



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

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August 15, 1997

Steve Traweek, Resident Agent
 Nevada Electric Investment Company
 c/o EARTHCO
 1175 East Main St., Suite 214
 Price, Utah 84501

Re: Approval of Modular Coal Prep Plant Construction, Nevada Electric Investment Company, Wellington Preparation Plant, ACT/007/012-97D, Folder #2, Carbon County, Utah

Dear Mr. Traweek:

The Division has reviewed your plans to construct a modular coal preparation plant in the Wellington permit area. The plans received on July 22, 1997, revised August 11, 1997 and supplemented on August 11, 12, & 13, 1997 have been determined to be adequate to allow construction of the facility as proposed. The modular coal preparation amendment is hereby approved with conditions as follows:

The permittee will comply with the requirements of the following Permit Conditions, as specified, and in accordance with the requirements of:

R645-301-740, Provide as-built design information including but not limited to; delineating watershed areas draining from above the wash plant site; showing peak flows or lack of flow to demonstrate erosion and runoff control according to R645-301-746.212 or R645-301-742.300.

R645-301-521.122 & R645-301-521.180, Provide plans and documentation showing ownership and location of utilities or support facilities(i.e. power lines, water lines, etc.) to be used in conjunction with the prep plant. (Do the utilities belong to a Utility Company or do they belong to the mine?)

R645-301-220 and R645-301-120,

Soil Sampling - Each soil pit surveyed on August 12, 1997 will be sampled and analyses provided as outlined by the Division's guidelines for

topsoil and overburden¹. Results will be provided when they are received back from the laboratory.

Updated MRP - The MRP will be updated accordingly, including the descriptive text, soil profile description, soil identification, soil pit location and soil map.

R645-301-230, Soil removal and salvage - Soil salvage operations will include all Gerst Soil within the constructed affected areas under the direction of a non-biased third party soils person.

Soils Resource and Operation Map - Disturbed soils, undisturbed soils and coal refuse will be delineated on a map. The operations soils map will delineate soil salvage areas.

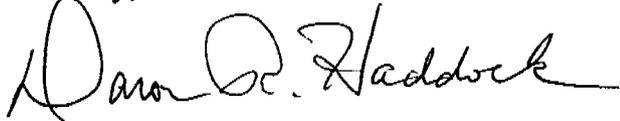
Update MRP - The MRP operations plan will be updated and correlated with both the soils resource and environmental plan. This information will include descriptive discussion on soil salvage, types of equipment and methods to remove soil from hillsides, soil salvage amounts, soil stockpile size, etc.

R645-301-233, The plan does not state where the 3 ft cover material is coming from nor does it provide characterization of the cover material.

You should be aware that this approval is for construction of the facility only. Operation of the facility or mining and recovery of the fines will require separate approvals.

If you have any questions please call.

Sincerely,



Daron R. Haddock
Permit Supervisor

tt
cc: Tim Tompson (JBR)
Richard Hinckley (NEICO)
Harlan Hatfield (Covol)
PFO