

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.

MINE NAME:	MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
Yankee Gulch Minerals Project	M-1999-002	Carbonates	Rio Blanco
INSPECTION TYPE:	INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Multi Person Inspection	Travis H. Marshall	July 24, 2013	13:15
OPERATOR:	OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
American Soda, L.L.P.	Celina Akin	112d-3 - Designated Mining Operation	

REASON FOR INSPECTION:	BOND CALCULATION TYPE:	BOND AMOUNT:
Normal I&E Program	None	\$236,424.00
DATE OF COMPLAINT:	POST INSP. CONTACTS:	JOINT INSP. AGENCY:
NA	U.S.BLM	None
WEATHER:	INSPECTOR'S SIGNATURE:	SIGNATURE DATE:
Cloudy	1 /2/2/	August 7, 2013

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 Y	(RD) ROADS <u>Y</u>
(HB) HYDROLOGIC BALANCE <u>Y</u>	(BG) BACKFILL & GRADING Y	(EX) EXPLOSIVES NA
(PW) PROCESSING WASTE/TAILING NA	(SF) PROCESSING FACILITIES \underline{Y}	(TS) TOPSOIL \underline{Y}
(MP) GENL MINE PLAN COMPLIANCE- Y	(FW) FISH & WILDLIFE <u>Y</u>	(RV) REVEGETATION <u>Y</u>
(SM) SIGNS AND MARKERS <u>Y</u>	(SP) STORM WATER MGT PLAN Y	(SB) COMPLETE INSP Y
(ES) OVERBURDEN/DEV. WASTE NA	(SC) EROSION/SEDIMENTATION \underline{Y}	(RS) RECL PLAN/COMP Y
(AT) ACID OR TOXIC MATERIALS NA	(OD) OFF-SITE DAMAGE \underline{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). Celina Akin with American Soda, LLP accompanied the inspector during the inspection. The American Soda Yankee Gulch Minerals Project is located 22 miles southwest of Meeker, Colorado in Rio Blanco County.

The purpose of the site visit was to inspect the status of the operation and to observe the current conditions of the mining project.

The site is still not producing nahcolite and the only activity that is occurring is environmental monitoring and site maintinance. The operation is due for a reclamation cost estimate update but the operator is planning to submit a partial release request in the near future and the reclamation cost estimate will be conducted as a part of the partial release request once it has been submitted. The Division highly recommends that the operator removes the process plant from the permit area.

The operator is in the process of renewign the lease currently held with the BLM in 2013. The future of the operation is dependent on whether or not the lease is renewed. If the lease is not renewed the operation will be required to move into final reclamation.

Due to the plugging and abandonment of multiple wells south and east of the access road the operator plans to demo and remove the surface product transport pipelines.

No problems or possible violations were identified during the inspection.

Photos that show the condistions observed during the inspection are located at the end of this report.

A copy of this ispection was supplied to Paul Dagget at the Bureau of Land Management - White River Field Office. If there are any questions regarding this inspection report please contact me at (970) 241-2042.















PERMIT #: M-1999-002 INSPECTOR'S INITIALS: THM INSPECTION DATE: July 24, 2013

Inspection Contact Address Celina Akin

American Soda, L.L.P. P.O. Box 27328 Houston, TX 77227

Paul Daggett BLM – White River Field Office 220 East Market Street

Meeker, CO 81641