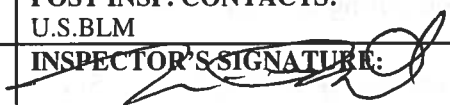




**COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY**  
**MINERALS PROGRAM INSPECTION REPORT**  
**PHONE: (303) 866-3567**

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> A.M.S.O. RD&D Project	<b>MINE/PROSPECTING ID#:</b> P-2008-046	<b>MINERAL:</b> Oil Shale	<b>COUNTY:</b> Rio Blanco
<b>INSPECTION TYPE:</b> Mineral Prospect Inspection	<b>INSPECTOR(S):</b> Travis H. Marshall	<b>INSP. DATE:</b> September 5, 2012	<b>INSP. TIME:</b> 10:00
<b>OPERATOR:</b> A.M.S.O. LLC	<b>OPERATOR REPRESENTATIVE:</b> Roger Day	<b>TYPE OF OPERATION:</b> MP - Mineral Prospecting	

<b>REASON FOR INSPECTION:</b> Normal I&E Program	<b>BOND CALCULATION TYPE:</b> None	<b>BOND AMOUNT:</b> \$546,893.00
<b>DATE OF COMPLAINT:</b> NA	<b>POST INSP. CONTACTS:</b> U.S.BLM	<b>JOINT INSP. AGENCY:</b> None
<b>WEATHER:</b> Clear	<b>INSPECTOR'S SIGNATURE:</b> 	<b>SIGNATURE DATE:</b> September 24, 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----- <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>Y</u>	(TS) TOPSOIL----- <u>Y</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>Y</u>	(SP) STORM WATER MGT PLAN---- <u>Y</u>	(SB) COMPLETE INSP---- <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE----- <u>NA</u>	(SC) EROSION/SEDIMENTATION--- <u>Y</u>	(RS) RECL PLAN/COMP-- <u>Y</u>
(AT) ACID OR TOXIC MATERIALS----- <u>Y</u>	(OD) OFF-SITE DAMAGE----- <u>Y</u>	(ST) STIPULATIONS----- <u>NA</u>

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 program established by the Colorado Division of Reclamation, Mining and Safety. The ASMO RD&D Project is an Oil Shale Prospecting site located approximately 25 miles west of Rio Blanco, Colorado southwest of Piceance Creek Road. Roger Day of AMSO and Paul Daggett of the BLM were both present during the inspection.

The pads inspected during the inspection were well kept and organized.

No evidence of erosion or off site damage from erosion was observed.

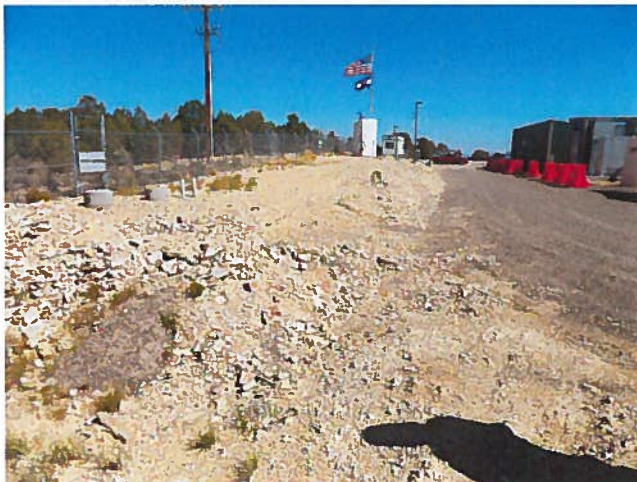
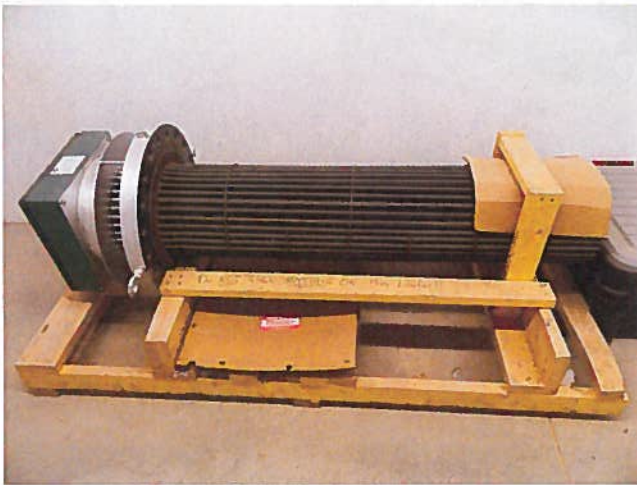
All topsoil stockpiles appeared to be stabilized with adequate amounts of geo-textile matting and vegetation and were easily identified due to the signs posted on top of them.

No problems or violations were observed during the inspection.

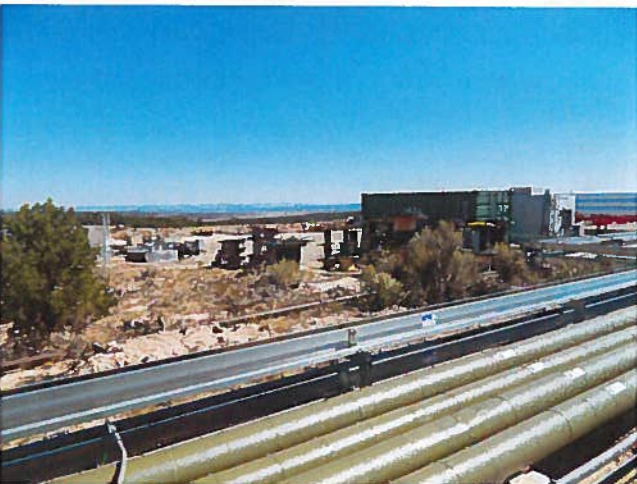
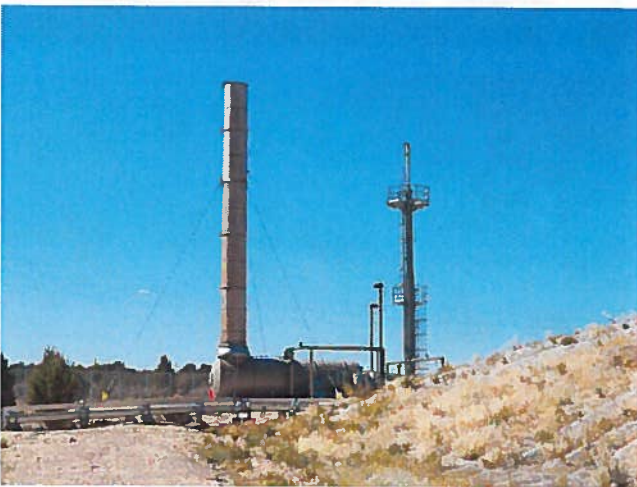
Photos that show the conditions observed during the September 5, 2012 inspection are included at the end of this report.

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 3<sup>rd</sup> Street, Room 301, Grand Junction, Colorado 81501, phone no. (970) 241-2042.

**PHOTOGRAPHS**







**Inspection Contact Address**

Roger Day  
American Shale Oil, LLC  
P.O. Box 1470  
Rifle, CO 81650

CC:  
Paul Daggett  
BLM- White River Field Office  
220 East Market Street  
Meeker, CO 81641

