




MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

The Division of Reclamation, Mining and Safety has conducted an inspection of the mining operation noted below. This report documents observations concerning compliance with the terms of the permit and applicable rules and regulations of the Mined Land Reclamation Board.

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| MINE NAME: Nahcolite Project | MINE/PROSPECTING ID#: M-1983-194 | MINERAL: Carbonates | COUNTY: Rio Blanco |
| INSPECTION TYPE: Monitoring | INSPECTOR(S): Travis H. Marshall | INSP. DATE: January 4, 2018 | INSP. TIME: 11:00 |
| OPERATOR: Natural Soda LLC | OPERATOR REPRESENTATIVE: Kirk Daehling | TYPE OF OPERATION: 112d-3 - Designated Mining Operation | |
| REASON FOR INSPECTION: Normal I&E Program | BOND CALCULATION TYPE: None | BOND AMOUNT: \$4,158,340.68 | |
| DATE OF COMPLAINT: NA | POST INSP. CONTACTS: U.S.BLM | JOINT INSP. AGENCY: None | |
| WEATHER: Clear | INSPECTOR'S SIGNATURE:  | SIGNATURE DATE: January 9, 2018 | |

GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. No problems or possible violations were noted during the inspection. The mine operation was found to be in full compliance with Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials and/or for Hard Rock, Metal and Designated Mining Operations. Any person engaged in any mining operation shall notify the office of any failure or imminent failure, as soon as reasonably practicable after such person has knowledge of such condition or of any impoundment, embankment, or slope that poses a reasonable potential for danger to any persons or property or to the environment; or any environmental protection facility designed to contain or control chemicals or waste which are acid or toxic-forming, as identified in the permit.

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| (AR) RECORDS----- <u>Y</u> | (FN) FINANCIAL WARRANTY----- <u>Y</u> | (RD) ROADS----- <u>Y</u> |
| (HB) HYDROLOGIC BALANCE----- <u>Y</u> | (BG) BACKFILL & GRADING----- <u>Y</u> | (EX) EXPLOSIVES----- <u>NA</u> |
| (PW) PROCESSING WASTE/TAILING---- <u>NA</u> | (SF) PROCESSING FACILITIES----- <u>Y</u> | (TS) TOPSOIL----- <u>Y</u> |
| (MP) GENL MINE PLAN COMPLIANCE- <u>Y</u> | (FW) FISH & WILDLIFE----- <u>Y</u> | (RV) REVEGETATION---- <u>Y</u> |
| (SM) SIGNS AND MARKERS----- <u>Y</u> | (SP) STORM WATER MGT PLAN---- <u>NA</u> | (RS) RECL PLAN/COMP-- <u>Y</u> |
| (ES) OVERBURDEN/DEV. WASTE----- <u>Y</u> | (SC) EROSION/SEDIMENTATION--- <u>Y</u> | (ST) STIPULATIONS----- <u>NA</u> |
| (AT) ACID OR TOXIC MATERIALS----- <u>Y</u> | (OD) OFF-SITE DAMAGE----- <u>Y</u> | |

Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

This inspection was conducted by the Colorado Division of Reclamation, Mining and Safety (Division) as part of the routine inspection program. The Natural Soda LLC Nahcolite Project is a 112d3 mine site that consists of 8,223 acres. Kirk Daehling of Natural Soda was present during the inspection.

On Tuesday January 2, 2018 the operator informed the inspector that there was a release of material on December 29, 2017 due to a valve failure. The spill was cleaned up prior to the January 4, 2018 inspection. The operator stated that approximately 200 gallons of baron liquor spilled during the undesirable event. The Division considers this matter resolved and no further action is required by the operator.

No off-site damage was observed during the inspection.

No problems or possible violations were observed during the inspection.

Photos of the conditions observed during the inspection are located at the end of this inspection report.

If you need more information regarding this inspection report please contact Travis Marshall in the DRMS Grand Junction Field Office at (970) 241-2042.

PHOTOGRAPHS



Inspection Contact Address

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