State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

Inspection Report

Permit Number:	**C0070012**
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, November 06, 2012
Start Date/Time:	11/6/2012 9:00:00 AM
End Date/Time:	11/6/2012 4:00:00 PM
Last Inspection:	Thursday, August 23, 2012

Inspector: Steve Demczak,

Weather: Sunny, 50's

InspectionID Report Number: 3285

Accepted by: jhelfric
12/10/2012

Representatives Present During the Inspection:	
Company	Patrick Collins
OGM	Steve Demczak

Permitee: **NEVADA ELECTRIC INVESTMENT CO**
Operator: **NEVADA ELECTRIC INVESTMENT CO**
Site: **WELLINGTON PREPARATION PLANT**
Address: **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:

The areas that were pocked for sediment control are functioning as designed.

Inspector's Signature:

Steve Demczak,
Inspector ID Number: 39

Date Wednesday, November 07, 2012

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

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

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 performace 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	☑	☐	☑	☐
2. Signs and Markers	☑	☐	☑	☐
3. Topsoil	☑	☐	☑	☐
4.a Hydrologic Balance: Diversions	☑	☐	☑	☐
4.b Hydrologic Balance: Sediment Ponds and Impoundments	☑	☐	☑	☐
4.c Hydrologic Balance: Other Sediment Control Measures	☑	☐	☐	☐
4.d Hydrologic Balance: Water Monitoring	☑	☐	☑	☐
4.e Hydrologic Balance: Effluent Limitations	☑	☐	☑	☐
5. Explosives	☐	☑	☐	☐
6. Disposal of Excess Spoil, Fills, Benches	☐	☑	☐	☐
7. Coal Mine Waste, Refuse Piles, Impoundments	☑	☐	☑	☐
8. Noncoal Waste	☑	☐	☑	☐
9. Protection of Fish, Wildlife and Related Environmental Issues	☑	☐	☐	☐
10. Slides and Other Damage	☑	☐	☑	☐
11. Contemporaneous Reclamation	☑	☐	☐	☐
12. Backfilling And Grading	☑	☐	☐	☐
13. Revegetation	☑	☐	☐	☐
14. Subsidence Control	☐	☑	☐	☐
15. Cessation of Operations	☑	☐	☑	☐
16.a Roads: Construction, Maintenance, Surfacing	☑	☐	☑	☐
16.b Roads: Drainage Controls	☑	☐	☑	☐
17. Other Transportation Facilities	☐	☐	☐	☐
18. Support Facilities, Utility Installations	☑	☐	☑	☐
19. AVS Check	☑	☐	☑	☐
20. Air Quality Permit	☑	☐	☑	☐
21. Bonding and Insurance	☑	☐	☑	☐
22. Other	☐	☐	☐	☐

1. Permits, Change, Transfer, Renewal, Sale

The Mining and Reclamation Permit will expire on December 9, 2014. The permittee has received a new UPDES Permit #UTG040010. This permit will expire on April 30, 2013.

2. Signs and Markers

Identification signs are posted at the gates to the property. Information meets the requirements of the R645 Coal Rules.

3. Topsoil

The topsoil pile shows no signs of wind or water erosion.

4.a Hydrologic Balance: Diversions

The diversions were open and would function as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Sediment ponds were inspected by the permittee for the second quarter on September 21, 2012. This was the annual sediment pond inspection. It was P.E. certified. There was no hazardous conditions reported in the report. I inspected the sediment ponds and did not see any hazardous conditions. No sediment pond was discharging during the inspection.

4.d Hydrologic Balance: Water Monitoring

Water sample information was submitted to the Division for the third quarter of 2012.

4.e Hydrologic Balance: Effluent Limitations

There was no discharge from the sediment ponds for the third quarter of 2012.

7. Coal Mine Waste, Refuse Piles, Impoundments

The refuse piles were inspected by a P.E. on September 21, 2012 by Dan Guy. There was no hazardous conditions reported. No hazardous conditions were noticed during the inspection.

8. Noncoal Waste

The site was clear of non-coal waste materials.

10. Slides and Other Damage

No slides or other damage was noticed during the inspection.

15. Cessation of Operations

There is no active at this site.

16.a Roads: Construction, Maintenance, Surfacing

Roads are still in good condition.

16.b Roads: Drainage Controls

Road drainage is still working.

18. Support Facilities, Utility Installations

There are no support facilities at Wellington.

19. AVS Check

AVS checks are made at the Division in Salt Lake City.

20. Air Quality Permit

The Air Quality permit is DAQE-92.

21. Bonding and Insurance

The insurance policy will expire on 2/19, 2013. The policy is afforded by Colony Ins. Co.. The insurance accord form was reviewed and meets Division requirements. The bonding amount is $5,153,000.