permit Application, Andalex Resources, Inc., West Ridge Mine, PRO/007/041, Folder #3, Carbon County, Utah

Dear **FIELD**(title):

The Division has determined that the permit application for the West Ridge Mine is administratively complete. In compliance with the Utah Coal Mining Rules R645-300-121.300, R645-300-121.310, R645-300-121.320, and the Utah Coal Mining Act (UCA Section 40-10-1 et seq.), notice is hereby given to all appropriate agencies having a jurisdiction or an interest in the area of the operations that this application is available for public review.

This proposed permit area is located in Carbon County, approximately 10 miles north of Sunnyside, Utah. (A map is attached for your information.)

This permit renewal application is available for public review at:

Coal Regulatory Program
Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Carbon County Courthouse
120 East Main
Price, Utah 84501

Please send your comments by June 30, 1998 to:

Utah Coal Program
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Page 2
Administrative Completeness
PRO/007/041
April 30, 1998

If you have any questions please call me or Pamela Grubaugh-Littig.

Sincerely,

Mary Ann Wright
Associate Director of Mining

tt
Enclosure: Map
O:\007041.BCN\FINAL\ADMCOM98.FRM

PUBLIC NOTICE

WEST RIDGE Resources, Inc., P.O. Box 902, Price, Utah 84501 has filed a complete application with the Division of Oil, Gas and Mining for a permit to conduct underground coal mining and reclamation operations in eastern Carbon County, Utah. The proposed West Ridge Mine would be located in C. Canyon, approximately 6 miles north of East Carbon City, Utah. The proposed permit area is approximately 2,661 acres and delineated on U.S.G.S. 7 1/2 minute topographic maps as follows:

T 14 S, R 13 S Section 10: NE1/4, N1/2SE1/4, E1/2NW1/4, SE1/4 SE1/4
Section 11: All
Section 12: S1/2SW1/4, NW1/4SW1/4
Section 13: W1/2, SE1/4, S1/2NE1/4, NW1/4NE1/4
Section 14: E1/2, N1/2NW1/4, SE1/4NW1/4,
Section 15: NE1/4NE1/4
Section 16: NE1/4SE1/4 (9.6 acres)
Section 24: N1/2SE1/4, NE1/2, NE1/4SW1/4

A portion of the mine facility area would be located within 100 feet of a Carbon County public road. There are no plans to relocate or close the public road. The mine facility would not hinder public travel on the public roadway.

An experimental practice with regard to topsoil removal and storage is being proposed on approximately 4.75 acres of the total 29 acre mine facility area. The regulatory provision for which the variance is being requested is R645-301-232. Details of the proposal are included in the Permit Application Package currently on file with DOGM.

Following mining activities, all surface facilities would be removed and the area regraded to approximate original contour. The disturbed surface area would be seeded and mulched to promote successful revegetation. Postmining land use would be the same as currently exists today, that being wildlife habitat, grazing and limited recreational activities.

A copy of the application is available for public inspection at the following locations:

Division of Oil, Gas and Mining
1594 W. North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Carbon County Courthouse
120 East Main
Price, Utah 84501

Written comments, objections or requests for informal conferences on the application may be submitted within 30 days to:

Division of Oil, Gas and Mining
1594 W. North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

Published in the Sun Advocate May 12, 19, 26 and June 2, 1998.

RECLAMATION AGREEMENT

(COAL)

CONTENTS:

- * Reclamation Agreement
- * Exhibit "A"
 Surface Disturbance
- * Exhibit "B"
 Bonding Agreement
 ** Surety Bond
 Collateral Bond
- Exhibit "C"
 Liability Insurance
- Exhibit "D"
 Stipulation to Revise Reclamation Agreement
- * Affidavits of Qualification
- * Power of Attorney

RECLAMATION AGREEMENT

Permit Number: ACT/007/041
Date Original Permit Issued: March 2, 1999
Effective Date of Agreement: _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801
(801) 538-5340

COAL RECLAMATION AGREEMENT
--ooOOoo--

For the purposes of this RECLAMATION AGREEMENT the terms below are defined as follows:

"PERMIT": (Mine Permit No.) ACT/007/041 (County) Carbon
"MINE": (Name of Mine) WEST RIDGE MINE
"PERMITTEE": (Company or Name) WEST RIDGE RSOURCES, INC.
(Address) P.O. BOX 902
"PERMITTEE'S REGISTERED AGENT": (Name) Jean Semborski
(Address) P.O. Box 902 Price, Utah 84501
(Phone) 435/637-5385
"COMPANY OFFICERS": Douglas H. Smith, President
Samuel C. Quigley, Vice-President
"BOND TYPE": (Form of Bond) Surety
"BOND": (Bond Amount-Dollars) \$2,117,000.00
(Escalated Year-Dollars) _____
"INSTITUTION": (Bank or Agency) National Union Fire Insurance Company of
Pittsburgh, PA
POLICY OR ACCOUNT NUMBER 21-60-38
"LIABILITY INSURANCE": (Exp.) 07/01/00
(Insurance Company) Federal Insurance Company
Policy Number 37102594
"STATE": Utah Department of Natural Resources
"DIVISION": Division of Oil, Gas and Mining
"DIVISION DIRECTOR" Lowell Braxton

EXHIBITS: Revision Dates
"SURFACE DISTURBANCE" Exhibit "A" _____
"BONDING AGREEMENT" Exhibit "B" _____
"LIABILITY INSURANCE" Exhibit "C" _____
"STIPULATION TO CHANGE BOND" Exhibit "D" _____

RECLAMATION AGREEMENT

This **RECLAMATION AGREEMENT** (hereinafter referred to as "Agreement") is entered into by the Permittee.

WHEREAS, on March 2, 1999, the Division approved the Permit Application Package, hereinafter "PAP", submitted by WEST RIDGE Resources, Inc., hereinafter "Permittee"; **and**

WHEREAS, prior to issuance of a permit to conduct mining and reclamation operations on the property described in the PAP, hereinafter "Property", the Permittee is obligated by Title 40-10-1, et seq., Utah Code Annotated (1953, as amended), hereinafter "Act", to file with the Division a bond ensuring the performance of the reclamation obligations in the manner and by the standards set forth in the PAP, the Act, and the State of Utah Division of Oil, Gas and Mining Rules pertaining to Coal Mining and Reclamation Activities, hereinafter "Rules"; **and**

WHEREAS, the Permittee is ready and willing to file the bond in the amount and in a form acceptable to the Division and to perform all obligations imposed by the Division pursuant to applicable laws & regulations relating to the reclamation of the Property; **and**

WHEREAS, the Division is ready and willing to issue the permittee a mining and reclamation permit upon acceptance and approval of the bond.

NOW, THEREFORE, the Division and the Permittee agree as follows:

1. The provisions of the Act and the Rules are incorporated by reference herein and hereby made a part of this Agreement. Provisions of the Act or Rules shall supersede conflicting provisions of this Agreement.
2. The Permittee agrees to comply with all terms and provisions of the PAP, the Act and the Rules, including the reclamation of all areas disturbed by surface coal mining and reclamation operations despite the eventuality that the cost of actual reclamation exceeds the bond amount.
3. The Permittee has provided a legal description of the property including the number of acres approved by the Division to be disturbed by surface mining and reclamation operations during the permit period. The description is attached as Exhibit "A", and is incorporated by reference and shall be referred to as the "Surface Disturbance".
4. The Permittee agrees to provide a bond to the Division in the form and amount acceptable to the Division ensuring the performance of the reclamation obligations in the manner and by the standards set forth in the PAP, the Act and the Rules. Said bond is attached as Exhibit "B" and is incorporated by reference.

RECLAMATION AGREEMENT

5. The Permittee agrees to maintain in full force and effect the public liability insurance policy submitted as part of the permit application. The Division shall be listed as an additional insured on said policy.
6. In the event that the Surface Disturbance is increased through expansion of the coal mining and reclamation operations or decreased through partial reclamation, the Division shall adjust the bond as appropriate.
7. The Permittee does hereby agree to indemnify and hold harmless the State of Utah and the Division from any claim, demand, liability, cost, charge, or suit initiated by a third party as a result of the Permittee or Permittee's agent or employees failure to abide by the terms and conditions of the approved PAP and this Agreement.
8. The terms and conditions of this Agreement are non-cancelable until such time as the Permittee has satisfactorily, as determined by the Division, reclaimed the Surface Disturbance in accordance with the approved PAP, the Act, and the Rules. Notwithstanding the above, the Division may direct, or the Permittee may request and the Division may approve, a written modification to this Agreement.
9. The Permittee may, at any time, submit a request to the Division to substitute the bonding method. The Division may approve the substitution if the bond meets the requirements of the Act and the Rules, but no bond shall be released until the Division has approved and accepted the replacement bond.
10. Any revision in the Surface Disturbance, the bond amount, the bond type, the liability insurance amount coverage, and/or the liability insurance company, or other revisions affecting the terms and conditions of this Agreement shall be submitted on the form entitled "Stipulation to Revise Reclamation Agreement" and shall be attached hereto as Exhibit "D" (other exhibits as appropriate).
11. This Agreement shall be governed and construed in accordance with the laws of the state of Utah. The Permittee shall be liable for all reasonable costs incurred by the Division to enforce this agreement.
12. Any breach of the provisions of this Agreement, the Act, the Rules, or the PAP may, at the discretion of the Division, result in enforcement actions by the division which include but are not limited to, an order to cease coal mining and reclamation operations, revocation of the Permittee's permit to conduct coal mining and reclamation operations and forfeiture of the bond.

RECLAMATION AGREEMENT

- 13. In the event of forfeiture, the Permittee agrees to be liable for additional costs in excess of the bond amount which may be incurred by the Division in order to comply with the PAP, the Act, and the Rules. Any excess monies resulting from the forfeiture of the bond amount upon compliance with this contract shall be refunded as directed by the permittee or, if a dispute arises, as directed by a court of competent jurisdiction by interpleading the funds subject to the dispute.

- 14. Each signatory below represents that he/she is authorized to execute this Agreement on behalf of the named party. Proof of such authorization is provided on a form acceptable to the Division and is attached hereto.

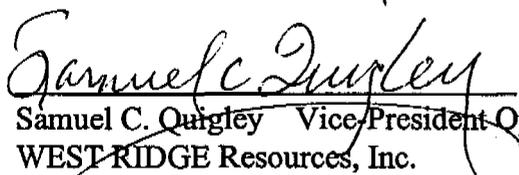
SO AGREED this 2nd day of April, 1999

STATE OF UTAH:



Lowell P. Braxton, ~~Acting~~ Director
Division of Oil, Gas and Mining

PERMITTEE:



Samuel C. Quigley Vice/President Operations
WEST RIDGE Resources, Inc.

NOTE: An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the Principal is a corporation, the Agreement shall be executed by its duly authorized officer.

RECLAMATION AGREEMENT

EXHIBIT "A"
PERMIT AREA
LEGAL DESCRIPTION

PERMIT AREA
--ooOOoo--

In accordance with the **RECLAMATION AGREEMENT**, the **PERMITTEE** intends to conduct coal mining and reclamation activities on or within the **PERMIT AREA** as described hereunder: (The bonded area equals the permit area.)

Total acres of **PERMIT AREA**: 2,651 Acres 2160.3 Acres page
4/1/99

Legal Description of **PERMIT AREA**:

T 14 S, R 13 S

- Section 10: NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, E $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ SE $\frac{1}{4}$
- Section 11: All
- Section 12: S $\frac{1}{2}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$
- Section 13: W $\frac{1}{2}$, SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ NE $\frac{1}{4}$
- Section 14: E $\frac{1}{2}$, N $\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$
- Section 15: NE $\frac{1}{4}$ NE $\frac{1}{4}$
- Section 16: NE $\frac{1}{4}$ SE $\frac{1}{4}$ (9.6 acres)
- Section 24: N $\frac{1}{2}$ SE $\frac{1}{4}$, N $\frac{1}{2}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$

This is the **PERMIT AREA** is covered by the reclamation surety provided in Exhibit B.

IN WITNESS WHEREOF the **SURETY** has hereunto set its signature and seal this

19th day of March, 1999.

National Union Fire Insurance Company
of Pittsburgh, PA

SURETY

By: Ava M. Schaefer
Ava M. Schaefer

Title: Attorney-In-Fact

EXHIBIT "B"
BONDING AGREEMENT

Surety Bond

Collateral Bond

EXHIBIT "B"

SURETY BOND
(FEDERAL COAL)

**Exhibit "B" - BONDING AGREEMENT
SURETY BOND**

Permit Number: ACT/007/041

**SURETY BOND
(FEDERAL COAL)**

--ooOOoo--

THIS SURETY BOND entered into and by and between the undersigned **PERMITTEE**, and **SURETY COMPANY**, hereby jointly and severally bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of Utah, Division of Oil, Gas and Mining (**DIVISION**), and the U.S. Department of Interior, Office of Surface Mining Reclamation and Enforcement (**OSM**) in the penal sum of (\$ 2,117,000.00) (Surety Bond Amount) for the timely performance of reclamation responsibilities of the surface disturbance described in Exhibit "A" of this Reclamation Agreement.

This **SURETY BOND** shall remain in effect until all of the **PERMITTEE's** reclamation obligation have been met and released by the **DIVISION** and is conditioned upon faithful performance of all of the requirements of the Act, the applicable rules and regulations, SMCRA, the approved permit and the **DIVISION**.

The **SURETY** will not cancel this bond at any time for any reason, including non-payment of premium or bankruptcy of the Principal during the period of liability.

The **SURETY** and their successors and assigns, agree to guarantee the obligation and to indemnify, defend, and hold harmless the **DIVISION** and **OSM** from any and all expenses which the **DIVISION** and **OSM** may sustain as a result of the **PERMITTEE's** failure to comply with the condition(s) of the reclamation obligation.

The **SURETY** will give prompt notice to the **PERMITTEE** and to the **DIVISION** and **OSM** of any notice received or action alleging to insolvency or bankruptcy of the **SURETY**, or alleging any violations or regulatory requirements which could result in suspension or revocation of the **SURETY's** license.

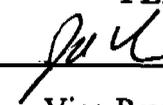
Terms for release or adjustment of this **BOND** are as written and agreed to by the **DIVISION** and the **PERMITTEE** in the **RECLAMATION AGREEMENT** incorporated by reference herein, to which this **SURETY AGREEMENT** has been attached as Exhibit "B".

**Exhibit "B" - BONDING AGREEMENT
SURETY BOND**

IN WITNESS WHEREOF, the PERMITTEE has hereunto set its signature and seal
this 19 day of March, 1999.

WEST RIDGE Resources, Inc.

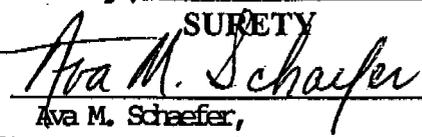
PERMITTEE

By: 
Title: Vice-President

IN WITNESS WHEREOF, the SURETY has hereto set its signature and seal this
19th day of March, 1999.

National Union Fire Insurance Company
of Pittsburgh, PA

SURETY

By: 
Title: Ava M. Schaefer,
Attorney-In-Fact

ACCEPTED BY THE STATE OF UTAH:


Director - Division of Oil, Gas and Mining

NOTE: An Affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Agreement. If the PERMITTEE is a corporation, the Agreement shall be executed by its duly authorized officer.

AFFIDAVITS OF QUALIFICATION

AFFIDAVIT OF QUALIFICATION

PERMITTEE

—ooOOoo—

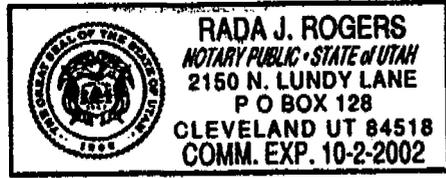
I, Samuel C. Quigley, being first duly sworn under oath, deposes and says that he/she is the (officer or agent) Officer of WEST RIDGE Resources, Inc.; and that he/she is duly authorized to execute and deliver the foregoing obligations; and that said **PERMITTEE** is authorized to execute the same and has complied in all respects with the laws of Utah in reference to commitments, undertakings and obligations herein.

(Signed) Samuel C. Quigley
Samuel C. Quigley Vice-President Operations
WEST RIDGE Resources, Inc.

Subscribed and sworn to before me this 31 day of March, 1999.

Rada J. Rogers
Notary Public

My Commission Expires:
10/2, ~~1999~~ 2002



Attest:
STATE OF Carbon
COUNTY OF Utah ss:

**AFFIDAVIT OF QUALIFICATION
SURETY COMPANY**

--ooOOoo--

I, Frieda Cyrus, being first duly sworn under oath, deposes and says that National Union Fire Insurance
~~he~~/she is the (officer or agent) Attorney-In-Fact of Company of Pittsburgh, PA
____; and that he/she is duly authorized to execute and deliver the foregoing obligations; and that
said SURETY COMPANY is authorized to execute the same and has complied in all respects
with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and
obligations herein.

(Signed) Ava M. Schaefer
Surety Company Officer / Position
Ava M. Schaefer, Attorney-In-Fact

Subscribed and sworn to before me this 19th day of March, 19 99.

Frieda Cyrus
Notary Public

My Commission Expires:

August 11, ~~xx~~ 2002.

Attest:

STATE OF Kentucky)
COUNTY OF Fayette) ss:

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

That American Home Assurance Company, a New York corporation, and National Union Fire Insurance Company of Pittsburgh, Pa., a Pennsylvania corporation, does each hereby appoint

---James H. Godfrey, Jr., Phillip S. McCrorie, Ava M. Schaefer, Stephen L. Helmbrecht: of Lexington, Kentucky---

its true and lawful Attorney(s)-in-Fact, with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, Pa. have each executed these presents

this 22nd day of December, 1997.



Lawrence W. Carlstrom
Lawrence W. Carlstrom, Senior Vice President
National Union Fire Insurance Company of Pittsburgh, Pa.
Vice President
American Home Assurance Company

STATE OF NEW YORK)
COUNTY OF NEW YORK)ss.

On this 22nd day of December, 1997, before me came the above-named officer of American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, Pa., to me personally known to be the individual and officer described herein, and acknowledged that he executed the foregoing instrument and affixed the seals of said corporations thereto by authority of his office.

Deborah A. Hayman
DEBORAH A. HAYMAN
Notary Public, State of New York
No. 01HA5081428
Qualified in Suffolk County
Commission Expires June 30, 1999

CERTIFICATE

Excerpts of Resolutions adopted by the Boards of Directors of American Home Assurance Company and National Union Fire Insurance Company of Pittsburgh, Pa. on May 18, 1976:

"RESOLVED, that the Chairman of the Board, the President, or any Vice President be, and hereby is, authorized to appoint Attorneys-in-Fact to represent and act for and on behalf of the Company to execute bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, and to attach thereto the corporate seal of the Company, in the transaction of its surety business;

"RESOLVED, that the signatures and attestations of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company when so affixed with respect to any bond, undertaking, recognizance or other contract of indemnity or writing obligatory in the nature thereof;

"RESOLVED, that any such Attorney-in-Fact delivering a secretarial certification that the foregoing resolutions still be in effect may insert in such certification the date thereof, said date to be not later than the date of delivery thereof by such Attorney-in-Fact."

I, Elizabeth M. Tuck, Secretary of American Home Assurance Company and of National Union Fire Insurance Company of Pittsburgh, Pa. do hereby certify that the foregoing excerpts of Resolutions adopted by the Boards of Directors of these corporations, and the Powers of Attorney issued pursuant thereto, are true and correct, and that both the Resolutions and the Powers of Attorney are in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of each corporation

this 19th day of March, 1999.



Elizabeth M. Tuck
Elizabeth M. Tuck, Secretary

PRODUCER

J. Craig Riddle Company
248 South Main Street
P.O. Box 548
Madisonville KY 42431-0548

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

COMPANIES AFFORDING COVERAGE

- COMPANY A Federal Insurance Company
- COMPANY B
- COMPANY C
- COMPANY D

INSURED

ANDALIX RESOURCES INC - TOWER DIVISION
45 WEST 10000 SOUTH STE 401
SANDY UT 84070

COVERAGE

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| CO LTR | TYPE OF INSURANCE | POLICY NUMBER | POLICY EFFECTIVE DATE (MM/DD/YY) | POLICY EXPIRATION DATE (MM/DD/YY) | LIMITS |
|--------|--|---------------|----------------------------------|-----------------------------------|--|
| A | GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR OWNERS & CONTRACTORS PROT <input checked="" type="checkbox"/> INCLUDES XCU | 37102594 | 07/01/97 | 07/01/00 | GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 PERSONAL & ADV INJURY \$ 1,000,000 EACH OCCURRENCE \$ 1,000,000 FIRE DAMAGE (Any one fire) \$ 100,000 MED EXP (Any one person) \$ 10,000 |
| | AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS | | | | COMBINED SINGLE LIMIT \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$ |
| | GARAGE LIABILITY <input type="checkbox"/> ANY AUTO | | | | AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: \$ \$ \$ |
| | EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM | | | | EACH OCCURRENCE \$ AGGREGATE \$ \$ |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/PARTNER/EXECUTIVE OFFICERS ARE <input type="checkbox"/> INCL <input type="checkbox"/> EXCL | | | | <input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER EL EACH ACCIDENT \$ EL DISEASE - POLICY LIMIT \$ EL DISEASE - EA EMPLOYEE \$ |
| | OTHER | | | | |

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS

WEST RIDGE PRO 0077041
CANCELLATION CLAUSE REVISED AS FOLLOWS: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CHANGED AND/OR CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL MAIL (CERTIFIED) 45 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED BELOW.

AGREED TO HOLD UP

STATE OF UTAH-DEPT OF NATURAL RESOURCES
DIV OF OIL, GAS & MINING
1604 W. N. TEMPLE SUITE 1210
SALT LAKE CITY UT 84114-8801

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF THE ISSUING COMPANY WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
Jimmy Riddle

Jimmy Riddle



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

February 26, 1999

To: File

From: Pamela Grubaugh-Littig, Permit Supervisor 

Re: 510 (c) Recommendation for West Ridge Resources, Inc. West Ridge Mine, ACT/007/041, Folder #5, Carbon County, Utah

As of this writing of this memo, there are no NOVs or COs which are not corrected or in the process of being corrected for the new West Ridge Mine. There are no finalized civil penalties which are outstanding and overdue in the name of West Ridge Resources, Inc. West Ridge Resources, Inc. does not have a demonstrated pattern of willful violations, nor have they been subject to any bond forfeitures for any operation in the state of Utah.

Attached is an OSM recommendation from the Applicant Violator System with an issue recommendation for the West Ridge Mine.

Applicant Evaluation

Applicant Violator System

26-Feb-1999 10:58:54

State : UT Permit No :

Appl No : PR0007041

Applicant : 146219(WEST RIDGE RESOURCES INC)

Seqno : 0

SYSTEM RECOMMENDATION IS BASED ON ENTITY OFT

SYSTEM RECOMMENDATION : ISSUE 02/26/1999

PREVIOUS SYSTEM RECOMMENDATION : ISSUE 02/26/1999

RCM_MNT(F7) PERMIT/APPL(F8)

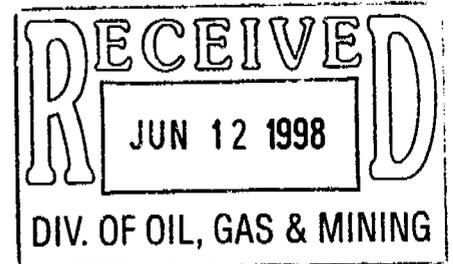
PRV_SCR(F3) EVOFT(F5) REPORTS(F9) CHOICES(F10)



United States Department of the Interior

FISH AND WILDLIFE SERVICE

UTAH FIELD OFFICE
LINCOLN PLAZA
145 EAST 1300 SOUTH, SUITE 404
SALT LAKE CITY, UTAH 84115



In Reply Refer To
(CO/KS/NE/UT)

June 10, 1998

Ms. Mary Ann Wright
Associate Director of Mining
Utah Coal Program
Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, UT 84114-5801

RE: Determination of Administrative ~~Completeness~~ for Permit Application, Andalex Resources, Inc., West Ridge Mine, PRO/007/041, Carbon County, Utah

Dear Ms. Wright:

We have reviewed the subject West Ridge Mine Permit Application to proceed with additional underground mining operation in the "C" Canyons, and offer the following comments for your consideration:

1. Section 322.210, Paragraph 1 states, in error, that the U.S. Fish and Wildlife Service (Service) letter of January 12, 1998 indicated that no federally listed threatened or endangered species are known to occur in the project area. A similar statement appears in Section 330.333, paragraph 1. Our letter provided a list of species occurring in Carbon County.
2. Section 322.210, Paragraph 3 should be updated to include Utah Division Wildlife Resources (UDWR) 1998 raptor survey information which located a pair of peregrine falcons using an area near the perimeter of the 10-mile radius survey area. Although nesting was not confirmed, perching areas were located and the pair was assumed to potentially be breeding in the area (Ben Morris, UDWR, personal communication). This section as well as Section 322.333 should be updated to include UDWR 1998 raptor survey results.
3. Section 322.210, Paragraph 4 indicates that the burrowing owl is not expected to occur within the permit area since they use prairie dog burrows as nest sites. It should be noted that burrowing owls also use badger and marmot burrows for nest sites.
4. Section 330.333, paragraph 2; We appreciate the effort to incorporate raptor-proof designs for power line design and installation. To facilitate this effort, we recommend conformance with specifications presented in:

Copy Aaron Paul
#2

Avian Power Line Interaction Committee (APLIC). 1996. Suggested practices for raptor protection on power lines: the state of the art in 1996. Edison Electric Institute/Raptor Research Foundation. Washington, D.C. 125pp.

Avian Power Line Interaction Committee (APLIC). 1994. Mitigating bird collisions with power lines: the state of the art in 1994. Edison Electric Institute. Washington, D.C. 78pp.

Suggested practices are intended to reduce bird collisions, entanglement, and electrocution. Construction of transmission towers and power poles should also enhance raptor nesting opportunities where appropriate.

5. Section 330.333, paragraph 3 states that Andalex/West Ridge Resources, Inc. would consult with the Utah Division of Oil, Gas, and Mining and the UDWR if additional raptor nests are found during subsidence area surveys. Consultation with the Service should also be initiated when raptor nests are located to ensure project compliance with the Endangered Species Act, Eagle Protection Act and/or the Migratory Bird Treaty Act.

6. Section 330.333, paragraph 7 estimates that water consumption and usage from proposed mining activities will be less than 100 acre-feet per year. If actual water depletion from the Upper Colorado River System exceeds 100 acre-feet per year, Section 7 consultation with the Service will be required.

7. Section 410; Post-mining land use is described as remaining the same as pre-mining land use, including grazing, wildlife habitat, and recreational activities. While the land use categories may remain the same, construction of the "C" Canyon access road is likely to increase recreational use of the area due to improved accessibility. Increased human access as well as impacts associated with the roadway footprint and operation will have unquantifiable effects to wildlife and their habitats (see comment #9 also).

8. Section 521; An alternate 10-acre topsoil borrow area approximately 1.5 miles west of the mine site may be required during reclamation activities. If this area is utilized, mitigation for loss of wildlife habitat will be necessary, and should be incorporated in this plan.

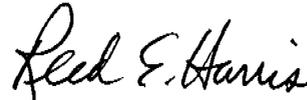
9. Section 527.100; Construction of the "C" Canyon road to access the West Ridge Mine facility is discussed briefly in this section. We understand that the "C" Canyon Road alignment and construction will be analyzed under separate cover of the West Ridge Project Environmental Assessment, being prepared by the Bureau of Land Management. However, since the proposed road is intended to access the West Ridge Coal Mine and will be maintained by the mine for the life of the project, we believe the mine permit application should acknowledge its development in the Project Description, Wildlife, and Land Use sections. For instance, construction of the "C" Canyon road is likely to incur both direct and indirect wildlife impacts such as construction-related mortality of wildlife, an increase in wildlife-vehicle collisions, habitat loss and fragmentation, and displacement of some individuals or species to already occupied or less

desirable habitats. Public recreational use and associated wildlife impacts may also increase with development of the access road.

At a minimum, Andalex/West Ridge Resources, Inc. should assume mitigative measures (and incorporate into Section 330.333) in this mine plan which are directly related to road impacts associated with mine operation. Coal hauling operations are likely to increase wildlife-vehicle collisions, particularly deer, since the travel route is located within critical-valued deer winter range; subsequently, increased mortality of raptors feeding on road-killed carrion may also occur. The mine should commit to educational programs for its employees in an effort to increase awareness of the potential for collisions with wildlife. In addition, road-killed deer and elk should be immediately removed from the roadway to minimize the potential for collisions with raptors.

Thank you for the opportunity to provide comments. If we can be of further assistance, please contact Laura A. Romin, Wildlife Ecologist, of this office at (801) 524-5001, ext. 142.

Sincerely,



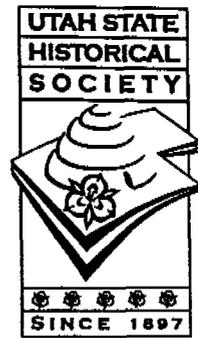
Reed E. Harris
Field Supervisor

cc: Mr. John Kimball, Director, Utah Division Wildlife Resources, 1594 West North Temple, Suite 2110, P.O. Box 146301, Salt Lake City, UT, 84114-6301.



State of Utah

Department of Community and Economic Development
Division of State History
Utah State Historical Society

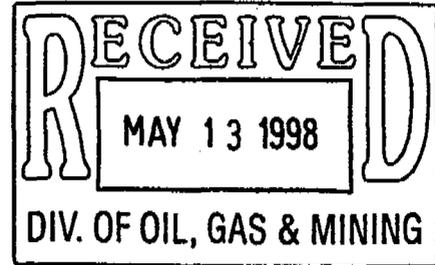


Michael O. Leavitt
Governor
Max J. Evans
Director

300 Rio Grande
Salt Lake City, Utah 84101-1182
(801) 533-3500 FAX: 533-3503 TDD: 533-3502
cehistory.ushs@email.state.ut.us

May 8, 1998

Utah Coal Program
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City UT 84114-5801



RE: Andalex Resources, Inc. West Ridge Mine, PRO/007/0401, Folder #3, Carbon County, Utah

In Reply Please Refer to Case No. 97-0684

Copy Pam: Daron

The Utah State Historic Preservation Office received the above referenced report on May 6, 1998. Our office has no objections or comments concerning the determination of Administrative Completeness.

This information is provided on request to assist the DOGM with its Section 106 responsibilities as specified in §36CFR800. If you have questions, please contact me at (801) 533-3555. My email address is: jdykman@state.ut.us

As ever

James L. Dykmann
Compliance Archaeologist

JLD:97-0684 DOGM

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United States Department of the Interior

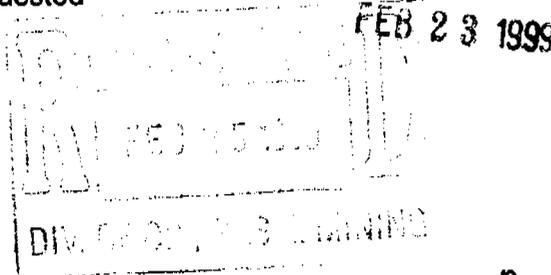
BUREAU OF LAND MANAGEMENT

Price Field Office
125 South 600 West
Price, Utah 84501

3480
(SL-068754)
(UT-070)

Certified Mail--Return Receipt Requested
Certificate No. P 299 520 577

Dave Shavers
Manager of Technical Services
Andalex Resources, Inc.
Tower Division
West Ridge Mine
P.O. Box 902
Price, Utah 84501



PRO/007/041

Re: Andalex Resources Inc., West Ridge Mine, Resource Recovery and Protection
Plan (R2P2); Federal Coal Lease SL-068754

#3

Copy Daron

Dear Mr. Shaver:

This letter is to notify you that we have completed our review of Andalex's R2P2 regarding the proposed development of the West Ridge Mine located at C-Canyon in the Book Cliffs area near East Carbon on Federal coal lease SL-068754. The purpose of our review was to determine compliance with the Mineral Leasing Act of 1920, as amended; the regulations at 43CFR 3480; the lease terms and conditions and to ensure that maximum economic recovery (MER) will be achieved.

Our determination of the subject R2P2 is as follows:

Tentatively, the proposed West Ridge Mine will begin initial mine production in January 2000. The projected mine life is approximately 18 years. As shown on Plate #5A, Mining Projections (enclosure), the projected mining reflects both a mine plan that limits mining to the Federal coal lease SL-068754 and one that expands mining onto adjacent Federal and state coal reserves. The latter plan is dependent on Andalex's successful acquisition of adjacent state and Federal coal reserves. However, at this time, BLM's findings must be and are limited to concerns regarding the mining on the Federal lease only. Any assumptions concerning acquisition of coal reserves and the expanded plan for mining off-lease have been dismissed. Predicated on this measure, BLM is requiring Andalex to submit for approval a mine plan that:

1) reflects mining (longwall panel development) to within 50 feet of the lease boundary in accordance with

43 CFR-3484.1(c)(6)(i) - Barrier pillars left for support;

2) provide appropriate justification (design criteria) for the size of all protective barrier pillars utilized in the mine layout in accordance with

43 CFR-3482.1 (c)(4)(v)(C) - Location of where pillars will be left and an explanation of why these pillars will not be mined; and

3) provide appropriate justification for all unmined areas of the reserves/coal bed within lease boundaries in accordance with

43 CFR-3482.1(c)(7) Explanation of how MER of the Federal coal lease will be achieved
..... If a coalbed, or portion thereof, is not to be mined or rendered unminable ... lessee shall submit appropriate justification to the authorized officer for approval.

Maximum economic recovery of the coal reserve within Federal SL-068754 will be achieved.

Also, we request a copy of the approved roof-control plan, ventilation plan and manufacturer's specs for the basic mining equipment listed on page 15 of West Ridge Mine's R2P2.

BLM has determined that the information contained in the R2P2 for the West Ridge Mine does in part satisfy the aforementioned compliance requirements. However, concerns identified above must be addressed. Therefore, BLM's determination is conditioned with the following stipulation:

Stipulation:

Andalex shall submit the following information for approval sixty (60) calendar days prior to the startup of any longwall coal production:

- A mine plan that reflects mining to within 50 feet of the lease boundary;
- Appropriate justification (design criteria) for the size of all protective barrier pillars utilized in the mine layout;
- Appropriate justification for all unmined areas of the reserves/coalbed within lease boundaries; and
- Approved roof-control plan, ventilation plan and manufacturer's specs for basic mining equipment.

This stipulation permits Andalex to commence development mining on the subject lease as shown on Plate #5A.

Therefore, BLM has determined the proposed R2P2 for the West Ridge Mine, as stipulated, does comply with the Mineral Leasing Act of 1920, as amended, the regulations at 43 CFR 3480, the lease terms and stipulations, and will achieve maximum economic recovery of the Federal coal. Thus, approval for the West Ridge Mine's R2P2 is granted.

If you have any questions, please contact Barry Grosely in the Price Field Office at (434) 636-3606.

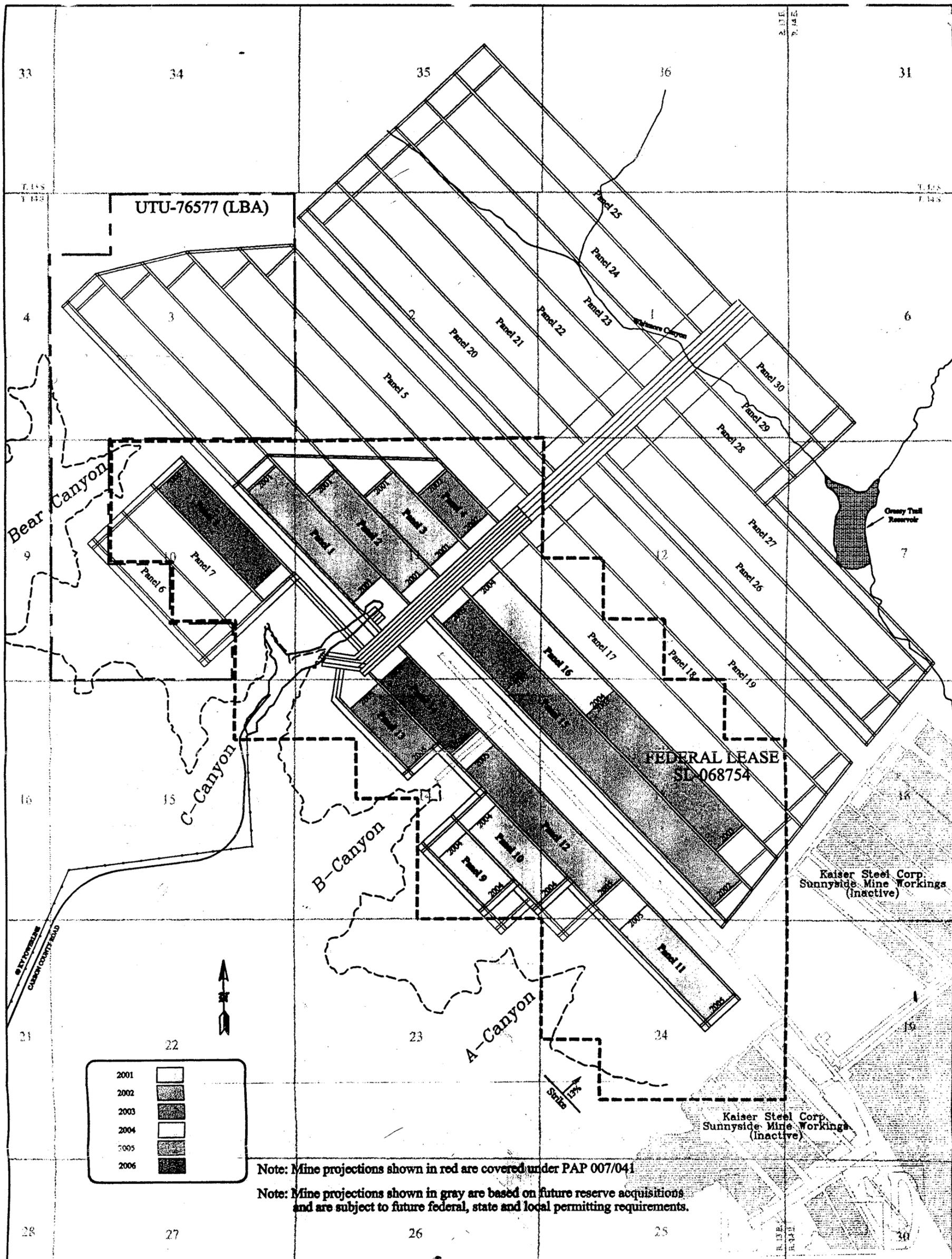
Sincerely,
/S/ THOMAS E. RASMUSSEN

Richard L. Manus
Field Manager

Enclosure
Mine Map

cc: Utah Division of Oil, Gas and Mining
355 West North Temple Street
3 Triad Center Ste 350
Salt Lake City, Utah 84180-1203 (w/Enclosure)

Ranvir Singh
Office of Surface Mining
Reclamation and Enforcement
1999 Broadway, Suite 3320
Denver, Colorado 80202-5733 (w/Enclosure)



UTU-76577 (LBA)

FEDERAL LEASE
SL-068754

Kaiser Steel Corp.
Sunnyside Mine Workings
(Inactive)

Kaiser Steel Corp.
Sunnyside Mine Workings
(Inactive)

| | |
|------|--|
| 2001 | |
| 2002 | |
| 2003 | |
| 2004 | |
| 2005 | |
| 2006 | |

Note: Mine projections shown in red are covered under PAP 007/041

Note: Mine projections shown in gray are based on future reserve acquisitions and are subject to future federal, state and local permitting requirements.

WEST RIDGE MINE
R2P2
Plate #5A
Mining Projections

LEGEND:

- Surface Facility Area
- Outcrop
- DOG M Permit Boundary
- Proposed LBA Boundary



ANDALEX
RESOURCES, INC.
Tower Division

SCALE: 500' 0' 1000' 2000'

ENCLOSURE