




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-Freeze Wall Test	MINE/PROSPECTING ID#: P-2005-017	MINERAL: Oil shale	COUNTY: Rio Blanco
INSPECTION TYPE: Monitoring	INSPECTOR(S): Amy Yeldell	INSP. DATE: July 1, 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: \$2,158,429.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: July 8, 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>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>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>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 normal monitoring program. The Mahogany Research-Freeze Wall Test is a Hard Rock NOI located in Rio Blanco County. Amy Yeldell of the Division conducted the inspection. Samantha Baker represented the Operator.

The permitted NOI includes a total of 29.70 acres and has a current bond of \$2,158,429.

MD-4 which was approved in 2017 allows the FWT pad and associated roads to remain. Six storage buildings are also permitted to remain. These areas are to be stabilized but no revegetation requirement. Reclamation including grading and revegetation applies to the following pads permitted; laydown yard, 99-35-199, 100-35-199, 101-35-199, 102-35-199, and 130-35-199.

All hydrology wells have been abandoned and pads have been reclaimed. Over all pads are stable with no signs of erosion. All mining related debris has been removed from the site(s) where required. Specific observations of each pad are listed below,

*FWT Facility Area: Several buildings remain in place per MD-4 and stay as commercial industrial. The exterior fence remains in place. All access roads remain adequately graveled and well maintained. No weeds or erosion within the fenced area. This area meets the post reclamation configuration.

FWT laydown yard: Located adjacent to the electrical substation. Grasses are beginning to germinate but are still very sparse. Misc. chunks of liner have been mixed in with the soil. This debris needs to be removed. Spot seeding may be required after removal.

Hydrology pads: Due to an extensive cheatgrass infestation pads were cleared using 'bare ground' and allowed to rest. They were reworked in the spring of 2021. Sage and shrubs were left in place. No weeds were observed and grass is beginning to germinate.

*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

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Enclosure

CC:

Travis Marshall, Senior EPS, Grand Junction DRMS

PHOTOGRAPHS





Photo Four: Hydrology Pads 99-103



Photo Five: Hydrology Pads 99-103

