0010

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5289
801-359-3940 (Fax)
801-538-5319 (TDD)

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

January 23, 1997

James W. Scott, President
EARTHCO
4118 North Meridian Street
Indianapolis, IN 46208-4015

Re: Request for Extension of Time to Respond to Permit Deficiencies, Nevada Electric Investment Company, Wellington Preparation Plant, ACT/007/012, Folder #3, Carbon County, Utah

Dear Mr. Scott:

A faxed request was received from your office dated January 17, 1997, to extend the response time on the December 23, 1996, Technical Analysis by an additional 60 days. Your request is considered reasonable, however, our regulatory procedures require that we deal with the permittee on this issue. While EARTHCO has been designated as the operator of the Wellington Preparation Plant, Nevada Electric Investment Company (NEICO) is still the permittee and is responsible for regulatory compliance. Any request for extension must come from an authorized representative of the permittee.

Please review the attached letter from Paul Baker addressed to Dennis Schwehr which further explains this issue.

We hope this response reaches you in time to pursue a solution to your needs through NEICO. Please call if you have any questions.

Sincerely,

Daron R. Haddock
Permit Supervisor

Enclosure
cc: P. Baker
Patrick Collins (Mt. Nebo)
P. Grubaugh-Littig
J. Helfrich
O:\007012.WEL\DRAFT\SCOTLET.EXT

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

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

January 15, 1997

Mr. Dennis Schwehr
Nevada Electric Investment Company
6226 West Sahara
P.O. Box 230
Las Vegas, NV 89151

Re: Regulatory Requirements for Submitting Amendments and for Operation Plans, Nevada Electric Investment Company, Wellington Preparation Plant, ACT/007/012, Folder #2, Carbon County, Utah

Dear ~~Dr~~ Mr. Schwehr:

As inspector at the Wellington Preparation Plant, I have some concerns about current and planned operations at the plant. The purpose of this letter is to outline some of the regulatory requirements relating to how an operation and reclamation plan may be amended and what information needs to be in the plan.

While amendments may be prepared by anyone, R645-303-221 says, "At any time during the term of a permit, the *permittee* (emphasis added) may submit to the Division, pursuant to R645-303-220 an Application for Permit Change." In addition, regulation R645-301-123 says:

> Applications for permits; permit changes; permit renewals; or transfers, sales or assignments of permit rights will contain the notarized signature of a responsible official of the applicant, that the information contained in the application is true and correct to the best of the official's information and belief.

Since an "applicant" is defined as any person seeking a permit change, and since only the permittee may submit a permit change application, an application for permit change must be accompanied by the notarized signature of a responsible official of the permittee.

At the Wellington Preparation Plant, Earthco has now been designated as the operator, but Nevada Electric Investment Company (NEICO) is still the permittee and must apply for changes to the plan. NEICO may designate a representative of Earthco as a "responsible official" with authority to submit plan changes, but, until this happens, the

Division will only accept change applications from representatives of NEICO.

I have been told of several changes in the operations at the Wellington Preparation Plant that are planned, some for the immediate future. While the Division supports the concept of using the waste products at the site and thus reducing the reclamation liability, these operations must first be identified in the plan. The plan is required to contain a description of the mining operations proposed, including a narrative description of the type and method of coal mining procedures, anticipated production of coal, and the major equipment to be used for all aspects of those operations (R645-301-523).

The plan needs to contain descriptions, plans, and drawings for each support facility to be constructed, used or maintained within the permit area, and the locations of these facilities need to be shown on a map. The amount of detail required for the plan varies, and you should consult with a Division engineer if there are any questions about what is needed.

Please keep in mind that facilities or operations need to be approved before they are built or implemented (R645-303-121). NEICO would be subject to enforcement action if operations were occurring without approval.

Through a conversation with Steven Traweek of Earthco, I understand the reclamation schedule that was recently approved to satisfy the requirements of Division Order 96A is now obsolete. He told me Earthco has changed its reclamation plan for the dryer building and the main preparation plant and that he would like to submit a new schedule. The schedule he foresees would have much more detail than what the Division just approved and would include construction of processing facilities as well as more detail of reclamation of the buildings and coal waste disposal facilities. If the schedule in the plan no longer applies, it needs to be revised as soon as possible.

I hope this clarifies these issues. Please don't hesitate to call if you need more information about the regulatory requirements applicable to the site.

Sincerely,

Paul B. Baker
Reclamation Biologist

blb
cc: Patrick Collins
Steven Traweek
Jim Kemp
Joe Helfrich
O:\007012.WEL\DRAFT\PRMTRQRM.WPD