

# WELLINGTON PREPARATION PLANT

C/007/012

## ANNUAL REPORT 2006

March 27, 2007

### PERMITTEE:

NEICO  
6226 West Sahara Ave.  
Las Vegas, Nevada 89146

### MT. NEBO SCIENTIFIC, INC.

330 East 400 South, Suite 6  
Springville, Utah 84663  
(801) 489-6937



#### File in:

- Confidential
- Shelf
- Expandable

Refer to Record No 0003 Date 4/10/07  
In C/007/02, 2007, Incoming  
For additional information

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**

Permittee Name	NEICO (Nevada Electric Investment Company)
Mine Name	Wellington Preparation Plant
Operator Name (If other than permittee)	(same)
Permit Expiration Date	December 10, 2009
Permit Number	C/007/012
Authorized Representative Title	Tony Garcia
Phone Number	(702) 367-5767
Fax Number	(702) 227-2069
E-mail Address	mt.nebo@xmission.com
Mailing Address	NEICO (Nevada Power) 6556 W. Sahara Ave. Las Vegas, NV 89151
Designated Representative	Patrick D. Collins, Ph.D.
Resident Agent	Patrick D. Collins, Ph.D.
Resident Agent Mailing Address	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	Clearwater Pond	n/a
	1211-UT-09-00099-03	Lower Slurry (Refuse) Pond	n/a
	1211-UT-09-00099-04	Upper Slurry (Refuse) Pond	n/a
NPDES/UPDES Permit(s)	UTG040010	General/Industrial	30 April 2008
PSD Permit(s) (Air)	DAQE 997-992	AO-Air Quality	n/a
<b>Other</b>			

File in:  
 Confidential  
 Shelf  
 Expandable  
 Refer to Record No. 0003 Date 04/16/07  
 In C/007/012, 2007, Incoming  
 For additional information

**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 checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	See Appendix A for Annual Inspections (all other quarterly inspections are on file).
Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	See Appendix A for Annual Inspections (all other quarterly inspections are 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 electronically to DOGM)
Second quarter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(Submitted electronically to DOGM)
Third quarter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(Submitted electronically to DOGM)
Fourth quarter	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(Submitted electronically to DOGM)
Geological / Geophysical	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	(Submitted electronically to DOGM)
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**

As required under R645-301-514

**CONTENTS**

**Refuse Piles  
Impoundments**

**2006 ANNUAL INSPECTIONS**

**- REFUSE PILES -**



**NEICO  
West Wellington Site**

**Coal Refuse Pile - Quarterly Report**

Quarter	Year
4th	2006
Refuse Pile:	
Plant Refuse Pile	

Site Name:
Wellington Loadout Site
Pile I.D. #:
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 - OK. 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  
 President  
 Blackhawk Engineering, Inc.

12/19/06  
 Date:



NEICO  
East Wellington Site

Coal Refuse Pile - Quarterly Report

Quarter	Year
4th	2006
Refuse Pile:	
Pond Refuse Pile	

Site Name:
Covol Plant - Wellington
Pile I.D. #:
1211-UT-09-00099-05

Water impounding against toe:	N/A - Dry.
Fires on piles:	None.
Seepage, cracks, erosion problems or any other comments pertaining to the stability of the pile:	
Pile regraded to reduce slopes. No erosion or 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  
President  
Blackhawk Engineering, Inc.

12/19/06  
Date:



**2006 ANNUAL INSPECTIONS**

**-IMPOUNDMENTS -**



**EAST NEICO - WELLINGTON SITE  
2006 ANNUAL POND INSPECTION REPORT**

POND: Upper Refuse Pond LOCATION: Wellington Site

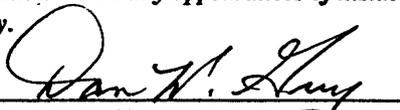
<b>IMPOUNDMENTS</b>		
(1) Changes in Geometry of Structure	N/A - None	
(2) Instrumentation	N/A - None	
(3)	Depth of Impounded Water (Minimum)	N/A - Dry
	Depth of Impounded Water (Maximum)	N/A - Dry
	Depth of Impounded Water (Present)	N/A - Dry
(4) Existing Storage Capacity	136.00 acre feet	
(5) Volume of Impounded Water	N/A - Dry	
(6) Any Changes Affecting Stability or Operation of the Structure	N/A - None	
(7) Stability	Slopes Stable	
(8) Structural Weakness/Erosion	None Noted	
(9) Potential Safety Hazards	None Noted	
(10) Monitoring Procedures	Quarterly/Annual Inspection	

<b>SEDIMENT PONDS ONLY</b>	
(11) Sediment Accumulation (Elevation)	N/A
(12) Sediment Cleanout Level (Elevation)	N/A
(13) Principle Spillway (Elevation)	N/A
(14) Emergency Spillway (Elevation)	N/A
(15) Existing Sediment Capacity (To Cleanout)	N/A

<b>GENERAL</b>	
(16) Comments/Recommendations	MSHA Pond. Divided into 3 Cells 1211-UT-09-00099-04 All - Dry. 3" Snow.

**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)

12/19/06  
(Date)



**EAST NEICO - WELLINGTON SITE  
2006 ANNUAL POND INSPECTION REPORT**

POND: Lower Refuse Pond LOCATION: Wellington Site

<b>IMPOUNDMENTS</b>		
(1) Changes in Geometry of Structure	N/A - None	
(2) Instrumentation	N/A - None	
(3)	Depth of Impounded Water (Minimum)	N/A - Dry
	Depth of Impounded Water (Maximum)	N/A - Dry
	Depth of Impounded Water (Present)	N/A - Dry
(4) Existing Storage Capacity	768.24 acre feet	
(5) Volume of Impounded Water	N/A - None	
(6) Any Changes Affecting Stability or Operation of the Structure	N/A - Dry	
(7) Stability	Slopes Stable	
(8) Structural Weakness/Erosion	None Noted	
(9) Potential Safety Hazards	None Noted	
(10) Monitoring Procedures	Quarterly/Annual Inspection	

<b>SEDIMENT PONDS ONLY</b>	
(11) Sediment Accumulation (Elevation)	5370.3 (Average)
(12) Sediment Cleanout Level (Elevation)	5372.0
(13) Principle Spillway (Elevation)	5382.7
(14) Emergency Spillway (Elevation)	5382.7
(15) Existing Sediment Capacity (To Cleanout)	56.96 acre feet

<b>GENERAL</b>	
(16) Comments/Recommendations	MSHA Pond. Ditch cut around perimeter 1211-UT-19-00099-03 & through middle. 3" Snow.

**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)

12/19/06  
(Date)



**EAST NEICO - WELLINGTON SITE  
2006 ANNUAL POND INSPECTION REPORT**

POND: Clear Water Pond LOCATION: Wellington Site

<b>IMPOUNDMENTS</b>		
(1) Changes in Geometry of Structure	N/A - None	
(2) Instrumentation	N/A - None	
(3)	Depth of Impounded Water (Minimum)	N/A - Dry
	Depth of Impounded Water (Maximum)	N/A - Dry
	Depth of Impounded Water (Present)	N/A - Dry
(4) Existing Storage Capacity	240.30 acre feet	
(5) Volume of Impounded Water	N/A - Dry	
(6) Any Changes Affecting Stability or Operation of the Structure	N/A - None	
(7) Stability	Slopes Stable	
(8) Structural Weakness/Erosion	None Noted	
(9) Potential Safety Hazards	None Noted	
(10) Monitoring Procedures	Quarterly/Annual Inspection	

<b>SEDIMENT PONDS ONLY</b>	
(11) Sediment Accumulation (Elevation)	N/A
(12) Sediment Cleanout Level (Elevation)	N/A
(13) Principle Spillway (Elevation)	N/A
(14) Emergency Spillway (Elevation)	N/A
(15) Existing Sediment Capacity (To Cleanout)	N/A

<b>GENERAL</b>	
(16) Comments/Recommendations	MSHA Pond. 3" Snow. 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)

12/19/06  
(Date)



**WELLINGTON PLANT  
2006 ANNUAL POND INSPECTION REPORT**

**POND:** *Roadside Pond*

**LOCATION:** *Wellington Loadout Site*

<b>IMPOUNDMENTS</b>	
(1) <i>Stability</i>	<i>Slopes Stable. Incised Pond</i>
(2) <i>Structural Weakness/Erosion</i>	<i>Minor erosion on Inlet.</i>
(3) <i>Potential Safety Hazards</i>	<i>None Noted.</i>
(4) <i>Depth of Impounded Water</i>	<i>4" Water/Ice.</i>
(5) <i>Existing Storage Capacity</i>	<i>0.432 acre feet.</i>
(6) <i>Monitoring Procedures</i>	<i>Quarterly Inspection.</i>

<b>SEDIMENT PONDS ONLY</b>	
(7) <i>Sediment Accumulation (Elevation)</i>	<i>5333.0</i>
(8) <i>Sediment Cleanout Level (Elevation)</i>	<i>5337.0</i>
(9) <i>Principle Spillway (Elevation)</i>	<i>5337.0</i>
(10) <i>Emergency Spillway (Elevation)</i>	<i>5337.0</i>
(11) <i>Existing Sediment Capacity (To Cleanout)</i>	<i>0.432 acre feet.</i>

<b>GENERAL</b>	
(12) <i>Comments/Recommendations</i>	<i>Flows to Auxillary Pond to Dryer Pond. Cleaned in 1998. 3" Snow.</i>

**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)

12/19/06  
(Date)



**WELLINGTON PLANT  
2006 ANNUAL POND INSPECTION REPORT**

**POND:** Auxillary Pond

**LOCATION:** Wellington Loadout Site

<b>IMPOUNDMENTS</b>	
(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/Ice.
(5) Existing Storage Capacity	1.005 acre feet.
(6) Monitoring Procedures	Quarterly Inspection.

<b>SEDIMENT POND(S) ONLY</b>	
(7) Sediment Accumulation (Elevation)	5335.0 (Avg.)
(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)	0.359 acre feet.

<b>GENERAL</b>	
(12) Comments/Recommendations	Pond cleaned in 1998. 3" Snow.

**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)

12/19/06  
(Date)



**WELLINGTON PLANT  
2006 ANNUAL POND INSPECTION REPORT**

**POND:** Dryer Pond

**LOCATION:** Wellington Loadout Site

<b>IMPOUNDMENTS</b>	
(1) Stability	Slopes Stable. Incised Pond.
(2) Structural Weakness/Erosion	None Noted.
(3) Potential Safety Hazards	None Noted.
(4) Depth of Impounded Water	3.5' Water/Ice.
(5) Existing Storage Capacity	2.647 acre feet.
(6) Monitoring Procedures	Quarterly Inspection. U.P.D.E.S.

<b>SEDIMENT PONDS ONLY</b>	
(7) Sediment Accumulation (Elevation)	5329.2
(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)	0.260 acre feet

<b>GENERAL</b>	
(12) Comments/Recommendations	Open channel spillway installed in 1997. Culvert spillway eliminated. No Discharge. Note: No visible inflow from culvert on north side.

**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)

12/19/06  
(Date)



**WELLINGTON PLANT  
2006 ANNUAL POND INSPECTION REPORT**

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

<b>IMPOUNDMENTS</b>	
(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	4" Water/Ice.
(5) Existing Storage Capacity	1.947 acre feet.
(6) Monitoring Procedures	Quarterly Inspection. U.P.D.E.S.

<b>SEDIMENT BONDS ONE</b>	
(7) Sediment Accumulation (Elevation)	*5335.1
(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)	0.259 acre feet

<b>GENERAL</b>	
(12) Comments/Recommendations	* Average Sediment elevation. Pond O.K. 3" Snow.

**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)

12/19/06  
(Date)



**WELLINGTON PLANT  
2006 ANNUAL POND INSPECTION REPORT**

**POND:** Pipeline Pond

**LOCATION:** Wellington Loadout Site

<b>IMPOUNDMENTS</b>	
(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	1.034 acre feet.
(6) Monitoring Procedures	Quarterly Inspection. U.P.D.E.S.

<b>SEDIMENT PONDS ONLY</b>	
(7) Sediment Accumulation (Elevation)	5354.1
(8) Sediment Cleanout Level (Elevation)	5358.0
(9) Principle Spillway (Elevation)	5362.6
(10) Emergency Spillway (Elevation)	5362.6
(11) Existing Sediment Capacity (To Cleanout)	0.315 acre feet.

<b>GENERAL</b>	
(12) Comments/Recommendations	Pond O.K. Vegetated. 3" Snow

**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)

12/19/06  
 \_\_\_\_\_  
 (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**