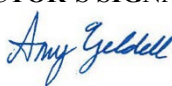




MINERALS PROGRAM INSPECTION REPORT
PHONE: (303) 866-3567

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: Multi-Mineral RDD Lease	MINE/PROSPECTING ID#: P-2010-026	MINERAL: Oil shale	COUNTY: Rio Blanco
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: July 25, 2023	INSP. TIME: 07:30
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: \$2,864,975.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: U.S.BLM	
INSPECTOR(S): Amy Yeldell	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: August 14, 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>NA</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 Multi-Mineral RDD Lease 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. James Robert of the White River Field Office was also present.

The permitted NOI includes a total of 15.36 acres and has a current bond of \$96,438.00. The Division still holds \$2,864,975.00 in financial warranty for this site since a replacement bond has not been submitted following the approval of SR-1 (2021). The East RDD, ELHT and hydrology pads 135-4-298 and 138-4-298 are all within the same larger fenced in area and the disturbances for each overlap. Collectively these features are referred to as the East.

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. The east is completely fenced (a combination of game fence and 3 string wire fence) which is helping to ward off grazing pressure for much of the affected lands. The front access road has seen the biggest impacts from grazing.

All hydrology and production wells have been abandoned which includes cementing, cut and cap wells and backfill. The affected lands have been contoured and reclaimed. All mining related debris and surface facilities have been removed from site. The initial reclamation efforts were completed in 2016 and a subsequent seeding was conducted in spring of 2021 of failure areas. The site is now awaiting adequate vegetation establishment. Overall the East is stable with no signs of erosion.

Reclamation success throughout the site varies. . The back facilities areas appear to be well on their way to achieving final reclamation, while the front of the lease along the hydrology pads and access road continue to limp along. Additional reclamation efforts are planned for fall of 2023 for these areas. Discussion regarding bringing in wood chips and additional organic matter to help. In general there is lots of crested and some shrubs beginning to establish. Noxious weeds appear to be well controlled, some Russian Thistle and Kochia were observed with very limited Cheatgrass.

CSU has been granted the research ROW. Discussions of them taking over the area and assuming liability for a portion. Provide documentation or request a release prior to them affected lands within the permit boundary.

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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Dave Murray, Consultant

PHOTOGRAPHS









