



COLORADO

Division of Reclamation,
Mining and Safety

Department of Natural Resources

1313 Sherman Street, Room 215
Denver, CO 80203

December 11, 2014

Gerald Daub
Daub & Associates, Inc.
1985 ½ South Broadway
Grand Junction, CO 81507

Re: Natural Soda Holdings, Inc., NSHI Oil Shale RD&D, Notice of Intent (NOI) No. P-2014-014, 2nd Notice of Deficiencies.

Dear Mr. Daub,

The Division of Reclamation, Mining and Safety (DRMS) has reviewed the NSHI Oil Shale RD&D Lease Notice of Intent to Conduct Prospecting Operations (NOI), No. P-2014-014, submitted August 1, 2014. The NOI has a few clarifications that need to be addressed in order for the notice to be considered adequate to begin operations.

1. Initial review of the NOI submittal revealed that a hydrologic sampling and analysis plan was not included with the original submittal. Please submit a hydrologic sampling and analysis plan that complies with the requirements of Rules 3.1.6 and 3.1.7. Also, please commit to quarterly reporting intervals.
 - Response Adequate
2. Please provide 5 consecutive quarters of ground water quality data in order to establish baseline ambient ground water quality conditions.
 - 5 quarters a baseline data was provided. Upon review of the data it was noted that the Total Dissolved Solids (TDS) in the A-Groove well 90-4 are abnormally high for the A-Groove aquifer. Through further review of historical data from 90-4 the high TDS levels appear to have occurred historically. Please provide an explanation as to why the TDS levels found in 90-4 are much higher than the levels found in other A-Groove aquifers in the region.
3. Please provide all figures necessary to perform the proposed reclamation for the project. The figures shall include specific volumes of overburden and topsoil to be replaced in cubic yards. Also specify which type of equipment will be used for each specific task. The NOI will not issued until a financial warranty in an approvable from is held by the DRMS.
 - Please review the enclosed Reclamation Cost Estimate. The NOI cannot be issued until an approvable reclamation bond and performance warranty is held by the Division.



4. Please specify what type of cement will be used to construct each proposed well.
 - Response Adequate
5. Due to the proposed heating and subsequent cooling of the well(s) and formation what type of well integrity monitoring will occur during and after the heating?
 - Response Adequate
6. Please specify the anticipated time frame from start of well construction to well completion. What methods will be employed to ensure aquifer isolation during drilling and well completion?
 - Response Adequate
7. Please provide a copy of the site specific SPCC plan.
 - Response Adequate

Per Rule 5.3.1(b) the operator shall address all identified deficiencies within 60 days of this notification. Please submit a response to the listed items as soon as possible prior to November 20, 2014 to allow the Division time to review your response. If your response, or a written request for an extension is not received by November 20, 2014 the request for the NOI may be denied.

If you need additional information, please contact me at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 S. 3rd St., Suite 301, Grand Junction, Colorado 81501, telephone no. (970) 241-2042.

Sincerely,



Travis Marshall
Environmental Protection Specialist

Enclosure(s) - Reclamation Cost Estimate

cc: Paul Daggett
BLM - White River Field Office
220 East Market Street
Meeker, CO 81641

Bob Warneke
Natural Soda Holdings, Inc.
3200 RBC Road 31
Rifle, CO 81650