




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: Mahogany Research Project – Public Land Prospecting	MINE/PROSPECTING ID#: P-2003-018	MINERAL: Oil shale	COUNTY: Rio Blanco
INSPECTION TYPE: Monitoring	INSPECTOR(S): Amy Yeldell	INSP. DATE: June 29, 2021	INSP. TIME: 08:00
OPERATOR: Shell Frontier Oil & Gas Inc.	OPERATOR REPRESENTATIVE: Samantha Baker	TYPE OF OPERATION: MP - Mineral Prospecting	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$2,656,462.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: U.S.BLM	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: July 7, 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>Y</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>NA</u>	(TS) TOPSOIL----- <u>NA</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>N</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</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 normal monitoring program. The Mahogany Research Project-Public Land Prospecting is a Hard Rock NOI located in Rio Blanco County. Amy Yeldell of the Division conducted the inspection. Samantha Baker represented the Operator. Paul Daggett of the White River Field Office was also present.

The permitted NOI includes a total of 29.74 acres and has a required bond of \$83,151. Following the approval of AR-1 in 2020 the flowing pads permitted; 56-16-199, 58-14-199, 62-23-199(B6-23) and access road, 66-26-199, 5-18-298, 6-13-299, 8-3-298, 9-9-298, 10-32-198, 13-14-298, and the public portion of airplane ridge road.

All hydrology wells have been abandoned and pads have been reclaimed. The last reclamation efforts were completed in 2015 and now are awaiting adequate vegetation establishment. This summer has been extremely dry, with little to no spring time moisture and a below average snowfall leaving many areas stunted. Over all pads are stable with no signs of erosion. All mining related debris has been removed from the site(s). Specific observations of each pad are listed below,

*6-13-299: A portable hot fence surrounds the pad to help keep grazing cattle out. Vegetation is low due to grazing and drought conditions. Vegetation is primarily shrubs with few grasses. Even though overall cover is low density and diversity is there. No weeds observed. Very long access road. Vegetation is establishing including shrubs however due to cattle use trails remain. Final reclamation has been achieved.

*56-16-199: Adequate vegetation density with diverse species. Well established grasses with several volunteer shrub species. No weeds observed. Final reclamation has been achieved.

58-14-199: Long access road on crest of hill. Vegetation in low from being wind swept and lack of moisture. Adequate basal cover with no signs of erosion. Pad vegetation is diverse however it's very spare due to lack of moisture and heavy grazing. If summer monsoons provide moisture, revisit in the fall and vegetation may be adequate for possible release.

13-14-298: Access road has adequate vegetation establishment. Pad was sprayed heavily which has stunted vegetation and produced some bare spots. Spot seeding may be needed depending on germination of desirable species. Continue to manage noxious weeds to avoid injury to desired species.

*Indicates pads where final reclamation has been achieved

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

Samantha Baker
Shell Frontier Oil & Gas Inc.
150 N Dairy Ashford Road
Houston, TX 77079

Enclosure

CC: Travis Marshall, Senior EPS, Grand Junction DRMS
Paul Daggett, White River Field Office, BLM

PHOTOGRAPHS





