



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Table with 2 columns: Role, Name. Row 1: OGM Priscilla Burton Environmental Scientist III. Row 2: Company Patrick D. Collins Resident Agent.

Inspection Report

Table with 2 columns: Field, Value. Fields: Permit Number (C0070012), Inspection Type (COMPLETE), Inspection Date (Monday, September 26, 2005), Start Date/Time (9/26/2005 10:00:00 AM), End Date/Time (9/26/2005 3:00:00 PM), Last Inspection (Monday, August 22, 2005).

Inspector: Priscilla Burton, Environmental Scientist III

Weather: sun 75 F

InspectionID Report Number: 747

Accepted by: whedberg
10/3/2005

Permittee: NEVADA ELECTRIC INVESTMENT CO
Operator: NEVADA ELECTRIC INVESTMENT CO
Site: WELLINGTON PREPARATION PLANT
Address: 330 E 400 S STE 6, PO BOX 337 SPRINGVILLE UT 84663
County: CARBON
Permit Type: PERMANENT COAL PROGRAM
Permit Status: ACTIVE

Current Acreages

Table with 2 columns: Value, Description. Rows: 1,573.50 Total Permitted, 392.00 Total Disturbed, Phase I, Phase II, Phase III.

Mineral Ownership

- Federal, State, County, Fee, Other (checkboxes)

Types of Operations

- Underground, Surface, Loadout, Processing, Reprocessing (checkboxes)

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Complete inspection of records. The slurry pipeline road has eroded in a new location. The water continues to flow into the Dryer pond and the source is being investigated.

Inspector's Signature

Date Friday, September 30, 2005

Priscilla Burton, Environmental Scientist III

Inspector ID Number: 37

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

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 Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference 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, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: 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 checked="" 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 type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input checked="" 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	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The Mining and Reclamation permit was issued 12/10/2004 to Nevada Electric Investment Corp., a Las Vegas company. The permit expires in 2008.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Seven ponds on the site were last inspected in June 2005 and last certified in December 2004. Contrary to information provided in Sections 5.131 and 5.14 of the MRP, the MSHA ponds (upper, lower, clear water ponds) are inspected monthly by Mr. Patrick Collins (contractor #0503836) who was certified by MSHA to do the required monthly inspections in October 2004. During the inspection, Mr. Collins will provide the Division with copies of his correspondence with MSHA concerning the monthly impoundment inspections and his certification. Mr. Dan Guy, P.E., Blackhawk Engineering Company performs the annual certification inspections. Mr. Collins will provided the Division with copies of his correspondence with MSHA concerning the monthly impoundment inspections.

Water continues to flow into the Dryer pond. A possible source may be the irrigation return flow noticed alongside the Rail Road tracks. Mr. Collins has taken gps readings on the location of the culvert and notified the RR concerning the water flow in the culvert to see if they have the culvert identified on construction maps. Water monitoring in May indicated that the groundwater level adjacent to the pond was nine feet below the surface north of the dryer pond at site GW 10 and eleven feet below the surface south of the pond at site GW 9b. Directly east of the pond, on the east side of the Rail Road tracks, the water level was seven feet deep at site GW 12 and eight feet deep at site GW 7. These sites are shown on Map E9 3451A.

4.c Hydrologic Balance: Other Sediment Control Measures

Straw bales and silt fences are shown on F9-177 are in working order. Silt fences were in working order. Straw bales at some pad locations shown on this map had decayed, but there was no evidence of cutting or erosion from the pad surfaces and with the lack of activity at the site, there was no disturbance to be treated. Therefore, the straw bales in all but one location shown on F9-177 will be allowed to decay without replacement, until such time as further activity occurs at the site. The one location in ASCA #6 (near the County road on F9-177 sheet 2 of 2) will be maintained.

4.d Hydrologic Balance: Water Monitoring

Water monitoring has been conducted according to requirements of the MRP and has been reported electronically. Water Monitoring locations are shown on Plate E9-3451A. The bridge over the Price River is monitoring location SW2. This bridge was removed during contemporaneous reclamation and therefore an application has been made to remove the water monitoring location from the plan. In May 2005, the Price River was flowing at greater than 200 cfs.

4.e Hydrologic Balance: Effluent Limitations

UPDES permit UT GO40010 was issued 4/24/2003.

7. Coal Mine Waste, Refuse Piles, Impoundments

Two MSHA waste piles (#12 11 UT 09 00099-01 and 05) are inactive and were last inspected in May 2005, by Mr. Dan Guy, P.E. with Blackhawk Engineering.

13. Revegetation

Greasewood was noted growing from seed on the reclaimed pumphouse area. (Seeding was done in April 2005, see 2005 Incoming document 0010).

15. Cessation of Operations

Wellington Preparation Plant has been inactive since 1996. Buildings and structures were removed from the west side of the site prior to 1999. The Covol activity on the east side of the site (at the slurry ponds) ended in 2002 and was reclaimed in 2004/2005.

16.a Roads: Construction, Maintenance, Surfacing

The slurry pipeline road has eroded in a new location, see photo attached. The last road repair was completed just one month ago.

18. Support Facilities, Utility Installations

Most buildings and structures were removed from the west side of the site before 1999. Remnants of the slurry pipeline (pipe and towers), power supply stations, power poles, the plant railroad, and the track hopper/raw coal conveyor remain on the site. These and other remaining structures are shown on Plate E0-3341 Permit Area Facilities Map.

19. AVS Check

Ownership and control information was provided with the 2004 annual report. Supplemental information requested by Pam Grubaugh-Littig will be provided to the Division at the end of October 2005.

20. Air Quality Permit

Section 4.20 of the MRP has the air quality permit DAQE 999-92 issued in 1992 to Castle Valley Resources and kept in force in the name of EARTHCO. Air quality permit DAQE 873-97 was issued in 1997 to Covol Technologies, Inc. for their operations.

21. Bonding and Insurance

Bond was last revised in 1998. Bond calculations are found in App. J. of the MRP. Bond No. 4013097 through Fidelity & Deposit Co. (Pasadena CA) for \$4,904,000 was received 1/24/2004 .

Liability Insurance was issued on Feb 9, 2005 expires Feb. 9, 2006 from Price Insurance Agency through U.S. F. Insurance Co. Policy # LGBGL 37252. DOGM is the certificate holder. There is a \$500 deductible.

