




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: 2005-06 Geo-hydrology Drilling and Coring - Private	MINE/PROSPECTING ID#: P-2005-002	MINERAL: Oil shale	COUNTY: Rio Blanco
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: July 26, 2023	INSP. TIME: 07:45
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: \$369,361.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None	
INSPECTOR(S): Amy Yeldell	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 11, 2023	

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>NA</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>NA</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 2005-06 Geo-hydrology Drilling and Coring Program- Private is a Hard Rock NOI located in Rio Blanco County. Amy Yeldell of the Division conducted the inspection. Samantha Baker, Dillon Berry and Dave Murray represented the Operator.

The permitted NOI includes a total of 2.85 acres and has a current bond of \$369,361.00. Following the approval of AR-2 in 2021 the following pads remain permitted; A28-25-199, 49-35-199, 50-35-199, 51-35-199, 52-35-199, and 55-35-199.

All hydrology wells have been plugged and abandoned, which includes cementing, cut and cap wells and backfill. Hydrology well pads have been reclaimed. The initial final reclamation efforts were completed in 2016. Touch up grading and seeding has been conducted 2019-2022. Pads are now awaiting adequate vegetation establishment. The past winter consisted of heavy snows with warmer than average temperatures. The early spring/summer was very cold and plant germination was slow up till mid-June when temperature's skyrocketed into the high 90's with little to no moisture. Late June a few storms have begun but the summer monsoons have not truly started. Wild horse populations have continued to be a nuisance despite the round up last year. Vegetation throughout much of the Piceance Basin is showing signs of overgrazing. 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,

49-35-199: Some grasses have established but the pad has been grazed extremely hard. Given that the area is partially fenced finishing a grazing exclusion fence is recommended to help promote successful reclamation. See Photo One and Two.

50-35-199: Located on the FWT plume pads (P-2005-017). Mostly shrubs with very few grasses. Nuisance species were observed and should be treated to avoid excess competition of desirable species. Grazing does not appear to be negatively affecting this area. See Photo Three.

51-35-199: Behind the FWT. Vegetation is almost entirely comprised of nuisance plants lots of Kochia. Desirable vegetation is mostly shrubs with very little grasses. Treatment/ removal of nuisance species will leave the pad nearly bare and additional revegetation will likely be necessary to establish desirable species. Evidence of recent weed treatment was observed. Some evidence of grazing was observed. See Photo Four.

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:
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Dave Murray, Consultant

PHOTOGRAPHS



Photo 1: Pad 49-35-199 grazed extremely hard, little remaining



Photo 2: Pad 49-35-199 grazed extremely hard, little remaining

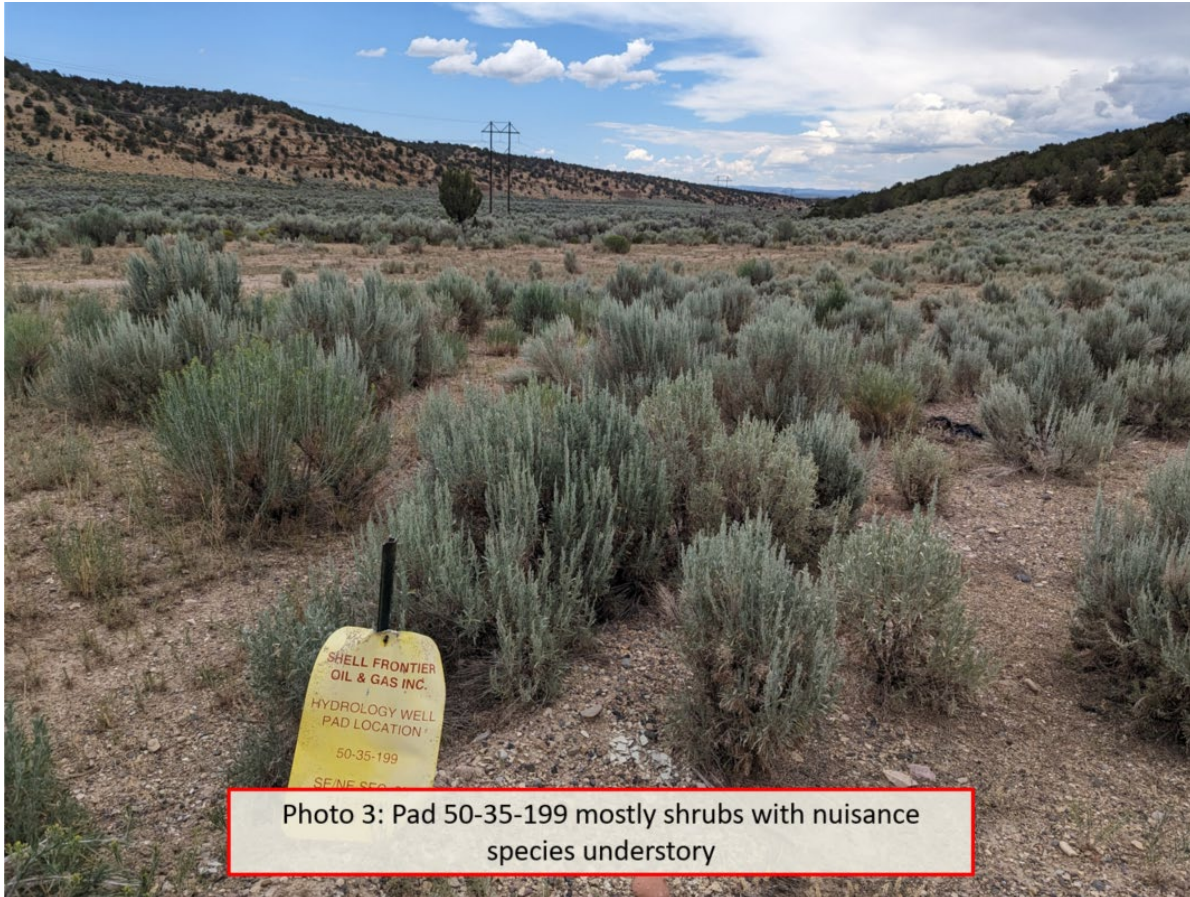


Photo 3: Pad 50-35-199 mostly shrubs with nuisance species understory

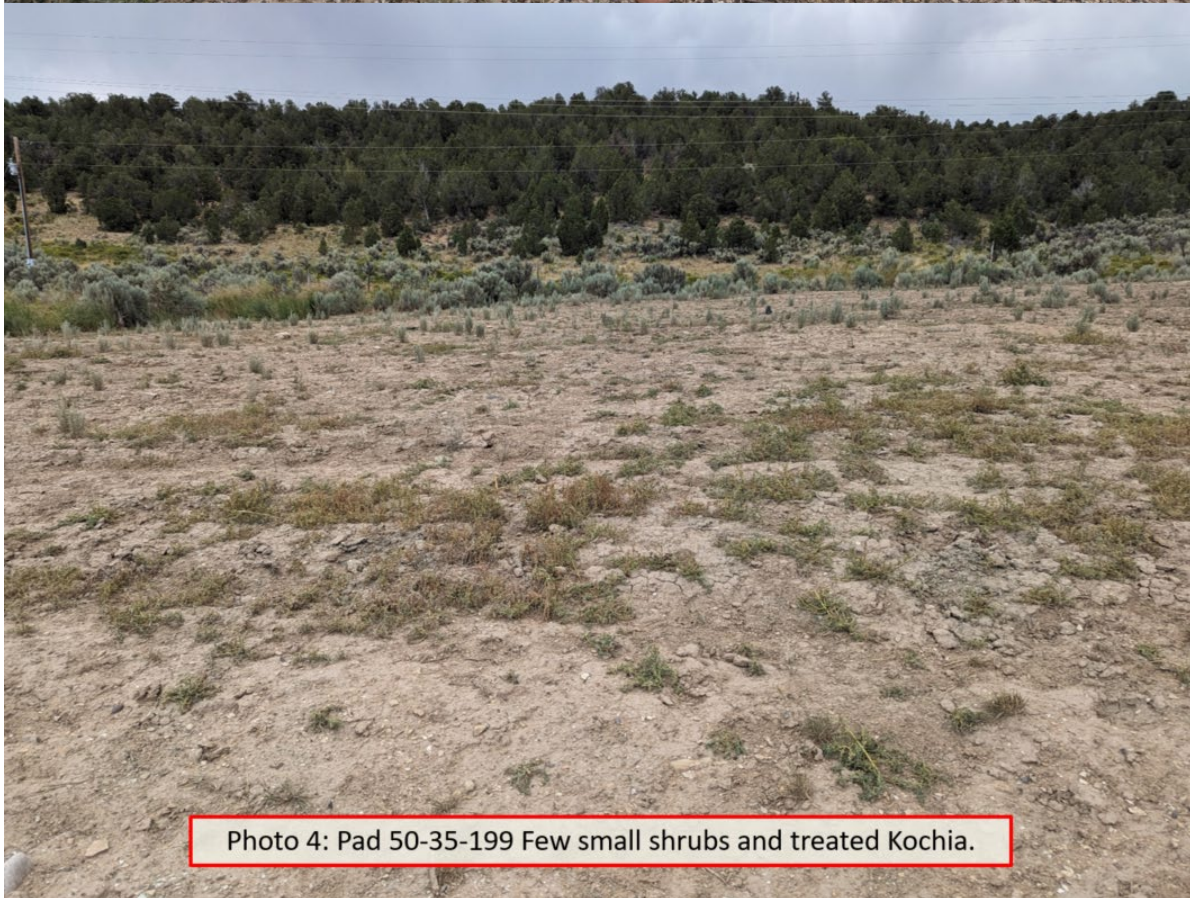


Photo 4: Pad 50-35-199 Few small shrubs and treated Kochia.