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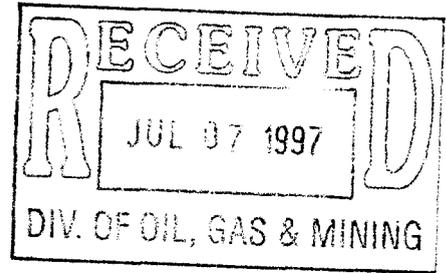
ACT/007/012

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MT NEBO SCIENTIFIC, INC.

research & consulting



July 3, 1997

Mr. Daron Haddock
STATE OF UTAH
Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

RE: Response to TA (dated December 23, 1996)
Wellington Preparation Plant (ACT/007/012)

Dear Mr. Haddock:

As an agent for NEICO (the "Permittee"), Earthco (the "Operator") at the Wellington Preparation Plant has asked me to submit deficiency responses to the above referenced Technical Analysis (TA).

The response included herein was prepared by EIS for Earthco.

Sincerely,

Patrick D. Collins, Ph.D.
Resident Agent/Environmental Consultant

cc: D. Schwehr (NEICO)
S. Traweck (Earthco) w/o enclosure

APPLICATION FOR PERMIT PROCESSING

<input type="checkbox"/> Permit Change	<input type="checkbox"/> New Permit	<input type="checkbox"/> Renewal	<input type="checkbox"/> Transfer	<input type="checkbox"/> Exploration	<input type="checkbox"/> Bond Release	Permit Number: ACT/007/012
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Title of Proposal: Deficiency Response to December 23, 1997 Technical Analysis	Mine: WELLINGTON PREPERATION
	Permittee: NEVADA ELECTRIC

Description, include reason for application and timing required to implement:

Instructions: If you answer yes to any of the first 8 questions (gray), submit the application to the Salt Lake Office. Otherwise, you may submit it to your reclamation specialist.

<input type="checkbox"/> Yes	<input type="checkbox"/> No	1. Change in the size of the Permit Area? _____ acres Disturbed Area? _____ acres <input type="checkbox"/> increase <input type="checkbox"/> decrease.
<input type="checkbox"/> Yes	<input type="checkbox"/> No	2. Is the application submitted as a result of a Division Order? DO # _____
<input type="checkbox"/> Yes	<input type="checkbox"/> No	3. Does application include operations outside a previously identified Cumulative Hydrologic Impact Area?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	4. Does application include operations in hydrologic basins other than as currently approved?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	5. Does application result from cancellation, reduction or increase of insurance or reclamation bond?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	6. Does the application require or include public notice/publication?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	7. Does the application require or include ownership, control, right-of-entry, or compliance information?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	8. Is proposed activity within 100 feet of a public road or cemetery or 300 feet of an occupied dwelling?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	9. Is the application submitted as a result of a Violation? NOV # _____
<input type="checkbox"/> Yes	<input type="checkbox"/> No	10. Is the application submitted as a result of other laws or regulations or policies? Explain: _____
<input type="checkbox"/> Yes	<input type="checkbox"/> No	11. Does the application affect the surface landowner or change the post mining land use?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	12. Does the application require or include underground design or mine sequence and timing? (Modification of R2P2?)
<input type="checkbox"/> Yes	<input type="checkbox"/> No	13. Does the application require or include collection and reporting of any baseline information?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	14. Could the application have any effect on wildlife or vegetation outside the current disturbed area?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	15. Does application require or include soil removal, storage or placement?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	16. Does the application require or include vegetation monitoring, removal or revegetation activities?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	17. Does the application require or include construction, modification, or removal of surface facilities?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	18. Does the application require or include water monitoring, sediment or drainage control measures?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	19. Does the application require or include certified designs, maps, or calculations?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	20. Does the application require or include subsidence control or monitoring?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	21. Have reclamation costs for bonding been provided for?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	22. Does application involve a perennial stream, a stream buffer zone or discharges to a stream?
<input type="checkbox"/> Yes	<input type="checkbox"/> No	23. Does the application affect permits issued by other agencies or permits issued to other entities?

Attach 3 complete copies of the application.

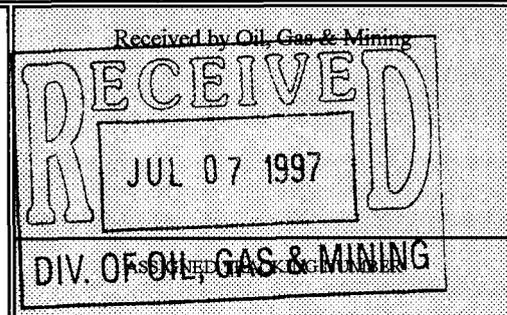
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments, undertakings, and obligations, herein. (R645-301-123)

Kathleen Collins Res. Agent 7/3/97
Signed - Name - Position - Date

Subscribed and sworn to before me this 3 day of July, 1997.

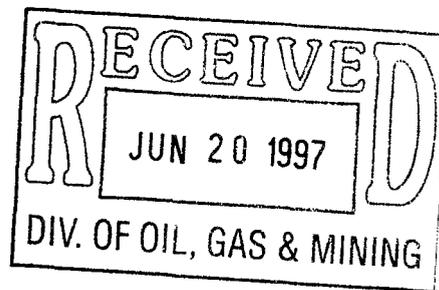
Stacy Anderson
Notary Public

My Commission Expires: _____, 19____
STATE OF _____
COUNTY OF _____



received
MT. NEBO 7/2/97

NEICO - ACT/007/012
TA DEFICIENCIES - 1/6/97



(1) **RESPONSE** - Addressed by NEICO (Mt. Nebo)

(2) **R645-301-233**

Due to recent findings, Earthco cannot commit to borrow areas A, B, or C, Plate G9-3511 based on the following:

Area A - The borrow site is within an area determined to be prime farmland (see attachment 1) by NRCS.

Area B and C - This area due to the depth of soil to be removed in excess of 5' would:

- (1) Constitute a catchment basin, with no reasonable method to drain.
- (2) Preclude the land for future use as industrial as approved.
- (3) Potentially impound water adjacent to a primary road and railspur.

After consultation with the Utah Division of Water Rights, State Engineer, Mr. Mark Page. Earthco has been advised that the State Engineer would have to pre-approve any excavation of that magnitude that there are numerous concerns that will need to be adequately addressed to the satisfaction of both the State Engineers and possibly the Army Corp of Engineers relative to:

- (1) Impacts on down stream water rights associated with Price River.
- (2) Potential for impounding water, perhaps in excess of 25 acre feet.
- (3) Contributory to salt concentration into the Colorado River drainage.
- (4) Possible interference with interstate commerce in potential impacts to Union Pacific's main line, (Denver-Salt Lake).
- (5) A storm drainage control plan may not be feasible to allow post mining land use (industrial).

Earthco, in an effort to comply with State and Federal law, requests that the application to utilize area A, B, & C, Plate G9-3511, be withdrawn as of this date. Earthco will in the next 90 days investigate the feasibility of numerous other options to address cover and growth media requirements to implement reclamation.

Currently, a number of alternatives are being investigated. The following is a partial list:

- (1) Purchase soil and/or soil substitute off site from a commercial source.

- (2) Access the nature of the processed coal refuse to determine its suitability for fill and/or cover material.
 - (3) Determine the quality of material below or that which is presently covered by coal refuse.
 - (4) Maximize available insitu soil located in the dikes, clear water impoundments and adjacent slopes that may be made available with the renewed mining of the slurry pond area.
-
- (3) **R645-301-241** - (Mute) refer #2
 - (4) **R645-301-341.250** - (Mute) refer #2
 - (5) See attachment and insert (Volume I, R645-304-342, pp. 1-2)
 - (6) **R645-301-515.300** - Addressed Mt. Nebo
 - (7) See attachment and insert (Volume I-B, R645-301-515, pp. 1)
 - (8) See attachment map and insert (Drawing No. E9-3341B)
 - (9) **R645-301-526** - Submitted by Blackhawk Engineering 3/25/97
 - (10) **R645-301-527** - See attachment and insert (Volume I-B, R645-301-527, pp.1-5)
 - (11) **R645-301-542.300** - The plan relative to regrading and backfilling of the slurry impoundment area is currently being incorporated into an active mine site. Negotiations are being conducted with Covol to repossess the coal refuse and slurry pond material. The refuse generated from this process will need to be analyzed to determine the feasibility of using it as backfill. Stability of existing embankments are not relevant with new mining pending.
 - (12) **R645-301-740** - Submitted by Blackhawk Engineering 3/25/97
 - (13) **R645-301-800** - Bonding calculations will need to be updated when an alternative substitute growth media, top soil, fill, is located and methodologies are finalized.

R645-310-342.100 through R645-301-342.400 Plans to change the postmining land use to cropland, pasture, grazing and industrial use are presently under review. The approved postmining land use of the Wellington Preparation Plant area was the same as the premining land use, or "undeveloped with limited grazing". Considerable work has been done in the recent months to research the feasibility of using the area for industrial purposes. Many of these activities remain viable.

Because of the postmining land use will change, a new plan for reclamation and wildlife enhancement techniques will be formulated. Representatives and biologists representing both DWR and the operator at the time (NEICO) met in May 1996. This meeting concentrated on the use of the existing alfalfa fields in association with the riparian corridor as a wildlife enhancement feature. Because of the change in ownership and since the fields are no longer considered as a topsoil borrow area, the use of this area strictly for wildlife enhancement is no longer being considered. Regardless, potential enhancement features that could be incorporated into the final reclamation plan were discussed for further evaluation. These plans were conceptual and partly based on the idea that the croplands would remain following final reclamation. The plans were not implemented, but have been summarized in the following paragraph.

Amended June 13, 1997

Native plant species have been used in the final seed mixture. Furthermore, the crop-management practices following final reclamation may include breaking up large areas of monocultural crops with trees, hedges and varied crops and pastures to also provide habitat diversity for wildlife. If the industrial areas are developed, the operator could intersperse reclaimed land with greenbelts utilizing grass, shrubs, and trees useful to wildlife habitat.

The current operator (Earthco) commits to the establishment of a riparian corridor along the Price River for wildlife movement from areas above and below the existing permit area. The operator does commit to the evaluation of the suggested UDOGM methods (i.e. shrub and greenbelt establishment, use of native species, tamarisk eradication) for enhancement of the corridor. However, since the area has recently seen a change in ownership, details for the restoration of this area will need to be further evaluated.

The permit area between the Union Pacific Railroad line and the Mounds Road would be enhanced for wildlife use with the best technology available at the time of reclamation, and left as is were it is currently undisturbed. All other undeveloped areas within the permit area would be left undisturbed for their concurrent post-mining land uses. New plans for wildlife enhancements for the time of final reclamation will be submitted to DOGM concurrent with the permit boundary modification.

Amended June 13, 1997

Earthco has agreed to adhere to the following regulations:

515.300. The permit application will incorporate a description of procedures for temporary cessation of operations as follows:

515.310. Temporary abandonment will not relieve a person of his or her obligation to comply with any provisions of the approved permit.

515.311. N/A

515.312. Each person who conducts SURFACE COAL MINING AND RECLAMATION ACTIVITIES will effectively secure surface facilities in areas in which there are no current operations, but in which operations are to be resumed under an approved permit.

515.320. Before temporary cessation of coal mining and reclamation operations for a period of 30 days or more, or as soon as it is known that a temporary cessation will extend beyond 30 days, each person who conducts coal mining and reclamation operations will submit to the Division a notice of intention to cease or abandon operations. This notice will include:

515.321. N/A

515.322. For the purposes of SURFACE COAL MINING AND RECLAMATION ACTIVITIES, a statement of the exact number of acres which will have been affected in the permit area prior to such temporary cessation, the extent and kind of reclamation of those areas which will have been accomplished, and identification of the backfilling, regrading, revegetation, environmental monitoring, and water treatment activities that will be retained in place to prevent slides and erosion.

R645-301-342.100 through R645-301-342.400 Plans to change the postmining land use to cropland, pasture, grazing and industrial use are presently under review. The approved postmining land use of the Wellington Preparation Plant area was the same as the premining land use, or "undeveloped with limited grazing". Considerable work has been done in the recent months to research the feasibility of using the area for industrial purposes. Many of these activities remain viable.

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Amended June 13, 1997

R645-301-527.100 through R645-301-527.250 A general map that shows roads, the rail system, surface facilities and other structures associated with the Wellington Preparation Plant is shown on Dwg. E9-3341.

Roads

For more information on roads of the Wellington facility, refer to R645-301-512 and R645-301-534. The primary roads meet the requirements of R645-301-358, R645-301-527.100, R645-301-527.230, R645-301-534.110, R645-301-534.200, R645-301-542.600, and R645-301-762. Roads were designed to control damage to public or private property, have a static safety factor minimum of 1.3 for all embankments, and to ensure environmental protection and safety appropriate for their planned period of use (including consideration of the type and size of equipment used, the design and reconstruction of roads, appropriate limits for grade, width, surface materials, and other necessary design criteria established by the Division).

Roads have been designed, built and described in previous a submittal to the Division called "Revised Application For Permit Revision and Incidental Boundary Change: Wellington Preparation Plant" (November 1, 1989 submittal). Any departures from as-built designs were described "As-Built Facilities: Genwal's Wellington Coal Load-Out Facility", (December 21, 1989 submittal). Designs and other information are summarized given below.

Amended June 13, 1997

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Amended June 13, 1997

Primary Roads

All roads associated with the permit area are considered primary roads. The roads associated with the Upper and Lower Slurry Ponds will be utilized in the re-mining of the coal refuse and slurry material. The balance of the roads on the property provide access for grazing, farming, or industrial application and will be retained upon and for post-mining land use.

Primary roads have been designed, constructed and certified by a registered professional engineer. They meet or exceed standards to comply with requirements for stability, drainage, configuration, safety, maintenance, size, grade and other Division requirements (R645-301-534). A certification statement by a registered professional engineer for the haulage road is enclosed (see Appendix G). Roads are also discussed in R645-301-514 and R645-301-534.

Specification for road widths, road gradients, road surface, road cut, fill embankment, culvert, etc. have been previously described and referenced in this section and shown on: Dwgs. A9-1432, C9-1286, DD-4, E9-3427, G9-3501, G9-3502, G9-3503, 4067-6-9A, 4067-6-17 (Rev.), and 4067-6-17A.

If the roads were to be damaged by a catastrophic event, a flood or earthquake, the road will be repaired as soon practical after the damage has occurred.

Amended June 13, 1997

Pursuant to a maintenance agreement with Carbon County, the Utah Department of Transportation (UDOT) maintains the Class I road ("Ridge Road") to the Wellington site. The county road ("Farnham Road") that runs south from Ridge Road, on the east side of Price River and west of the slurry cells is maintained by the county. These roads are shown on Dwg. E9-3341. Copies of letters from the appropriate agencies confirming maintenance responsibilities including approvals to conduct mining and reclamation activities within 100 ft of these road have been provided in Appendix G.

The introduction of coal haulage truck transportation facilities to the Wellington site, under the existing permit, mandated the construction of a Class I road for the load-out activities as defined by the Division. The new, 3,700 ft haul road was constructed for the loadout facility. The haul road is shown on Dwg. 4067-6-9A of the Appendix. Ditches run parallel to the road on the uphill side. The location of the ditches are shown in Dwgs. 4067-6-8A, 4067-6-9A (Rev), and 4067-6-10A (Rev). The haulage and access road begins at the coal load-out facility and proceeds generally northwesterly to the west boundary line of the owner's property. The road then connects with a country spur road used to access country borrow pits. This spur road in turn connects to the Carbon County Ridge Road. The haulage road passes over sparse grass and shrub lands as described in the existing Operation and Reclamation Plan of the permit area and does not cross any intermittent or perennial streams. Run-off from seasonal precipitation will be contained and directed as described in the Division rules and the certified design is compatible with criteria for coal truck haulage usage.

Amended June 13, 1997

Taking advantage of the gently undulating topography, the haulage road was positioned generally on the existing surface after removal and storage of topsoil and base preparation. Blading of a 30 ft. base along the right-of-way dressed and prepared a road base configuration to accommodate coal truck travel parameters.

Simple placement on the existing surface topsoil resulted in vertical maximum pitch of less than 4 percent (see Dwg. 4067-6-9A Rev). These grades are restricted to relatively short distance and the overall grade is approximately 2.0 percent.

The primary roads are located on the most stable available surfaces; are surfaced with rock, crushed gravel, asphalt or other material approved by the Division for anticipated traffic; and are routinely maintained to include repairs to the road surface, blading, filling potholes and adding replacement gravel or asphalt. If damaged by a catastrophic event, i.e. flood or earthquake, the road will be repaired as soon as practical after the damage has occurred.

Nonacid- or nonacid-forming substances were used in road surfacing.

There are no steep cut slopes within the load-out facility area.

The haulage road will be retained throughout the life of the coal loadout facilities. Should retention of the road be desired beyond this time, maintenance and drainage control will be provided. Upon permanent termination of all operations within this property, reclamation will be in accordance with pertinent Division rules.

Amended June 13, 1997

Drainage designs for the road are shown on Dwgs. 4067-6-9A (Rev.), 4067-6-10A (Rev.), and 4067-6-21.

Topsoil stockpiles constructed from the road and load-out facility were discussed in R645-301-231.220 and R645-301-231.400. For as-built topsoil stockpile drawings showing contours, heights, cross-sections, and volumes, refer to Dwgs. 4067-6-18, 4067-6-19 and 4067-6-20 and Appendix F.

Rail System

The Wellington rail siding is to be used for loading coal. All track to be used is within the present permit and no changes would be made except realignment of track and replacement of some ties and parts as needed to enable the track to support rail service. The rail system is shown on Dwg. E9-3341.

Amended June 13, 1997

ATTACHMENT A

PRIME FARMLAND DETERMINATIONS

UNITED STATES
DEPARTMENT OF
AGRICULTURE

NATURAL RESOURCES
CONSERVATION
SERVICE

PRICE FIELD OFFICE
350 NORTH 400 EAST
PRICE, UTAH 84501

DATE: April 11, 1997

FILE CODE: 290-11-11-5

SUBJECT: PRIME FARMLAND DETERMINATIONS

TO: Mike Hubbard
Environmental Industrial Services
4855 No. Spring Glen Rd.
Spring Glen, UT 84526

RE: Castle Valley Resource Property, Mine Reclamation Plan

After site investigation, The Natural Resources Conservation Service has determined that prime farmland or farmland of state wide importance occurs on the project area.

The prime farmland is on the irrigated agricultural fields on the north edge of the property in the area between Coal Creek and Soldier Creek and on the irrigated fields to the south west of the Price River and north east of the railroad.

The rest of the area is not prime farmland for the following reasons:

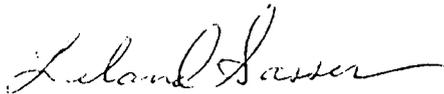
The soils immediately along the Price River are frequently flooded.

The soils east of the Price River and south west of the railroad have no developed irrigation system on arid soils and the slope x K (erodibility factor) is greater than 2.

Also small areas of soil within the fields and surrounding area have salt contents with a conductivity of the saturation extract being greater than 4 within 20 inches of the surface.

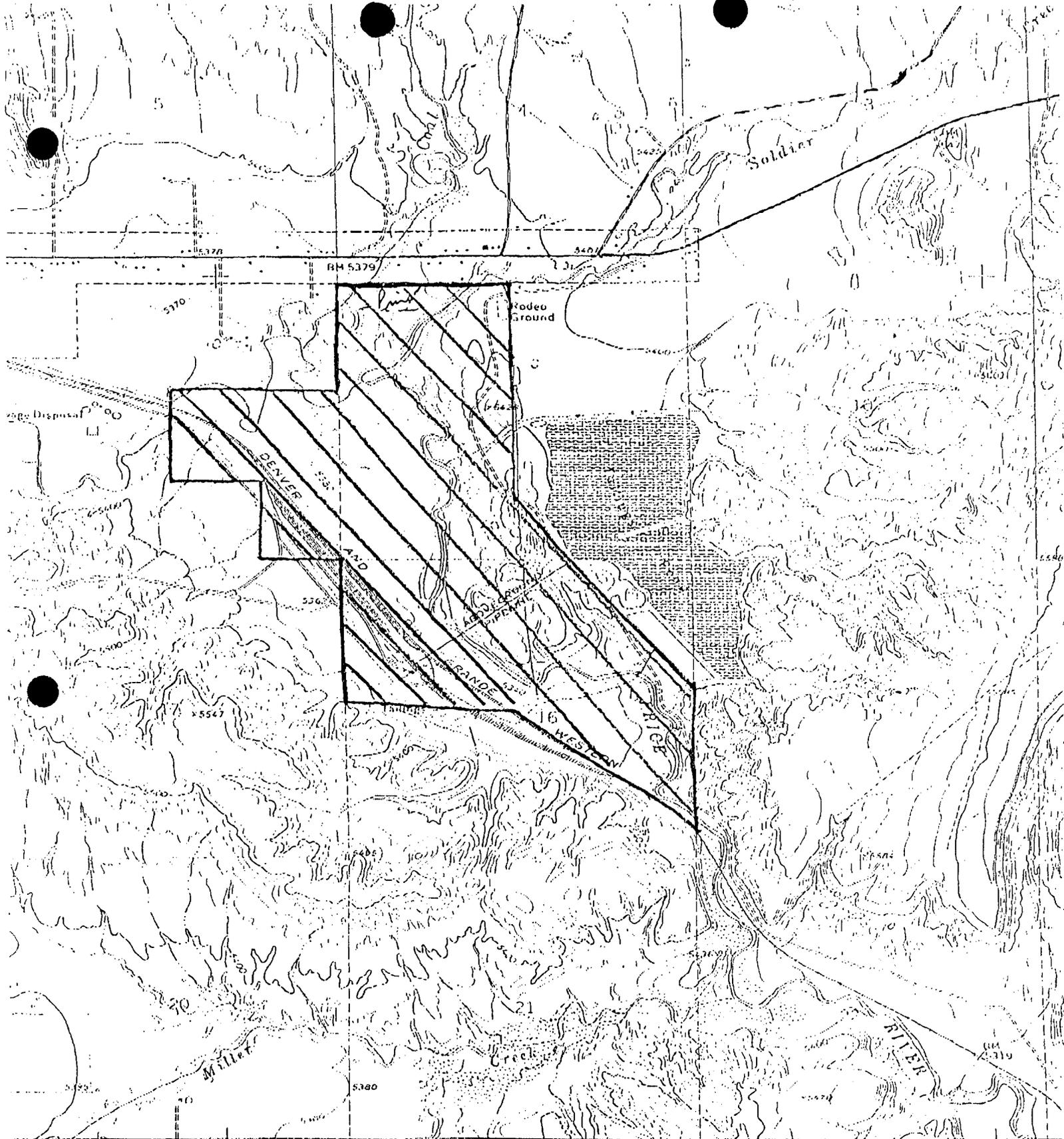
Location map enclosed.

REMARKS: Most of the soils in the project area are alluvial soils associated with Soldier and Coal Creeks and the Price River. Care should be taken to protect these soils and avoid polluting the streams or the ground water of this area.



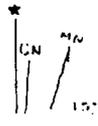
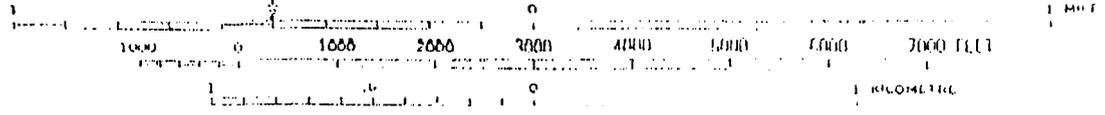
Leland Sasser
Soil Scientist

cc: William Broderson, State Soil Scientist, NRCS



2 220 000 1 CLT 42° 30' 26 10150N RESERVOIR 28 40'

SCALE 1:24 000

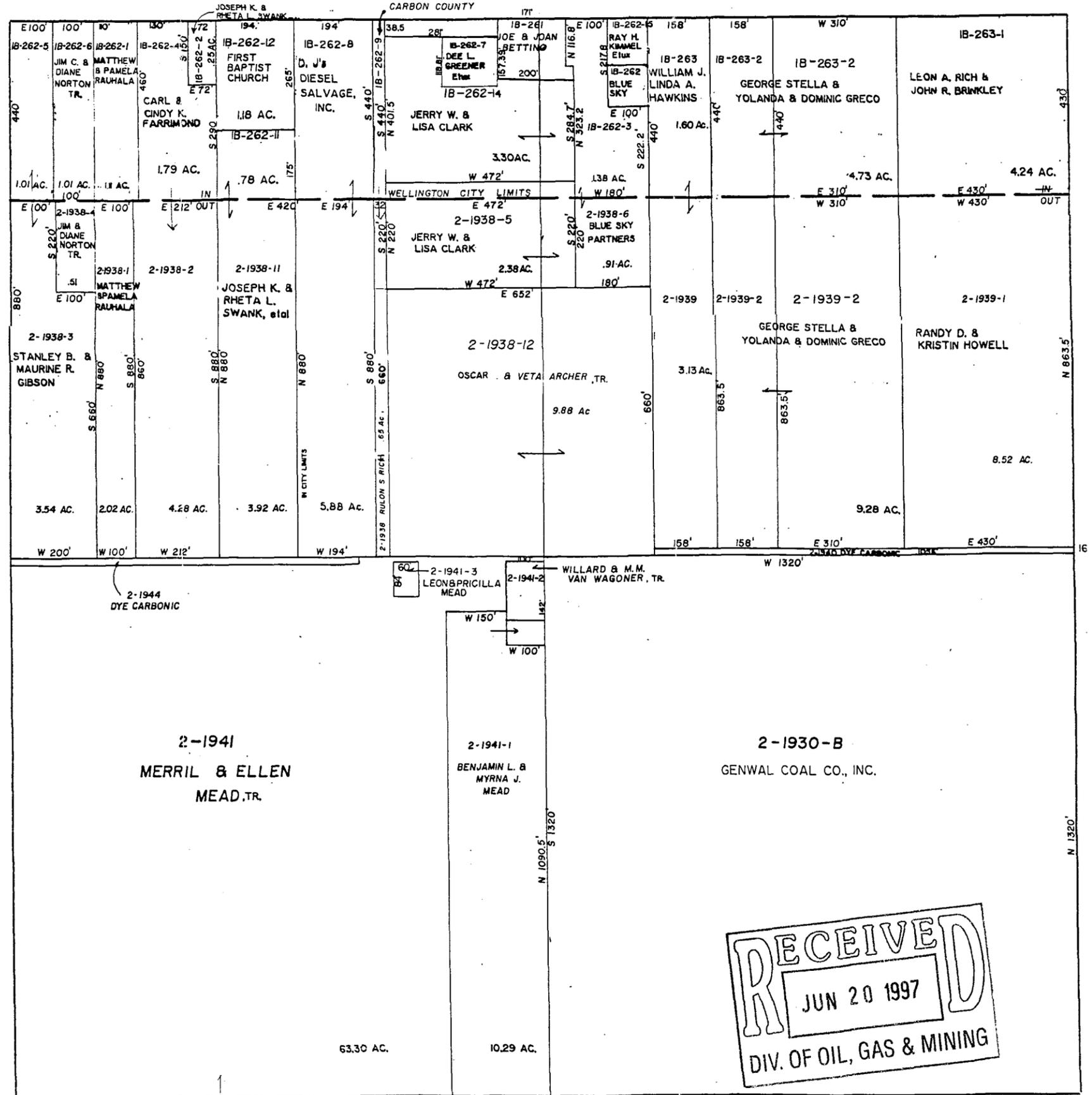


NE 1/4
SECTION 8

TOWNSHIP 15

SOUTH, RANGE 11

EAST



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Scale 100 feet = 1 inch

CARBON COUNTY PLATS

NE 1/4
SECTION

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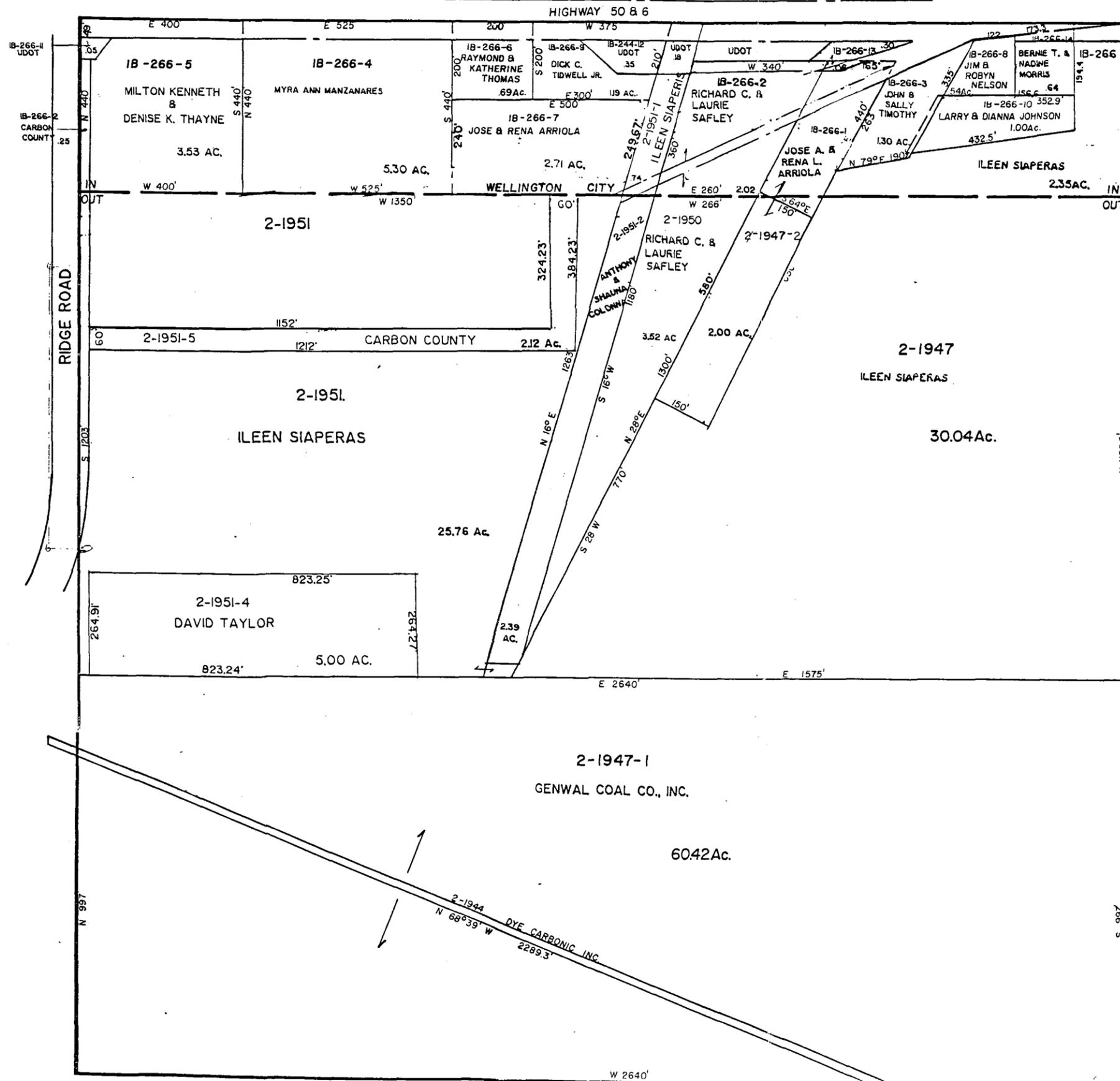
TOWNSHIP

15

SOUTH, RANGE

11

EAST



RECEIVED
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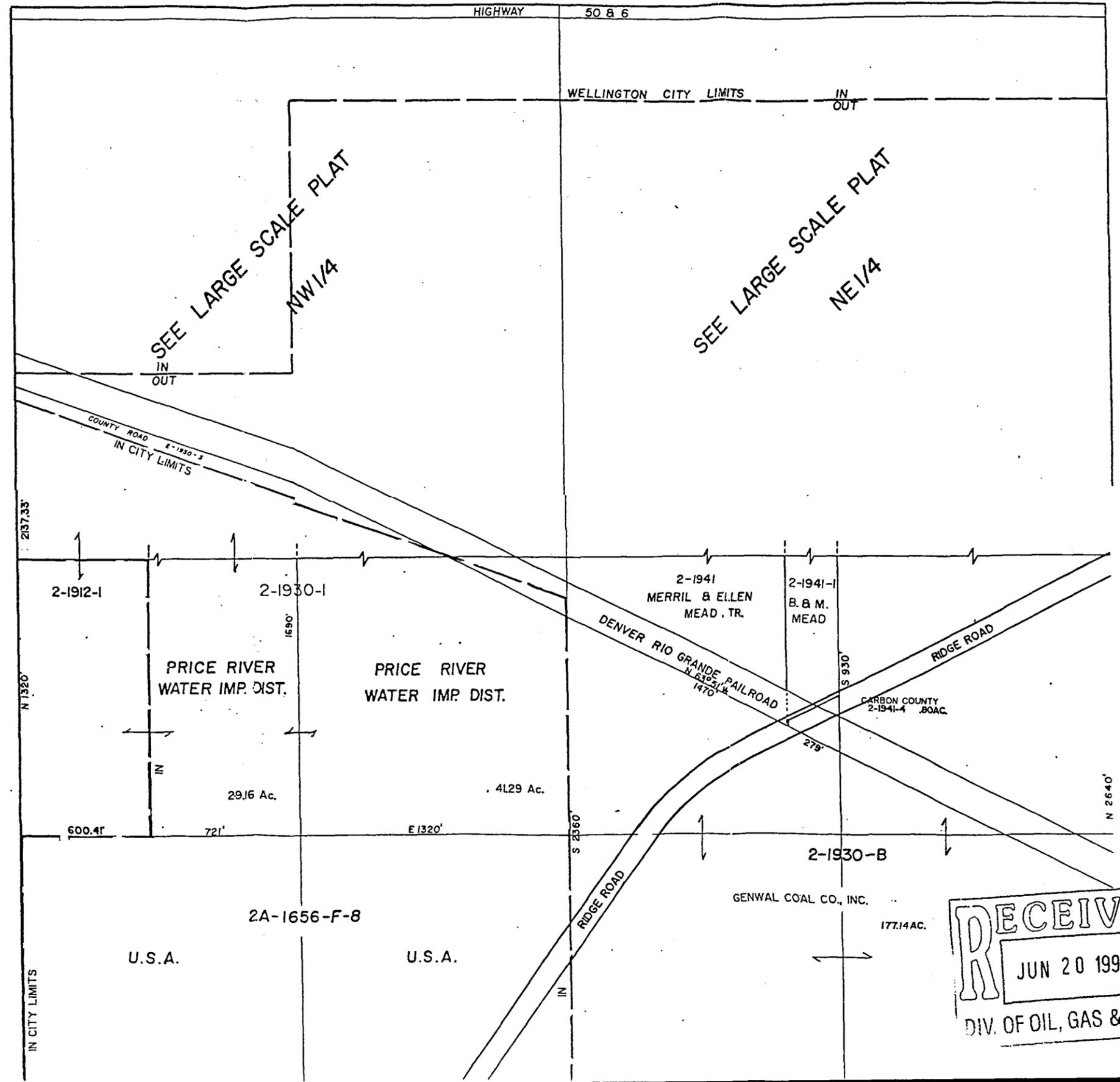
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EAST



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