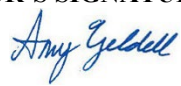




**MINERALS PROGRAM INSPECTION REPORT**  
**PHONE: (303) 866-3567**

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>WEATHER:</b> Clear	<b>INSP. DATE:</b> December 19, 2024	<b>INSP. TIME:</b> 14:00
<b>OPERATOR:</b> Natural Soda LLC	<b>OPERATOR REPRESENTATIVE:</b> Roy McClung	<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> \$4,466,425.00	
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> DRMS	<b>JOINT INSP. AGENCY:</b> U.S.BLM	
<b>INSPECTOR(S):</b> Amy Yeldell	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> December 30, 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>N</u>
(HB) HYDROLOGIC BALANCE----- <u>N</u>	(BG) BACKFILL & GRADING----- <u>N</u>	(EX) EXPLOSIVES----- <u>NA</u>
(PW) PROCESSING WASTE/TAILING---- <u>N</u>	(SF) PROCESSING FACILITIES----- <u>N</u>	(TS) TOPSOIL----- <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE----- <u>N</u>	(RV) REVEGETATION---- <u>N</u>
(SM) SIGNS AND MARKERS----- <u>N</u>	(SP) STORM WATER MGT PLAN---- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>N</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>N</u>	(SC) EROSION/SEDIMENTATION-- <u>N</u>	(ST) STIPULATIONS----- <u>N</u>
(AT) ACID OR TOXIC MATERIALS----- <u>N</u>	(OD) OFF-SITE DAMAGE----- <u>N</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, Roy McClung and Jerry Daub 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 fourth quarter inspection for 2024. The focus of this records inspection was explaining how the Division determines the required Financial Warranty of this site. Given that Tom Cummings of the BLM is newer to this site and Roy McClung is new to the position, the Division felt it appropriate to explain our bonding in more depth to facilitate transparency. The Division did meet on site but the entire /inspection was conducted in the meeting room of the main office. The Division did not observe the well field or plant.

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.

### **Availability Of Records:**

TR-51 is expected in early 2025 to add an additional production well.

### **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.

The Division reviewed the various revisions that affect bonding/ required financial warranty (SI, TR, SR and SL). Anytime the bond is adjusted a new performance warranty and affidavit of authority is submitted with the financial instrument. The amount required for the Financial Warranty is calculated by the Environmental Protection Specialist over the site. Sara Stevenson-Benn is the Division's Financial Warranty Specialist who reviews all bonding paperwork.

The Division will review the adequacy of the reclamation cost estimate approximately every 2 years or as necessary based on revisions that impact the required bond amount. The bond for this site is organized by location and task type. Typically, only borehole abandonment, demolition, roads and the well pads change as the plant and auxiliary areas are unchanging. The acreages associated with roads and well pads are tracked via a spreadsheet provided to the Division periodically from Daub and Associates. Anytime a revision is submitted that changes these acreages an updated spreadsheet it also provided.

Lastly since this site is on BLM the bond is shared between the two agencies as required under our MOU. Any changes to the permit area or bond require concurrence prior to final approval. Typically permitting starts with the BLM since they have longer lead times that the statute allows the Division.

### **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.

Revegetation:

No vegetation was inspected.

Support Facilities On-site:

The Mill or other internal buildings were not inspected.

Special Categories Of Mining:

This is a Designated Mining Operation (DMO).

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

**Inspection Contact Address**

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Rifle, CO 81650

EC:

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Tom Cummings, BLM-White River Field Office  
Jamie Reck, Natural Soda LLC  
Jerry Daub, Daub and Associates, Inc.