

INSPECTION REPORT

Partial XXX Complete Exploration
 Inspection Date: 04/29/2003 Time: 10:00am-2:30pm
 Date of Last Inspection: 03/19/2003

Mine Name: Wellington Prep Plant County: Carbon Permit Number: C/007/012
 Permittee and/or Operator's Name: Nevada Electric Investment Company (NEICO)
 Business Address: c/o Mt. Nebo Scientific, P.O. Box 337, Springville, Utah 84663
 Company Official(s): Patrick Collins
 State Official(s): Gregg A. Galecki Federal Official(s): None
 Weather Conditions: Cool, 50's, SW wind
 Type of Mining Activity: Underground Surface Prep Plant XXX Other
 Existing Acreage: Permitted 1573.5 Disturbed 392 Regraded Seeded
 Status: Active

REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For complete inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check N/A.
 - b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

		EVALUATED	N/A	COMMENTS	NOV/ENF
1.	PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2.	SIGNS AND MARKERS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	TOPSOIL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.	HYDROLOGIC BALANCE:				
a.	DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b.	SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c.	OTHER SEDIMENT CONTROL MEASURES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d.	WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e.	EFFLUENT LIMITATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5.	EXPLOSIVES	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8.	NONCOAL WASTE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9.	PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL ISSUES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10.	SLIDES AND OTHER DAMAGE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11.	CONTEMPORANEOUS RECLAMATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12.	BACKFILLING AND GRADING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13.	REVEGETATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14.	SUBSIDENCE CONTROL	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15.	CESSATION OF OPERATIONS	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.	ROADS:				
a.	CONSTRUCTION/MAINTENANCE/SURFACING	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b.	DRAINAGE CONTROLS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17.	OTHER TRANSPORTATION FACILITIES	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18.	SUPPORT FACILITIES/UTILITY INSTALLATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19.	AVS CHECK (4 th Quarter- April, May, June)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20.	AIR QUALITY PERMIT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21.	BONDING & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Date: 17-Apr-2003

Applicant Violator System
Organizational Family Tree (OFT)*Wellington
Gregg*Time :05:36:38
Page: 1

(120552) NEVADA ELECTRIC INVESTMENT CORP

Total Number: 14

Entity ID	Name	Desc Code	Begin Date	End Date	Pct. Hold Own.	Code
104741	VAUGHN, C F	DIR				
104741	VAUGHN, C F	PRS				
104742	BARNEBY, DAVID	VP				
104743	MOWER, ROBERT	VP				
104747	LENZIE, CHARLES A	CEO				
104747	LENZIE, CHARLES A	DIR				
104747	LENZIE, CHARLES A	CB	1-May-1989			
104747	LENZIE, CHARLES A	PRS	1-Jul-1993			
104748	ARLIDGE, JOHN W	DIR				
104748	ARLIDGE, JOHN W	VP				
119541	HOLCOMBE, JAMES C	DIR	1-May-1989			
127857	HINCKLEY, RICHARD L	SEC	1-Aug-1993			
127857	HINCKLEY, RICHARD L	VP	1-Aug-1993			
142970	NEVADA POWER CO	SH				

Entity Evaluation

Applicant Violator System

16-Apr-2003 12:41:32

State : Permit No : Appl No : Seqno : Applicant : 120552(NEVADA ELECTRIC INVEST		
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Records Retrieved: 1

ST	PERMIT	SEQ	ENT ID	VTYP	VIOLNO	VIOLDATE	VST	ASTAT
UT	ACT007012	4	120552	STCO	C97-41-4-1	06/24/1997	C	

REPORTS(F11)

PRV_SCR(F3) VIOL(F4) EVOFT(F5) VOFT(F6) CHOICES(F10)

INSPECTION REPORT
(Continuation Sheet)

PERMIT NUMBER: C/007/012

DATE OF INSPECTION: 04/29/2002

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE

No new amendments have been sent to the Division by the permittee. Term of the 'General' permit is December 10, 1999 through December 10, 2004. The current UPDES permit expires April 30, 2003. A draft of the permit renewal has been received by the Resident Agent and is ready to be approved, pending a site inspection being conducted on April 30, 2003, by Division of Water Quality personnel (Mike Herkimer).

3. TOPSOIL

The topsoil piles were inspected with no signs of erosion from wind or rain occurring.

4A. HYDROLOGIC BALANCE: DIVERSIONS

The diversions were spot-checked and the undisturbed diversion on the Westside of the property has collected sediment from rainstorms. The diversion is functional and still can handle the required storm events. The permittee will repair the diversion once the material dries out, likely during the calendar year 2nd quarter 2003.

4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS

The sediment ponds were inspected on March 27, 2003, for the calendar year 1st quarter. The reports noted no hazardous conditions. The sediment ponds were dry or essentially dry; no discharge is anticipated from any of the ponds in the foreseeable future. Sediment ponds 004, 006, and 007 were inspected. Photos and GPS coordinates were collected and recorded at the discharge points. This information will be incorporated into the Division database.

4C. HYDROLOGIC BALANCE: OTHER SEDIMENT CONTROL MEASURES

Siltation structures were inspected per the R645 Coal Rules. The permittee uses straw bales and silt fences in the disturbed area. Silt fences located along the Siaperas ditch were repaired during the calendar year 1st quarter; however, small sections were apparently torn down since the last inspection. These sections will be repaired, along with other sections that need to be replaced due to weather damage, when the fabric arrives (it is on order).

4D. HYDROLOGIC BALANCE: WATER MONITORING

The calendar year 1st quarter monitoring has been completed and submitted to the Division electronically.

The water monitoring tables currently in the MRP are confusing. The Resident Agent and Division personnel had a discussion of how the water monitoring tables in the MRP could be modified to clear up any discussion. The Division anticipates a modified table will be submitted in the future.

A site inspection, GPS location, and site photograph were collected at the following monitoring wells: GW-13, GW-9B, GW-10, GW-11, GW-12, and GW-14 for incorporation into the Division database.

INSPECTION REPORT
(Continuation Sheet)

PERMIT NUMBER: C/007/012

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4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS

There were no discharges for the calendar year 1st quarter.

7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS

The refuse pile was inspected by the permittee on September 20, 2002, November 14, 2002, and March 27, 2003. No hazardous conditions were reported. This report was P.E. certified. The permittee has taken the weekly inspections for the slurry ponds.

8. NONCOAL WASTE

The area was clear of non-coal waste material.

18. SUPPORT FACILITIES/UTILITY INSTALLATIONS

No new construction occurred since the last inspection.

19. AVS CHECK (4th Quarter – April, May, June)

An AVS check was conducted on April 17, 2003. No recent violations or changes in ownership were noted. Only one violation was noted and it was terminated in June 1997. Mr. Patrick Collins (Resident Agent) confirmed that no changes in ownership have taken place.

21. BONDING AND INSURANCE

The permit area is 1573.5 acres and the disturbed area is 392 acres. Exhibit "A" states that the bonded area equals the permit area. The bonding is set at \$4,904,000, effective January 12, 2000. The bond amount is adequate because the bond has not been reduced for reclamation that has already occurred (i.e., removal of buildings, backfilling and grading). The remaining reclamation can be adequately completed with the bond amount.

The insurance policy was inspected and complies with the coal rules. The policy covers explosives. The current insurance term is February 3, 2003 through February 9, 2004. The insurance is being carried by Scottsdale Insurance Co.

Inspector's Signature: _____ Date: May 5, 2003
Gregg A. Galecki #48

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas & Mining.

cc: James Fulton, OSM
Patrick Collins, Mt. Nebo for NEICO
Price Field office

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