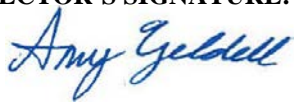




MINERALS PROGRAM INSPECTION REPORT

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: 2004 Coring and Hydrology Project	MINE/PROSPECTING ID#: P-2004-011	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: \$701,237.00	
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>N</u>	(RD) ROADS----- <u>N</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>N</u>
(PW) PROCESSING WASTE/TAILING----- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>N</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>N</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>N</u>	(ST) STIPULATIONS----- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>NA</u>	(OD) OFF-SITE DAMAGE----- <u>N</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 2004 Coring and Hydrology Project 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 BLM was also present.

The permitted NOI includes a total of 0.81 acres and has a required bond of \$8,680. Following the approval of AR-1 in 2020 on a portion of the access road to Pad 18-6-298 remains permitted. The access road from the bottom of the hill out still needs additional reclamation measures, specifically weed control. SFOGI has switched noxious weed contractors. The lower portion of the access road has effective weed treatment however the sprayers didn't go far enough up the road. The line where treatment stopped was apparent. Native vegetation will likely persist if noxious weeds are kept in check. Additional seeding was conducted in spring of 2021.

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
Houston, TX 77079

Enclosure

CC:

CC:

Travis Marshall, Senior EPS, Grand Junction DRMS
Paul Daggett, White River Field Office, BLM
Samantha Baker, Shell

PHOTOGRAPHS

