




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.

MINE NAME: Nahcolite Project	MINE/PROSPECTING ID#: M-1983-194	MINERAL: Carbonates	COUNTY: Rio Blanco
INSPECTION TYPE: Monitoring	INSPECTOR(S): Amy Yeldell	INSP. DATE: June 28, 2021	INSP. TIME: 13:30
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: \$3,671,965.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: July 6, 2021	

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.

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

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

OBSERVATIONS

This inspection was conducted as part of the Colorado Division of Reclamation, Mining, and Safety (Division) normal monitoring program. The Nahcolite Project is a 112d-3 permitted site that includes a total of 12,248 permitted acres with a maximum disturbance of 260 acres. At this time, approximately 100 acres have been affected. The site located approximately 25 miles southwest of Meeker, Colorado in Rio Blanco County. Kirk Daehling, and Jerry Daub represented the operator and accompanied Amy Yeldell of the Division on the inspection. Paul Daggett with the White River Field Office BLM was also present.

The new up-gradient well pad approved under TR-46 has been constructed. The pit is excavated and ready for use. It is anticipated that drilling will commence on July 20, 2021 with all three wells being completed by mid-August. BG-10 is slated to be drilled first followed by AG-2 then PA-1.

The reclaimed IRI-2 pad was observed. It blends naturally with the surroundings and is virtually undetectable.

The newly drilled monitoring well BG-11 which is located on pad 10H was observed. It is adjacent to AG-1. The wells are secured with a plastic tote and clearly labeled.

Well pads BG-5 and BG-9 were plugged last fall and the pads reclaimed. The exclusion fencing around the pads remains in place. Overall the civil work blends nicely into the surrounding topography. Unfortunately given the drought conditions the fall seeding did not appear to take. It is anticipated that pads will be reseeded this fall. Surrounding interim reclaimed areas will also help volunteer and stabilize the recently reclaimed areas.

Pad 8 has also been reclaimed. Civil work is nearly completed. The access road to the pad 15-17 will remain and bisect the reclaimed areas. Additionally the access road to the 4-3H(V) pad will remain. The pad is slated to be reseeded this fall.

The pit on pad 15-17 has been removed. The pad remains in good working order, free of excess debris with no signs of excessive erosion. All woody debris has been distributed.

Pad D is completely reclaimed. Pad G which was constructed but never drilled has also been reclaimed. Both pads have grasses well established with some volunteer of shrubs.

Pad E is accessed through the WSW-3 pad. It is completely stabilized including the access road. There has been some evidence of grazing and drought stress on the plants. Overall vegetation appears to be diverse and sustainable.

It is anticipated that no new wells will be drilled in 2021. The permitted 17H-IR-E and 17H-1V wells are scheduled to be drilled in 2022 on existing pads (TR-43).

The plant equipment improvements are continuing to be swapped out. Crystallizer #4 is currently in the parking lot next to the admin entrance awaiting placement. The heat exchanger is also going to be updated in the near future when equipment is on site.

No problems or violations were noted during this inspection.

Responses to this inspection report should be directed to Amy Yeldell at the Division of Reclamation, Mining and Safety, 1313 Sherman St., Room 215, Denver, CO 80203. Direct contact can be made by phone at 303-866-3567 Ext 8183 or via email at amy.yeldell@state.co.us

Inspection Contact Address

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PHOTOGRAPHS





Photo Two: Reclaimed IRI-2 Pad



Photo Three: Newly drilled BG-11





Photo Six: Pad 8 reclamation in progress



Photo Seven: Overview of the 15-17 Pad



