




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: Nahcolite Project	MINE/PROSPECTING ID#: M-1983-194	MINERAL: Carbonates	COUNTY: Rio Blanco
INSPECTION TYPE: Monitoring	WEATHER: Clear	INSP. DATE: June 27, 2024	INSP. TIME: 09:00
OPERATOR: Natural Soda LLC	OPERATOR REPRESENTATIVE: Jamie Reck	TYPE OF OPERATION: 112d-3 - Designated Mining Operation	
REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$4,466,425.00	
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: DRMS	JOINT INSP. AGENCY: U.S.BLM	
INSPECTOR(S): Amy Yeldell	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: July 1, 2024	

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>N</u>	(BG) BACKFILL & GRADING----- <u>Y</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>Y</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>N</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>N</u>	(SC) EROSION/SEDIMENTATION--- <u>N</u>	(ST) STIPULATIONS----- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</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 is located approximately 25 miles southwest of Meeker, Colorado in Rio Blanco County. Jamie Reck Jeff Paris and Randy Dean represented the operator and accompanied Amy Yeldell of the Division on the inspection. Tom Cummings represented the White River Field Office BLM.

This is the second quarter inspection for 2024. The focus of this inspection was reclamation success of recently reclaimed areas. Recently drilled wells were also observed. No acreage reduction or other release request has been submitted to date. There are no open revision for this permit. No changes to production level or staffing have occurred or are anticipated in the near future. Division staff first checked in at the main office.

Backfilling and Grading:

Some minor blending and grading occurred in May near BG-1 and DS-2 (Photo One). Topography naturally blends with the surrounding reclaimed areas of Pad 8. All slopes have been graded to a 3H: 1V or less and are easily traversable by livestock and wildlife.

Pad 14H was reclaimed in the fall of 2023 (Photos Two – Four). This pad required a large amount of backfill on the southern side. Soil has settled over the winter and no signs of subsidence or a need for additional grading was observed. The pad appears to blend naturally with the surrounding areas. All slopes have been graded to a 3H: 1V or less and are easily traversable by livestock and wildlife.

Explosives:

Explosives are not used in conjunction with this operation.

Financial Warranty:

The Division holds \$4,466,425.00 in financial warranty. The Division last updated the reclamation cost estimate in February of 2023 for TR-50. The bond is considered sufficient at this time and will not be recalculated as part of this inspection

Fish and Wildlife:

No animals were observed grazing the reclaimed pads during the inspection. Evidence of land use in the form of scat/manure was observed.

Other:

18H-1V is drilled but not connected. The pit remains open. A drill rig was on site. Adjacent to the rig were several large dark spots (Photos Five – Seven). It is unclear if this was wet soil from the recent rains or evidence of a spill. The area did smell like hydrocarbons however this is typical when drilling equipment is on site. The Operator needs to determine if the soil discoloration is the result of a spill. If it is a spill, all contaminated soil needs to be excavated and disposed of properly. Then the pad needs to be regraded. Please provide the Division with a summary of the measures taken on site and photo documentation.

18H-IR-E was drilled however it ran into several complications during the drilling process and the well will not be completed. At the time of the inspection a cement bond log was being ran and the well is scheduled to be plugged and abandoned (Photo Eight). A replacement well will be drilled but details have not yet been finalized. The original pit is still open, Mr. Paris indicated that they will likely need to increase its size to

accommodate additional volume for drilling of another well.

Right of Entry:

The Operator has a valid Plan of Operations with the BLM which meets the requirements of Rule 6.3.7 for maintaining its Legal Right of Entry.

Reclamation Success:

No areas are being released at this time.

The pipeline between WSW-3 and WSW-4 was observed (Photo Nine). The wells and buildings remain in use and require further reclamation. The area overtop the buried pipeline has been reclaimed and naturally blends with the surrounding topography. This area has been classified as meeting ROD Goals per the Average Analysis Spreadsheet. Come final reclamation the pipeline will be plugged on either end with cement and left in place. No additional surface reclamation of the pipeline will be required.

The G pad was constructed but no well was ever drilled and thus it was reclaimed. This pad has been successfully reclaimed (Photo Ten). All grading blends naturally and the vegetation establishment is comparable or better than the surroundings. No noxious weeds or erosional issues were observed.

BLM has requested that their ecologist review reclaimed lands that have been designated as meeting ROD Goals. The Division will not adjust acreages for the sake of bonding or reclamation classification until follow up correspondence is received regarding the acceptance of Rusty Roberts surveys.

Revegetation:

Seeding of the 14H pad occurred in fall of 2023. Spring/early summer temperatures have remained lower than normal, and the monsoon season has begun. Thus far established vegetation is mostly annual weedy species, such as cheatgrass and Alyssum. Other warmer season weeds such as Kochia and Russian Thistle are beginning to pop. Very few desirable perennial grasses were observed. Continue to monitor throughout the summer. If a significant increase of desirable species is not noted, additional seeding may be required. Additionally utilizing effective timing and species selection for noxious weed treatment will be crucial for early establishment and long-term success.

Support Facilities On-site:

The Mill or other internal buildings were not inspected.

Signs and Markers:

A mine sign was posted at the turn off from CR 24 as required by Rule 3.1.12(1).

Storm Water MGT Plan:

Evidence of recent rainfall was observed based on the damp ditches and sediment catch ponds. All BMP's appeared to be functioning properly. No specific maintenance items were identified. Continue to clean out any sediment traps that are nearing capacity throughout the monsoon season.

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 970-210-1272 or via email at amy.yeldell@state.co.us

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PHOTOGRAPHS







Photo 5: Rig on the 18H-1V pad



Photo 6: Potential spill on the 18H-1V pad





Photo 9: Reclaimed water supply well pipeline



Photo 10: Reclaimed Pad G