



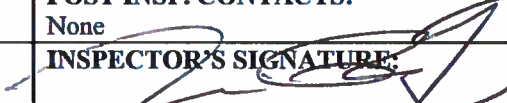
COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY MINERALS PROGRAM INSPECTION REPORT

PHONE: (303) 866-3567

GRAND JUNCTION

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: Colony Shale Oil Project	MINE/PROSPECTING ID#: M-1980-047	MINERAL: Oil shale	COUNTY: Garfield
INSPECTION TYPE: Monitoring	INSPECTOR(S): Travis H. Marshall	INSP. DATE: March 28, 2012	INSP. TIME: 10:00
OPERATOR: Exxon Mobil Corporation	OPERATOR REPRESENTATIVE: Roy Springfield and Bill Symington	TYPE OF OPERATION: 112 - Hard Rock Regular Operation	

REASON FOR INSPECTION: Normal I&E Program	BOND CALCULATION TYPE: None	BOND AMOUNT: \$30,000,000.00
DATE OF COMPLAINT: NA	POST INSP. CONTACTS: None	JOINT INSP. AGENCY: None
WEATHER: Clear	INSPECTOR'S SIGNATURE: 	SIGNATURE DATE: April 23, 2012

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	Y	(FN) FINANCIAL WARRANTY	Y	(RD) ROADS	Y
(HB) HYDROLOGIC BALANCE	Y	(BG) BACKFILL & GRADING	Y	(EX) EXPLOSIVES	NA
(PW) PROCESSING WASTE/TAILING	NA	(SF) PROCESSING FACILITIES	Y	(TS) TOPSOIL	Y
(MP) GENL MINE PLAN COMPLIANCE	Y	(FW) FISH & WILDLIFE	N	(RV) REVEGETATION	Y
(SM) SIGNS AND MARKERS	Y	(SP) STORM WATER MGT PLAN	Y	(SB) COMPLETE INSP	Y
(ES) OVERBURDEN/DEV. WASTE	Y	(SC) EROSION/SEDIMENTATION	Y	(RS) RECL PLAN/COMP	Y
(AT) ACID OR TOXIC MATERIALS	Y	(OD) OFF-SITE DAMAGE	Y	(ST) STIPULATIONS	NA

Y = Inspected and found in compliance / 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 normal monitoring program established by the Colorado Division of Reclamation, Mining and Safety (DRMS).

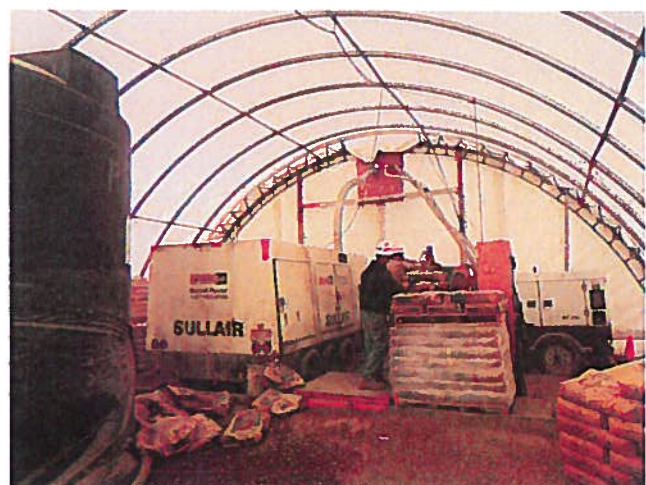
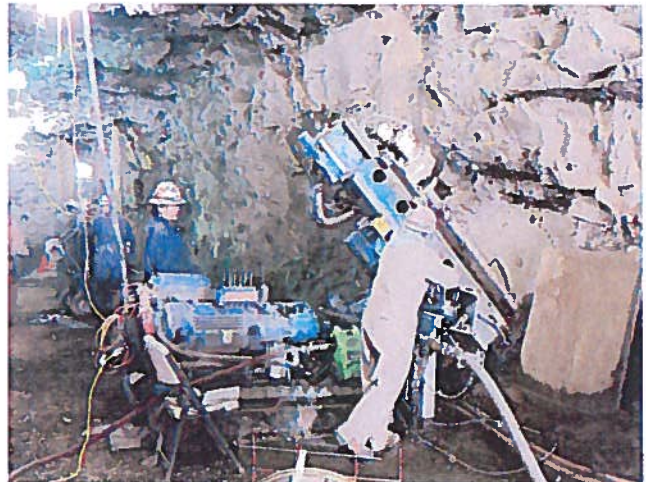
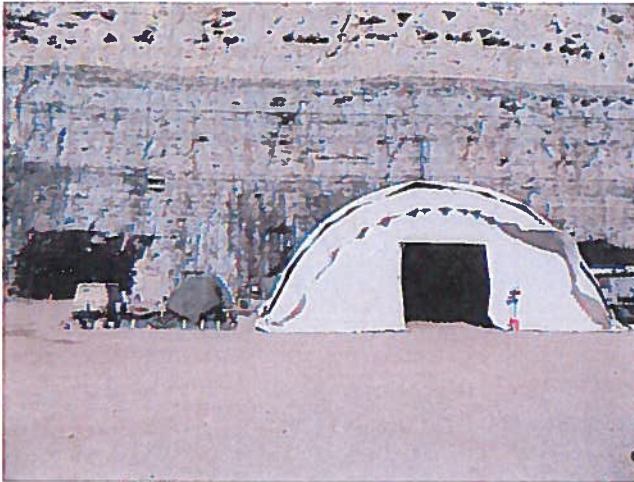
This was a partial inspection with the primary focus to observe the drilling and grouting being conducted during the inspection. No other components of the mine were inspected on March 28, 2012.

The drilling and grouting was being conducted from inside of the mine in the south drift. The purpose of the drilling and grouting was for the installation of the "grout curtain" that was approved in TR-15. The purpose of the grout feature is to isolate the A-Groove and B-Groove aquifers. The technicians performing the grouting stated that the grout was installed in 20 foot intervals and the pressure of grouting was approximately 60psi. Also, rock bolting of the north drift was being conducted during the inspection.

No problems or possible violations were observed during the inspection.

Responses to this inspection report should be directed to Travis Marshall at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South 3rd Street, Room 301, Grand Junction, Colorado 81501, phone no. (970) 241-2042

PHOTOGRAPHS



PERMIT #: M-1980-047
INSPECTOR'S INITIALS: THM
INSPECTION DATE: March 28, 2012

Inspection Contact Address

Roy Springfield
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