



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

Representatives Present During the Inspection:

OGM	Priscilla Burton	Environmental Scientist III
OGM	Dana Dean	Environmental Scientist III
Company	Patrick D. Collins	Resident Agent

Inspection Report

Permit Number:	C0070012
Inspection Type:	PARTIAL
Inspection Date:	Tuesday, August 29, 2006
Start Date/Time:	8/29/2006 9:00:00 AM
End Date/Time:	8/29/2006 1:00:00 PM
Last Inspection:	Monday, July 31, 2006

Inspector: Priscilla Burton, Environmental Scientist III

Weather: sun, 80

InspectionID Report Number: 1052

Accepted by: whedberg
9/11/2006

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

1,573.50	Total Permitted
392.00	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- Federal
 State
 County
 Fee
 Other

Types of Operations

- Underground
 Surface
 Loadout
 Processing
 Reprocessing

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

Rick Wild, Division of Water Rights; Karla Knoop, hydrologist with JBR Consultants; and Dan Guy, Engineer with Blackhawk Consulting were present at today's onsite meeting to discuss and review the water flow to the dryer pond and to discuss the water rights associated with the Price River Well and the Price River pumphouse.

Observed ditch UD-1A and determined that the ditch will be cleared of obstructions to maintain a positive downstream flow.

Inspector's Signature:

Priscilla Burton, Environmental Scientist III

Inspector ID Number: 37

Date

Tuesday, August 29, 2006

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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input 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 checked="" 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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input 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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

4.a Hydrologic Balance: Diversions

Walked along ditch UD-1a and compared the ditch to typical cross section found on Plate G9-3503. Agreed that the important aspect of maintenance was to maintain the downstream grade as per design to ensure positive flow in the ditch and to divert the water away from the disturbed area. If a precipitation event breaches the berm and allows water to flow into the disturbed area, a notice of violation will be issued. Mr. Collins will modify the MRP to describe the required maintenance of the ditch (maintain downstream design grade for positive flow and prevent overtopping onto disturbed area). There was standing water in the ditch (approximately 1 ft deep). Mr. Collins will have the required maintenance done ASAP when the water level declines. Within the first 100 ft of ditch UD-1A there is a gully that has deposited a lot of sediment and the next precip. event may well wash out the berm and allow water to flow onto the disturbed area, so its imperative to do this maintenance quickly.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Water is flowing into the dryer pond at approximately 2 gpm. The Dryer pond and Price River and the Price River Pumphouse were located on Map E9-3341 Permit Area Facilities Map. The buried clearwater pipeline was noted on a 1987 version of the same map E9-3341. Karla Knoop provided a Stiff diagram of the water quality comparison from various sources at the Wellington site. The diagram has been included as an attachment to this inspection report. All parties were in agreement that the source of the water entering the dryer pond is the shallow groundwater traveling through the alluvium in the vicinity of the former Price River Pumphouse.

The Price River water well is submerged somewhere inside the housing that surrounds the well. The Permittee indicated that the Price River water well design was unknown, although Mr. Collins indicated that he may have historical records with that information. Back in 2004, when Covol used the well for dust suppression, they put a pump on the well and pumped water to the slurry ponds. After they pumped the well dry, it required 24 - 48 hours to recharge, according to the Permittee's representatives.

That the elevation of water in the Price River Water well housing is the same as the groundwater in the vicinity of the bog was agreed upon by all parties. However, the Division questioned, if there is no visible flow in the bog (which is fed by alluvial ground water), why would there be a 2 gpm flow into the buried pipe that leads to the dryer pond. The Division surmised that perhaps the pipe was not severed, but is still intact inside the foundation walls of the former pumphouse. If so, the foundation walls may be creating a containment space for water (a sump) and may create enough head to create flow into the buried pipe. The Price River Pumphouse foundation extended 20 ft. below the surface and neither the Permittee's representative nor the Division were present during the reclamation work and could not verify whether the foundation was thoroughly broken before backfilling, to prevent the creation of a water sump. The Division's image files have been searched and no photographic record was made of the reclamation that was conducted of the Price River Pumphouse.

The Permittee and representatives questioned the Division's grounds for needing to positively identify the location of the water source entering the culvert that brings flow to the dryer pond. The Division responded that this water right was an asset and protecting the water right was of importance to the Permittee; the identification of the source of water infiltration into the culvert would allow the Permittee to correct the situation and protect the water right.

9. Protection of Fish, Wildlife and Related Environmental Issues

Mr. Wild indicated that a wildlife usage for the dryer pond water flow is not an acceptable water right use, unless the water right is held by the DWR, BLM, or USFS.

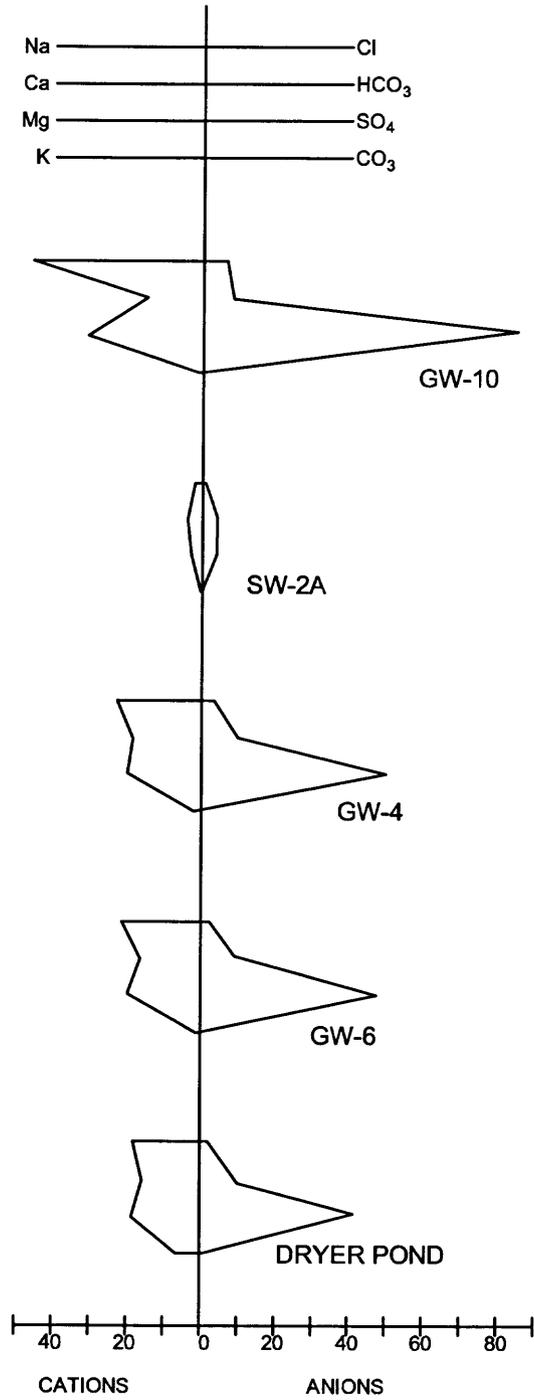
11. Contemporaneous Reclamation

All parties in attendance were in agreement that the contemporaneous reclamation of the Price River Pumphouse brought about by the theft of the pumps and housing structure should be considered as INTERIM reclamation, as FINAL reclamation must include sealing off the flow from the Price River pumphouse to the Dryer pond and closure or transfer of the Price River Water Well Right.

22. Other

Rick Wild described the water rights held by NEICO. NEICO's water rights are dedicated for an industrial use (with approximately 1/3 of the volume approved for agricultural use) at the points of diversion listed in the water right. He discussed the ways that NEICO could protect their water right through continued use, alternative use leases, and temporary non-use permits (when a gap in use of greater than five years is expected).

drawings\Mt_Nebo02_StiffDiagrams.dwg



WELLINGTON PREP PLANT

STIFF DIAGRAMS OF SELECTED WATER
SAMPLES COLLECTED FEBRUARY 2006

jbr

environmental consultants, inc.

DESIGN BY KK DRAWN BY CP

DATE DRAWN 8/03/06

REVISION