

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: | MINE/PROSPECTING ID#: | MINERAL: | COUNTY: |
|-------------------------------|---------------------------------|--------------------------------------|-------------|
| Nahcolite Project | M-1983-194 | Carbonates | Rio Blanco |
| INSPECTION TYPE: | WEATHER: Clear | INSP. DATE: | INSP. TIME: |
| Monitoring | | June 3, 2025 | 09:00 |
| OPERATOR: | OPERATOR REPRESENTATIVE: | TYPE OF OPERATION: | |
| Natural Soda LLC | Jamie Reck | 112d-3 - Designated Mining Operation | |
| REASON FOR INSPECTION: | BOND CALCULATION TYPE: | BOND AMOUNT: | |
| Normal I&E Program | None | \$4,466,425.00 | |
| DATE OF COMPLAINT: | POST INSP. CONTACTS: | JOINT INSP. AGEN | NCY: |
| NA | DRMS | U.S.BLM | |
| INSPECTOR(S): | INSPECTOR'S SIGNATURE: | SIGNATURE DATE | C: |
| Amy Yeldell | Amy Geldell | June 5, 2025 | |
| | V | | |

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>N</u> | (FN) FINANCIAL WARRANTY <u>Y</u> | (RD) ROADS <u>N</u> |
|--|-------------------------------------|------------------------------|
| (HB) HYDROLOGIC BALANCE <u>Y</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>N</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>N</u> | (RS) RECL PLAN/COMP <u>Y</u> |
| (ES) OVERBURDEN/DEV. WASTE <u>N</u> | (SC) EROSION/SEDIMENTATION Y | (ST) STIPULATIONS <u>Y</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 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 2025. The focus of this inspection was reclamation success of older reclaimed areas. Specifically Pads 91-1V, 93-3V, 4-2V, C, N, H, 91-2H, 93-4H, 4A-1Vand 4A-4V were observed. Newly reclaimed areas were not 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:

All backfilling and grading have been completed. Topography naturally blends with the surrounding reclaimed areas. Slopes generally have been graded to a 3H: 1V or less where possible and are easily traversable by livestock and wildlife. Exceptions to this are where slopes go through dry creek beds that once had culverts for crossing or following existing contour requires a steeper grade, Photo One. These steeper slopes are stable

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 reviewed the reclamation cost estimate in March of 2025 for TR-51. The decision due date has been extended to July 15, 2025, which will allow for the 2025 prices to be incorporated into CIRCES after July 1, 2025. A surety increase is expected with the approval of TR-51.

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. Pads did not appear to be over grazed or have bare spots from animals rolling.

Hydrologic Balance:

No exposed groundwater, or flowing surface water was observed.

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. See comments under Revegetation.

Revegetation:

All pads observed were reclaimed a number of years ago. Several of the pads have met ROD goals at one time but have since declined and may no longer meet those standards.

Abandoned wells 91-1V, 93-3V and 4-2V (in order from SE to NW) are all located on one long connected pad. The lower SE portion of the pad consists of more perennial grasses and some smaller shrubs, Photo Two. Overall cover is estimated to be 70%. Large shrubs are sparse and only a few forbs were observed. Cheat grass was observed but it would be considered sparse and spotty with less than 5% over composition. No other noxious weeds were observed. As you work your way uphill to the NW vegetation composition shifts to a more mid seral stage. Vegetation becomes predominantly shrubs that are much larger with limited desirable understory. Desirable cover is significantly less as compared to the lower areas. Most areas between shrubs are cheat grass (weeds), Photo Three. On the south side is the reclaimed access road to the core holes, Photo Four. Vegetation along this corridor is slightly less as it has been reclaimed for a shorter time, but it follows the same trend described above.

Pads 2014-24-198-C, 2014-24-198-N, and 2014-24-198-H are access via the back side of 4-2V. These pads and access roads were reclaimed in 2014. All woody material cleared for pad construction has been redistributed. In general, desirable vegetation composition declines as we progressed west from Pad C to H. The access road to C pad had some noxious weeds but overall there was a good mix of perennial grasses, forbs and small shrubs. Cover in most areas was of sufficient densities and comparable to adjacent areas, Photo Five. Pad C had a slightly lower vegetation density compared to the access road. It consisted of mostly grasses with few shrubs and forbs. Cheatgrass was observed but it did appear to be managed and was not choking out revegetation efforts, Photo Six. Adjacent undisturbed is a PJ forest with limited understory (climax seral stage).

Moving along the Road to Pad N vegetation began to decline. In addition to cheatgrass other undesirable weeds were observed. Vegetation was either nearly all desirable and on its way to successful reclamation or almost entirely noxious weeds with a few shrubs, Photos Seven and Eight. In general, the areas in the trees fared better compared to the open areas appearing to be more heavily impacted by cheatgrass. Reclamation success on the N Pad varied. Areas with more developed shrubs had a monoculture of cheatgrass and the understory. If shrubs were low or non-existent more perennial grasses were found with significantly lower amounts of noxious weeds.

Next the Road to H pad was similar to the N Pad Road. In general, the areas seemed to be more arid with a lower overall density. Areas with developed shrubs had a higher density of noxious weeds. Northern exposure or areas in the trees tended to have more grasses and less shrubs with more desirable cover. The H Pad itself had the highest density of cheatgrass of all the pads and roads observed. There was a mix of large perennial grasses and shrubs with wide spacing. The understory was either bare ground or cheatgrass, Photos Nine and Ten.

Lastly the large pad which contains 91-2H, 93-4H, 4A-1V and 4A-4V were briefly observed. In general vegetation appeared to be comparable to 93-3V. Some cheatgrass was observed but vegetation has not progressed to mid seral and perennial grasses are still more abundant than shrubs, Photo Eleven.

Moving forward ongoing management of Cheatgrass and other undesirable species is necessary. The Operator (and their sprayer) should employ multiple surveys/treatments throughout the year. Specifically, cheatgrass is a cool season bi-annual meaning it germinates very early spring and sometimes again in the late fall if there is adequate moisture. Most other grasses are late spring and early summer. Waiting to treat the cheatgrass the same time as other noxious weeds will result in missing the effective window. Additionally, cheatgrass is a considered prolific seed producer which is how it outcompetes. Seed is commonly viable for 2-3 years if not longer, so treatment over several years is necessary to make progress. The Division acknowledges that NSI sites may be the "sink" not the "source" however undesirable species are inhibiting successful reclamation and thus need to be managed.

<u>Sediment Control:</u> Reclaimed areas appeared to be free of erosion and sedimentation.

<u>Support Facilities On-site:</u> 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).

<u>Permit Stipulations:</u> 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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EC:

Travis Marshall, Senior EPS, Grand Junction DRMS Tom Cummings, BLM-White River Field Office Jamie Reck, Natural Soda LLC Jerry Daub, Daub and Associates, Inc.

PERMIT #: M-1983-194 INSPECTOR'S INITIALS: ACY INSPECTION DATE: June 3, 2025

PHOTOGRAPHS







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