



Department of Energy
Office of Legacy Management

November 23, 2009

OLM-SRS-2009-167

Mr. Amory E. Quinn, President
Cotter Corporation
7800 East Dorado Place, Suite 210
Englewood, CO 80111

Subject: Approval of Exploration Plan Submitted for DOE Lease Tract C-SR-13A

Dear Mr. Quinn:

The Prospecting Notice of Intent (NOI) for U.S. Department of Energy (DOE) Lease Tract C-SR-13A (proposing 1 hole), submitted by Cotter Corporation (Cotter) on June 23, 2009, has been reviewed by DOE and its contractor in accordance with the *Uranium Leasing Program Final Programmatic Environmental Assessment*, the Lease Agreement, and the National Environmental Policy Act. The NOI is hereby approved as submitted, subject to the following stipulations:

- 1) No new roads shall be constructed; the drill site shall be accessed by overland travel along the designated route. Existing roads shall be improved only to the extent necessary to allow proper access of the required equipment.
- 2) If subsurface cultural or paleontological resources are unearthed during operations, activity in the vicinity of the cultural/paleontological resource shall cease and DOE and the U.S. Bureau of Land Management (BLM) shall be notified immediately. Pursuant to 43 CFR 10.4, Cotter must notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, Cotter must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by DOE. Additionally, Cotter is responsible for informing all persons associated with this project that they will be subject to prosecution for knowingly disturbing Native American Indian shrines, historic and prehistoric archaeology sites, or for collecting artifacts of any kind, including historic items and/or arrowheads and pottery fragments from Federal lands.
- 3) Combustible materials located within the drill pad area shall be removed as necessary to minimize fire danger.
- 4) The drainage adjacent to the drill site shall be avoided and no materials shall be allowed to enter the drainage.
- 5) During wet weather, when excessive damage can be caused by vehicle traffic, activities shall cease until conditions improve.

2597 B 3/4 Road, Grand Junction, CO 81503	<input type="checkbox"/>	3600 Collins Ferry Road, Morgantown, WV 26509
1000 Independence Ave., S.W., Washington, DC 20585	<input type="checkbox"/>	11025 Dover St., Suite 1000, Westminster, CO 80021
10995 Hamilton-Cleves Highway, Harrison, OH 45030	<input type="checkbox"/>	955 Mound Road, Miamisburg, OH 45342
232 Energy Way, N. Las Vegas, NV 89030	<input type="checkbox"/>	
REPLY TO: Westminster, CO Office		

ULP 015.06(c)

- 6) If a cuttings containment pit cannot be excavated below grade at the site due to shallow bedrock, or constructed above grade with a berm of surface-soil material, then an above ground container (i.e., stock water tank) of adequate size shall be brought to the site and used to contain the drill cuttings.
- 7) Bulk drill cuttings shall be backfilled into the drill hole, ensuring that all cuttings exhibiting elevated radiological readings are placed back in the drill hole at depth. Residual drill cuttings shall be scattered and blended with existing surface soil materials. Polyurethane foam shall be used to permanently plug the hole.
- 8) All activities associated with this NOI, including the reclamation and reseeding of disturbed areas shall be completed by November 30, 2009. Disturbed areas shall be reclaimed immediately after exploration activities are completed. The enclosed seed mixture shall be used during reclamation. Seed tickets shall be submitted to DOE for permanent retention in the record file.
- 9) All personnel working on the proposed exploration activities shall be made aware of the stipulations set forth in this letter, and those set forth in the Lease Agreement.
- 10) Cotter personnel shall provide DOE with a proposed schedule for the completion of the approved activities.

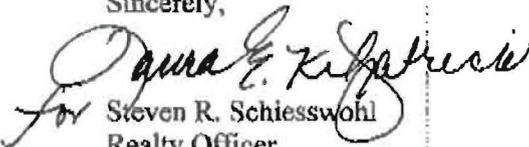
DOE coordinated its review of this NOI with the U.S. Bureau of Land Management (BLM) and the Colorado Division of Reclamation Mining, and Safety (CDRMS). These agencies have concurred with DOE's decision, subject to their letters (Jamie Sellar-Baker, BLM, to Ed Cotter, DOE contractor, dated November, 19, 2009 [CO-S04], and G. Russell Means, CDRMS to Glen Williams, Cotter, dated July 28, 2009 [P-2009-020], respectively.

DOE herein acknowledges that Cotter has an existing reclamation bond posted with DOE in the amount of \$6,000 that adequately covers the estimated reclamation costs associated with this NOI. Please note that the reclamation liability associated with all future activities proposed by Cotter will be assessed by DOE in a similar manner and the bond amount may need to be revised.

Approval of this plan is conditioned upon the faithful compliance with the terms, conditions, and stipulations set forth herein and in the Lease Agreement. This approval is restricted solely to the activities set forth in your plan. Activities not described shall not be undertaken until and unless a supplemental plan is submitted to and approved by the DOE Realty Officer. Furthermore, approval of this plan in general shall not be construed as a modification of any requirements of the Lease Agreement.

If you have any questions or concerns, please contact me at (720) 377-9683, or Ed Cotter of DOE's Contractor staff at (970) 248-6056.

Sincerely,


For Steven R. Schiesswohl
Realty Officer

Enclosure

Mr. Amory Quinn

-3-

cc w/enclosure:

G. Williams, Cotter Corporation WSO

H. Johnson, USBLM

J. Blair, DPLO

R. Means, CDRMS

L. Kilpatrick, DOE

Project File (E. Cotter)

URANIUM LEASING SITES

Reseeding Specifications

The following seed mixture was developed, in consultation with U.S. Bureau of Land Management, and is generally approved for use within the Slick Rock, Naturita, Uravan, and Gateway, Colorado, areas. Seed selection criteria were based on climate and elevation ranges within these areas. Recognizing that surface soil conditions, nutrients, and available moisture can vary within these areas, successful establishment of six or more of the twelve species is considered adequate. If the total number of species seeded is less than that specified below, the seeding rates for the individual species must be adjusted accordingly. All seed tags must be submitted to DOE for verification prior to the seeding application.

Species		Broadcast Application Rate (lbs. PLS/ acre)
Scientific Name	Common Name	
<i>Pascopyrum smithii</i>	Arriba western wheatgrass	4.0
<i>Elymus trachycaulus ssp. trachycaulus</i>	Slender wheatgrass	2.0
<i>Oryzopsis hymenoides</i>	Paloma Indian ricegrass	4.0
<i>Bouteloua gracilis</i>	Hachita blue grama	2.0
<i>Hilaria jamesii</i> (florets)	Galleta grass	2.0
<i>Stipa comata</i>	Needleandthread grass	1.0
<i>Stipa viridula</i>	Lodorm green needlegrass	2.0
<i>Linum lewisii</i>	Lewis flax	1.0
<i>Penstemon palmeri</i>	Cedar Palmer penstemon	0.5
<i>Sphaeralcea coccinea</i> <u>or</u> <i>Sphaeralcea parvifolia</i>	Scarlet or Parvifolia globemallow	0.3
<i>Atriplex canescens</i>	Rincon fourwing saltbush	3.0
<i>Ceratoides lanata</i>	Winterfat	1.0
Total pounds per acre		22.8

Seed shall be broadcast at the specified application rate and covered (except "pocked" surfaces) using a drag bar, chain link, or packer wheels. If seed is drilled, use one-half (1/2) the broadcast rate.

Seeding shall be performed during one of the following time periods:

- For best results, between October 15 and consistent ground freeze; or
- Between August 1 and August 31.

Revegetation efforts on the disturbed areas will be considered satisfactory when:

- Soil erosion resulting from the operation has been stabilized; and
- A vegetative cover at least equal to that present prior to the disturbance and a plant species composition at least as desirable as that present prior to the disturbance has been established.



USDA Forest Service
San Juan National Forest
Dolores Ranger District
<http://www.fs.fed.us/r2/sanjuan>

Dolores Public Lands Office
29211 Highway 184
Dolores, CO 81323
Ph (970) 882-7296 Fax (970) 882-6841



USDI Bureau of Land Management
San Juan Center
Dolores Field Office
<http://www.co.blm.gov>

RECEIVED

NOV 23 2009

In Reply Refer To:
DOE Lease SR-13A (CO-S04)

Mr. Ed Cotter, Program Lead
DOE Uranium Leasing Program
S.M. Stoller Corporation
2597 B 3/4 Road
Grand Junction, CO 81503

Dear Mr. Cotter,

We have reviewed the copy of the Notice of Intent to Conduct Prospecting Operations for Cotter Corporation's DOE Lease Tract C-SR-13A. The proposed drill site is located at the following legal description:

NE ¼ of the NW ¼ of Section 30, Township 44 North, Range 18 East, 10th New Mexico Meridian.

The notice is summarized as follows:

The proposal is for a single drill hole approximately 720 feet deep and 6 inches in diameter. The drilling site is estimated to be approximately 20 feet wide by 60 feet long, and a sump 10x10x3 feet will be excavated to catch cuttings. Access will be via existing roads, and approximately 75 feet of overland travel. Equipment will include a small, truck mounted rotary drill rig, a rigid frame rod and or water truck, and a pickup truck support vehicle. The notice indicates that upon completion, the borehole will be backfilled with cuttings, with a cap of spray foam, and the upper 2 feet filled with soil and/or a soil/cuttings mixture. Excess cuttings will be buried in the sump. The notice further states that "historic drill records indicate that the hole will be dry".

A site inspection of the area completed November 04, 2008 by Dolores Public Lands Office (DPLO) staff found that the proposed drill site sits on solid sandstone, with a patchy rubble and sand veneer. This will make it difficult to excavate a sump at the site. Our wildlife biologist indicated that the site is winter range for bighorn sheep, deer, and elk. This area has a seasonal closure of 12/1 through 4/30.

Additionally, figure 1 of the exploration plan indicates that there is an air shaft located a few hundred feet northwest of the drill hole, near the access route. No shaft opening was found during the inspection; however some large diameter copper wires were found protruding from the ground in the approximate location of the shaft, possibly marking its former location. If the air shaft was not properly backfilled or otherwise sealed, then it represents a physical safety hazard. Please let us know how and when this air shaft was sealed.



Based on a review of the plan, and input from DPLO staff, I recommend that your approval of the drill plan incorporate the following mitigation measures as conditions of approval:

- A container will be needed to capture cuttings and drill fluids because of the bare bedrock in the proposed drilling area. Please ensure that the container has adequate volume to capture all of the cuttings with enough volume left over to decant any excess water prior to discharge.
- Please ensure that excess drill cuttings which cannot be backfilled are properly disposed of, since there will not be a sump to in which to bury them.
- While no groundwater is expected during drilling, please ensure that if water is encountered that the drill hole is abandoned properly according to state abandonment regulations.
- Please avoid drilling during the seasonal wildlife closure.
- Please adhere to any archeological stipulations or mitigation measures identified in the archeology report.
- Please make sure that all personnel involved in the drilling project are aware of the air shaft location so that they can avoid walking and/or driving heavy equipment over it.

If you have any questions or concerns, please contact James Blair, DPLO geologist, at (970) 882-6862.

Sincerely,


Jamie Sellar-Baker
Associate Field Manager

Enclosures

- (1) Map of Seasonal Big Game Winter Habitat (1p)
- (2) Inspection Report (4p)

cc:

Bob Oswald, Colorado DRMS
Files

Mining Inspection Report

Lease: Department of Energy Mineral Lease Tract SR-13A.
Lease Owner: Cotter Corporation
Legal Description: Section 30, T. 44 N., R. 18 E., 10th NM Meridian.
Personnel Present: James Blair, DPLO Geologist, Paul Morey, DLPO Wildlife Biologist

Introduction

On November 4, 2009 I accompanied Paul Morey, DPLO wildlife biologist to DOE Uranium Lease Tract SR-13. The purpose of this inspection was to familiarize myself with the area and the existing conditions, and to look at the site prior to making recommendations about a single-hole exploration proposal submitted by the lessee, Cotter Corporation, to the DOE.

Observations

While at the site, we were able to locate the proposed borehole location. The lease tract appears to be moderately to substantially disturbed in places from previous mining-related activity with low standard roads and vehicle tracks winding across the lease. Access route to the proposed drill site is passable to a passenger 4 wheel drive pickup truck, but high clearance is needed.

The area is vegetated with mature pinion and juniper, with sparse undergrowth and large patches having little if any vegetation. A couple of pinion/juniper may need to be trimmed or removed, but no substantial clearing will be needed. The soil in the area poorly developed is between 0 and 6 inches thick and bare sandstone is exposed in many places. It will be difficult to excavate a 10'x10'x 3'deep drilling sump pit to contain drilling fluids and cuttings. Some sort of portable container or tank will be needed to be used to capture the drill cuttings.

An air shaft is indicated on the map provided with the exploration plan. We look around the site to find the shaft, but did not see it. We found a pair of large diameter copper cables in the approximate area where the air shaft is located on the map, but did not see an open shaft. This indicates that the shaft has been plugged or backfilled, or otherwise sealed.

Recommendations

The drillers should bring in portable tanks to contain drill-hole cuttings, if catchment basins cannot be excavated. Cuttings will need to be disposed of elsewhere.

Contact DOE and find out how and when the air shaft was sealed. Unless the air shaft was backfilled from top to bottom, the location should be marked with a warning sign. We should talk with DOE and get location information regarding the locations of AML features, and how they have been mitigated.



James Blair, DPLO Geologist

November 19, 2009



Figure 1: Photograph of proposed drill hole PDA-2009-01.



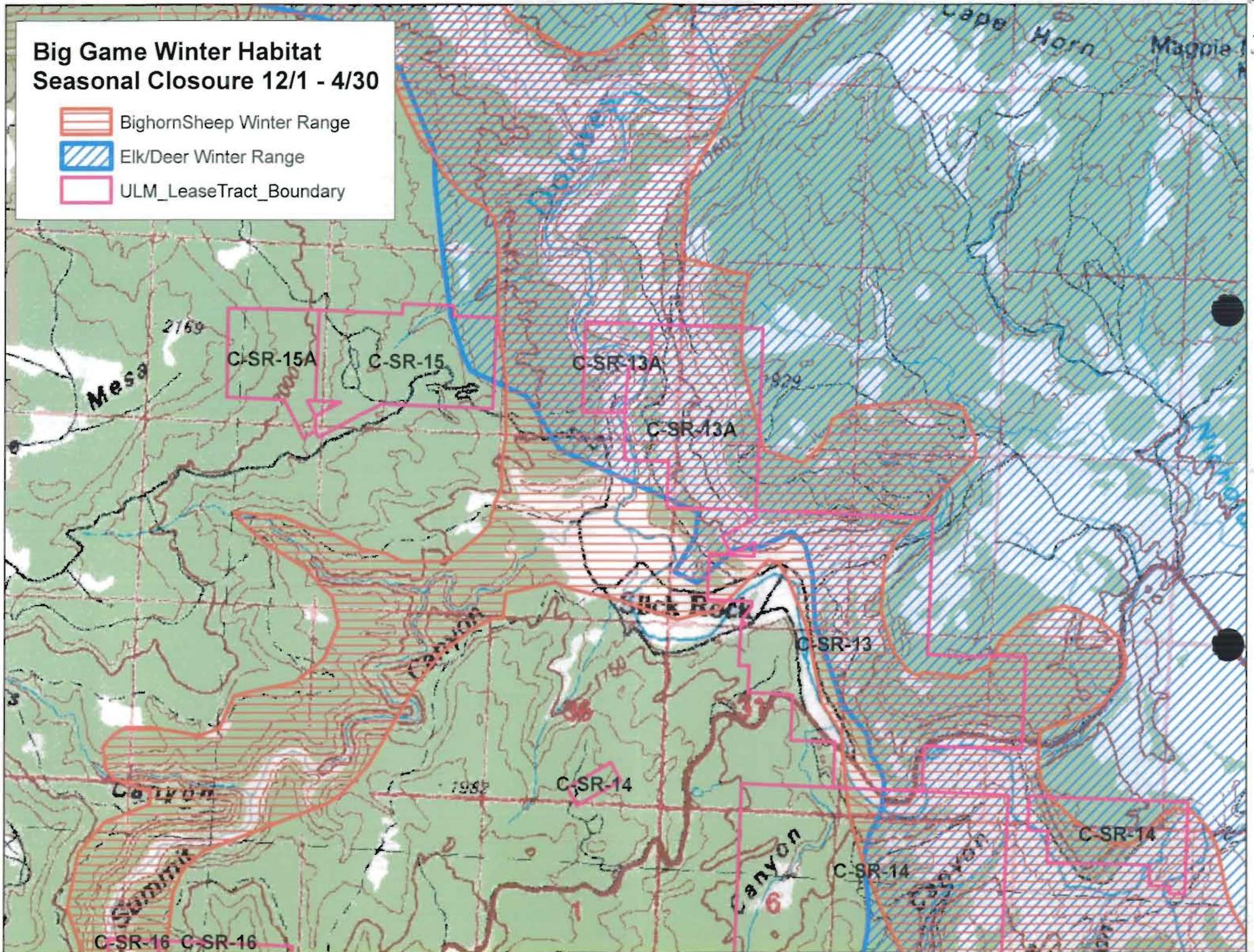
Figure 2: Photograph of proposed drill hole taken from road along area to be disturbed. Not the abundant bare rock exposed at the surface. Wildlife biologist Paul Morey is standing over the drill hole stake.



Figure 3 View from the Dolores River Canyon rim on Lease SR-13A looking SW towards Summit Canyon

Big Game Winter Habitat Seasonal Closure 12/1 - 4/30

-  BighornSheep Winter Range
-  Elk/Deer Winter Range
-  ULM_LeaseTract_Boundary





established 1959

Task Order LM00-505
Control Number 10-0105

November 5, 2009

U.S. Department of Energy
Office of Legacy Management
ATTN: Steven Schiesswohl
11025 Dover Street, Suite 1000
Westminster, CO 80021

SUBJECT: Contract No. DE-AM01-07LM00060, Stoller
National Environmental Policy Act (NEPA)—Environmental Checklist on
Cotter Corporation Exploratory Drilling, Lease Tract C-SR-13A

REFERENCE: Task Order LM-505-07-001, Uranium Leasing Program

Dear Mr. Schiesswohl:

Enclosed is an Environmental Checklist that evaluates potential impacts related to exploratory drilling of one borehole on Cotter Corporation Lease Tract C-SR-13A in San Miguel County in western Colorado. The borehole would be located near an existing dirt road. Disturbed areas would be reclaimed immediately following completion of the activity.

Stoller is recommending categorical exclusion as the appropriate level of NEPA documentation. If you concur in the results of the Environmental Checklist, please sign and forward the checklist to DOE Support, who will forward the checklist to Rich Bush, LM NEPA Compliance Officer, for a final determination.

If you have questions or concerns, please contact me at (970) 248-6056, or Sandy Beranich at (970) 248-6115.

Sincerely,

 2009.11.05
15:57:33
-07'00'

Ed Cotter, Program Lead
Uranium Leasing Program

SJB/bjg
Enclosure

cc: (electronic)
Sandy Beranich, Stoller
Scott Osborn, Stoller
Project File (E.Cotter)

**U.S. Department of Energy Office of Legacy Management
National Environmental Policy Act Environmental Checklist**

Project/Activity: Cotter Corporation Exploratory Drill Hole on Lease Tract C-SR-13A

A. Brief Project/Activity Description

Cotter Corporation proposes to conduct exploratory drilling on Lease Tract C-SR-13A, located in western San Miguel County, CO. The exploratory drilling would consist of boring one 5- to 6-inch-diameter hole adjacent to an existing road to an estimated depth of 750 feet (ft). A truck-mounted air rotary drill rig would be used for this action. In addition, a 10-ft by 10-ft by 3-ft-deep excavated area would be used to contain drill cuttings. The removed soil would be bermed around the edges of the pit. It is not anticipated that water would be required during the drilling or plugging process; however, a water truck would be available if needed. After the borehole has been logged, it would be backfilled with cuttings. The mineralized materials would be placed at the bottom of the borehole, followed by non-mineralized cuttings to within about 5 ft from the surface. Above the fill materials, approximately 3 ft of a polyurethane foam plug would be used to seal the hole. The remaining 2 ft would be filled with cuttings mixed with soil recovered from excavating the adjacent pit.

Other surface disturbance would be associated with approximately 75 ft of off-road travel. Vehicles would need to travel off the main dirt road to access the borehole location. The existing area contains scattered piñon pine, juniper, sage and rabbit brush, and snake weed; there are no protected resources present. The area is grazed by cattle.

Disturbed surfaces associated with this activity would be graded, and an approved seed mixture would be broadcast sown.

B. Environmental Concerns

Evaluate the following elements and indicate by checking "yes" or "no" if any phase of the project/activity would result in a change or impact that is subject to regulatory permits, controls, or plans or that would require additional evaluation. If the "yes" column is checked, provide a brief explanation below and attach sheets with additional detail as necessary or appropriate.

Element	Yes	No	Element	Yes	No
Air emissions/air quality	X		Exposure/impacts to public or workers		X
Noise	X		Need for public awareness/involvement		X
Solid waste generation		X	Transportation/traffic control required		X
Mixed waste management		X	Access to/use of DOE property		X
Chemical storage on site		X	Visual resources impacted		X
Pesticide/herbicide use		X	Cultural/archaeological resources present		X
Toxic substances management		X	Wetland/floodplain impacted		X
Regulated quantities of petroleum used or stored on site		X	Protected species present: federal, state, or tribe listed		X
Radioactive materials/soils		X	Migratory birds breeding or nesting		X
Surface (ground) disturbance	X		Wild/scenic rivers impacted		X
Surface water use/contamination		X	Prime/unique farmlands present		X
Surface water quality		X	Groundwater use/contamination		X
Groundwater quality affected		X	Other considerations		X

C. Explanation and Qualification of All "Yes" Responses

Air emissions/air quality: The use of a rotary air rig to drill the hole would result in minor fugitive dust that would be present during the drilling process. Although unlikely, if conditions require a dust suppressant, water would be used to control fugitive dust.

Noise: Noise levels would be elevated above background levels during operation of the rotary air rig. The area is remote, and no human habitation is nearby.

Surface (ground) disturbance: Minor ground disturbance would be associated with excavation of the pit used to contain the drill cuttings, overland travel to the borehole location, and drilling the borehole. After completion of logging, cuttings would be returned to the drill hole, and disturbed areas would be graded and seeded with an approved seed mixture. Less than 0.5 acre would be disturbed by these actions.

D. Eligibility/Conditions

The proposed action fits within a class of actions listed in Appendix A or B to Subpart D of Title 10 *Code of Federal Regulations* Part 1021 (10 CFR 1021); DOE has determined that these classes of actions do not individually or cumulatively have a significant effect on the human environment (see 10 CFR 1021.410). There are no extraordinary circumstances related to the proposed action that may affect the significance of the environmental effects of the proposed action, and the proposed action is not "connected" to other actions with potentially significant impacts. Finally, the action is not related to other proposed actions with cumulatively significant impacts and is not precluded by 40 CFR 1506.1 or 10 CFR 1021.211.

E. Recommendation

The proposed action to conduct exploratory drilling on lease tract 13A by the lessee would be considered categorically excluded from further environmental evaluation under 10 CFR 1021, Appendix B to Subpart D, B3: Categorical exclusions applicable to site characterization, monitoring, and general research: B3.1 (f) "Sampling and characterization of water, soil, rock, or contaminants." The proposed reclamation of all areas after completion of the drilling project is an allowable activity under Criterion B1.3 (k) "Erosion control and soil stabilization measures (such as reseeding and revegetation)".

 Meets Criteria

 Does Not Meet Criteria

 Unsure
F. NEPA Determination

The scope of actions proposed under Section A of this Environmental Checklist, and the information relevant to the potential for environmental impacts in Section B have been reviewed, and the following has been determined:

- The proposed actions meet the criteria for categorical exclusion.
- The proposed actions do not meet the criteria for categorical exclusion; therefore, I recommend that the LM NEPA Planning Board be convened based on my recommendation (see attached rationale) to complete:
- | | |
|--|--|
| <input type="checkbox"/> an Interim Action | <input type="checkbox"/> an Environmental Assessment |
| <input type="checkbox"/> an Environmental Impact Statement | <input type="checkbox"/> a Supplemental Analysis |

Concurrences

Project/Activity: Cotter Corporation Exploratory Drill Hole on Lease Tract C-SR-13A

LM Site Name Lease Tract C-SR-13A	LM Site Program Uranium Leasing Program	
Contractor NEPA Coordinator Sandra Beranich	Signature 	Date 11-05-2009
Contractor Task Manager Edward Cotter	Signature 	Date 11-05-2009
LM Site Manager Steven Schiesswohl	Signature 	Date 2009.11.05 16:19:18 -07'00'
LM NEPA Compliance Officer Richard Bush	Signature 	Date 11/9/09

Distribution upon signature:
 R. Bush, LM NEPA Compliance officer
 S. Beranich, Stoller NEPA Coordinator
 S. Osborn, Stoller
 rc-grand.junction (E.Cotter)

NEPA Number

RECEIVED

NOV 10 2009

Casefile
Number SJ100002CULTURAL RESOURCE ACTION MEMORANDUM
(CASEFILE DOCUMENT)

PROJECT NAME: Class III Cultural Resource Inventory Cotter Corporation SR-13A 2009
Exploration Project, San Miguel County, Colorado (SJ100002).

INVENTORY DATE: September 1, 2009
CULTURAL CONTRACTOR: ERO Resources Corporation

LEGAL DESCRIPTION OF INVENTORY: T44N, R18W Section 30
CULTURAL VALUES FOUND AND THEIR SIGNIFICANCE (National Register eligibility):
None.

TRADITIONAL CULTURAL PROPERTIES, SACRED SITES, OR TRADITIONAL USE AREAS
IDENTIFIED: none known

ADDITIONAL WORK NEEDED:

FORMAL NATIVE AMERICAN CONSULTATION PURSUANT TO THE 1978 NATIVE AMERICAN
RELIGIOUS FREEDOM ACT:
NEEDED? YES: NO: X
WHY?

WITH WHOM? N/A

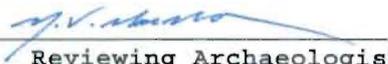
DATE CONSULTATIONS SENT OUT: Quarterly SOPA (30 day waiting period)

CONDITIONS OF APPROVAL TO PROTECT CULTURAL VALUES:

1. If subsurface cultural resources are unearthed during operations, activity in the vicinity of the cultural resource will cease and a BLM representative notified immediately. Pursuant to 43 CFR 10.4 the holder of this authorization must notify the authorized officer, by telephone, with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony. Further, the operator must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.
2. The operator is responsible for informing all persons associated with this project that they will be subject to prosecution for knowingly disturbing Native American Indian shrines, historic and prehistoric archaeology sites, or for collecting artifacts of any kind, including historic items and/or arrowheads and pottery fragments from Federal lands

28 OCT 2009

Date


Reviewing Archaeologist


Date

Field Office Manager

C-SR-13A



Department of Energy
Office of Legacy Management

September 22, 2009

OLM-LEK-2009-132

Mr. Vince MacMillan, Archaeologist
U.S. Bureau of Land Management
Dolores Public Lands Office
29211 Highway 184
Dolores, CO 81323

Subject: Request for Determination of Effect to Cultural Resources from Uranium
Exploration Activities on a DOE Lease Tract, San Miguel County

Dear Mr. MacMillan:

Cotter Corporation, one of the U.S. Department of Energy's (DOE) uranium leasing program lessees, is proposing to drill a uranium exploration hole at a location within T. 44 N., R. 18 W., Sec. 30, NE ¼ NW ¼. The drill location lies approximately 75 feet from an existing two-track road on relatively flat terrain. The site would be accessed via the two-track road and then by overland travel. No road construction is planned. Proposed surface disturbances would include the overland travel route, the drill hole itself, and a drill-hole cuttings containment pit. The total area of potential effect would be approximately 0.3 acre.

A Class III cultural resource inventory of the 0.3-acre area was conducted by a permitted archaeologist on September 1, 2009. Results of that inventory are enclosed and include a 1:24,000-scale map showing the proposed project location. In summary, the archaeologist discovered one isolated find (5SM6673), consisting of six scattered gray orthoquartzite flakes, in an area on and adjacent to the proposed overland route. Some of the flakes would be avoided and some could be run over during overland travel.

Please review the enclosed "Limited-Results Cultural Resource Survey Form" and let us know if you have cultural resource concerns. If you have specific questions or comments, please contact my contractor staff, Ed Cotter, at (970) 248-6056 (Ed.Cotter@lm.doe.gov). If you have general questions about the uranium leasing program, please contact me at (720) 880-5338 (Laura.Kilpatrick@lm.doe.gov). Thank you for your review and consideration of the enclosed report.

 2009.09.23 11:32:14
-06'00'

Laura E. Kilpatrick
Realty Officer

Mr. Vince MacMillan

-2-

Enclosures (2 copies)

cc w/o enclosures:

S. Schiesswohl, DOE (e)

E. Cotter, Stoller (e)

M. Kastens, Stoller (e)

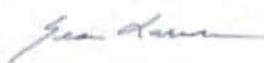
Project File (E. Cotter)

LIMITED-RESULTS CULTURAL RESOURCE SURVEY FORM

(Page 1 of 3)

This form (#1420) is for small scale limited results projects - block surveys less than 160 acres with linear surveys under four miles. Additionally, there should be no sites and a maximum of four Isolated Finds. This form must be typed.

I. IDENTIFICATION

1. Report Title (include County): Class III Cultural Resource Inventory Cotter Corporation SR-13A 2009 Exploration Project San Miguel County, Colorado
2. Date of Field Work: September 1, 2009
3. Form completed by: Kathy Croll Date: September 8, 2009
4. Survey Organization/Agency: ERO Resources Corporation
Principal Investigator: Sean Larmore
Principal Investigator's Signature: 
Other Crew: Kathy Croll
Address: 1065 Main Ave. St. 200 Durango, CO 81301
5. Lead Agency / Land Owner: Bureau of Land Management, Dolores Field Office
Contact: Vince McMillan
Address: _____
6. Client: Cotter Corporation
7. Permit Type and Number: BLM Permit No. C-68614
8. Report / Contract Number: _____
9. Comments: _____

II. DESCRIPTION OF UNDERTAKING / PROJECT

10. Type of Undertaking: Class III Cultural Resource Inventory and Reconnaissance Inventory
11. Size of Undertaking (acres): .3 Size of Project (if different) _____
12. Nature of the Anticipated Disturbance: Uranium drill hole and access road
13. Comments: Class III inventory of drill hole site and access road with 50 foot buffer

III. PROJECT LOCATION

Please attach a photocopy of USGS Quad. clearly showing the project location. The Quad. should be clearly labeled with the Prime Meridian, Township, Range, Section(s), Quad. map name, size, and date. Please do not reduce or enlarge the photocopy.

14. Description: The site is located on a mesa to east of the Dolores River and east of Poverty Flats. An unnamed two track provides access to the drill location.

15. Legal Location: Quad. Map: Horse Range Mesa Date(s): 1994
Principal Meridian: 6th NM x Ute

NOTE: Only generalized subdivision ("quarter quarters") within each section is needed

Township: 44N Range: 18W Sec.: 30 1/4s NE SW NE NW ;

Township: Range: Sec.: 1/4s ;

Township: Range: Sec.: 1/4s ;

If section(s) is irregular, explain alignment method:

16. Total number of acres surveyed: .3

17. Comments:

IV. ENVIRONMENT

18. General Topographic Setting: edge of mesa above an unnamed mesa to the east of the Dolores River.

Current Land Use: grazing, uranium lease tract

19. Flora: pinyon, juniper, sagebrush

20. Soils/Geology: tan silty loam

21. Ground Visibility: >90%

22. Comments:

V. LITERATURE REVIEW

23. Location of File Search: OAHP Date: September 10, 2009

24. Previous Survey Activity - In the project area: none

In the general region: Surveys associated with other uranium mining activities have been conducted in the region as well as survey of gravel pits, powerlines, and borrow areas.

III. LITERATURE REVIEW (continued)

25. Known Cultural Resources - In the project area: none

In the general region (summarize): Open lithic scatters and camps of mostly unknown temporal and cultural affiliation are common. Archaic period sites also exist in the general region. Historic sites, such as historic habitations, mining features, and the townsite of Slickrock, are also located in the general region.

26. Expected Results: Lithic remains were likely.

VI. STATEMENT OF OBJECTIVES

27. Section 106 compliance. To observe and record any cultural remains within project boundaries

VII. FIELD METHODS

28. Definitions: Site Locus of more than ten artifacts in a confined area (30 meter area).

IF: Less than 10 artifacts in a confined area (30 meter area).

29. Describe Survey Method: Pedestrian survey along each side of road for Reconnaissance areas, and transects 15 meters apart for Class III survey areas.

VIII. RESULTS

30. List IFs if applicable. Indicate IF locations on the map completed for Part III.

A. Smithsonian Number: 5SM6673 Description: 6 gray orthoquartzite flakes

B. Smithsonian Number: _____ Description: _____

C. Smithsonian Number: _____ Description: _____

D. Smithsonian Number: _____ Description: _____

31. Using your professional knowledge of the region, why are there none or very limited cultural remains in the project area? The project area is very small and is on the slightly sloping edge of the mesa. Sites in the area most likely are located upslope. Is there subsurface potential? No, bedrock is visible across most of the project area.

Isolated Find Record**I. IDENTIFICATION AND LOCATION**

1. Resource No.: 5SM6673 2. Temp. Resource Number: IF1
3. County: San Miguel
4. Legal Location: PM NM Township 44N Range 18W
Sec 30; NE 1/4 SW 1/4 NE 1/4 NW 1/4
If section is irregular, explain alignment method
5. UTM's: Zone 12, 684,497 mE, 4,213,740 mN.
6. USGS Quad Name: Horse Range Mesa, CO USGS 7.5' Quadrangle Date: 1994

II. ARCHAEOLOGICAL DATA

Sketch/Trace Here

7. Artifacts: 6 gray orthoquartzite flakes
8. IF Dimensions: 10 X 10 OR Single Artifact
9. Inferred Function(s): lithic reduction
10. Cultural Affiliation/Time Period: Unknown Aboriginal
11. Comments:

III. ENVIRONMENTAL DATA

12. Elevation: Feet 6260 Meters 1908
13. Soil: tan silty loam
14. Topography: on slope eastern edge of mesa to the east of the Dolores River
15. Slope: Site 2 Surrounding 0-10
16. Nearest Water: Name/Nature: Dolores River Elevation Distance 1 km Direction W
17. Vegetation: pinyon, juniper, sagebrush

IV. REFERENCE DATA

18. Collection: Yes No Describe
19. Repository: N/A
20. Landowner: Bureau of Land Management
21. Report Title: Class III Cultural Resource Inventory Cotter Corporation SR-13A 2009 Exploration Project San Miguel County, Colorado
22. Recorder(s): Kathy Croll
23. Recorder Affiliation: ERO Resources Corporation, 1065 Main Ave. St. 200 Durango, CO 81301
24. Date(s): 9/1/2009

Colorado Historical Society - Office of Archaeology & Historic Preservation
1300 Broadway, Denver, CO 80203
303-866-3395



**Class III Cultural Resource Inventory
Cotter Corporation SR-13A 2009 Exploration Project
San Miguel County, Colorado**

New Mexico Principal Meridian
T44N, R18W, Section 30
Horse Range Mesa, CO 7.5' USGS Quadrangle (1994)

N
1:24,000



**Figure 1.
Project Location**

- ★ Isolate
- Project Area

File: fig1.pdf
September 2009

COLORADO HISTORICAL SOCIETY
Office of Archaeology and Historic Preservation
1300 Broadway Denver, Colorado 80203

September 10, 2009

Mr. Sean Larmore
ERO Resources Corp.
1065 Main Ave., Suite 200
Durango, CO 81301

Re: Cotter Corporation SR-13A Exploration Project
File Search No. 15398

At your request, the Office of Archaeology and Historic Preservation has conducted a search of the Colorado Inventory of Cultural Resources for the following locations (as shown by the 0.3-acre project area shapefile):

UTM – center point (NAD27)	X_coordinate	Y_coordinate
	12;684552	4213547

0 sites and 0 surveys were located in the designated area(s).

If information on sites in the project area was found, detailed information follows the summary. If no sites or districts were found, but surveys are known to have been conducted in the project area, survey information follows the summary. We do not have complete information on surveys conducted in Colorado, and our site files cannot be considered complete because most of the state has not been surveyed for cultural resources. There is the possibility that as yet unidentified cultural resources exist within the proposed impact area.

Therefore, in the event there is Federal or State involvement, we recommend that a professional survey be conducted to identify any cultural resources in the project area, which are eligible to be listed in the National Register of Historic Places. We look forward to consulting with you regarding the effect of the proposed project on any eligible cultural resource in accordance with the Advisory Council on Historic Preservation Procedures and the Preservation and Protection of Historic and Cultural Resources (36 CFR 800). Please provide this office with the results of the cultural resource survey for our review of professional adequacy and compliance with regulations.

If you have any questions, please contact the Office of Archaeology and Historic Preservation at (303) 866-3395 or 3392.

Thank you for your interest in Colorado's cultural heritage.

Susan M. Collins
Deputy State Historic Preservation Officer for Archaeology

*Information regarding significant archaeological resources is excluded from the Freedom of Information Act. Therefore, legal locations of these resources must not be included in documents for public distribution.

September 22, 2009

U.S. Department of Energy
Office of Legacy Management
ATTN: Laura Kilpatrick
Realty Officer
11025 Dover Street, Suite 1000
Westminster, CO 80021-5573

SUBJECT: Contract No. DE-AM01-07LM00060, Stoller
Lease Tract C-SR-13A, Transmittal of Cultural Resource Inventory Results for
Cotter Corporation's Proposed Exploration

REFERENCE: Task Order LM-505-07, Uranium Leasing Program

Dear Ms. Kilpatrick:

Cotter Corporation is proposing to conduct exploration activities on U.S. Department of Energy's uranium lease tract C-SR-13A, involving one drill hole and associated access route. In accordance with the National Historic Preservation Act, the federal lessee is required to complete a cultural resource inventory of the potentially affected area.

Enclosed are two copies of Cotter Corporation's cultural resource inventory results. They are available for transmittal to U.S. Bureau of Land Management's archaeologist at your earliest convenience. A third copy of the inventory results will be forwarded to you for your files. A draft transmittal letter is being provided for your convenience. If you have questions or comments, please contact me at (970) 248-6056.

Sincerely,

 2009.09.22
14:54:51 -06'00'

Ed Cotter, Program Lead
Uranium Leasing Program

ETC/bjg

Enclosures (2)

cc w/enclosures:
Project File (E. Cotter)

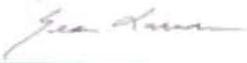
cc w/o enclosures: (electronic)
Dan Burns, Stoller
Richard Dayvault, Stoller
Marilyn Kastens, Stoller
Kyle Turley, Stoller

LIMITED-RESULTS CULTURAL RESOURCE SURVEY FORM

(Page 1 of 3)

This form (#1420) is for small scale limited results projects - block surveys less than 160 acres with linear surveys under four miles. Additionally, there should be no sites and a maximum of four Isolated Finds. This form must be typed.

I. IDENTIFICATION

1. Report Title (include County): Class III Cultural Resource Inventory Cotter Corporation
SR-13A 2009 Exploration Project San Miguel County, Colorado
2. Date of Field Work: September 1, 2009
3. Form completed by: Kathy Croll Date: September 8, 2009
4. Survey Organization/Agency: ERO Resources Corporation
Principal Investigator: Sean Larmore
Principal Investigator's Signature: 
Other Crew: Kathy Croll
Address: 1065 Main Ave. St. 200 Durango, CO 81301
5. Lead Agency / Land Owner: Bureau of Land Management, Dolores Field Office
Contact: Vince McMillan
Address: _____
6. Client: Cotter Corporation
7. Permit Type and Number: BLM Permit No. C-68614
8. Report / Contract Number: _____
9. Comments: _____

II. DESCRIPTION OF UNDERTAKING / PROJECT

10. Type of Undertaking: Class III Cultural Resource Inventory and Reconnaissance
Inventory
11. Size of Undertaking (acres): .3 Size of Project (if different) _____
12. Nature of the Anticipated Disturbance: Uranium drill hole and access road
13. Comments: Class III inventory of drill hole site and access road with 50 foot buffer

III. LITERATURE REVIEW (continued)

25. Known Cultural Resources - In the project area: none

In the general region (summarize): Open lithic scatters and camps of mostly unknown temporal and cultural affiliation are common. Archaic period sites also exist in the general region. Historic sites, such as historic habitations, mining features, and the townsite of Slickrock, are also located in the general region.

26. Expected Results: Lithic remains were likely.

VI. STATEMENT OF OBJECTIVES

27. Section 106 compliance. To observe and record any cultural remains within project boundaries

VII. FIELD METHODS

28. Definitions: Site Locus of more than ten artifacts in a confined area (30 meter area).

IF: Less than 10 artifacts in a confined area (30 meter area).

29. Describe Survey Method: Pedestrian survey along each side of road for Reconnaissance areas, and transects 15 meters apart for Class III survey areas.

VIII. RESULTS

30. List IFs if applicable. Indicate IF locations on the map completed for Part III.

A. Smithsonian Number: 5SM6673 Description: 6 gray orthoquartzite flakes

B. Smithsonian Number: _____ Description: _____

C. Smithsonian Number: _____ Description: _____

D. Smithsonian Number: _____ Description: _____

31. Using your professional knowledge of the region, why are there none or very limited cultural remains in the project area? The project area is very small and is on the slightly sloping edge of the mesa. Sites in the area most likely are located upslope. Is there subsurface potential? No, bedrock is visible across most of the project area.

Isolated Find Record**I. IDENTIFICATION AND LOCATION**

1. Resource No.: 5SM6673 2. Temp. Resource Number: IF1
3. County: San Miguel
4. Legal Location: PM NM Township 44N Range 18W
Sec 30; NE 1/4 SW 1/4 NE 1/4 NW 1/4
If section is irregular, explain alignment method
5. UTM's: Zone 12, 684,497 mE, 4,213,740 mN.
6. USGS Quad Name: Horse Range Mesa, CO USGS 7.5' Quadrangle Date: 1994

II. ARCHAEOLOGICAL DATA

Sketch/Trace Here

7. Artifacts: 6 gray orthoquartzite flakes
8. IF Dimensions: 10 X 10 OR Single Artifact
9. Inferred Function(s): lithic reduction
10. Cultural Affiliation/Time Period: Unknown Aboriginal
11. Comments:

III. ENVIRONMENTAL DATA

12. Elevation: Feet 6260 Meters 1908
13. Soil: tan silty loam
14. Topography: on slope eastern edge of mesa to the east of the Dolores River
15. Slope: Site 2 Surrounding 0-10
16. Nearest Water: Name/Nature: Dolores River Elevation Distance 1 km Direction W
17. Vegetation: pinyon, juniper, sagebrush

IV. REFERENCE DATA

18. Collection: Yes No Describe
19. Repository: N/A
20. Landowner: Bureau of Land Management
21. Report Title: Class III Cultural Resource Inventory Cotter Corporation SR-13A 2009 Exploration Project San Miguel County, Colorado
22. Recorder(s): Kathy Croll
23. Recorder Affiliation: ERO Resources Corporation, 1065 Main Ave. St. 200 Durango, CO 81301
24. Date(s): 9/1/2009

Colorado Historical Society - Office of Archaeology & Historic Preservation
1300 Broadway, Denver, CO 80203
303-866-3395



Class III Cultural Resource Inventory
Cotter Corporation SR-13A 2009 Exploration Project
San Miguel County, Colorado

New Mexico Principal Meridian
 T44N, R18W, Section 30
 Horse Range Mesa, CO 7.5' USGS Quadrangle (1994)

N
 1:24,000



Figure 1.
Project Location

- ★ Isolate
- ▭ Project Area

File: fig1.pdf
 September 2009

COLORADO HISTORICAL SOCIETY
Office of Archaeology and Historic Preservation
1300 Broadway Denver, Colorado 80203

September 10, 2009

Mr. Sean Larmore
ERO Resources Corp.
1065 Main Ave., Suite 200
Durango, CO 81301

Re: Cotter Corporation SR-13A Exploration Project
File Search No. 15398

At your request, the Office of Archaeology and Historic Preservation has conducted a search of the Colorado Inventory of Cultural Resources for the following locations (as shown by the 0.3-acre project area shapefile):

UTM – center point (NAD27)	X_coordinate	Y_coordinate
	12;684552	4213547

0 sites and 0 surveys were located in the designated area(s).

If information on sites in the project area was found, detailed information follows the summary. If no sites or districts were found, but surveys are known to have been conducted in the project area, survey information follows the summary. We do not have complete information on surveys conducted in Colorado, and our site files cannot be considered complete because most of the state has not been surveyed for cultural resources. There is the possibility that as yet unidentified cultural resources exist within the proposed impact area.

Therefore, in the event there is Federal or State involvement, we recommend that a professional survey be conducted to identify any cultural resources in the project area, which are eligible to be listed in the National Register of Historic Places. We look forward to consulting with you regarding the effect of the proposed project on any eligible cultural resource in accordance with the Advisory Council on Historic Preservation Procedures and the Preservation and Protection of Historic and Cultural Resources (36 CFR 800). Please provide this office with the results of the cultural resource survey for our review of professional adequacy and compliance with regulations.

If you have any questions, please contact the Office of Archaeology and Historic Preservation at (303) 866-3395 or 3392.

Thank you for your interest in Colorado's cultural heritage.

Susan M. Collins
Deputy State Historic Preservation Officer for Archaeology

*Information regarding significant archaeological resources is excluded from the Freedom of Information Act. Therefore, legal locations of these resources must not be included in documents for public distribution.

Cotter, Ed

C-SR-13A

From: Helen_Mary_Johnson@blm.gov
Sent: Tuesday, August 11, 2009 4:20 PM
To: Cotter, Ed
Subject: Fw: SR 13

----- Forwarded by Helen Mary Johnson/DUFO/CO/BLM/DOI on 08/11/2009 04:19 PM -----

Kristen R
Philbrook/R2/USDA
FS@FSNOTES

08/07/2009 06:12
PM

Helen Mary
Johnson/DUFO/CO/BLM/DOI@BLM,
Kathleen
Nickell/DUFO/CO/BLM/DOI@BLM

To

cc

Subject

SR 13

Hi, Here is my input on the DOE leased land for the **test pit SR 13**. There is no TE Habitat in the project area. The Upper Colorado River Basin (which the Dolores River feeds into) has habitat for federally listed fish species. Water depleting activities can affect federally listed fish species. I talked with Pauline Adams regarding the possible water depleting activities (although minor) if water trucks are used. If the water comes from someone the company is purchasing the water from such as a stockpond, the depletion is accounted for, and there would be a no effect to listed fish species.

If the water is being pumped from a stream or the Dolores River (which I know sometimes occurs), then the water would be a depletion issue, and there would be an effect. Here is the correct wording if water is pumped directly from a water source: In July 2008, BLM prepared a Programmatic Biological Assessment (PBA) that addresses water depleting activities in the Colorado River Basin. In response to BLM's PBA, the FWS issued a Programmatic Biological Opinion (PBO) (#ES/GJ-6-CO-08-F-0010) on February 25, 2009, which determined that water depletions from the Colorado River Basin resulting from BLM actions described in the PBO are not likely to jeopardize the continued existence of the Colorado pikeminnow, humpback chub, bonytail, and razorback sucker or result in the destruction or adverse modification of their critical habitat. (I think not likely to adversely affect) listed fish species:

The project area provides foraging habitat for the fringed myotis, spotted bat, Townsend's big eared bat (due to nearby mines), Allen's big-eared big bat, big free-tailed bat. Due to the location of the opening in the ground of the test pit, and the lack of connectivity with existing mines, the project would not impact these sensitive species. The project area may provide habitat for the long-nosed leopard lizard. Due to the less than 1/2 acre area of disturbance, and surrounding available habitat, there would be no impact to this sensitive lizard species.

Kristen Philbrook
Wildlife Biologist

Dolores Public Lands Center
Dolores, CO
(970) 882-6837
e-mail kphilbrook@fs.fed.us
fax 970-882-6841



Department of Energy
Office of Legacy Management

August 11, 2009

OLM-SRS-2009-100

Mr. Amory E. Quinn, President
Cotter Corporation
7800 East Dorado Place, Suite 210
Englewood, CO 80111

Subject: Reclamation Bonds for DOE Lease Tracts C-SR-13A, C-LP-21, and C-CM-25

Dear Mr. Quinn:

The U.S. Department of Energy (DOE) is currently reviewing Cotter Corporation's proposed exploration plans for DOE Lease Tracts C-SR-13A, C-LP-21, and C-CM-25. As part of that process, DOE has reviewed the reclamation performance bonds currently held for the respective properties. In 2008, as the Uranium Leasing Program was extended for an additional ten years, DOE decided that the minimum bond required for any lease activities would be \$5,000. DOE's review of its lease files has shown that the current bonds in place for Lease Tracts C-SR-13A (\$6,000), and C-LP-21 (\$48,000) are sufficient to cover full reclamation of the proposed exploratory activities. However, for Lease Tract C-CM-25, the current bond of \$4,000 falls below the minimum bond requirement as established by DOE. Accordingly, Cotter Corporation shall increase the bond amount for Lease Tract C-CM-25 to at least the minimum amount required (\$5,000). The approval of the exploration plan for Lease Tract C-CM-25 shall be contingent on DOE receiving formal documentation of this increase.

If you have questions concerning this matter, please contact me at (720) 377-9683.

Sincerely,

Steven R. Schiesswohl
Rocky Flats
2009.08.11 16:06:05
-06'00'

Steven R. Schiesswohl
Realty Officer

cc: G. Williams, Cotter Corporation
L. Kilpatrick, DOE (e)
E. Cotter, Stoller (e)
Project File ULSCF 2.0 (E. Cotter)

Cotter, Ed

C-SR-13A

From: Helen_Mary_Johnson@blm.gov
Sent: Wednesday, July 29, 2009 11:58 AM
To: Cotter, Ed; russ.means@state.co.us
Cc: Mark_Lambert@blm.gov; Richard_Rymerson@blm.gov; kapalmer@fs.fed.us
Subject: DOE / SR13; staff comments

Ed, Russ;

Regarding Cotter Corporation's proposal to drill 1 hole on SR13; I have asked for staff input. The following concerns were identified.

It should be determined that cultural resources will not be affected prior to any surface disturbance activities. Any required coordination w/ SHPO should also be completed.

Activities around the ephemeral drainages should be minimized as much as possible, to prevent potential erosion and maintain an effective drainage system.

Helen Mary Johnson
Bureau of Land Management
San Juan Public Lands Center
15 Burnett Court
Durango, CO 81301
970.385.1359

STATE OF COLORADO

DIVISION OF RECLAMATION, MINING AND SAFETY

Department of Natural Resources

1313 Sherman St., Room 215

Denver, Colorado 80203

Phone: (303) 866-3567

FAX: (303) 832-8106



July 28, 2009

Glenn Williams
Cotter Corporation
P.O. Box 700
Nucla, CO 81424

Bill Ritter, Jr.
Governor

Harris D. Sherman
Executive Director

Ronald W. Cattany
Division Director
Natural Resource Trustee

Re: Notice of Intent Application, SR-13A, P-2009-020, Notice Approval

Dear Mr. Williams,

The Division of Reclamation Mining and Safety has finished the review of the above referenced Notice of Intent. It appears the notice meets the minimum requirements of Rule 5. Therefore staff is please to inform Cotter that notice is complete and approved.

Due to the small size and limited disturbance, staff elected not to calculate a reclamation bond but will use Rule 5.3.3(1) and require the minimum \$2,000.00. This is below the \$5000.00 warranty to be held by the Department of Energy (DOE). Per Rule 4.2.1(6) when mining on federal land and the land management agency requires a financial warranty be posted the amount posted to the state shall be the difference between the amount required by the agency and the state or a minimum of \$100.00.

Per Rule 5.1.3(b), Cotter has 60 (sixty) days from the date of this letter to submit the \$100.00 bond otherwise the notice may be denied for failure to correct all deficiencies which includes the bond. Please submit a Financial Warranty and proof of DOE bond to the Division's Administrative Assistant Elizabeth Taliaferro in the Denver Office. Any questions regarding the warranty should be directed to Elizabeth at 303-866-3567, Ext. 8148.

If you need additional information please contact me at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 S. 3rd St., Suite 301, Grand Junction, Colorado 81501, or by telephone no. 970.241.1117.

Sincerely,

G. Russell Means
Environmental Protection Specialist II

Cc: Elizabeth Taliaferro, DRMS Administrative Assistant (e-mail)
Ed Cotter, Department of Energy

DOE Uranium Leasing Program Field Examination Notes

DOE Lease Tract: C-SR-13A Lessee: Cotter Corp Date: 7/16/09

Proposed Activity: Exploration Plan Proposed By: Cotter Corp

Examining Team: (1 hole)

<u>Name</u>	<u>Organization</u>	<u>Home Office</u>	<u>Telephone</u>
<u>E Cotter/DBurns/K Turley</u>	<u>DOE/Stoller</u>	<u>Grand Jct</u>	<u>(970) 248-6056</u>
<u>Glen Williams</u>	<u>Cotter Corp</u>	<u>Nuclea</u>	<u>864-7347</u>
<u>Tony Adkins</u>	<u>Consultant</u>	<u>Nuclea</u>	<u>864-7205</u>
<u>Helen Mary Johnson</u>	<u>BLM</u>	<u>Durango</u>	<u>385-1359</u>
<u>Raubree Adams</u>	<u>BLM</u>	<u>Dolores</u>	<u>882-6856</u>
<u>Joel Hartmann</u>	<u>BLM</u>	<u>Durango</u>	<u>385-1321</u>
<u>Linda Sheeder</u>	<u>DOE/Stoller</u>	<u>Grand Jct</u>	<u>248-6711</u>

Description of Surface Area Affected: cap rock mesa with scattered piñon/juniper

Photos Taken: _____ GPS Data Collected: _____

Surveys Conducted: Cultural/Historical T&E Other: _____

Changes to Plan: _____

Concerns Voiced and or Special Conditions to be Addressed in the Approval of this Plan:
Keep activities out of drainage; move combustibles away from site to minimize fire danger; need to look at cultural resources; need to look for T&E animal species.

This plan appears technically feasible and practicable with the changes and special conditions (if any) set forth above. The DOE Realty Officer, who has jurisdictional control of the Uranium Leasing Program, will use this information as the basis for his approval/disapproval of this plan. Note: A sketch may be added to the back of this form if required to clarify the situation.



Department of Energy
Office of Legacy Management

July 6, 2009

OLM-SRS-2009-079

Mr. Glen Williams, Manager
Cotter Corporation
Western Slope Operations
P.O. Box 700
Nucla, CO 81424

Subject: Comments on Exploration Plans for DOE Lease Tracts C-CM-25, C-LP-21, and
C-SR-13A

Dear Mr. Williams:

I have reviewed your Notices of Intent (NOI) for proposed exploratory work on the following U.S. Department of Energy (DOE) lease tracts: C-CM-25, C-LP-21, and C-SR-13A. In Appendix A of each of the NOIs, there is a statement indicating that you do not believe that pre-drilling surveys would be needed for cultural or other natural resources. In accordance with the National Historic Preservation Act, you may be required to conduct a cultural resource survey, depending upon the Bureau of Land Management's (BLM) assessment of the pre-existing disturbance on your proposed drill sites. On lease tract lands, BLM has the authority to determine if cultural resource surveys are required. Other resource survey needs or stipulations will be determined by the DOE in conjunction with the BLM.

If you have questions concerning this matter, please contact me at (720) 377-9683.

Sincerely,

Steven R. Schiesswohl
2009.07.08 08:49:14
-06'00'

Steven R. Schiesswohl
Realty Officer

cc: L. Kilpatrick, DOE (e)
E. Cotter, Stoller (e)
Project File ULSCF 2.0 (E. Cotter)

2597 B 3/4 Road, Grand Junction, CO 81503

1000 Independence Ave., S.W., Washington, DC 20585

10995 Hamilton-Cleves Highway, Harrison, OH 45030

232 Energy Way, N. Las Vegas, NV 89030

REPLY TO: Westminster, CO Office

3600 Collins Ferry Road, Morgantown, WV 26505

11025 Dover St., Suite 1000, Westminster, CO 80021

955 Mound Road, Miamisburg, OH 45342



Department of Energy
Office of Legacy Management

June 30, 2009

OLM-SRS-2009-075

Ms. Jamie Sellar-Baker
U.S. Bureau of Land Management
Dolores Public Lands Office
29211 Highway 184
Dolores, CO 81323

Subject: Exploration Plan for DOE Lease Tract C-SR-13A

Dear Ms. Sellar-Baker:

The U.S. Department of Energy (DOE) recently received an Exploration Plan from Cotter Corporation for DOE Lease Tract **C-SR-13A (1 hole)**. A copy of the plan is enclosed for your review. We are currently in the process of scheduling the field visit in mid-July and you will be notified (via phone) of the exact time, date, and place of the meeting.

If you have questions or concerns, please contact me at (720) 377-9683, or Ed Cotter at (970) 248-6056.

Sincerely,

Steven R. Schiesswohl

2009.07.02 08:28:19

-06'00'

Steven R. Schiesswohl
Realty Officer

Enclosure

cc w/enclosure:

M. Lambert, BLM

L. Kilpatrick, DOE

E. Cotter, Stoller

Project File ULSCF 2.0 (E. Cotter)

cc w/o enclosure:

G. Williams, Cotter Corporation

2597 B 3/4 Road, Grand Junction, CO 81503

1000 Independence Ave., S.W., Washington, DC 20585

10995 Hamilton-Cleves Highway, Harrison, OH 45030

232 Energy Way, N. Las Vegas, NV 89030

REPLY TO: Westminster, CO Office

3600 Collins Ferry Road, Morgantown, WV 26505

11025 Dover St., Suite 1000, Westminster, CO 80021

955 Mound Road, Miamisburg, OH 45342



RECEIVED

JUN 25 2009

June 23, 2009

Steve Schiesswohl
Senior Realty Officer
U.S. Department of Energy
11025 Dover Street, Suite 1000
Westminster, CO 80021

Subject: Prospecting Notices of Intent for Cotter
Corporation Leases SR-13A, LP-21, and CM-25

Dear Mr. Schiesswohl:

Enclosed is one copy of the Notices of Intent (NOIs) for the above referenced properties. Cotter Corporation is planning to do the drilling on these properties in the second half of this year. Following is a brief description of the planned drillsites.

The SR-13A drillsite will be accessed from an existing drillroad. The drillsite is located on top of the mesa south of the # 1 venthole, approximately 75 feet off an existing drillroad on relatively flat terrain. Due to the topography no additional drillroad construction is anticipated. The only surface disturbance anticipated will be for the drillhole cuttings containment pit.

The two LP-21 drillsites are located in the flat area just west of the south edge of the LP-21 mine waste dump. Access to the drillsites will be off an existing road. No surface disturbance is anticipated for either the drillpads or the access. The only surface disturbance anticipated will be for the drillhole cuttings containment pit.

The CM-25 drillsite is located approximately 700 feet west of County Road EE22, just northwest of the western extent of the CM-25 underground workings. The drillsite is located on an existing drillroad. No surface disturbance is anticipated for either the drillpads or the access. The only surface disturbance anticipated will be for the drillhole cuttings containment pit.

Prior site visits do not indicate any cultural resource or Threatened and Endangered species concerns exist. If there

DOE NOIs

are concerns regarding these issues following DOE's site visit, Cotter Corporation will have the sites of concern inspected for the appropriate issues by a qualified contractor.

If you have any questions regarding this information, please contact me at 970-864-7347

Sincerely,
COTTER CORPORATION


Glen Williams
Manager of Mining

cc: Ed Cotter, S.M. Stoller Corp.
(w/ 3 copies of attachments)

**Form 1 – All information for DRMS use and confidential filing
NOTICE OF INTENT TO CONDUCT PROSPECTING OPERATIONS
FOR HARD ROCK/METAL MINES**

CHECK ONE: _____ **There is an NOI Number Already Assigned to this Operation**
NOI # P- _____ (Please reference the file number assigned to this operation)
_____ **New NOI**
_____ **Modification to an Existing NOI**
NOI# P- _____ (Provide for Modifications to an existing NOI)

GENERAL OPERATION INFORMATION

Type or print clearly, in the space provided, ALL information described below.

I. GENERAL INFORMATION

1. **DATE NOI RECEIVED BY THE DIVISION:** _____ (office use only)

2. **PROJECT NAME:** SR-13A

3. **PROSPECTOR:**

Name: Glen Williams
Title: Manager of Mining
Company Name: Cotter Corporation
Street: 28151 DD Rd
P.O. Box: 700
City: Nucla
State: Colorado
Zip Code: 81424
Telephone Number: 970.864.7347
Fax Number: 970.864.7287

PERSON MLRB SHOULD CONTACT:

Name: See contact details under PROSPECTOR
Title: _____
Company Name: _____
Street: _____
P.O. Box: _____
City: _____
State: _____
Zip Code: _____
Telephone Number: _____
Fax Number: _____

4. **APPLICATION FEE:** \$86. (NOIs require a \$86 fee which must accompany this notice or it cannot be processed by the Division). Attached

5. **LOCATION INFORMATION:**

County: San Miguel

PRINCIPAL MERIDIAN (check one) _____ 6th (Colorado) X 10th (New Mexico) _____ (Ute)

SECTION (write number): S 30

TOWNSHIP (write number and check direction) T 44 North South _____RANGE (write number and check direction) R 18 East _____ West _____QUARTER SECTION (check one): _____ NE NW _____ SE _____ SW _____QUARTER/QUARTER SECTION (check one): NE _____ NW _____ SE _____ SW _____

GENERAL DESCRIPTION: (the number of miles and direction to the nearest town and the approximate elevation):

_____ Approximately 1 mile north-northeast of the historic townsite of Slick Rock. 6160 ft.
elevation

NOTE: Supply longitude and latitude or UTM coordinates if lands have not been surveyed or as supplemental information to this NOI. GPS measurements will be acceptable for this purpose: _____

6. **LAND OWNERSHIP**

Private _____ Public Domain (BLM) _____ National Forest (USFS) _____
State _____ State Sovereign Lands _____ Other (please describe): D.O.E. Lease Tract

If prospecting is located on BLM or USFS land the remaining section must be completed, otherwise go to section II Maps & Drawings

7. **PROSPECTING ON BUREAU OF LAND MANAGEMENT (BLM) LAND AND U.S. FOREST SERVICE (USFS) LAND**

The Division and the BLM/USFS have entered into cooperative agreements that eliminate the need for a prospector to post a financial warranty with each agency and allow them to coordinate the review of the NOI in order to minimize administrative processing time and effort.

A. **CLAIMANT:**Name: Cotter CorporationAddress: 28151 DD Road, Box 700Nucla, CO 81424Telephone: 970.864.7347Fax Number: 970.864.7287B. **SITE/CLAIM INFORMATION:**

List names, serial numbers and provide legal description to nearest quarter-quarter section of all sites or claims (attach additional page, if necessary).

<u>NAME</u>	<u>SERIAL NUMBER</u>	<u>LEGAL DESCRIPTION</u>
<u>SR-13A</u>		<u>SW1/4 Sec. 19 and NW1/4 Sec. 30 T.44N., R.18W NMPM</u>
		<u>E1/2-SE1/4 Sec. 24 and NE1/4-NE1/4 Sec. 25 T.44N., R.19W., NMPM</u>

C. **LOCATION MAP:** Attach a USGS 7.5 minute quad, or similar map of adequate scale, which locates the prospecting site(s).

D. Are prospect sites (e.g., drill holes, trench locations, etc...) staked on the ground? Yes No

E. Specify the Land Management Agency, Address and Telephone Number:

Ed Cotter, SM Stoller

U.S. D.O.E. - GJO, 2597 B-3/4 Road

Grand Junction, CO 81502-5504

970.248.6056

F. The prospector is required to document that the NOI has been sent to the BLM or the USFS. Processing of the NOI will not begin until the prospector has submitted evidence acceptable to the Division that the NOI was sent to the BLM or USFS. Check one:

Evidence of notification is attached to this NOI for BLM Land

Evidence of notification is attached to this NOI for USFS Land.

Other proof of notice is attached to this NOI

II. MAPS & DRAWINGS

Accurate topographic base map showing the location of the proposed project must be submitted with this notice. The prospector may submit a U.S.G.S. 7.5 minute quadrangle, or similar map of adequate scale that:

- identifies the proposed prospecting site(s) or activity areas involving surface disturbance. Activity areas include all drill holes, mud pits, excavations, trenches, adits, shafts, tunnels, rock dumps, stockpiles, impoundments and prospecting roads, and
- includes sufficient detail to identify and locate known prospecting features and facilities that may be affected and those that are not anticipated to be affected. This includes the location of all drill holes, mud pits, excavations, trenches, adits, shafts, tunnels, rock dumps, stockpiles, impoundments and prospecting roads. Color photographs, adequately labeled (including date, orientation and location), of the prospecting site may be used to fulfill this requirement if included with the NOI submittal.

III. PROJECT DESCRIPTION

1. Mineral(s) and/or Resource(s) being Investigated: Uranium (U_3O_8) and Vanadium (V_2O_5)

2. Estimated dates of commencement and completion:

Commencement: After 1 Jul 2009

Completion: Before 30 Sep 2009

3. Amount of material to be extracted, moved or proposed to be moved: N/A

4. Identify the type or method of prospecting proposed and quantity (place an "X")

Cuts Pits Trenches

Shafts Tunnels Adits Declines

Air Drilling Fluid Drilling Drilling & Blasting

5. Describe proposed surface excavation or other land disturbance, including roads, pits, trenches, waste piles, drill pads and collar areas of underground workings, ponds, etc...

One drill site (approx 20'x 50') adjacent to an existing road. The site (PDH-SR13A-2009-01) will require an off-road over-the ground access trail of about 75 feet. Only actual disturbance expected is for the D.O.E. mandated mudpit for the drill site (see section III-6-I). No surface disturbance for the drill pads or access trail is anticipated. The historic drill records indicate that the hole will be dry

6. Proposed Disturbance (approximate) Describe the proposed drilling to be conducted, including anticipated number of holes, diameter, depth, location, etc... Submit additional pages if necessary:

- A. Drill Pads: Quantity 1 Average Width 20 (ft) Average Length 50 (ft)
- B. Drill Holes: Quantity 1 Depth 720 (ft) Diameter 6 (in)
- C. Mud Pits: Quantity 1 Average Width 10 (ft) Average Length 10 (ft)
Average Depth 3 (ft)

Describe proposed underground work, including reopening of old workings, advancement of adits or shafts, trenches, pits, cuts, rock dumps, or other types of disturbance, describe type, quantity and general dimensions:

None

D. Other Disturbances (please describe):

None

E. Indicate Chemicals and Fuels used or stored on site. List type, quantity and method to store.

< 200 gal diesel fuel and 55 gal or less motor oils and / or hydraulic fluids used by drill rigs and support vehicles. Fuel, oils and fluids will be stored in the beds of the support vehicles and removed from the drilling area at the end of each day.

F. New Road(s): Length _____ (ft) Width _____ (ft)
Significantly Upgraded Road(s) Length _____ (ft) Width _____ (ft)

Are culverts or other crossings proposed? If so, please describe: None proposed

G. Total project area to be disturbed 0.002 (acres)

H. Describe the equipment to be used for the prospecting operations:

1) Small, truck-mounted rotary drill rig capable of boring to 1,500 feet

2) Rigid-frame water and or rod truck, single or dual rear axles, if needed

3) Support vehicle for drilling crew (3/4 ton 4x4 p/u truck or equivalent)

I. Describe and locate any structures to be constructed (i.e. stockpiles, ponds, impoundments):

The drill sites will have a nominal 10' x 10' x 3' catchment for cuttings/fluids as required on D.O.E. properties

J. Describe anticipated relationship to surface water and groundwater (proximity to streams, penetration of ground water aquifers):

The drainages are ephemeral and flow only during heavy rainstorms or snow melt. The nearest perennial stream is the Dolores River, located about one mile to the southwest. The historic drill data indicates the hole will be dry

IV. OPERATION AND RECLAMATION MEASURES:

1. The Board suggests that a photographic record of the pre-prospecting and post-prospecting conditions be kept by the prospector. These photos should be taken from the same location and by the same method to clearly show the pre-prospecting condition of the land and the reclamation efforts. Upon completion of reclamation and request for bond or surety release, the Board may consider the photos as evidence of adequate reclamation, and thus, be able to act more quickly on the request for release.

2. Provide a description of the native vegetation of the area to be disturbed, including tree, shrub, and grass communities of the area. Color photographs, sufficient to adequately represent the ecology of the site and adequately labeled (including date, orientation and location), may be used in lieu of a written description. Based on the quality of the photographs, the Division may require additional detail.

Pinyon, juniper forest, sagebrush, rabbitbrush, snakeweed. The area is grazed by range cattle. Please see Appendix A for a narrative of the proposed operational and reclamation procedures. Photos of the proposed drill site are attached as Appendix B

- 3. Describe the estimated topsoil depth and how topsoil will be salvaged, stockpiled and redistributed for the re-establishment of vegetation. Specify approximate topsoil redistribution depth:

Topsoil, if present, is estimated to be less than 1 foot deep. Any topsoil disturbed will be saved, stockpiled to one side and redistributed over said disturbed area during reclamation.

- 4. Describe how drill holes will be plugged (refer to Rule 5.4 of the Rules for required abandonment procedures):

Any cuttings are to be returned to the hole to the extent possible. Remaining cuttings will be buried in the containment pits. The holes will be plugged with spray foam from five feet to within two feet of the surface and filled with available soil and or soil mixed with cuttings.

- 5. Describe how portals, adits, shafts, ponds, excavations, or other disturbances will be reclaimed (refer to Rule 3 and Rule 5 for specific reclamation performance standards). You may wish to contact the Division for closure specifications.

The topsoil from the containment pits will be bermed on the lower side. When reclaiming the site the bermed soil will be pushed back across the pits, dragged or raked and seeded with the approved seed mixture.

- 6. Describe how roads will be reclaimed or returned to their pre-prospecting (or better) condition:

No road disturbance is expected.

7. List the seed mixture to be used in the re-establishment of vegetation. See the attached seed mixture calculation to obtain PLS/acre. For assistance with formulating seed mixtures and rates, contact the local NRCS if on private land, BLM/USFS if on public land or State Land Board if on state land.

A. Provide plant name and seeding rate

Plant Name	Seeding Rate (PLS/acre)
See Appendix C	

B. Describe the method for seed bed preparation, and application method for grass/forb seeding:

Following reclamation, the surface is back-dragged with a toothed loader bucket or equivalent, seed is hand broadcast and either back-dragged again, hand raked or dragged over by chain link. See attached Appendix C for D.O.E seeding requirements.

V. TERMS AND CONDITIONS FOR PROSPECTING OPERATIONS:

1. Reclamation measures shall be fulfilled in a timely manner and completed within five (5) years of completion of prospecting activities.
2. The prospecting operations described in this Notice will be conducted in such a manner as to minimize surface disturbances. In addition to the measures required in Rule 5, precautions to be taken include:
 - A. Confinement of operations to areas near existing roads or trails, where practicable. Existing roads which are to remain as permanent roads after prospecting activities are completed shall be left in a condition equal to or better than the pre-prospecting condition;
 - B. Drilling shall be conducted in such a way as to prevent cuttings and fluids from directly entering any dry or flowing stream channel. Drill cuttings must be spread to a depth no greater than one-half (1/2) inch or buried in an approved disposal pit;

- C. Proper and timely abandonment of drill holes upon completion of drilling;
 - D. Reclamation of affected lands upon completion of operations or phases of an operation;
 - E. Backfilling and revegetating any pits to blend in with the surrounding land surface;
 - F. Safeguarding mine entries, trenches and excavations from unauthorized entry at all times;
 - G. Disposal of any trash, scrap metal, wood, machinery, and buildings;
 - H. Control of noxious weeds within the area affected by the prospector
3. The prospecting operations shall be conducted in such a manner as to comply with all applicable local, state and federal laws and regulations including applicable state and federal air and water quality laws and regulations.
 4. The prospecting operations shall be conducted so as to minimize adverse effects upon wildlife to include covering of open drill holes until properly plugged.
 5. During the prospecting operations, the operator will perform the necessary stabilization and reclamation work to ensure those areas affected by prospecting activities are erosionally and geotechnically stable.
 6. All prospecting operations shall be in compliance with the Colorado Mined Land Reclamation Act, as amended (34-32-101 et seq. C.R.S.), and all rules and regulations currently in effect or promulgated pursuant thereto. See 2 CCR 407-1, Mined Land Reclamation Board Hardrock /Metal Mining Rules.

VI. ADDITIONAL TERMS AND CONDITIONS FOR PROSPECTING ON BLM/USFS LANDS

1. The prospector will supply a copy of this NOI to the appropriate BLM and/or USFS office.
2. The prospector authorizes the MLRB to discuss the information in this Notice of Intent with the BLM and/or USFS.
3. If on BLM land, the prospector will complete reclamation to the standards described in 43 CFR 3809.1-3 (d) and implement reasonable measures to prevent unnecessary or undue degradation of lands during operations.

VII. FINANCIAL WARRANTY

A financial warranty must be provided for the cost of reclamation of the disturbance described in this Notice. The prospector can either file a "One Site Prospecting Financial Warranty" or a "Statewide Financial Warranty." **The financial warranty must be submitted and approved by the Division prior to entry upon lands for the purpose of prospecting.**

An One-Site Prospecting Financial Warranty is usually filed by individuals or companies where prospecting activities are limited to a single area. It must be filed in the amount of \$2,000 per acre for land to be disturbed, or such other amount as determined by the Division, based on the projected costs of reclamation. A Statewide Financial Warranty is usually filed by companies with multiple prospecting sites. It must be filed in an amount equal to the estimated cost of reclamation per acre of affected land for all anticipated sites statewide. (You may increase the Statewide bond at any time in order to cover additional or expanded prospecting activities.)

VIII. SIGNATURE REQUIREMENT

Please place you initials on the line provided:

GW

I hereby verify that the foregoing information is true and accurate and commit to the reclamation of the aforementioned prospecting site as required by the Colorado Mined Reclamation Act and the rules as specified in the Hard Rock/Metal Mining Rules and Regulations and this NOI form.

GW

I have enclosed the required permit fee.

GW

I authorize the Division to contact and copy the BLM and/or USFS on any correspondence related to the prospecting operation, if the prospecting operation is located on federal public land.

GW

I have also enclosed the appropriate reclamation surety amount or will post an amount as determined by the office, based on the projected costs of reclamation.

GW

I understand that I am not authorized to create any surface disturbance until the surety amount is posted and approved in writing from the Division of Reclamation, Mining and Safety.

GW

I accept and agree to comply with the foregoing terms and conditions and with all of the provisions of Rules 3 and 5, and C.R.S. 34-32-101.

This form has been approved by the Mined Land Reclamation Board pursuant to section 34-32-113, C.R.S., of the Mined Land Reclamation Act. Any alteration or modification of this form shall result in voiding any NOI issued on the altered or modified form and subject the operator to cease and desist orders and civil penalties for operating without a NOI pursuant to section 34-32-123, C.R.S.

I, the undersigned, being the NOI holder or the person authorized to sign on behalf of the NOI holder, declare that the information given in this NOI form is true and correct.

SIGNATURES MUST BE IN BLUE INK

Signed and dated this 24 day of June, 2009.

Signature of NOI holder or person authorized to sign:

Glen Williams

Name (typed or print) Glen Williams

Title/Position: Manager of Mining

APPENDIX A

DRMS Form 1 Confidential

COTTER CORPORATION

Western Slope Operations

SR-13A 2009 Exploration Project

Proposed Action

Introduction

Cotter Corporation proposes to conduct exploratory drilling on the Department of Energy's Lease Block SR-13A, located about one mile north-northeast of the historic townsite of Slick Rock, San Miguel County, Colorado. The proposed action consists of boring one air rotary hole and is intended to obtain infill information gaps about historic drill-indicated mineralization and mineral trends. The proposed drill hole (SR13A-2009-01) is located in the NE1/4 NW1/4 Sec. 30, T. 44N, R18W, New Mexico Prime Meridian. Approximate GPS coordinates (Lat/Long WGS84) for the hole, is 38.052731, -108.897212. The proposed drill site is located adjacent to an existing road. The site will require about 75 feet of an off-road, over-the-ground access trail. Construction (e.g. physical disturbance) of a new access road will not occur.

Starting Date and Duration

Drilling is proposed to start early in the 3rd quarter of 2009. The actual date will depend on permitting and drill rig availability constraints. Drill program duration should be a couple of days.

Pre-Drilling Surveys

Given the size of the program, that the proposed drill pads will be adjacent to an existing road, and the presence of numerous historic drill holes in the immediate area, no pre-drilling surveys, such as archeological, wildlife, or endangered species, are planned. Should a regulatory agency determine that a pre-drilling survey is needed, then Cotter will coordinate with that agency to make sure that an effective survey occur.

Drilling Information

One hole is proposed for the lease tract. Estimated depth will be about 720 feet. The hole will start in sediments belonging to the Cretaceous Burro Canyon Formation, pass through the Brushy Basin Member of the Jurassic Morrison Formation and terminate below the principal ore-bearing

horizons of sandstones assigned to the Salt Wash Member of the Morrison Formation in the project area.

Drilling will be done by a truck-mounted rotary rig capable of drilling from 1,000 feet to 1,500 feet or so, such as a Gardner-Denver 1500 or equivalent. Hole diameter will be in the 5” to 6” range, and cuttings will be removed by airlift. Although considered unlikely, a nominal 1,000 gal to 2000 gal water truck will be available if water is needed to make an air/foam mixture. If an air foam mixture is needed, then the foaming agent will be an environmentally benign, non-hazardous and non-toxic product such as Quik-Foam™ or equivalent.

Cuttings will be directed into the containment pits at each site and mineralized cuttings will be segregated within the pit.

Probing will be accomplished with a truck-mounted probe unit possessing gamma and electric logging tools. No tool with a radioactive source will be used.

Surface Disturbance

No roads will be constructed. The only surface disturbance anticipated will be the excavation of two nominal 10 foot x 10 foot by 3 foot deep containment pits for cuttings and, if needed, air-lifted water from the drill holes. The estimated disturbed area will be about 100 ft square per site, or 0.002 acres in total.

Drill Hole Abandonment

- A) Plugging Procedure – The drill hole will be backfilled as much as possible with cuttings, using the mineralized material first. After backfilling to within about 5 feet from the surface, a spray foam plug will be brought to within about 2 feet of the surface. The remainder of the hole to the surface will be filled with soil and cuttings. The hole will be permanently marked with a 2”x2” wooden stake on which a tag bearing the hole designation number is affixed.
- B) Surface Restoration – To the extent possible, remaining drill cuttings will be placed into the containment pit for burial. The disturbed ground will be graded and an approved seed mixture will be broadcast immediately following reclamation
- C) Estimated Cost of Surface Restoration – Estimated cost of the surface restoration is approximately \$200.00

Compliance with Statues and Regulations

For exploration, Cotter will use the services of contractors. All Cotter contracts with service companies will contain specific sections requiring compliance with all applicable Federal, State and local statues and regulations.

Surface Use and Environmental Stipulations

Existing roads will be used for access to the proposed drill site. No improvement of existing roads is anticipated. Excessive surface deterioration that might be caused by vehicle in off-road areas, particularly in wet weather, will be restored to the satisfaction of the Contracting Officer as soon as practical after such conditions cease.

Fire hazards resulting from the operation of a drill will be minimized by removing any brush that might come in contact with the drill exhaust. Should any uncontrolled fires be encountered, they will be reported to Manager, Montrose District, U.S. Bureau of Land Management, Montrose, Colorado.

There are no bodies of water on, or near, the area of exploration activity. Drilling shall be conducted in such a way as to prevent cuttings and fluids from directly entering any dry or flowing stream channel.

Drill sites, upon completion of drilling, will be left in a clean condition with the contractor involved removing all trash and carrying it to his shop or base of operations for disposal. All Cotter contracts with service companies contain a clause on waste removal which will be strictly enforced.

APPENDIX B

DRMS Form 1 Confidential

COTTER CORPORATION

Western Slope Operations

SR-13A 2009 Exploration Project

Photos of the Proposed Action Area

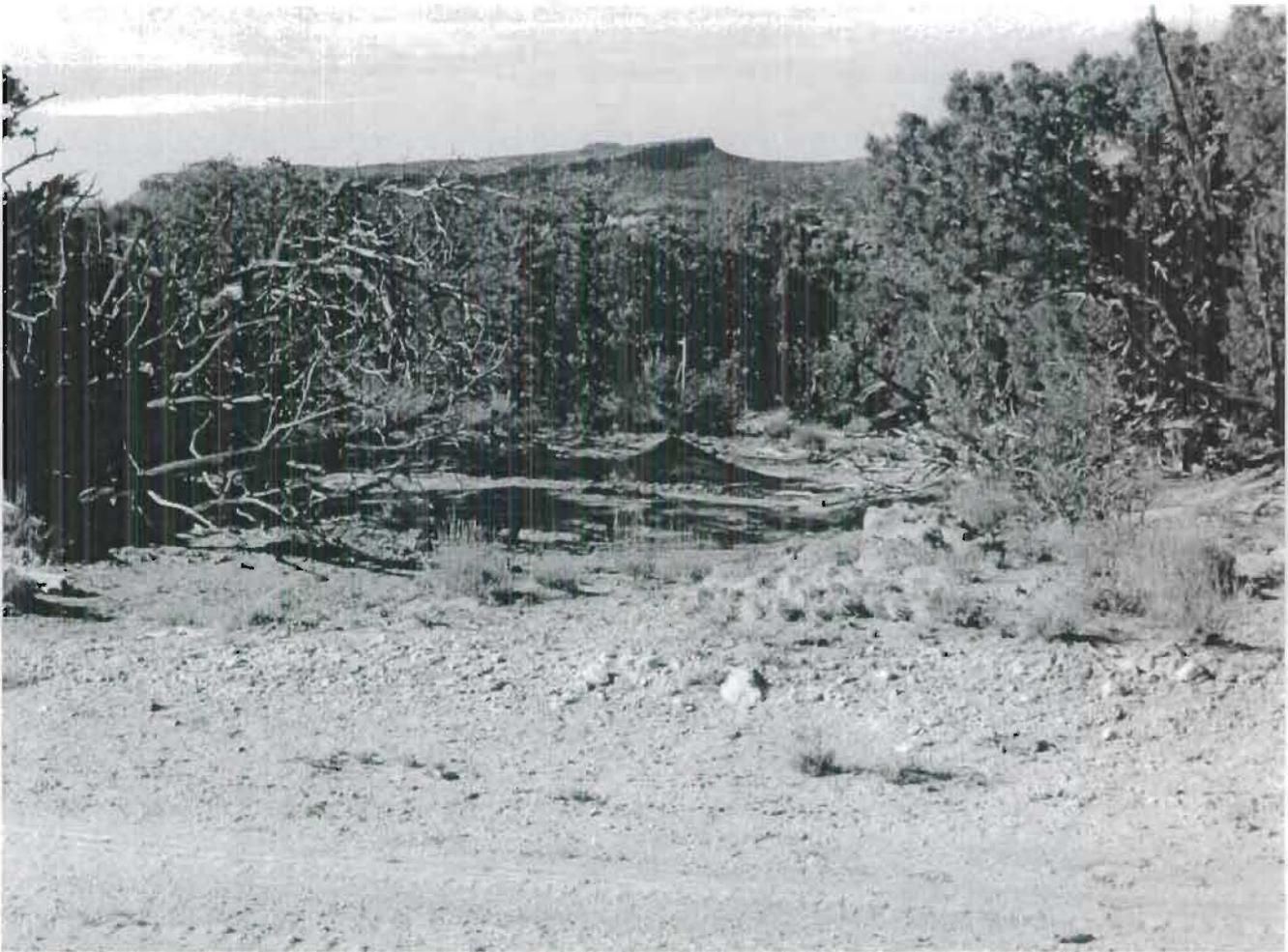


Photo 1. View looking northeast toward the proposed drill site SR13A-2009-01. Note existing road in the foreground and the orange-flagged stake in the photo center.

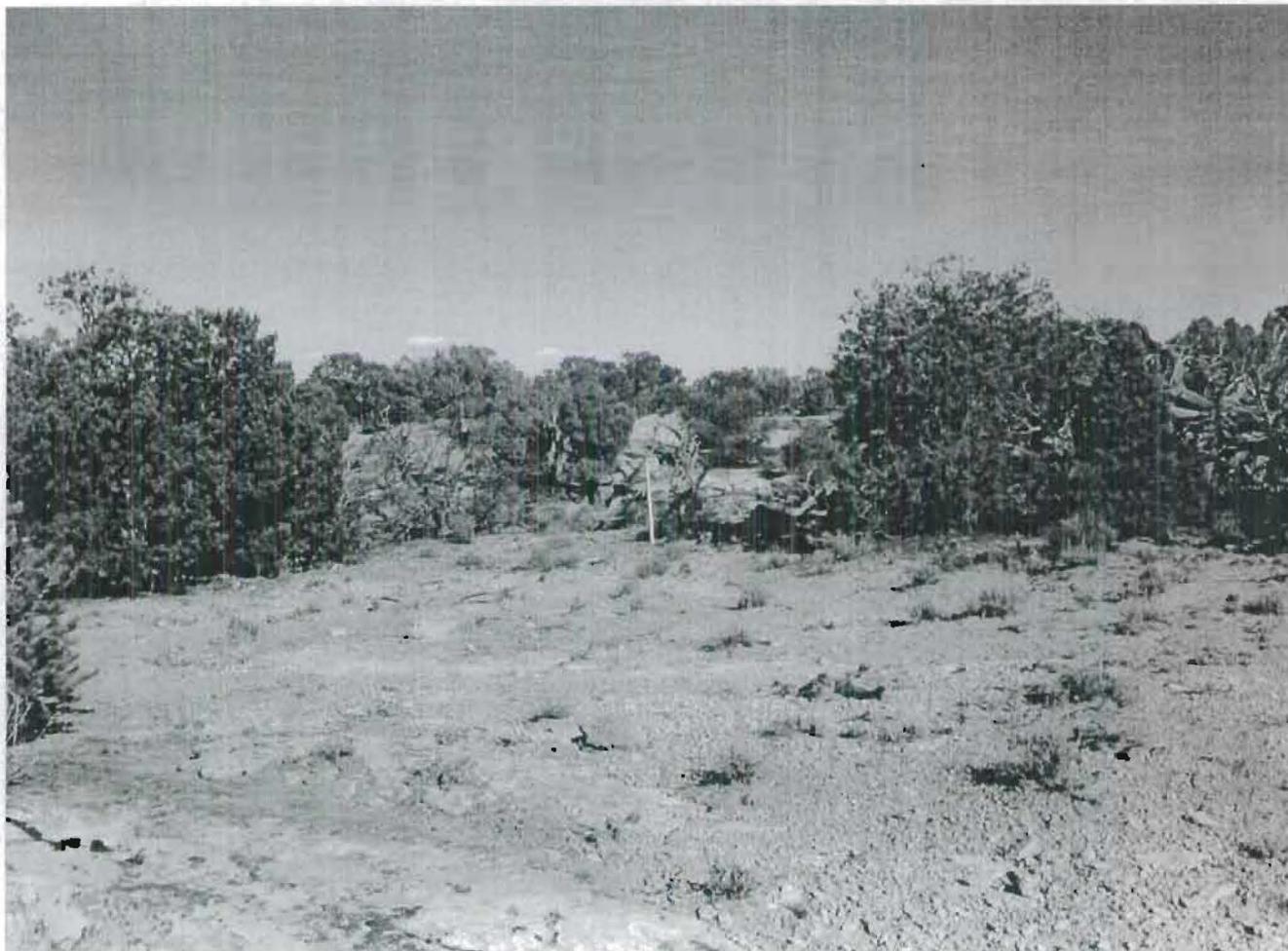


Figure 2. Closeup view of proposed drill site SR13A-2009-01 looking southeast. The view from photo 1 above, would be from outside the right border of this photo, looking from right to left.

APPENDIX C

DRMS Form 1 Confidential

SR13A 2009 NOI

**URANIUM LEASING SITES
Reseeding Specifications**

The following seed mixture was developed, in consultation with U.S. Bureau of Land Management, and is generally approved for use within the Slick Rock, Naturita, Uravan, and Gateway, Colorado, areas. Seed selection criteria were based on climate and elevation ranges within these areas. Recognizing that surface soil conditions, nutrients, and available moisture can vary within these areas, successful establishment of six or more of the twelve species is considered adequate. If the total number of species seeded is less than that specified below, the seeding rates for the individual species must be adjusted accordingly. All seed tags must be submitted to DOE for verification prior to the seeding application.

Species		Broadcast Application Rate (lbs. PLS/ acre)
Scientific Name	Common Name	
<i>Pascopyrum smithii</i>	Arriba western wheatgrass	4.0
<i>Elymus trachycaulus ssp. trachycaulus</i>	Slender wheatgrass	2.0
<i>Oryzopsis hymenoides</i>	Paloma Indian ricegrass	4.0
<i>Bouteloua gracilis</i>	Hachita blue grama	2.0
<i>Hilaria jamesii</i> (florets)	Galleta grass	2.0
<i>Stipa comata</i>	Needleandthread grass	1.0
<i>Stipa viridula</i>	Lodorm green needlegrass	2.0
<i>Linum lewisii</i>	Lewis flax	1.0
<i>Penstemon palmeri</i>	Cedar Palmer penstemon	0.5
<i>Sphaeralcea coccinea</i> or <i>Sphaeralcea parvifolia</i>	Scarlet or Parvifolia globemallow	0.3
<i>Atriplex canescens</i>	Rincon fourwing saltbush	3.0
<i>Ceratoides lanata</i>	Winterfat	1.0
Total pounds per acre		22.8

Seed shall be broadcast at the specified application rate and covered (except pocked surfaces) using a drag bar, chain link, or packer wheels. If seed is drilled, use one-half () the broadcast rate.

Seeding shall be performed during one of the following time periods:

- For best results, between October 15 and consistent ground freeze; or
- Between August 1 and August 31.

Revegetation efforts on the disturbed areas will be considered satisfactory when:

- Soil erosion resulting from the operation has been stabilized; and
- A vegetative cover at least equal to that present prior to the disturbance and a plant species composition at least as desirable as that present prior to the disturbance has been established

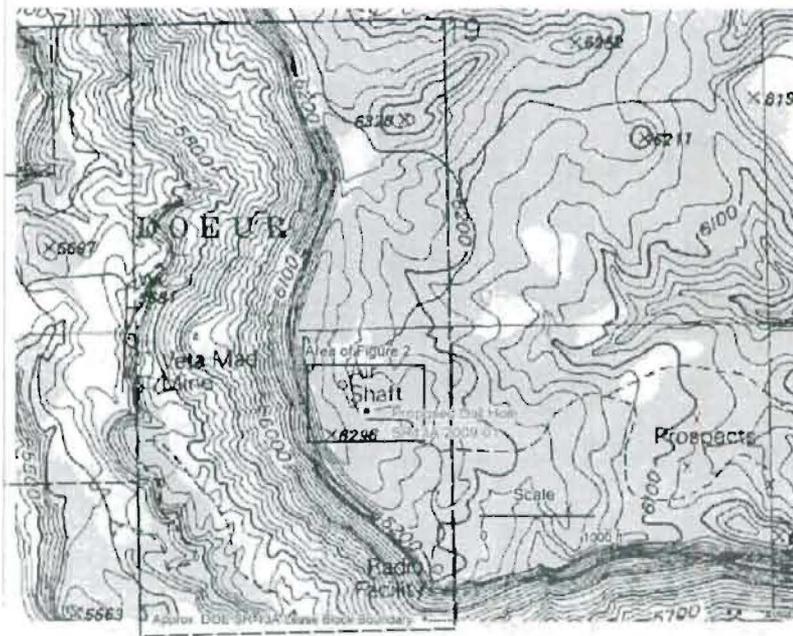
MAPS AND DRAWINGS

DRMS Form 1 Confidential

COTTER CORPORATION

Western Slope Operations

SR-13A 2009 Exploration Project

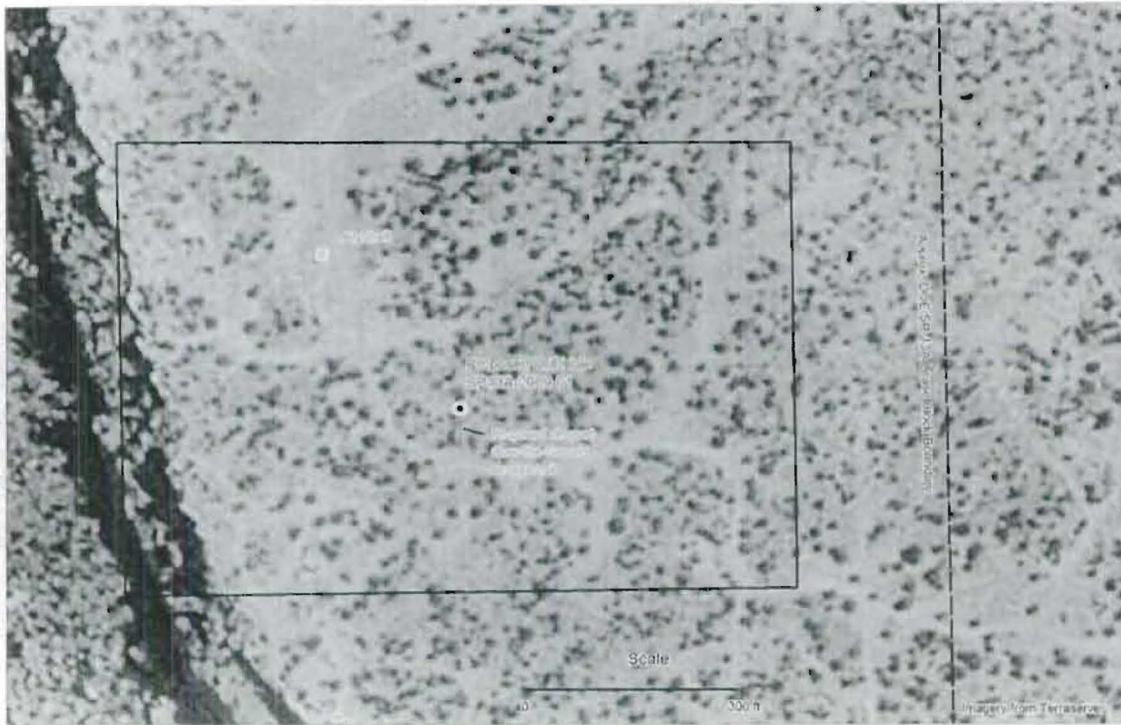


Cotter Corporation
Western Slope Operations
SR-13A 2009 NOI
Proposed Drill Hole Location (topo base)
NE1/4 NW1/4 Sec. 30, T.44N., R.15W., NMPM

Figure 1

TA Apr09

Figure 1. Location of the proposed drill hole relative to the DOE SR-13A Lease Block



Cotter Corporation
Western Slope Operations
SR-13A 2009 NOI
Proposed Drill Hole Location (airphoto base)
NE1/4 NW1/4 Sec. 30, T.44N., R.15W., NMPM

Figure 2 TA Apr06

Figure 2. Detailed air photo image showing the location of the proposed drill hole and access trail