

WELLINGTON PREPARATION PLANT

C/007/012

ANNUAL REPORT
2002

April 1, 2003

PERMITTEE:

NEICO
6226 West Sahara Ave.
Las Vegas, Nevada 89146

NEICO
6100 Neil Road,
P.O. Box 10100
Reno, NV 89520-0024

MT. NEBO SCIENTIFIC, INC.
330 East 400 South, Suite 6
Springville, Utah 84663
(801) 489-6937



Form:

- Confidential
- Shelf
- Expandable

Refer to Record No. 0005 Date 3/31/2003
In C/007/012 2003 Warning
For additional information

WELLINGTON PREPARATION PLANT

C/007/012

ANNUAL REPORT
2002

April 1, 2003

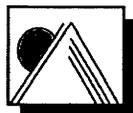
PERMITTEE:

NEICO
6226 West Sahara Ave.
Las Vegas, Nevada 89146

or

NEICO
6100 Neil Road,
P.O. Box 10100
Reno, NV 89520-0024

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To enter text, click in the box and type your response. If a box already contains an entry select the entry and type the replacement. You can use the tab key to move from one field to the next. To select a check box, click in the box or type an x.

GENERAL INFORMATION

Permitte Name	NEICO (Nevada Electric Investment Company)
Mine Name	Wellington Preparation Plant
Operator Name (If other then permittee)	NEICO
Permit Expiration Date	December 10, 2004
Permit Number	C/007/012
Authorized Representative Title	Ryan Bird, C.E.M., Environmental Scientist
Phone Number	(775) 834-4486
Fax Number	(775) 834-3158
E-mail Address	mt.nebo@xmission.com
Mailing Address	NEICO 6100 Neil Road, P.O. Box 10100, Reno, NV 89520-0024
Resident Agent	Patrick D. Collins, Ph.D.
Resident Agent Mailing Address	330 East 400 South, Suite 6, P.O. Box 337, Springville, UT 84663
Number of Binders Submitted	2

IDENTIFICATION OF OTHER PERMITS

Identify other permits that are required in conjunction with mining and reclamation activities.

Permit Type	ID Number	Description	Expiration Date
MSHA Mine ID(s)	1211-UT-09-00099-01	Plant Refuse Pile	n/a
	1211-UT-09-00099-05	Pond Refuse Pile	n/a
MSHA Impoundment(s)	1211-UT-09-00099-02	Clear Water Pond	n/a
	1211-UT-09-00099-03	Lower Slurry (Refuse) Pond	n/a
	1211-UT-09-00099-04	Uppper Slurry (Refuse) Pond	n/a
NPDES/UPDES Permit(s)	UTG040010	General/Industrial	April 30, 2003
PSD Permit(s) (Air)	DAQE 997-922	AO-Air Quality	
Other			

CERTIFIED REPORTS

List the certified inspection reports as required by the rules and under the approved plan that must be periodically submitted to the Division. Specify whether the information is included as Appendix A to this report or currently on file with the Division.

Certified Reports:	Required		Included or on file with DOGM		Comments
	Yes	No	Included	On File	
Excess Spoil Piles	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Refuse Piles	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	See Appendix A for 4th Quarter/ Annual Inspections (all other Quarterly Inspections on file)
Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	See Appendix A for 4th Quarter/ Annual Inspections (all other Quarterly Inspections on file)
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

REPORTING OF OTHER TECHNICAL DATA

List other technical data and information as required under the approved plan, which must be periodically submitted to the Division. Specify whether the information is included as Appendix B to this report or currently on file with the Division.

Technical Data:	Required		Included or on file with DOGM		Comments
	Yes	No	Included	On file	
Climatological	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Subsidence Monitoring	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Vegetation Monitoring	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Raptor Survey	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Soils Monitoring	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
First quarter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(submitted to DOGM on electronic files)
Second quarter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(submitted to DOGM on electronic files)
Third quarter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(submitted to DOGM on electronic files)
Fourth quarter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(submitted to DOGM on electronic files)
Geological / Geophysical	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Engineering	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Non Coal Waste / Abandoned Underground Equipment*	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other Data	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

APPENDIX A

Certified Reports

Excess Spoil Piles
Refuse Piles
Impoundments

As required under R645-301-514

CONTENTS

2002 ANNUAL INSPECTIONS

- REFUSE PILES -



NEICO
West Wellington Site

4th Quarter / 2002

Coal Refuse Pile - Quarterly Report

Site Name: Wellington Loadout Site

Refuse Pile:

Pile I.D. #:

Plant Refuse Pile

1211-UT-09-00099-01

Water impounding against toe: Dry. No water on top.

Fires on piles: None

Seepage, cracks, erosion problems or any other comments pertaining to the stability of the pile: Sign
- O.K. No erosion or other changes noted since last inspection.

I have performed the above inspection on these refuse piles and do hereby certify it to be a true and accurate representation of the piles at this time.



Dan W. Guy
Dan W. Guy, P.E.

11/14/02

Date

President

Blackhawk Engineering, Inc.

NEICO
East Wellington Site

4th Quarter / 2002

Coal Refuse Pile - Quarterly Report

Site Name: Covol Plant - Wellington

Refuse Pile:

Pile I.D. #:

Pond Refuse Pile

1211-UT-09-00099-05

Water impounding against toe: Dry. (Water in Upper Refuse Pond).

Fires on piles: None

Seepage, cracks, erosion problems or any other comments pertaining to the stability of the pile: Pond Refuse Pile - Minor erosion on Pond Side.

Some equipment storage on NW end. No change since last inspection.

I have performed the above inspection on these refuse piles and do hereby certify it to be a true and accurate representation of the piles at this time.



Dan W. Guy

Dan W. Guy, P.E.

President

Blackhawk Engineering, Inc.

11/14/02

Date

2002 ANNUAL INSPECTIONS

- PONDS -



**WELLINGTON PLANT
2002 ANNUAL POND INSPECTION REPORT**

POND: Roadside Pond

LOCATION: Wellington Loadout Site

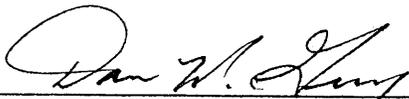
IMPOUNDMENTS	
(1) Stability	Slopes Stable. Incised Pond
(2) Structural Weakness/Erosion	Minor erosion on Inlet.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	3" Water.
(5) Existing Storage Capacity	0.293 acre feet.
(6) Monitoring Procedures	Quarterly Inspection.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	5333.8
(8) Sediment Cleanout Level (Elevation)	5337.0
(9) Principle Spillway (Elevation)	5337.0
(10) Emergency Spillway (Elevation)	5337.0
(11) Existing Sediment Capacity (To Cleanout)	0.346 acre feet.

GENERAL	
(12) Comments/Recommendations	Flows to Auxillary Pond to Dryer Pond. Cleaned in 1998.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



(Signature)

11/14/02

(Date)



**WELLINGTON PLANT
2002 ANNUAL POND INSPECTION REPORT**

POND: Auxillary Pond

LOCATION: Wellington Loadout Site

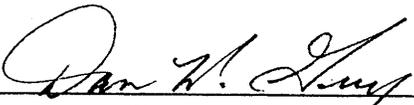
IMPOUNDMENTS	
(1) Stability	Slopes Stable. Incised Pond.
(2) Structural Weakness/Erosion	Minor on West End.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	Upper - Dry/ Lower - 1' Water.
(5) Existing Storage Capacity	1.435 acre feet.
(6) Monitoring Procedures	Quarterly Inspection.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	5334.0
(8) Sediment Cleanout Level (Elevation)	5336.6
(9) Principle Spillway (Elevation)	5340.0
(10) Emergency Spillway (Elevation)	5340.0
(11) Existing Sediment Capacity (To Cleanout)	0.127 acre feet.

GENERAL	
(12) Comments/Recommendations	Pond cleaned in 1998.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



 (Signature)

11/14/02

 (Date)



**WELLINGTON PLANT
2002 ANNUAL POND INSPECTION REPORT**

POND: Dryer Pond **LOCATION:** Wellington Loadout Site

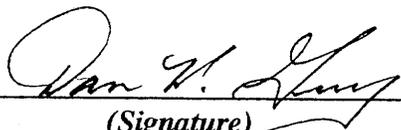
IMPOUNDMENTS	
(1) Stability	Slopes Stable. Incised Pond.
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	N/A - Dry.
(5) Existing Storage Capacity	5.104 acre feet.
(6) Monitoring Procedures	Quarterly Inspection. U.P.D.E.S.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	5328.8
(8) Sediment Cleanout Level (Elevation)	5330.3
(9) Principle Spillway (Elevation)	5336.9
(10) Emergency Spillway (Elevation)	5336.9
(11) Existing Sediment Capacity (To Cleanout)	0.354 acre feet

GENERAL	
(12) Comments/Recommendations	Open channel spillway installed in 1997. Culvert spillway eliminated. No Discharge.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



 (Signature)

11/14/02

 (Date)



**WELLINGTON PLANT
2002 ANNUAL POND INSPECTION REPORT**

POND: Loadout Sediment Pond **LOCATION:** Wellington Loadout Site

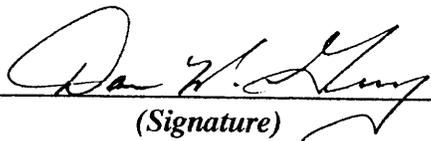
IMPOUNDMENTS	
(1) Stability	Slopes Stable. Mostly Incised.
(2) Structural Weakness/Erosion	None Noted. Minor on South End.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	Dry.
(5) Existing Storage Capacity	2.004 acre feet.
(6) Monitoring Procedures	Quarterly Inspection. U.P.D.E.S.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	*5335.4
(8) Sediment Cleanout Level (Elevation)	5335.8
(9) Principle Spillway (Elevation)	5338.4
(10) Emergency Spillway (Elevation)	5339.5
(11) Existing Sediment Capacity (To Cleanout)	0.148 acre feet

GENERAL	
(12) Comments/Recommendations	* Average Sediment elevation. Pond O.K.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



 (Signature)

11/14/02

 (Date)



**WELLINGTON PLANT
2002 ANNUAL POND INSPECTION REPORT**

POND: *Pipeline Pond*

LOCATION: *Wellington Loadout Site*

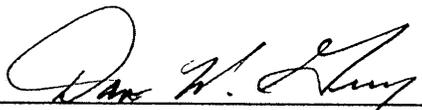
IMPOUNDMENTS	
(1) <i>Stability</i>	<i>Slopes Stable. Incised Pond</i>
(2) <i>Structural Weakness/Erosion</i>	<i>None Noted.</i>
(3) <i>Potential Safety Hazards</i>	<i>None Noted.</i>
(4) <i>Depth of Impounded Water</i>	<i>N/A Dry.</i>
(5) <i>Existing Storage Capacity</i>	<i>1.009 acre feet.</i>
(6) <i>Monitoring Procedures</i>	<i>Quarterly Inspection. U.P.D.E.S.</i>

SEDIMENT PONDS ONLY	
(7) <i>Sediment Accumulation (Elevation)</i>	<i>5354.3</i>
(8) <i>Sediment Cleanout Level (Elevation)</i>	<i>5358.0</i>
(9) <i>Principle Spillway (Elevation)</i>	<i>5362.6</i>
(10) <i>Emergency Spillway (Elevation)</i>	<i>5362.6</i>
(11) <i>Existing Sediment Capacity (To Cleanout)</i>	<i>0.299 acre feet.</i>

GENERAL	
(12) <i>Comments/Recommendations</i>	<i>Pond O.K. Vegetated.</i>

STATEMENT

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 (Signature)

 11/14/02
 (Date)



**EAST NEICO - WELLINGTON SITE
2002 ANNUAL POND INSPECTION REPORT**

POND: Upper Refuse Pond

LOCATION: Wellington Site

IMPOUNDMENTS	
(1) Stability	Slopes Stable.
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	4.0' (Upper 1/2 of Lower Cell)
(5) Existing Storage Capacity	129.20 acre feet.
(6) Monitoring Procedures	Weekly Inspection.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	N/A
(8) Sediment Cleanout Level (Elevation)	N/A
(9) Principle Spillway (Elevation)	N/A
(10) Emergency Spillway (Elevation)	N/A
(11) Existing Sediment Capacity (To Cleanout)	N/A

GENERAL	
(12) Comments/Recommendations	MSHA Pond. Divided into 3 Cells 1211-UT-09-00099-04 Water in upper 1/2 of Lower Cell.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



(Signature)

11/14/02

(Date)



**EAST NEICO - WELLINGTON SITE
2002 ANNUAL POND INSPECTION REPORT**

POND: Lower Refuse Pond

LOCATION: Wellington Site

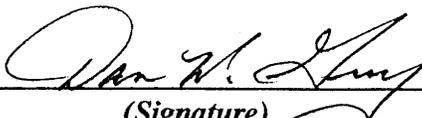
IMPOUNDMENTS	
(1) Stability	Slopes Stable.
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	N/A - Dry.
(5) Existing Storage Capacity	768.24 acre feet
(6) Monitoring Procedures	Weekly Inspection.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	5370.3 (Average)
(8) Sediment Cleanout Level (Elevation)	5372.0
(9) Principle Spillway (Elevation)	5382.7
(10) Emergency Spillway (Elevation)	5382.7
(11) Existing Sediment Capacity (To Cleanout)	56.96 acre feet

GENERAL	
(12) Comments/Recommendations	MSHA Pond. Ditch cut around perimeter 1211-UT-19-00099-03 & through middle.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



 (Signature)

11/14/02

 (Date)



**EAST NEICO - WELLINGTON SITE
2002 ANNUAL POND INSPECTION REPORT**

POND: Clear Water Pond

LOCATION: Wellington Site

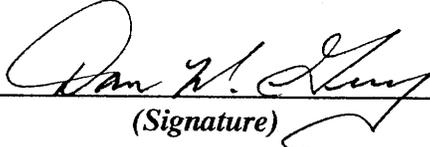
IMPOUNDMENTS	
(1) Stability	Slopes Stable.
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	2.0'
(5) Existing Storage Capacity	221.82 acre feet. Not a Sediment Pond.
(6) Monitoring Procedures	Weekly Inspection.

SEDIMENT PONDS ONLY	
(7) Sediment Accumulation (Elevation)	N/A
(8) Sediment Cleanout Level (Elevation)	N/A
(9) Principle Spillway (Elevation)	N/A
(10) Emergency Spillway (Elevation)	N/A
(11) Existing Sediment Capacity (To Cleanout)	N/A

GENERAL	
(12) Comments/Recommendations	MSHA Pond. 1211-UT-09-00099-02 Sign O.K.

STATEMENT

I hereby certify that; I am experienced in the construction of impoundments; I am qualified and authorized in the State of Utah to inspect and certify the condition and appearance of impoundments in accordance with the certified and approved designs for this structure; that the impoundment has been maintained in accordance with approved design and meets or exceeds the minimum design requirements under all applicable federal, state and local regulations; and, that inspections and inspection reports are made by myself and include any appearances of instability, structural weakness or other hazardous conditions of the structure affecting stability.



 (Signature)

 11/14/02
 (Date)



APPENDIX B

Reporting of Technical Data

Including monitoring data, reports, maps, and other information
As required under the approved plan or as required by the Division

In accordance with the requirement of R645-310-130 and R645-301-140

CONTENTS

(n/a)

APPENDIX C

Legal Financial, Compliance and Related Information

Annual Report of Officers
As submitted to the Utah Department of Commerce

Other change in ownership and control information
As required under R645-301-110

CONTENTS

(n/a)

APPENDIX D

Mine Maps

As required under R645-302-525-270

CONTENTS

(n/a)

APPENDIX E

Other Information

In accordance with the requirements of R645-301 and R645-302

CONTENTS

(n/a)