




**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.

<b>MINE NAME:</b> Nahcolite Project	<b>MINE/PROSPECTING ID#:</b> M-1983-194	<b>MINERAL:</b> Carbonates	<b>COUNTY:</b> Rio Blanco
<b>INSPECTION TYPE:</b> Monitoring	<b>INSPECTOR(S):</b> Amy Yeldell	<b>INSP. DATE:</b> June 17, 2022	<b>INSP. TIME:</b> 10:30
<b>OPERATOR:</b> Natural Soda LLC	<b>OPERATOR REPRESENTATIVE:</b> Kirk Daehling	<b>TYPE OF OPERATION:</b> 112d-3 - Designated Mining Operation	
<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> \$3,913,706.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> DRMS	<b>JOINT INSP. AGENCY:</b> None	
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> June 27, 2022	

**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>Y</u>	(SF) PROCESSING FACILITIES----- <u>Y</u>	(TS) TOPSOIL----- <u>Y</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>Y</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, Nathan Fisk and Jerry Daub represented the operator and accompanied Amy Yeldell of the Division on the inspection. No representative from White River Field Office BLM was present.

The Division initially met with NSI staff at the office. Nathan Fisk is the new Environment, Health and Safety representative for NSI taking over for Gerry Deschaine. No changes to production level or staffing are anticipated in the near future.

Drilling of two new production wells (17H-1V and 17H-IR-E) is imminent. Both wells were previously permitted under TR-43. At the time of inspection the rig had not yet mobilized to the site but has since arrived on site and drilling has commenced. The drilling of each well is expected to take about 2 weeks.

In May NSI did a plug back on well 12H-RI. The recovery well is now the injection well. The planned plugging and abandonment did not get done this spring. Once drilling is completed, late summer/early fall, DVPW-1, 16H-RI, 90-1, BG-1 and DS-2 will be abandoned.

A man camp/ temporary living quarters is set up on the 15H-1V pad. This is to support the drilling crew for the summer. No additional disturbances to the pad were created. Existing electrical services have been tied in for power rather than using a generator. Water and sanitation services are all mobile and temporary.

17H-1V will be the first well to be drilled. The conductor casing is set and ready for the drill rig, once on location. In the back corner (NW) of the pad is the Office trailer and Drilling Supervisors living quarters. Once the rig is on site there will also be the tool pusher's equipment. A cuttings bin and pit remain on site and open from setting the conductor casing. No additional disturbances will be necessary for support services or drilling.

Pad 8 reclamation is sparse. Very limited amounts of early spring rain was received this year. All reclaimed areas are stable with little to no weeds. Reclamation success should be monitored. If germination and re-growth next spring results in the pad having less than 40% cover additional reclamation (seeding) should be employed in the fall.

NSI has recently obtained approval from the EPA to change 17H-R to an injection well (17H-RI). This is the last of the side-by-side designed wells. It will flip directions once drilling is completed and will likely be plugged and abandoned next year once the cavity is depleted.

The 16H-IR-E pad was slightly expanded/squared up to accommodate future drilling equipment and tank layout. The pad expansion disturbance was within the existing stockpile footprints. The equipment is currently on pad 17H-1V and will be moved with the rig once drilling is completed. Water and electrical for the rig is already on site. 17H-IR-E conductor casing is also set and ready to be drilled once 17H-1V has been completed.

Later this summer/fall (August) NSI plans to replace one of the original crystallizer tanks (#4), with a stainless steel tank. The tank is already on site and it is anticipated to take 10 days to swap out equipment. The goal is to replace the other tanks with stainless steel over the next few years.

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, Room 215, 1001 E 62nd Ave, Denver, CO 80216. 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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EC:  
Travis Marshall, Senior EPS, Grand Junction DRMS

**PHOTOGRAPHS**







Photo Three: Overview of 17H-1V infrastructure on site



Photo Four: Overview of the reclaimed pad 8

