



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  
3936.20  
COC74299

**FEB 12 2019**

CERTIFIED MAIL NO. 9171 9690 0935 0113 6149 62  
Return Receipt Requested

Simple Oil LLC  
Attention: Kirk Daehling  
3200 County Rd. 31  
Rifle, Colorado 81650

Dear Mr. Daehling:

The fourth bullet of page 4 Section 3.2.1 of the "Simple Oil LLC 2018 Fourth Quarter RD&D Report" indicates Simple Oil LLC (SO) has withdrawn their Underground Injection Control (UIC) permit application from the EPA. The UIC permit is a requirement for SO to conduct oil shale research operations in accordance with SO's BLM approved Plan of Development.

Part (b) of Section 8. Diligence of SO's Oil Shale Research, Development and Demonstration (R,D&D) Lease COC74299 requires SO to "*Obtain required local and state permits within 8 months of the BLM's approval of a plan of development.*"

The BLM approved Simple Oil's Plan of Development on 2/14/2014 and since then, one water monitoring (DS-6) has been established on COC74299. This well also serves as part of the Natural Soda LLC sodium solution mining water monitoring network. No other development of infrastructure specific to oil shale research has occurred on COC74299.

Simple Oil LLC is being issued a notice of noncompliance for failure to comply with the lease terms in COC74299. Corrective actions that may be taken are; either the submittal of an UIC permit application to the EPA for approval or submittal of a written request to the BLM Colorado State Office for the relinquishment of R,D&D Lease COC74299. Either of the corrective actions must occur within 30 days of receipt of this notice of noncompliance. If no action is taken within the 30 days, R,D&D Lease COC74299 may be subject to cancellation by the BLM.

Any appeal of this decision must follow the procedures set forth in 43 CFR Part 4. Within 30 days of the decision, a Notice of Appeal must be filed in the office of the Authorized Officer at White River Field Office, 220 East Market St., Meeker, CO 81641 with copies sent to the Regional Solicitor, Rocky Mountain Region, 755 Parfet St., Suite 151, Lakewood, CO 80215, and to the Department of the Interior, Board of Land Appeals, 801 North Quincy St., MS300-

QC, Arlington, VA, 22203. If a statement of reasons for the appeal is not included with the notice, it must be filed with the Interior Board of Land Appeals at the above address within 30 days after the Notice of Appeal is filed with the Authorized Officer.

Please copy our office of the correspondence you have to other offices/agencies on the corrective action you choose. If there any questions, please contact Paul Daggett Mining Engineer.

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

**RECEIVED**

**FEB 13 2019**

**DIVISION OF RECLAMATION  
MINING AND SAFETY**