



United States Department of the Interior  
BUREAU OF LAND MANAGEMENT  
White River Resource Area  
220 East Market  
Meeker, Colorado 81641



In Reply Refer To:  
LLCON050  
3592  
COC77086 ROW

OCT 07 2015

Natural Soda LLC.  
Attention: Kirk Daehling  
3200 County Rd. 31  
Rifle, Colorado 81650

**RECEIVED**

OCT 08 2015

GRAND JUNCTION FIELD OFFICE  
DIVISION OF  
RECLAMATION MINING & SAFETY

Dear Mr. Daehling:

My staff has reviewed Natural Soda's (NS) October 5, 2015 request for the BLM to waive Condition of Approval (COA) Number 8 of the approved 15H through 17H production well pad project which is as follows:

"No construction activity of the Proposed Action may occur until the WRFO receives a signed verification letter from ExxonMobil stating the Proposed Action would not adversely affect the development of ExxonMobil's Oil Shale (Research, Development and Demonstration) RDD Lease COC7300; or there is no interest in the development of Oil Shale RDD lease COC7300."

The majority of the approved project is located on ExxonMobil's RDD Lease COC74300. Beginning in early December 2014 NS proactively begin discussions with ExxonMobil for locating 15H through 17H well pad in the northeastern portion of ExxonMobil's RDD lease. On December 31, 2014 NS submitted the 15H through 17H application to the BLM with the intention of receiving an agreement letter from ExxonMobil prior to the BLM approval. A January email from ExxonMobil stated; "Overall, we were satisfied with your responses and as a result we take no exception to Natural Soda's proposal to drill up to three injection/recovery well pairs from surface locations in the northeast corner of ExxonMobil's RD&D oil shale lease." ExxonMobil then requested NS to submit a formalized agreement. NS submitted a draft agreement to ExxonMobil in February 2015. No final agreement was received by NS at the time of the BLM approval and subsequently COA Number 8 was included in the BLM June 2015 approval of NS's 15H through 17H project. To date no signed agreement has been received from ExxonMobil.

It is my understanding additional timing delays in the project start could adversely affect NS drilling operations and I have decided to waive the above COA Number 8 for the following reasons:

- NS has been proactive in an attempt to comply with COA Number 8.

- All of NS's approved wells for the 15H through 17H well are located within 500 feet of ExxonMobil's RDD lease boundary, an area prohibited from oil shale development by in situ methods in Section 12 of ExxonMobil's RDD lease without the permission of the authorized officer.
- ExxonMobil's Plan of Operation (POO) and Plan of Development (POD) do not identify NS's 15H through 17 H well pad project area as an area of oil shale recovery.
- Implementation of NS's 15H through 17H well pad project would not preclude ExxonMobil from locating appraisal/monitoring holes within the area of the 15H through 17H well pad as identified in ExxonMobil's approved POD. Nor would it preclude ExxonMobil from implementing their approved POD.
- ExxonMobil has not indicated NS's 15H through 17H would adversely affect ExxonMobil's approved POD or future plans for the development of the RDD lease.

If there any questions, please contact Paul Daggett Mining Engineer at (970) 878-3819.

Sincerely,



Kent Walter  
Field Manager

cc:

Travis Marshall  
Grand Junction Field Office  
Colorado Division of Reclamation, Mining and Safety  
101 South 3<sup>rd</sup>, Suite 301  
Grand Junction, CO 81501

Daub & Associates, Inc.  
1985½ South Broadway  
Grand Junction, CO 81507-9649