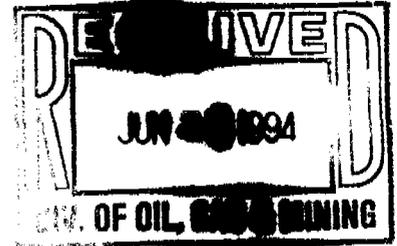




MT NEBO SCIENTIFIC, INC.

research & consulting

June 6, 1994



Daron Haddock, Permit Supervisor
STATE OF UTAH, Department of Natural Resources
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

Act/007/012 #6

RE: MONTHLY FINES REPORT AT WELLINGTON

Dear Mr. Haddock:

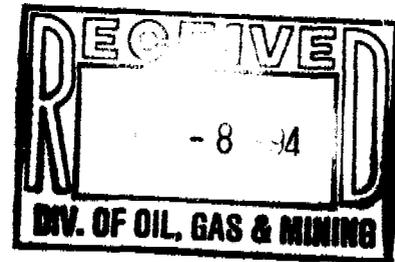
Please find enclosed the "Monthly Reports for the Wellington Fines Removal Study" for *CASTLE VALLEY RESOURCES*.

Sincerely,

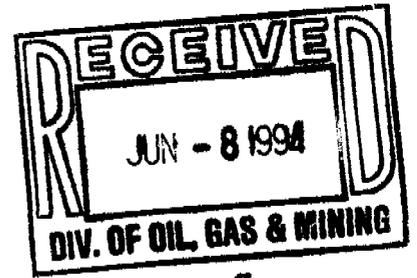
Patrick D. Collins, Ph.D.
Environmental Consultant

Enclosure

cc: Jay Marshall



**MONTHLY REPORT
FOR THE
WELLINGTON FINES REMOVAL STUDY**



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to

**STATE OF UTAH
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180**

for

**NEVADA ELECTRIC INVESTMENT COMPANY
2835 South Jones Blvd.
Las Vegas, Nevada 89102**

by

**MT. NEBO SCIENTIFIC
P.O. Box 337
Springville, Utah 84663**

June 6, 1994



**MONTHLY REPORT
FOR THE
WELLINGTON FINES REMOVAL STUDY**

to

**STATE OF UTAH
Division of Oil, Gas & Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180**

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June 6, 1994



**MONTHLY REPORT
FOR THE
WELLINGTON FINES REMOVAL STUDY**

Current Month - May 1994
Subsequent Month - June 1994

INTRODUCTION

As outlined in previous monthly reports, CASTLE VALLEY RESOURCES (NEICO) was granted authorization by the State of Utah, Division of Oil, Gas & Mining (DOGM) to conduct a pilot study to remove coal slurry fines from the pond areas at the Wellington site. Prior to DOGM approval (August 23, 1991), an application was submitted as a permit amendment (April 25, 1991) and deficiencies subsequently addressed (July 15, 1991). Refer to Appendix M of the MRP for these documents.

The primary purpose of the pilot study is to compare methodologies and costs for fines removal for reclamation and/or marketability.

Monthly Reports

With the authorization from DOGM, CASTLE VALLEY RESOURCES (NEICO) agreed to comply with several environmental and engineering provisions previously outlined in the submittal dated July 15, 1991. One of the stipulations was to present monthly reports to DOGM summarizing the past month's activities, plus an outline of activities planned for the following month. This report will attempt to comply with these provisions.

CURRENT MONTH ACTIVITIES (May 1994)

The activities for the month of May will virtually be the same as the previous months. CASTLE VALLEY RESOURCES (NEICO) is continuing to collaborate with engineering firms in feasibility studies for the future of the slurry fines. Progress has been made in this process and feasibility will continue to be explored.

As before, work will be conducted to pursue the possibility of using the pond area for future water storage for an industrial park.

SUBSEQUENT MONTH ACTIVITIES (June 1994)

Work will continue in June to explore the possibility of using the fines or selling them to potential customers. No significant changes in the plans are anticipated.

Work will also be conducted to pursue the possibility of using the pond area for future water storage for an industrial park and/or irrigation.