ULP 000374

Department of Energy
Office of Legacy Management

August 17, 2009

OLM-SRS-2009-106

Mr. Dick White, Vice President
Exploration Colorado/Utah Operations
Energy Fuels Resources Corporation
44 Union Boulevard, Suite 600
Lakewood, CO 80228

Subject: Approval of Exploration Plan Submitted for DOE Lease Tract C–CM–24

Dear Mr. White:

The "Exploration Plan—First Phase of Drilling" (Plan) for U.S. Department of Energy (DOE) Lease Tract C–CM–24 (proposing 8 holes), submitted by Energy Fuels Resources Corporation (EFRC) on April 24, 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 Plan is hereby approved as submitted, subject to the following stipulations:

1) No new roads shall be constructed; all drill sites shall be accessed by overland travel along designated routes. Existing roads shall be improved only to the extent necessary to allow proper access of the required equipment.
2) The drainage adjacent to drill site 24–F shall be maintained in its current configuration and no materials shall be allowed to enter the drainage.
3) 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 may be used instead of concrete to permanently plug the hole.
4) During wet weather, when excessive damage can be caused by vehicle traffic, activities shall cease until conditions improve.
5) The areas disturbed by these exploration activities shall be reclaimed immediately after activities are completed. The enclosed seed mixture shall be used during reclamation.
6) 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.
7) EFRC personnel shall provide DOE with a proposed schedule for the completion of the approved activities.

ULP 030.06(c)

DOE coordinated its review of the Plan with the U.S. Bureau of Land Management and the Colorado Division of Reclamation Mining, and Safety. These agencies have concurred with DOE's decision, subject to their letters to Brent Kramer, EFRC, dated June 11, 2009 (COC-71888) and June 16, 2009 (P-2009-014), respectively.

DOE herein acknowledges that EFRC has posted the requisite $5,000 reclamation performance bond, in the form of a cashiers check for $5,000, payable to DOE, in support of these activities. Please note that the reclamation liability associated with all future activities proposed by EFRC will be assessed by DOE in a similar manner and the bond amount may need to be increased.

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,

Laura E. Kilpatrick 2009.08.17 16:56:35 -06'00'

for Steven R. Schiesswohl
Realty Officer

Enclosure

cc w/ enclosure:
R. Ernst, USBLM
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**	
Pascopyrum smithii	Arriba western wheatgrass	4.0
Elymus trachycaulus ssp. trachycaulus	Slender wheatgrass	2.0
Oryzopsis hymenoides	Paloma Indian ricegrass	4.0
Bouteloua gracilis	Hachita blue grama	2.0
Hilaria jamesii (florets)	Galleta grass	2.0
Stipa comata	Needleandthread grass	1.0
Stipa viridula	Lodorm green needlegrass	2.0
Linum lewisii	Lewis flax	1.0
Penstemon palmeri	Cedar Palmer penstemon	0.5
Sphaeralcea coccinea or *Sphaeralcea parvifolia*	Scarlet or Parvifolia globemallow	0.3
Atriplex canescens	Rincon fourwing saltbush	3.0
Ceratoides lanata	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 (½) 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.

Cotter, Ed

From: Charles_Sharp@blm.gov
Sent: Monday, August 03, 2009 2:05 PM
To: Cotter, Ed
Subject: RE: Raptor Survey Review

Thanks, Ed!

Charlie Sharp
Wildlife Biologist
Bureau of Land Management
Uncompahgre Field Office
2465 South Townsend Avenue
Montrose, Colorado 81401
(970) 240-5307 (office)
(970) 240-5367 (fax)

"Be more like the trees and less like the clouds."
-Ryan Adams

"Cotter, Ed"
<Ed.Cotter@lm.doe
.gov>

08/03/2009 10:40
AM

To
Charles_Sharp@blm.gov, "Beranich,
Sandy" <Sandy.Beranich@lm.doe.gov>
cc
Melissa_Siders@blm.gov,
teresa_pfifer@blm.gov, "Cotter, Ed"
<Ed.Cotter@lm.doe.gov>
Subject
RE: Raptor Survey Review

Charlie,

Per your request outlined in the second paragraph, I talked with Brent Kramer, Geologist, Energy Fuels Resources, and he stated that they do not expect to hit groundwater in any of their holes on DOE Lease Tract C-CM-24, and have not hit groundwater in any of the holes drilled thus far on their private claims. However, they have lost circulation on three holes and needed to use some water to restore the circulation.
According to Brent, they have used less than 1,000 gallons on each of the three holes. If this data were extrapolated to all eight holes to be drilled on C-CM-24, the resulting water usage would be 8,000 gallons, which is equitable to 1,070 cubic feet, or 0.0246 acre feet of water.
Brent also stated that the source of any drill water used is a private ranch (from either a well or canal) in the Nucla area.

Thank you for your assistance in this matter. If you have questions, please let me know.

Ed Cotter, Program Lead
Uranium Leasing Program

ULP 030.06(c)

-----Original Message-----
From: Charles_Sharp@blm.gov [mailto:Charles_Sharp@blm.gov]
Sent: Thursday, July 30, 2009 3:27 PM
To: Beranich, Sandy
Cc: Cotter, Ed; Melissa_Siders@blm.gov; teresa_pfifer@blm.gov
Subject: Re: Raptor Survey Review

Hi Sandy,

Sorry for the delay. Attached is the clearance report for the DOE/ Energy Fuels Leases and exploration proposal-- this form is completed for all projects on BLM UFO lands. Following are excerpts from this document which will be of primary interest (recommended surveys and mitigation measures, findings/ conclusion, etc.). To summarize, the raptor survey report was reviewed and found adequate. Other surveys and measures are recommended but not mandatory in accordance with the Mining Act of 1872 and uranium projects. However, they are standard practices applied by this office for projects and activities on BLM lands. Furthermore, the majority of operators have complied with these practices. Note that the stipulations are fairly stringent-- with more details on project timing, activities, machinery, etc. (i.e., a comprehensive proposed action), some of these restrictions may be relaxed.

Also, would you please provide our office with an estimate of the amount of water to be used (acre feet), if any, and the water source(s) in association with the proposed activities. Water depletions are considered an adverse effect on river fishes and the greenback, and the BLM is required, under the new PBO, to report these numbers to FWS on an annual basis. (thanks)

If you have any questions or concerns, you can contact me or Missy.
Teresa may also be able to assist if needed. Thanks

Recommended Mitigation (also refer to species tables):

RAPTORS: No nests were found within the project area or zone of influence (1/2 mile buffer). Therefore, the project is currently cleared for breeding raptors. Survey results expire on May 1, 2010. After that time, surveys would need to be conducted again to determine whether new nests have been built. If a raptor nest is found during resurveys, at a later date, or during construction, the following conditions would apply. To preserve the stand and habitat structure surrounding the nest, no vegetation removal or modification shall occur within 250' of the known raptor nest. Drilling and travel would be permitted within this 250'-area provided they do not remove or modify the local vegetation. If resurveys are conducted, the following measures would be required. To protect breeding and nesting raptors, a raptor survey will be conducted for all proposed surface disturbances.
Surveys will follow BLM standard protocol and will be conducted 1 to 2 weeks prior to construction or surface disturbance. Survey results and determinations will be submitted to the BLM biologist for review. No surface disturbing activities will occur within within .5 miles of active raptor nests during the breeding period for the species of interest (determined by the BLM biologist). Variances or exceptions to this requirement may be granted by the BLM authorized officer depending on the timing of construction. Survey clearances will expire May 1 of the following year.

SENSITIVE PLANTS: Surveys for potentially occurring species will be conducted in proposed activity areas and within 50 feet of proposed surface disturbance. If plants are found, a 50' buffer may be applied by the BLM to protect these species.

SENSITIVE BATS: For mine closures and reclamation, bat surveys will be conducted to determine occupancy. This will be done in coordination with the Colorado Division of Wildlife (Kurt Navo). Measures may be imposed to protect these species and their habitats (i.e., bat gates).

BIG GAME WINTER RANGE: To protect wintering big game and crucial habitats, no surface disturbing activities shall occur from December 1 through April 15. Surface disturbance includes but is not limited to vegetation clearing/ removal, drilling, dirt work, and/or surface blasting. If it is uncertain whether a particular activity qualifies as surface disturbance, the operator shall consult with the BLM authorized officer prior to implementation. Exceptions to this seasonal restriction must be requested in writing to the BLM authorized officer. Exceptions are evaluated on a case-by-case basis and may be granted by a BLM biologist depending on project location, weather severity, and other factors.

Conclusion: Based on the above information, the proposed action is cleared from a TES plants and wildlife perspective.

(See attached file: DOE_ClubMesa_EnergyProject_SandyBeranich.pdf)

Charlie Sharp
Wildlife Biologist
Bureau of Land Management
Uncompahgre Field Office
2465 South Townsend Avenue
Montrose, Colorado 81401
(970) 240-5307 (office)
(970) 240-5367 (fax)

"Be more like the trees and less like the clouds."
-Ryan Adams

"Beranich, Sandy"
<Sandy.Beranich@lm.doe.gov>
07/22/2009 10:32 AM

To: Melissa_Siders@blm.gov

cc: "Cotter, Ed" <Ed.Cotter@lm.doe.gov>, Charles_sharp@blm.gov

Subject: Raptor Survey Review

Hi Missy,

Does BLM have any comments on the raptor survey completed by Craig Grother for the proposed Energy Fuels exploratory work? We need to ensure that they have met all requirements prior to sending them a letter to proceed.

Thanks,

Sandy Beranich

United States Department of the Interior

Bureau of Land Management
Uncompahgre Field Office
2505 South Townsend
Montrose, Colorado 81401

RECEIVED
JUN 15 2009

In Reply
Refer to:
CO-150
3809.301
COC-71888

JUN 11 2009

Brent Kramer
Energy Fuels Resources Corporation
P.O. Box 888
Nucla, CO 81424

Dear Mr. Kramer:

Thank you for the notice to conduct operations in the Club Mesa Project Area located in portions of T.48N., R.17W., Section 31 and 32, as required by the Surface Management Regulations (43 CFR 3809) and upon Department of Energy (DOE) Uranium Lease C-CM-24. We conducted a site visit with you on May 21, 2009 to review your proposal.

This correspondence shall serve as notification to DOE for the purpose of their lease authorization stipulations. These stipulations described below are also required conditions upon your DOE lease approval.

The notice is accepted and you may begin operations with the following conditions:

- Approval is given for the drill site locations inspected on 5/21/09. If other locations in this area are proposed for drilling, the notice must be modified and field checked by BLM prior to drilling.

- Only existing roads or old drill roads will be used, no new access will be constructed. Minor cross-country travel to BLM drill site J and DOE drill site C is permitted.

- If subsurface cultural or paleontological resources are unearthed during operations, activity in the vicinity of the cultural/paleontological 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.

ULP 030.06(c)

- 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.

- Attached is the BLM seed mixture to be used for reclamation of the drill hole sites.

- During wet weather conditions, no mud blading would be allowed. When road conditions are such that vehicles create ruts deeper than 4 inches, drilling and vehicle activities will be temporarily suspended.

- The operator is required to control weeds until the site is reclaimed in accordance with Montrose County regulations. As a safeguard to avoid the inadvertent invasion of noxious weeds, vehicle(s) that have been driven in weed-infested areas should be cleaned with high-pressure water spray equipment before entering non-infested areas.

- The attached seed mix will be used for the project. Seeding will take place as soon as the sites are reclaimed. Please submit seed tickets to this office upon completion of seeding.

- Deer and Elk Winter Range timing limitation – No surface disturbing activities are allowed between December 1 and April 15.

- Peregrin Falcon: Seasonal restriction shall apply for surface disturbance and human encroachment within ½ mile radius of active nests from February 1 through August 31st.

- Bald Eagle and raptors: no surface disturbing activities shall occur within ¼ mile of active raptor nests from May 15 through July 15, and no operations shall occur within 300' of nests; operations shall cease if a raptor or nest is observed in the area, and a BLM biologist shall be notified

- Midget faded rattlesnake: no rattlesnakes shall be harmed by project activities.

- Migratory birds: to the extent possible, avoid destruction of any known songbird or other nests in the area.

- BLM concurs with the bonding recommendations of the Colorado Division of Reclamation, Mining and Safety (CDRMS). Operations may begin when the bond is filed with CDRMS and a copy of the bond is submitted to this Office.

Your Notice is complete, the operation will not cause unnecessary or undue degradation to the public lands and it contains all the information required by BLM surface management regulations at 43 CFR 3809.301. Your notice remains in effect for 2 years from the date of this letter, unless extended under 43 CFR 3809.333 or unless you notify BLM beforehand that operations have ceased and reclamation is complete. BLM will conduct an inspection to verify whether reclamation has been completed before recommending bond release to the Colorado Division Reclamation Mining and Safety (CDRMS). The Notice will expire on June 9, 2011.

On or before the expiration date, the Field Manager must be given written notice if you intend to continue operations under the terms of the existing Notice for an additional two (2) years.

Please call Robert Ernst at (970) 240-5305 if you have questions. Thank you for your cooperation.

Sincerely,

Barbara Sharrow

Barbara Sharrow
Manager, Uncompahgre Field Office

cc: Russ Means, CDRMS
Ed Cotter, Stoller-DOE

Standard Native Seed Mix for Sagebrush and Pinyon-Juniper Zone
Mid Elevations (6,000-8,000')

This native seed mix should work well in the mid elevation zone in the 11-16" rainfall zone. Use the complete mix on larger projects where substantial amounts of ground will be disturbed, and the likelihood of reseeding from adjacent vegetation is low. On small projects where linear or small patches of vegetation are disturbed and there is abundant adjacent native vegetation for reseeding, use just the bottlebrush squirreltail and western wheatgrass (at 4 lbs PLS seed for each species per acre, under the drill rate, double this rate for aerial application with no seed incorporation).

Price and seed availability vary, so not all species may be available at the time you need them, or priced affordably. However the major ones should usually available. The rate shown below is for a drilled seeding, or some other method that incorporates the seed into the soil. Rates should be doubled if the seed is to be aerially applied. If price or availability is a concern, reduce or leave out those species and increase percentages of remaining species correspondingly (column A in table below, total to this column should equal 100%, carry through changes in columns B, D, and E following instructions under column headings).

BLM places the following requirements on seed mixes which are put on BLM lands:

1) Use the following minimum PLS (Pure Live Seed) tolerances

PLS tested %	Tolerance % points
81-100	-7
61-80	-6
41-60	-5
21-40	-4
0-20	-3

2) All seed must comply with BLM and Colorado weed seed guidelines. There should be no prohibited species seed, and no more than allowable levels of restricted species seed. In addition, there should be no more that 0.5% total weed seed, less than 2% other seed, and no trash larger than ¼" in length. Seed shall not be stored in burlap bags.
3) The UFO places additional local restrictions on seed to minimize cheatgrass spread. If seed tests show any *Bromus tectorum* or *Bromus japonicus*, the BLM should be consulted with for approval. No mix placed on BLM shall contain more than 150 *Bromus tectorum* and/or *Bromus japonicus* seeds per pound.
4) BLM requires additional seed tests on seeding projects that are greater than 20 acres and/or require over 200 lbs of seed. For these seeding projects, the project proponent should have the seed supply company store the purchased seed prior to mixing, and pull samples to be sent to a certified laboratory, preferably Colorado State Laboratory at the following address. Seed test results must comply with the criteria listed above before seed is mixed, shipped and applied to the project area:

Colorado State Laboratory
Colorado State University
Department of Soil and Crop Sciences
Fort Collins, CO 80523

5) BLM will need copies of seed tags and test results for all seed applied regardless of project size.
6) Only State Certified weed free mulch shall be used

	A	B	C	D	E
Species	Desired % of planting	Multiplier (A x 0.01)	PLS lbs for full stand	PLS lbs per acre needed for mix (B x C)	PLS lbs per acre for project (D x # acres)
Western Wheatgrass *(Pascopyrum smithii)* Variety Arriba	35	0.35	10	3.5	
Bottlebrush squirreltail *(Elymus elemoides)*	20	0.20	8	1.6	
Indian Ricegrass *(Acnatherum hymenoides)* Variety Paloma	10	0.1	8	0.8	
Galleta Grass (*Hilaria* or *Pleuraphis jamesii*)	5	0.05	8	0.4	
Sand Dropseed (*Sporobolus cryptandra*)	5	0.05	1	0.05	
Needle and Thread *(Stipa* or *Heterostipa comata)*	5	0.05	10	0.5	
Scarlet Globemallow *(Sphaeralcea coccinea)*	2	0.02	3	0.06	
Annual Sunflower (*Helianthus annuus*)	3	0.03	10	0.3	
Rocky Mountain Penstemon *(Penstemon strictus)*	2	0.02	2	0.04	
Northern Sweet Vetch *(Hedysarum boreale)*	2	0.02	15	0.3	
Winterfat (*Eurotia* or *Krascheninnikovia lanata)*	1	0.01	5	0.05	
Four-Wing Saltbush *(Atriplex canescens)* from western Colorado, E Utah	5	0.05	6	0.3	
Wyoming Big Sagebrush *(Artemisia tridentata wyomingensis)*	5	0.05	1	0.05	
Totals	100	1.0		7.95	

Raptor Survey

Club Mesa Exploration Project Area
Montrose County, Colorado

Summary and Results

Brent Kramer from Energy Fuels Resources Corporation in Nucla, Colorado contacted me about conducting a raptor survey on Club Mesa where they plan on doing some exploration work. The project includes 8 drill holes on Department of Energy (DOE) Uranium Reserve Lands and 17 drill holes on BLM lands. The drill holes are located in five project areas, two of which are on DOE and three on BLM.

Prior to field surveys I did a preliminary habitat assessment and then validated this assessment in the field. I completed the raptor surveys on June 23 and June 27, 2009 using the Raptor Survey Protocol from the BLM Uncompahgre Field Office. The survey protocol was provided to me by Brent Kramer of Energy Fuels and Sandy Beranich of the DOE.

Within the survey area I located one unoccupied raptor nest within the San Miguel River canyon. It appeared to be a raven nest to me. The nest is approximately 2 air miles from any proposed activities. There were no other raptor nests or observations of any raptors within the survey area.

Survey Area

Club Mesa is located in Western Montrose County near the old uranium mill and town site of Uravan, Colorado. The survey area includes 2 project areas on DOE Uranium Reserve lands and 3 project areas on BLM lands in sections 31 and 32 of T48N, R17W, and section 6 of T47N, R17W.

Based on the Raptor Survey Protocol from the BLM Uncompahgre Field Office I surveyed all potential nesting habitat within ½ mile of each project area, with most effort spent within ¼ mile of proposed surface disturbance. As a result the primary survey area includes portions of Club Mesa within sections 29, 30, 31, 32, and 33 of T48N, R17W, and sections 5 and 6 of T 47N, R17W. In addition, I expanded the survey area to include portions of the San Miguel and Dolores River Canyons. Included in the survey is the section of the San Miguel River canyon from Uravan to the confluence with the Dolores River. I also surveyed the lower portion of the Dolores River canyon from the drainage coming out of Saucer Basin downstream to the confluence with the San Miguel River.

ULP 030.06(c)

Survey Methods

I reviewed topographic maps and aerial photographs to identify potential raptor nesting habitats within the survey area. Potential nesting habitat focused on cliffs and rock outcrops as well as forested habitat. Following this preliminary habitat assessment, I went to the survey area on two occasions and validated possible nesting habitat areas.

I conducted the raptor surveys on the morning of June 23 and June 27, 2009. On June 23 I surveyed the San Miguel and Dolores River canyons, primarily focusing on the south and west side of the canyons which are closest to the project areas. Both canyons are dominated by solid rock cliffs and steep rock/boulder faces with patches of dense brush and pinyon and juniper tree cover. Both rivers have a constant flow and contain stands of box elder, tamarisk, willow and cottonwood. Much of the tamarisk is experiencing defoliation due to the release of insects in the area. I began my survey ½ hour before sunrise and ended approximately three hours later. I used binoculars and a spotting scope to carefully search all potential habitat areas. I also listened and watched the sky for birds in flight during the survey. The weather that morning was dry with clear skies and little to no wind.

On June 27 I surveyed the Club Mesa area focusing on rocky/cliffy areas and pinyon/juniper woodland within ¼ to ½ mile of the project areas. This mesa is dominated by stands of pinyon/juniper (P/J) woodland that is interspersed with parks and small meadows of rabbit brush, snakeweed, mountain mahogany, and various grasses. Past mining activity and reclamation is evident throughout much of the survey area. I saw a few small dams that were constructed for stock ponds but only one had any water in it during this survey. I began my survey ½ hour before sunrise and ended approximately three hours later. I used binoculars and a spotting scope to carefully search the cliffs and rock outcrops for nest sites. I walked the P/J stands surrounding each project area. I also listened and watched the sky for birds in flight during the survey. The weather that morning was dry with clear skies and little to no wind.

Survey Results

<u>San Miguel/Dolores River Canyons</u>: I located one nest on the side of a cliff near the confluence of the San Miguel and Dolores. I tried to get a GPS point for the nest site but my GPS unit would not pick up enough satellites within the canyon. My best description would be the southwest quarter of the southwest quarter of section 25 T48N, R 18W. It is located on a north-facing cliff above the San Miguel River about ½ way between the river and the canyon rim. The nest site is on a rock ledge that includes a stick nest next to a small hole in the rock. Whitewash is present around the nest site and at a couple of perching sites above the nest site. I had a very good view of the nest site from across the canyon and did not see any activity. I stayed in the area for about 20 minutes and there did not appear to be any birds in the nest or adults in the area. The site appeared to be a raven nest to me.

I did not see or hear any other raptors within this portion of the survey area.

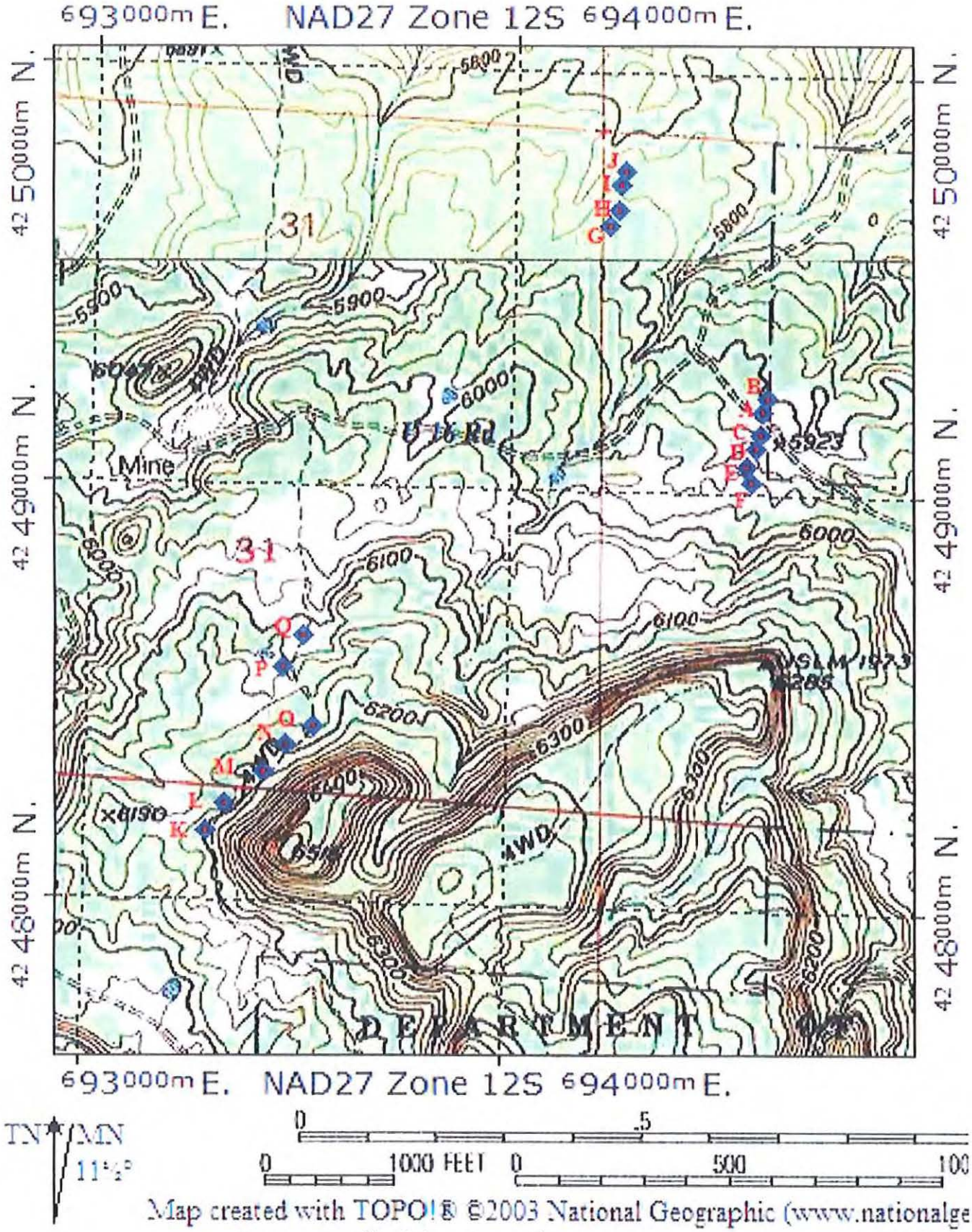
Club Mesa: I did not locate any raptor nests or observe any raptors within the Club Mesa survey area.

_____ 6/28/2009

Craig Grother
Wildlife Biologist

970 327-4850
craiggrother@yahoo.com

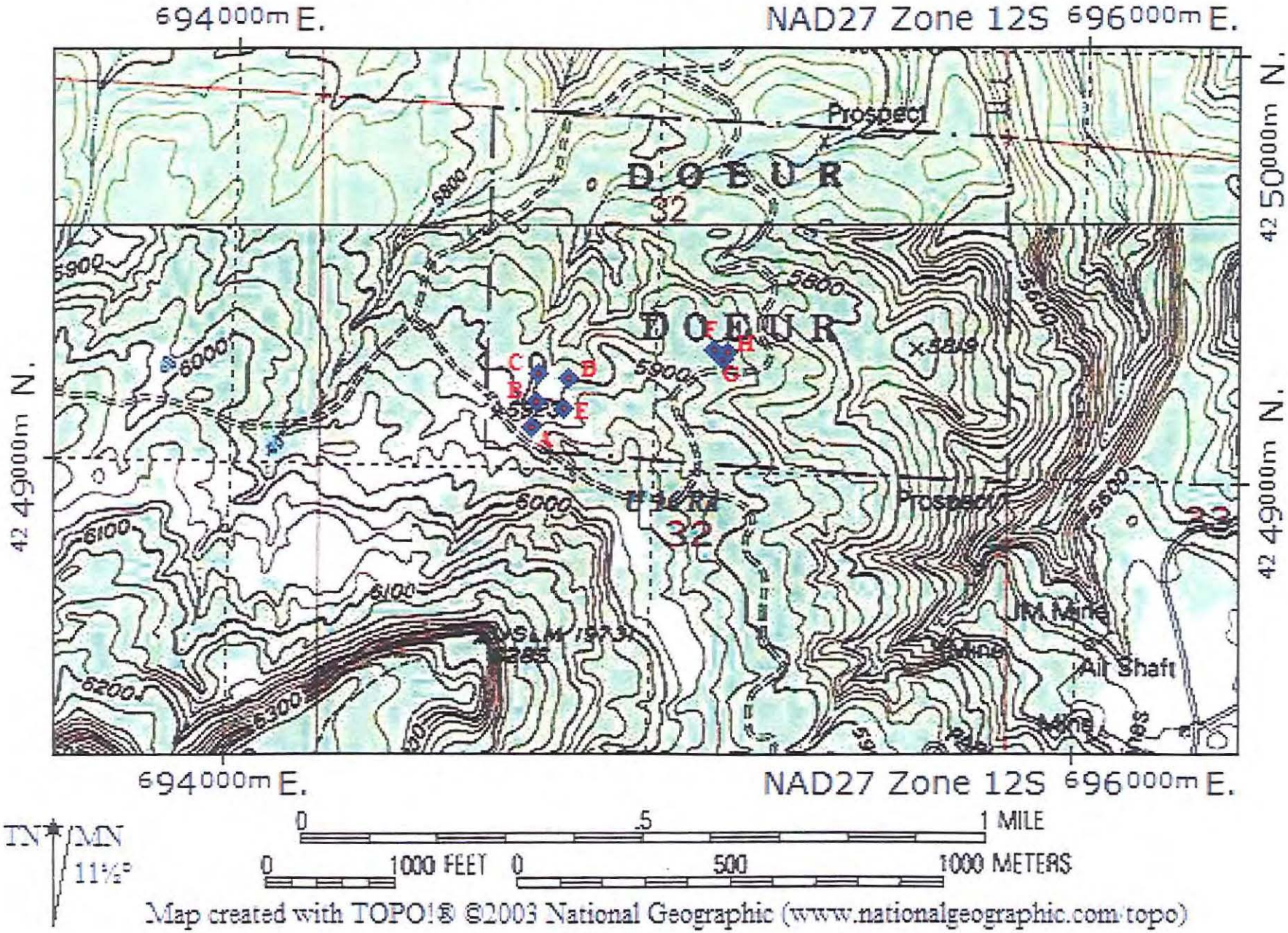
TOPO! map printed on 05/26/09 from "Club09.tpo"



Map created with TOPO!® ©2003 National Geographic (www.nationalge

BLM Drill Site Locations
Club Mesa Project

TOPO! map printed on 05/26/09 from "CM-24 2009.tpo"



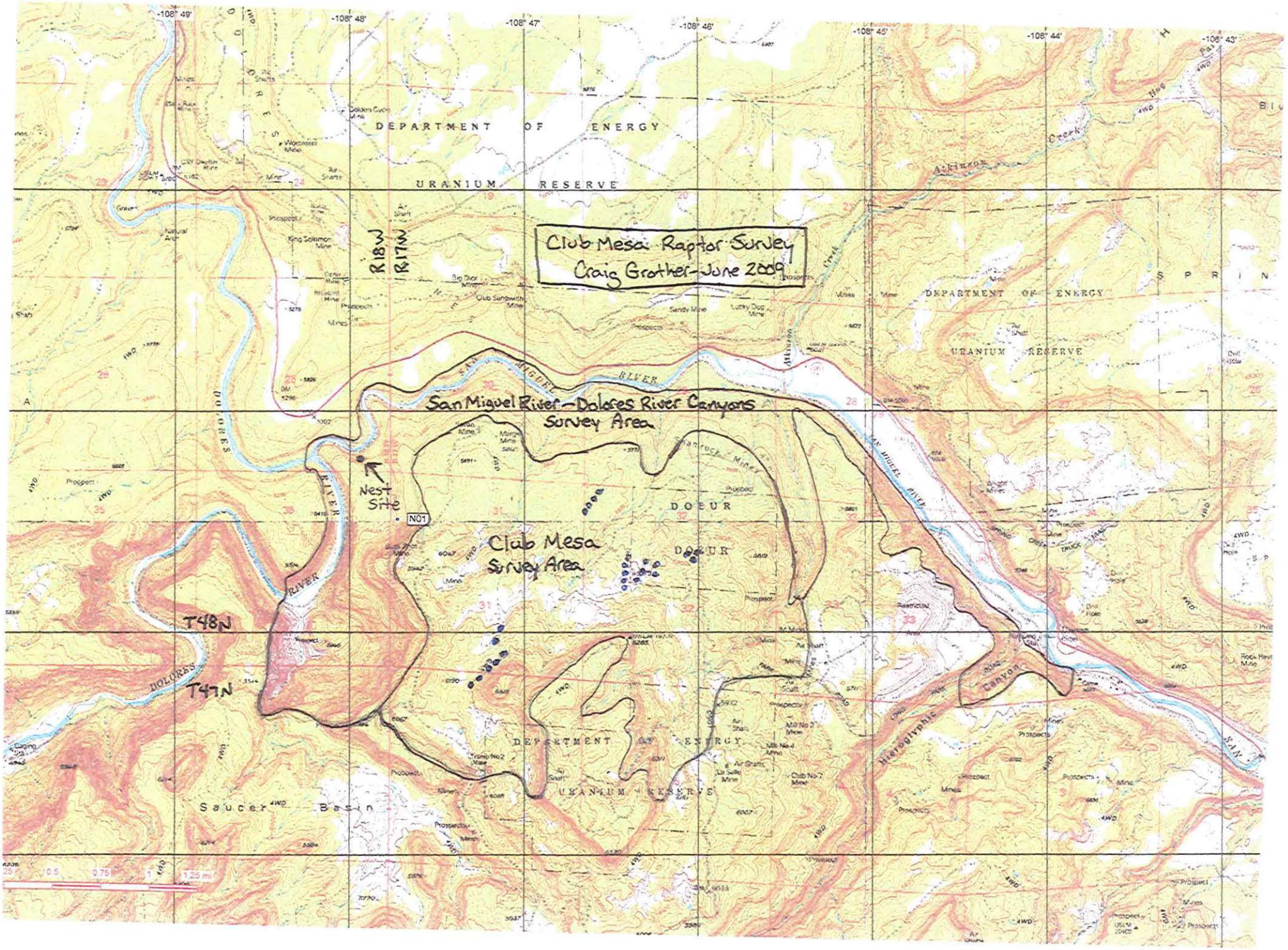
TN MN 11½°

0 .5 1 MILE

0 1000 FEET 0 500 1000 METERS

Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)

DOE Drill Site Locations


Club Mesa Raptor Survey
Craig Grother-June 2009
San Miguel River-Dolores River Canyons
Survey Area
Club Mesa
Survey Area
Nest
Site
N01
R18W
R17W
T48N
T47N
DEPARTMENT OF ENERGY
URANIUM RESERVE
DOLORES RIVER
SAN MIGUEL RIVER
Saucer Basin
Hieroglyphic Canyon
Atkinson Creek
-108° 49'
-108° 48'
-108° 47'
-108° 46'
-108° 45'
-108° 44'
-108° 43'

Cotter, Ed

From: Beranich, Sandy
Sent: Wednesday, July 22, 2009 10:36 AM
To: Cotter, Ed
Subject: FW: Raptor survey

Follow Up Flag: Follow up
Flag Status: Red

Attachments: BLM-Drill-Sites.pdf; DOE-Drill-Sites.pdf; Survey_Areas.pdf

BLM-Drill-Sites.pdf (200 KB) DOE-Drill-Sites.pdf (667 KB) Survey_Areas.pdf (3 MB)

Ed, these maps go with the raptor survey of the Energy Fuels exploratory drilling.

Sandy

-----Original Message-----
From: Craig Grother [mailto:craiggrother@yahoo.com]
Sent: Sunday, July 05, 2009 7:51 PM
To: Beranich, Sandy; b.kramer@energyfuels.com
Subject: Re: Raptor survey

Here are the maps you requested. Please let me know if you need anything else.

From: "Beranich, Sandy" <Sandy.Beranich@lm.doe.gov>
To: craiggrother@yahoo.com
Cc: "Cotter, Ed" <Ed.Cotter@lm.doe.gov>; b.kramer@energyfuels.com
Sent: Thursday, July 2, 2009 10:35:16 AM
Subject: Raptor survey

Craig,

I received a copy of your raptor survey results through Energy Fuels, as requested. Please provide a topo map (USGS topo scale 1:24,000) showing the location of the proposed drill holes and the area you surveyed. If you do not have the technical means to do this electronically, please over night or second day delivery send an 81/2 X 11 inch paper copy to me and I will get it pdf'd and sent on to BLM along with a copy of the report for their records and also for mine. I expect that there will be additional requests to do exploratory work in the general area and I would like to keep track of areas surveyed for raptors and the results.
Also, put the approximate location of the nest on the map.

Thanks - I will be in most of the day today (off tomorrow) if you need clarification. (970) 248-6115.

Brent, I hope you don't mind me contacting Craig directly.

Sandy Beranich
SM Stoller
2597 B 3/4 Rd.
Grand Junction, CO 81503

ULP 030.06(C)

TES WILDLIFE AND PLANTS REPORT

PROJECT INFORMATION

Applicant: Energy Fuels Resources Corporation, Brent Kramer

Project Number/ Name: DOE Club Mesa Exploration

Project Lead: Terersa Pfifer

Proposed Action: combination of exploratory drill holes and reclamation of existing holes, both on BLM on DOE surface lands

Location: Club Mesa project area, Saucer Basin area south of San Miguel River and east of San Miguel-Dolores confluence; drill site location variable, see file maps

Estimated Disturbance: varies by exploration/ reclamation site; most on existing disturbed areas

Survey Expiration/Contingencies:

SITE DESCRIPTION

Habitat type: PJ/ sagebrush/ rocky outcrop
Habitat features: cliffs, outcrops, adjacent rivers, some mature PJ woodland
Vegetation: same as above
Elevation: ~5500' - 6500'
Geology: n/a
Soils: n/a
Other:

SITE ASSESSMENT

*Existing Field Office files and data were examined for presence of known populations of special status species and /or potential habitat within or near the project area.

Survey Target Species (see Species Tables below): raptor species

Other Potentially Occurring Species: Refer to Species Tables.

Field Survey Conducted? ☒ YES ☐ NO

Survey date/ time/ duration: morning of June 23 and 27, 2009; 6 hours total
Weather: fair
Survey methodology: 1/2 mile buffer from proposed disturbance, most intense within 1/4 mile of disturbance, with particular emphasis on suitable nesting sites (cliffs, rocky outcrops, mature trees)
Survey results: one nest found approximately 2 miles from proposed disturbance, likely corvid, no birds present; no other raptor nests or individuals observed in project area

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DETERMINATION OF EFFECTS (for potentially occurring species only; refer to species tables)

ULP 030.06(c)

Federally Listed Species

☐ No effect on the species or critical habitat ( )

☐ May affect, not likely to adversely affect the species or critical habitat ( )

☒ May affect, likely to adversely affect the species or critical habitat (endangered river fishes and greenback)

Proposed Species

☒ No effect on the species or proposed critical habitat (none)

☐ Not likely to jeopardize the continued existence of the species; not likely to result in the destruction or adverse modification of proposed critical habitat ( )

☐ Likely to jeopardize the continued existence of the species; likely to result in the destruction or adverse modification of proposed critical habitat ( )

Candidate and Sensitive Species

☒ No effect on the species (Gunnison's prairie dog, yellow-billed cuckoo,)

☒ May affect individuals, but not likely to result in a trend toward federal listing (sensitive fishes, river otter, sensitive bats, bald eagle, peregrine, ferruginous hawk, longnose leopard lizard, rattlesnake, Naturita milkvetch, San Rafael milkvetch, sandstone milkvetch, Dolores skeleton plant, Paradox breadroot)

☐ Likely to result in a trend toward federal listing ( )

Comments/ Recommendations:

Recommended Mitigation (also refer to species tables):

RAPTORS: No nests were found within the project area or zone of influence (1/2 mile buffer). Therefore, the project is currently cleared for breeding raptors. Survey results expire on May 1, 2010. After that time, surveys would need to be conducted again to determine whether new nests have been built.

If a raptor nest is found during resurveys, at a later date, or during construction, the following conditions would apply. To preserve the stand and habitat structure surrounding the nest, no vegetation removal or modification shall occur within 250' of the known raptor nest. Drilling and travel would be permitted within this 250'-area provided they do not remove or modify the local vegetation.

If resurveys are conducted, the following measures would be required. To protect breeding and nesting raptors, a raptor survey will be conducted for all proposed surface disturbances. Surveys will follow BLM standard protocol and will be conducted 1 to 2 weeks prior to construction or surface disturbance. Survey results and determinations will be submitted to the BLM biologist for review. No surface disturbing activities will occur within within .5 miles of active raptor nests during the breeding period for the species of interest (determined by the BLM biologist). Variances or exceptions to this requirement may be granted by the BLM authorized officer depending on the timing of construction. Survey clearances will expire May 1 of the following year.

SENSITIVE PLANTS: Surveys for potentially occurring species will be conducted in proposed activity areas and within 50 feet of proposed surface disturbance. If plants are found, a 50' buffer may be applied by the BLM to protect these species.

SENSITIVE BATS: For mine closures and reclamation, bat surveys will be conducted to determine occupancy. This will be done in coordination with the Colorado Division of Wildlife (Kurt Navo). Measures may be imposed to protect these species and their habitats (i.e., bat gates).

BIG GAME WINTER RANGE: To protect wintering big game and crucial habitats, no surface disturbing activities shall occur from December 1 through April 15. Surface disturbance includes but is not limited to vegetation clearing/ removal, drilling, dirt work, and/or surface blasting. If it is uncertain whether a particular activity qualifies as surface disturbance, the operator shall consult with the BLM authorized officer prior to implementation. Exceptions to this seasonal restriction must be requested in writing to the BLM authorized officer. Exceptions are evaluated on a case-by-case basis and may be granted by a BLM biologist depending on project location, weather severity, and other factors.

Conclusion: Based on the above information, the proposed action is cleared from a TES plants and wildlife perspective.

_____ _____

Charles M. Sharp
Wildlife Biologist
Bureau of Land Management

Date

THREATENED, ENDANGERED, AND CANDIDATE SPECIES OF THE UFO [1]				
SPECIES	STATUS	HABITAT DESCRIPTION [2]	DESIGNATED CRITICAL HABITAT IN PROJECT AREA?	POTENTIAL AND/OR KNOWN OCCURRENCES IN PROJECT AREA [3]
FISH				
Bonytail *Gila elegans*	E	Warm-waters of the Colorado River mainstem and tributaries, some reservoirs; flooded bottomlands for nurseries; pools and eddies over rocky substrates with silt-boulder mixtures for spawning; no designated critical habitat in UFO	No	None; San Miguel and Dolores Rivers flow north to meet the Colorado River which bears this species; the project is unlikely to contribute to sedimentation of these waterways; however, water depletion associated with drilling and/or reclamation "may affect" this species
Humpback chub *Gila cypha*	E	Warm-water, canyon-bound reaches of Colorado River mainstem and larger tributaries; turbid waters with fluctuating hydrology; young require low-velocity, shoreline habitats such as eddies and backwaters; no designated critical habitat in	No	None; San Miguel and Dolores Rivers flow north to meet the Colorado River which bears this species; the project is unlikely to contribute to sedimentation of these waterways; however, water depletion associated with drilling and/or reclamation "may affect" this species
Razorback sucker *Xyrauchen texanus*	E	Warm-water reaches of the Colorado River mainstem and larger tributaries; some reservoirs; low velocity, deep runs, eddies, backwaters, sidecanyons, pools, eddies; cobble, gravel, and sand bars for spawning; tributaries, backwaters, floodplain for nurseries	No	None; nearest known population in portions of the Gunnison River near Delta, Colorado, and segments of the Lower Colorado River system (outside Colorado); however, water depletion associated with drilling and/or reclamation "may affect" this species

Colorado pikeminnow *Ptychocheilus lucius*	E	Warm-waters of the Colorado River mainstem and tributaries; deep, low velocity eddies, pools, runs, and nearshore features; uninterrupted streams for spawning migration and young dispersal; also floodplains, tributary mouths, and side canyons; highly complex systems	No	None; nearest known population in portions of the Gunnison River near Delta, Colorado, and segments of the Lower Colorado River system (outside Colorado); however, water depletion associated with drilling and/or reclamation "may affect" this species
Greenback cutthroat trout *Oncorhynchus clarki stomias*	T	Cold water streams and lakes with adequate spawning habitat (riffles), often with shading cover; young shelter in shallow backwaters	No	None in project area; however, water depletion associated with the proposed actions "may affect" this species
MAMMALS				
Black-footed ferret [4] *Mustela nigripes*	E	Prairie dog colonies for shelter and food; >200 acres of habitat with at least 8 burrows/acre	No	None
Gunnison's prairie dog [5] *Cynomys gunnisoni*	C	Level to gently sloping grasslands, semi-desert shrublands, and montane shrublands, from 6000'-12,000 in elevation	No	No known populations; limited potential habitat
Canada lynx *Lynx canadensis*	T	Spruce-fir, lodgepole pine, willow carrs, and adjacent aspen and mountain shrub communities that support snowsboe hare and other prey	No	None
BIRDS				
Mexican spotted owl [6] *Strix occidentalis*	T	Mixed-conifer forests and steep-walled canyons with minimal human disturbance	No	None
Southwestern willow flycatcher [6] *Empidonax traillii extimus*	E	For breeding, riparian tree and shrub communities along rivers, wetlands, and lakes; for wintering, brushy grasslands, shrubby clearings or pastures, and woodlands near water	No	None

Yellow-billed cuckoo *Coccyzus americanus*	C	Riparian, deciduous woodlands with dense undergrowth; nests in tall cottonwood and mature willow riparian, moist thickets, orchards, abandoned pastures	No	None; adjacent potential habitat along river corridors, outside proposed action area
PLANTS				
Clay-loving wild buckwheat *Eriogonum pelinophilum*	E	Mancos shale badlands in salt desert shrub communities, often with shadscale, black sagebrush, and mat saltbush; 5200' – 6400' in elevation	No	None
Colorado hookless cactus *Sclerocactus glaucus*	T	Salt-desert shrub communities in clay soils on alluvial benches and breaks, toe slopes, and deposits often with cobbled, rocky, or graveled surfaces; 4500' – 6000' in elevation	No	None
INVERTEBRATES				
Uncompahgre fritillary butterfly [6] *Boloria acrocnema*	E	Restricted to moist, alpine slopes above 12,000' in elevation with extensive snow willow patches; restricted to San Juan Mountains	No	None

[1] U.S. Fish and Wildlife Service. 2009. Federally listed species in Colorado. Official correspondence, February.

[2] Van Reyper G. 2006. Bureau of Land Management TES [threatened, endangered, sensitive] species descriptions. Uncompahgre Field Office, Montrose, CO, updated 2009.Unpublished document.

[3] Assessment based on UFO files and GIS data, partner data, and local knowledge.

[4] Black-footed ferret believed to be extirpated from this portion of its range.

[5] Only those populations occurring in the "montane" portion of the species' range.

[6] Species not known to occur within UFO boundaries, but known to occur in close proximity.

SENSITIVE SPECIES OF THE UFO [1]		
SPECIES	HABITAT DESCRIPTION [2, 3]	POTENTIAL AND/OR KNOWN OCCURRENCES IN PROJECT AREA [4]

FISH		
Roundtail chub *Gila robusta*	Warm-water rocky runs, rapids, and pools of creeks and small to large rivers; also large reservoirs in the upper Colorado River system; generally prefers cobble-rubble, sand-cobble, or sand-gravel substrate	Known to occur in portions of the Dolores and San Miguel Rivers adjacent and downslope of project area; however, proposed actions with mitigation measures are unlikely to contribute to sedimentation of these waters; water depletion associated with the proposed actions "may affect" this species
Bluehead sucker *Catostomus discobolus*	Large rivers and mountain streams, rarely in lakes; variable, from cold, clear mountain streams to warm, turbid streams; moderate to fast flowing water above rubble-rock substrate; young prefer quiet shallow areas near shoreline	None in project area; however, water depletion associated with the proposed actions "may affect" these species
Flannelmouth sucker *Catostomus latipinnis*	Warm moderate- to large-sized rivers, seldom in small creeks, absent from impoundments; pools and deeper runs often near tributary mouths; also riffles and backwaters; young usually in shallower water than are adults	Known to occur in portions of the Dolores and San Miguel Rivers adjacent and downslope of project area; however, proposed actions with mitigation measures are unlikely to contribute to sedimentation of these waters; water depletion associated with the proposed actions "may affect" this species
Colorado River cutthroat trout *Oncorhynchus clarki pleuriticus*	Cool, clear streams or lakes with well-vegetated streambanks for shading cover and bank stability; deep pools, boulders, and logs; thrives at high elevations	None in project area; however, water depletion associated with the proposed actions "may affect" this species
MAMMALS		
Kit fox *Vulpes macrotis*	Semi-desert shrublands of saltbrush, shadscale and greasewood	None
River otter *Lutra Canadensis*	Perennial streams and rivers with abundant fish and crayfish; often in association with beavers and abandoned bank dens	Adjacent habitat along San Miguel and Dolores outside project area
Allen's (Mexican) big-eared bat *Idionycteris phyllotis*	Ponderosa pine, pinyon-juniper woodland, oak brush, riparian woodland (cottonwood); typically found near rocky outcrops, cliffs, and boulders; often forages near streams and ponds.	Potential habitat

Big free-tailed bat *Nyctinomops macrotis*	Rocky areas and rugged terrain in desert and woodland habitats: roosts in rock crevices in cliffs and in buildings caves, and occasionally tree holes	Potential habitat, likely present based on recent area surveys
Spotted bat *Euderma maculatum*	Desert shrub, ponderosa pine, pinyon-juniper woodland, canyon bottoms, open pasture, and hayfields; roost in crevices in cliffs with surface water nearby	Potential habitat, likely present based on recent area surveys
Townsend's big-eared bat *Corynorhinus townsendii*	Mesic habitats including coniferous forests, deciduous forests, sagebrush steppe, juniper woodlands, and mountain; maternity roosts and hibernation in caves and mines; does not use crevices or cracks; caves, buildings, and tree cavities for night roosts	Potential habitat, likely present based on recent area surveys
Fringed myotis *Myotis thysanodes*	Desert, grassland, and woodland habitats including ponderosa pine, pinyon/juniper, greasewood, saltbush, and scrub oak; roosts in caves, mines, rock crevices, and buildings	Potential habitat, likely present based on recent area surveys
Yuma myotis *Myotis yumanesis*	Strongly associated with water, typically rivers or streams; riparian, scrublands and deserts, and forests; roosts in buildings, bridges, cliff crevices, trees, and abandoned mud nests of cliff swallows	Potential habitat, likely present based on recent area surveys
BIRDS		
Bald eagle [5] *Haliaeetus leucocephalus*	Nests in forested rivers and lakes; winters in upland areas, often with rivers or lakes nearby	Winter range habitat; no known crucial habitats, roosts, or concentration in project area
Peregrine falcon [5] *Falco peregrines anatum*	Open country near cliff habitat, often near water such as rivers, lakes, and marshes; nests on ledges or holes on cliff faces and crags	Potential habitat, limited primarily to foraging activities; several known pairs and eyries in region, with nearest known nest approximately 1.7 miles from the proposed drill sites
Northern goshawk *Accipiter gentilis*	Nests in a variety of forest types including deciduous, coniferous, and mixed forests including ponderosa pine, lodgepole pine, or in mixed-forests with fir and spruce; also nest in aspen or willow forests	None
Ferruginous hawk *Buteo regalis*	Open, rolling and/or rugged terrain in grasslands and shrubsteppe communities; also grasslands and cultivated fields; nests on cliffs and rocky outcrops	Limited potential habitat, non-breeding; no known occurrences

Gunnison sage grouse *Centrocercus minimus*	Sagebrush communities (especially big sagebrush) for hiding and thermal cover, food, and nesting; open areas with sagebrush stands for leks; sagebrush-grass-forb mix for nesting; wet meadows for rearing chicks	None
Columbian sharp-tailed grouse *Tympanuchus phasianellus columbian*	Native bunchgrass and shrub-steppe communities for nesting; mountain shrubs including serviceberry are critical for winter food and escape cover	None
Long-billed curlew *Numenius americanus*	Lakes and wetlands and adjacent grassland and shrub communities	None
White-faced ibis *Plegadis chihi*	Marshes, swamps, ponds and rivers	None
Black tern *Chlidonias niger*	Marshes, swamps, and ponds	None
REPTILES AND AMPHIBIANS		
Longnose leopard lizard *Gambelia wislizenii*	Desert and semidesert areas with scattered shrubs or other low plants; e.g., sagebrush; areas with abundant rodent burrows, typically below 5,000' in elevation	Potential habitat
Texas horned lizard [6] *Phrynosoma cornutum*	Plains grasslands, particularly where there are large patches of bare ground; seeks cover in rodent burrows	None
Midget faded rattlesnake [7] *Crotalus viridis concolor*	Rocky outcrops for refuge and hibernacula, often near riparian; upper limit of 7500'-9500' in elevation	Potential habitat
Northern leopard frog [8] *Rana pipiens*	Springs, slow-moving streams, marshes, bogs, ponds, canals, flood plains, reservoirs, and lakes; in summer, commonly inhabits wet meadows and fields; may forage along water's edge or in nearby meadows or fields	None
Canyon treefrog *Hyla arenicolor*	Rocky canyon bottoms along intermittent or perennial streams in temporary or permanent pools or arroyos ; semi-arid grassland, pinyon-juniper, pine-oak woodland, scrubland, and montane zones; elevation 1000' - 10,000'	None
PLANTS		

Grand Junction milkvetch *Astragalus linifolius*	Sparsely vegetated habitats in pinyon-juniper and sagebrush communities, often within Chinle and Morrison Formation and selenium-bearing soils; elevation 4800' – 6200'	None
Naturita milkvetch *Astragalus naturitenis*	Cracks and ledges of sandstone cliffs and flat bedrock area typically with shallow soils, within pinyon-juniper woodland; elevation 5400' – 6700'	Potential habitat, no known occurrences
San Rafael milkvetch *Astragalus rafaelensis*	Banks of sandy clay gulches and hills, at the foot of sandstone outcrops, or among boulders along dry watercourses in seleniferous soils derived from shale or sandstone formations; elevation 4500'– 5300'	Potential habitat, known occurrences nearby
Sandstone milkvetch *Astragalus sesquiflorus*	Sandstone rock ledges (Entrada formation), domed slickrock fissures, talus under cliffs, sometimes in sandy washes; elevation 5000' – 5500'	Potential habitat, no known occurrences
Rocky Mountain thistle *Cirsium perplexans*	Open areas and disturbed sites in mixed shrublands and pinyon-juniper woodlands; elevation 5000' – 8000'	None
Kachina daisy *Erigeron kachinensis*	Saline soils in alcoves and seeps in canyon walls; elevation 4800' – 5600'	None
Montrose (Uncompahgre) bladderpod *Lesquerella vicina*	Sandy-gravel soil mostly of sandstone fragments over Mancos Shale (heavy clays) mainly in pinyon-juniper woodlands or in the ecotone between it and salt desert scrub; also in sandy soils derived from Jurassic sandstones and in sagebrush steppe communities; elevation 5800' – 7500'	None
Colorado desert parsley *Lomatium concinnum*	Adobe hills and plains on rocky soils derived from Mancos Formation shale; shrub communities dominated by sagebrush, shadscale, greasewood, or scrub oak; elevation 5500' – 7000'	None
Paradox Valley (Payson's) lupine *Lupinus crassus*	Pinyon-juniper woodlands, or clay barrens derived from Chinle or Mancos Formation shales, often in draws and washes with sparse vegetation; elevation 5000' – 5800'	None
Dolores skeleton plant *Lygodesmia doloresenis*	Reddish purple, sandy alluvium and colluviums of the Cutler Formation between the canyon walls and the river in juniper, shadscale, and sagebrush communities; elevation 4000' – 5500'	Potential habitat, no known occurrences (outside species' known range)

Eastwood monkey-flower *Mimulus eastwoodiae*	Shallow caves and seeps on steep canyon walls; elevation 4700' – 5800'	None
Paradox breadroot *Pediomelum aromaticum*	Open pinyon-juniper woodlands in sandy soils or adobe hills; elevation 4800' – 5700'	Potential habitat, known occurrences nearby
INVERTEBRATES		
Great Basin silverspot butterfly *Speyeria nokomis nokomis*	Found in streamside meadows and open seepage areas with an abundance of violets	None

[1] Based on Colorado BLM State Director's Sensitive Species List (Last update: March 17, 2000)

[2] Van Reyper G. 2006. Bureau of Land Management TES [threatened, endangered, sensitive] species descriptions. Uncompahgre Field Office, Montrose, CO, updated 2009.Unpublished document.

[3] Spackman SB, JC Jennings, C Dawson, M Minton, A Kratz, C Spurrier. 1997. Colorado rare plant field guide. Prepared for the BLM, USFS, and USFWS by the Colorado Natural Heritage Program.

[4] Assessment based on UFO files and GIS data, partner data, and local knowledge.

[5] ESA delisted species.

[6] Species not known to occur in UFO

[7] Midget faded rattlesnake: validity of subspecies designation is in question by taxonomists

[8] Species currently under status review by FWS and a 12-month finding is pending; i.e., listing of the species throughout all or a significant portion of its range may be warranted

BIRDS OF CONSERVATION CONCERN OF THE UFO [1]			
SPECIES	HABITAT DESCRIPTION [2]	RANGE AND STATUS IN THE UFO [2, 3]	POTENTIAL AND/OR KNOWN OCCURRENCES IN PROJECT AREA [4]
Gunnison sage grouse *Centrocercus minimus*	Sagebrush communities (especially big sagebrush) for hiding and thermal cover, food, and nesting; open areas with sagebrush stands for leks; sagebrush-grass-forb mix for nesting; wet meadows for	Year-round resident, breeding	None

	rearing chicks		
American bittern *Botaurus lentiginosus*	Marshes and wetlands; ground nester	Spring/ summer resident, breeding confirmed in the region but not within the UFO	None
Bald eagle [5] *Haliaeetus leucocephalus*	Nests in forested rivers and lakes; winters in upland areas, often with rivers or lakes nearby	Fall/winter resident, no confirmed breeding	Winter range habitat; no known crucial habitats, roosts, or concentration in project area
Ferruginous hawk *Buteo regalis*	Open, rolling and/or rugged terrain in grasslands and shrubsteppe communities; also grasslands and cultivated fields; nests on cliffs and rocky outcrops	Fall/ winter resident, non-breeding	Limited potential habitat, non-breeding; no known occurrences
Golden eagle *Aquila chrysaetos*	Open country, grasslands, woodlands, and barren areas in hilly or mountainous terrain; nests on rocky outcrops or large trees	Year-round resident, breeding	Potential habitat, no known nests in project area but known to occur along Paradox Valley and near Dolores River
Peregrine falcon [5] *Falco peregrinus*	Open country near cliff habitat, often near water such as rivers, lakes, and marshes; nests on ledges or holes on cliff faces and crags	Spring/summer resident, breeding	Potential habitat, limited primarily to foraging activities; several known pairs and eyries in region, with nearest known nest approximately 1.7 miles from the proposed drill sites
Prairie falcon *Falco mexicanus*	Open country in mountains, steppe, or prairie; winters in cultivated fields; nests in holes or on ledges on rocky cliffs or embankments	Year-round resident, breeding	Potential habitat, likely present
Snowy plover [6] *Charadrius alexandrines*	Sparsely vegetated sand flats associated with pickleweed, greasewood, and saltgrass	Spring migrant, non-breeding	None
Mountain plover *Charadrius montanus*	High plain, cultivated fields, desert scrublands, and sagebrush habitats, often in association with heavy grazing, sometimes in association with prairie dog	Spring/ fall migrant, non-breeding	None

	colonies ; short vegetation		
Long-billed curlew *Numenius americanus*	Lakes and wetlands and adjacent grassland and shrub communities	Spring/ fall migrant, non-breeding	None
Yellow-billed cuckoo [7] *Coccyzus americanus*	Riparian, deciduous woodlands with dense undergrowth; nests in tall cottonwood and mature willow riparian, moist thickets, orchards, abandoned pastures	Summer resident, breeding	None; adjacent potential habitat along river corridors, outside proposed action area
Flammulated owl *Otus flammeolus*	Montane forest, usually open and mature conifer forests; prefers ponderosa pine and Jeffrey pine	Summer resident, breeding	None
Burrowing owl *Athene cunicularia*	Open grasslands and low shrublands often in association with prairie dog colonies; nests in abandoned burrows created by mammals; short vegetation	Summer/ fall resident, breeding	Limited potential habitat, no known occurrences
Lewis's woodpecker *Melanerpes lewis*	Open forest and woodland, often logged or burned, including oak, coniferous forest (often ponderosa), riparian woodland, and orchards, less often in pinyon-juniper	Year-round resident, breeding	Potential habitat
Willow flycatcher [6] *Empidonax traillii*	Riparian and moist, shrubby areas; winters in shrubby openings with short vegetation	Summer resident, breeding	None
Gray vireo *Vireo vicinior*	Pinyon-juniper and open juniper-grassland	Summer resident, breeding	Potential habitat, likely present
Pinyon jay *Gymnorhinus cyanocephalus*	Pinyon-juniper woodland	Year-round resident, breeding	Potential habitat, known occurrences
Juniper titmouse *Baelophus griseus*	Pinyon-juniper woodlands, especially juniper; nests in tree cavities	Year-round resident, breeding	Potential habitat, known occurrences
Veery *Catharus fuscescens*	Deciduous forests, riparian, shrubs	Possible summer resident, breeding	None

		not confirmed	
Bendire's thrasher *Toxostoma bendirei*	Desert, especially areas of tall vegetation, cholla cactus, creosote bush and yucca, and in juniper woodland	UFO is outside known range	None
Grace's warbler *Dendroica graciae*	Mature coniferous forests	Summer resident, breeding	None
Brewer's sparrow *Spizella breweri*	Sagebrush-grass stands; less often in pinyon-juniper woodlands	Summer resident, breeding	Potential habitat, likely present
Grasshopper sparrow *Ammodramus savannarum*	Open grasslands and cultivated fields	UFO is outside known range	None
Chestnut-collared longspur *Calcarius ornatus*	Open grasslands and cultivated fields	Spring migrant, non-breeding	None
Black rosy-finch *Leucosticte atrata*	Open country including mountain meadows, high deserts, valleys, and plains; breeds/ nests in alpine areas near rock piles and cliffs	Winter resident, non-breeding	None
Brown-capped rosy-finch *Leucosticte australis*	Alpine meadows, cliffs, and talus and high-elevation parks and valleys	Summer residents, breeding	None
Cassin's finch *Carpodacus cassinii*	Open montane coniferous forests; breeds/ nests in coniferous forests	Year-round resident, breeding	None

[1] U.S. Fish and Wildlife Service. 2008. Birds of Conservation Concern 2008. United States Department of Interior, Fish and Wildlife Service, Division of Migratory Bird Management, Arlington, Virginia. 85 pp. [Online version available at <http://www.fws.gov/migratorybirds/>].

[2] Cornell Lab of Ornithology. All about birds: bird guide. < http://www.allaboutbirds.org/guide/> Accessed 05/15/2009.

[3] San Juan Institute of Natural and Cultural Resources. Colorado Breeding Bird Atlas. Fort Lewis College, Durango, Colorado. <http://www.cobreedingbirdatlasii.org/> Accessed: 05/15/2009.

[4] Assessment based on UFO files and GIS data, partner data, and local knowledge.

[5] ESA delisted species.

[6] Non-listed subspecies/ population.

[7] ESA candidate species.

BIG GAME HABITAT OF THE UFO [1]							
SPECIES	Severe winter range	Winter concentration	Winter range	Production area	Concentration area	Migration Corridors	Highway crossing
Mule deer	x		x				
Elk	x		x				
Pronghorn							
Big horn sheep *							
Moose							
Mountain goat							

[1] Based on CDOW big game data and maps

* Bighorn sheep summer range nearby, outside project area, along Dolores and San Miguel Rivers

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

Project/Activity Title Energy Fuels Exploratory Work Uranium Lease Tracts, Colorado	Program Office Office of Legacy Management LM-20	NEPA ID Number LM 06-09 Date June 22, 2009
Contractor NEPA Coordinator S. Beranich	Signature Sandy Beranich 6-22-2009	
Contractor Task Manager E. Cotter	Signature 6/22/09	
DOE Project Manager S. Schiesswohl	S Steven R. Schiesswohl 2009.06.23 17:54:10 -06'00'	

A. PROJECT/ACTIVITY DESCRIPTION

Scope

Energy Fuels Resources Corporation has proposed conducting exploratory work on their C-CM-24 lease on the lower bench of Club Mesa in Montrose County, Colorado, two miles west of the former town site of Uravan, Colorado. The exploratory work consists of drilling 8 holes on the U.S. Department of Energy (DOE) lease tract for informational purposes and an additional 17 exploration holes on adjacent land administered by the U.S. Bureau of Land Management (BLM). This Environmental Checklist does not include impacts related to the work on the BLM-administered lands. BLM will prepare NEPA documentation appropriate to the proposed work on their adjacent claims area. As a coordinating agency to the DOE uranium leasing program, BLM has reviewed the proposed exploratory work, participated in a site visit, and provided comments and mitigative stipulations on the proposed work.

The exploratory work on the DOE lease tract would occur in two locations; three holes would be drilled on or near an existing two-track dirt road and five holes would be located in a nearby flat meadow area. One of the drill hole locations is approximately 75-feet (ft) from the nearest road. The drill rig would drive over the existing soil and rock surface to access the site. No grading or other surfacing actions would be required for this limited use, although one small tree would be removed for access purposes.

Vegetation in the flat meadow area consists of primarily native grasses, sagebrush, four wing saltbush, and a few prickly pear and hedgehog cacti. The holes drilled on or adjacent to the existing two-track dirt road is primarily bare soil with scattered native grasses and piñon-juniper.

The drill holes would be drilled dry to a depth of 250 to 350 ft below ground surface (bgs). Once data have been collected, the holes would be plugged in accordance with the Colorado Division of Reclamation, Mining, and Safety (CDRMS) regulations. Cuttings would be returned to the drill holes to a depth of 5 ft bgs. The next 3 ft would be filled with polyurethane foam, and the remaining 2 ft would be filled with native soil. If groundwater is encountered, bentonite pellets

To [illegible] 6-24-09

[illegible] 6-26-09

[illegible] 6-30-09

ULP 120.02 (Roberts)

ULP 030.06(c)

would be used to plug the hole and thereby restrict groundwater movement and potential cross-contamination. Groundwater is not expected to be encountered during any of the drilling.

Drill pits and a compacted drill pad made of native materials would be associated with the drill holes. The drill pads would average 50 ft square, and the drill pits would be approximately 4 ft square and 2 to 3 ft deep. The drill pits would be used to catch the dry drill cuttings. Topsoil from the excavation of the pits would be stockpiled.

Any soil removed during site preparation would be berned and used to cover the pits and cuttings during reclamation. After completion of the drilling, disturbed areas would be reclaimed by scarifying disturbed surfaces and seeding with native seeds as approved by DOE and BLM.

There is no surface water within one mile of any of the drill-hole locations, and no cultural resources were identified during a cultural resource survey of affected locations. If subsurface cultural or paleontological resources are unearthed during drilling operations, activity in the area would cease, and a BLM representative would be notified immediately.

Before drilling begins, a qualified wildlife biologist would complete a raptor survey in accordance with raptor survey protocol provided by the BLM Uncompahgre Field Office. Seasonal restrictions (through August 31) would be enforced for surface disturbance and human encroachment within a 0.5-mile radius of active peregrine falcon nests. In addition, no surface-disturbing activities would occur within 0.25 mile of active bald eagle or raptor nests through July 15.

Drilling is estimated to require 1 day per drill hole. Reclamation of all of the drill holes would be completed within 1 year of drilling. An estimated 3 to 4 workers and oversight personnel would be required for this project.

Background Information
DOE's Office of Legacy Management (LM) manages the uranium leasing program in western Colorado and has approval authority in concurrence with the CDRMS for all proposed exploratory and mine development work on its leases.

B. Environmental and Human Health Considerations

If the proposed action could potentially result in the effects to human health and the environment listed in Table 1, the "Y" (yes) column is checked, and an explanation is provided as to the physical, chemical, and radiological sources or impacts (qualified or quantified when possible). An item checked "Y" does not necessarily mean that an adverse impact would occur. However, it does indicate that LM believes an explanation is warranted, including actions LM would implement to minimize or eliminate the potential impact, and actions to comply with federal, state, and tribal regulations. If the "N" (no) column is checked, no explanation is necessary.

Table 1. Potential Sources of Impacts, and Environmental and Human Health Considerations

POTENTIAL SOURCES OF IMPACTS			
Source	**Y**	**N**	**Explanation**
Air Emissions (e.g., dust, hazardous pollutants)	X		The dry drilling operations would likely generate some dust. If necessary, water would be used as a dust suppressant and applied by a water truck brought to the location.
Chemical Storage/Use (e.g., SARA Title III chemicals)		X	
Explosives Use/Management (including those with explosive potential)		X	
Groundwater Use/Contamination (existing/future)		X	
Mixed Waste Management (radiological/hazardous)		X	
Noise (exceeding background)	X		Anticipated noise levels would be commensurate with the use of a drilling rig to conduct the exploratory drilling. Noise would be limited to the duration of the project.
Pesticide/Herbicide Use (general and regulated quantities)		X	
Petroleum Storage/Use (regulated quantities)		X	
Radioactive Materials/Soils (management)		X	
Solid Waste Generation (nonhazardous/recyclable material)		X	
Surface (Ground) Disturbance (soils, vegetation-clearing, excavation)	X		Surface areas would be disturbed as a part of the drilling process and reclaimed after completion of the drilling.
Surface Water Use/Contamination (water rights, effluent discharge, storm water, dredge and fill)		X	
Toxic Substances Management (asbestos/PCBs)		X	
Transportation/Traffic (regulated materials/waste or traffic increase)		X	
Utility Systems (installing and maintaining; disturbance)		X	
ENVIRONMENTAL AND HUMAN HEALTH CONSIDERATIONS			
Consideration	**Y**	**N**	**Explanation**
Air Quality		X	
Access to/Use of Non-DOE Property		X	
Accidents—Public/Workers		X	
Environmental Restoration Site		X	
Exposure—Public/Workers		X	
Groundwater Quality		X	
Public Involvement/Awareness		X	
Surface Water Quality		X	
Visual Resources		X	

SENSITIVE ENVIRONMENTAL RESOURCES			
Consideration	Y	N	Explanation
Archeological/Cultural Resources		X	
Floodplains/Wetlands		X	
Migratory Birds	X		A survey for raptors would be completed prior to any ground disturbing activities and appropriate restrictions and BLM-provided stipulations would be followed.
National/State Monuments/Parks		X	
Prime and Unique Farmlands		X	
Scenic Byways		X	
Threatened/Endangered Species—Federal		X	
Threatened/Endangered Species—State/Tribal		X	
Wild and Scenic Rivers		X	
Wilderness		X	

C. ELIGIBILITY/CONDITIONS

Does the proposal meet the following criteria for application of categorical exclusion:

- The proposal fits within a class of actions listed in Appendix A or B of Subpart D, Title 10 *Code of Federal Regulations* Part 1021 (10 CFR 1021).
- There are no extraordinary circumstances related to the proposal that may affect the significance of its environmental effects.
- The proposal is not "connected" to other actions with potentially significant impacts, or related to other proposed actions with cumulatively significant impacts, and is not precluded by 40 CFR 1506.1 or 10 CFR 1021.211.

To fit within the classes of actions listed in 10 CFR 1021, Appendix B of Subpart D, the proposed action must not:

- Violate applicable statutory, regulatory, or permit requirements for environment, safety, and health, including requirements of DOE and executive orders.
- Require siting and construction or major expansion of waste storage, disposal, recovery, or treatment facilities (including incinerators and facilities for treating wastewater, surface water, and groundwater).
- Disturb hazardous substances, pollutants, contaminants, or Comprehensive Environmental Response, Compensation, and Liability Act–excluded petroleum and natural gas products that preexist in the environment such that there would be uncontrolled or unpermitted releases.
- Adversely affect environmentally and culturally sensitive resources. An action may be categorically excluded if, although sensitive resources are present on a site, it would not adversely affect those resources.

D. RECOMMENDATION

The proposed drilling of exploratory drill holes is an allowable activity under Criterion B3.1 (f) of Appendix B to Subpart D of 10 CFR 1021: "*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**_____

E. NEPA DETERMINATION

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

✓ 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:

( ) an Interim Action ( ) an Environmental Assessment ( ) an Environmental Impact Statement

( ) a Supplemental Analysis

6/25/09

LM NEPA Compliance Officer Date

Distribution upon signature:

R. Bush, LM NEPA Compliance Officer
S. Schiesswohl, DOE-LM Project Manager
S. Beranich, Stoller NEPA Coordinator
E. Cotter, Stoller Uranium Lease Program Lead (e)
rc-grand. junction

Stoller

established 1959

Task Order LM00-505
Control Number 09-0844

June 22, 2009

U.S. Department of Energy
Office of Legacy Management
ATTN: Steven Schiesswohl
Task Order Manager
11025 Dover Street, Suite 1000
Westminster, CO 80021-5573

SUBJECT: Contract No. DE-AM01-07LM00060, Stoller
Task Order LM00-505, Reuse and Property Management
National Environmental Policy Act (NEPA)—Environmental Checklist on Energy Fuels Exploratory Drilling, Lease Tract C-CM-24

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 on Energy Fuels Lease Tract C-CM-24, which is located two miles west of the former town site of Uravan, Colorado, in western Montrose County. Energy Fuels proposes to drill eight holes on their lease tract to obtain subsurface data. Reclamation of disturbed areas would be completed within a year of drilling.

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 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,

2009.06.22
15:20:40
-06'00'

Ed Cotter, Program Lead
Uranium Leasing Program

SJB/bjg
Enclosure

The S.M. Stoller Corporation 2597 B ¾ Road Grand Junction, CO 81503 (970) 248-6000 Fax: (970) 248-6040

ULP 030.06(c)

cc w/enclosure:
Sandy Beranich, Stoller
Scott Osborn, Stoller (e)
Project File (E. Cotter)

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

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JUN 24 2009

COLORADO DIVISION OF RECLAMATION MINING & SAFETY

Bill Ritter, Jr.
Governor

Harris D. Sherman
Executive Director

Ronald W. Cattany
Division Director
Natural Resource Trustee

June 16, 2009

Brent Kramer
Energy Fuels Resources Corporation
P.O. Box 888
Nucla, CO 81424

Re: DOE Lease, Notice of Intent (NOI) P-2009-014, Notice Approval.

Dear Mr. Kramer,

The Division of Reclamation, Mining and Safety (DRMS) finished the review of Energy Fuels application for the above referenced Notice of Intent. All application issues appear to have been addressed to meet the minimum requirements of the Rules and Act. Therefore staff is pleased to inform Energy Fuels that the DOE Lease project is approved.

Staff has calculated the liability to be $2,550.00 which is below the $5000.00 warranty 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. Therefore Energy Fuels has posted with DRMS a $100.00 bond as required under Statewide Bond **# K07346323.** DRMS will need proof from Energy Fuels that the $5000.00 warranty is posted with DOE prior to any disturbance on site.

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, telephone no. 970.241.1117.

Sincerely,

G. Russell Means
Environmental Protection Specialist

Cc: Ed Cotter, Department of Energy, Grand Junction Office
Rob Ernst, BLM Uncompahgre Field Office

ULP 030.06(c)

COLORADO DIVISION OF RECLAMATION, MINING AND SAFETY
MINERALS PROGRAM INSPECTION REPORT
PHONE: (970) 241-1117

****Confidential****

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The Division of Reclamation, Mining and Safety has conducted an inspection of the mining operation noted below. This report documents observations concerning compliance of the mining operation with the permit and the regulations of the Mined Land Reclamation Board. The report notes 1) Areas of successful compliance; 2) Problems and suggested corrective actions and/or 3) Possible violations to be considered for possible enforcement action by the Mined Land Reclamation Board. **OPERATORS SHOULD READ THIS REPORT CAREFULLY BECAUSE IT MAY REQUIRE CORRECTIVE ACTION AND/OR RESPONSES TO THE DIVISION IN ORDER TO AVOID CONSIDERATION OF POSSIBLE ENFORCEMENT ACTION BY THE MINED LAND RECLAMATION BOARD.**

MINE NAME: DOE Lease Tract C-cm-24 OPERATOR: Energy Fuels

COUNTY: Montrose MINERAL: U / V TYPE OF OPERATION: NOI

INSPECTOR(S): Russ Means

MINE ID # OR PROSPECTING ID #: P-2009-014

INSPECTION DATE:	5-21-09	DATE OF COMPLAINT:	N/A
INSPECTOR'S INITIALS:	GRM	TIME OF DAY (MILITARY):	1000
INSPECTION TYPE CODE[1]:	MP	POST INSP. CONTACTS[2]:	DOE
JOINT INSP. AGENCY CODE[2]:	DOE	REASON FOR INSP. CODE[3]:	PY
WEATHER CODE[4]:	CR	BOND CALCULATION TYPE[5]:	NN

OP. REP. PRESENT: Brent Kramer

1. INSPECTION TYPE CODE - [CL-IN: IL = Illegal Operation, MI = Monitoring, MP = Mineral Prospect, SI = Surety-related, PR = Pre-operation]
2. POST INSPECTION CONTACTS AND JOINT INSPECTION AGENCY CODE - [CL-AG: NO = None, BL = BLM, CH = Colo. Dept. Health; CL = Land Board, CT = Citizen; CW = Wildlife, FS = Forest Service, HW = Hwy. Dept., LG = Local Government, SE = State Engr.]
3. REASON FOR INSPECTION CODE - [CL-RS: AG = Other Agency Request, CT = Citizen Complaint, IE = Normal I&E Program, HP = High Priority, PY = Priority]
4. WEATHER CODE - [CL-WE: CL = Cloudy, CR = Clear, IN = Inclement - prevented inspection, RN = Raining, SN = Snowing, WD = Windy]
5. BOND CALCULATION TYPE: - [BC = Complete Bond, BP = Partial Bond, NN = None]

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. **IF PB OR PV IS INDICATED, YOU SHOULD READ THE FOLLOWING PAGES CAREFULLY IN ORDER TO ASSURE COMPLIANCE WITH THE TERMS OF YOUR PERMIT AND APPLICABLE RULES AND REGULATIONS.** If PV is indicated, you will be notified under separate cover when the Mined Land reclamation Board will consider possible enforcement action.

GENERAL INSPECTION TOPICS

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

Y = Inspected and Found in Compliance PV = Inspected and Possible Violations Noted PB = Inspected and Problems Noted
N = Not Inspected NA = Not Applicable

ORIGINAL - PUBLIC FILE

ULP 030.06(c)

MINE ID # OR PROSPECTING ID #: P-2009-014
INSPECTION DATE: 5-21-09 INSPECTOR'S INITIALS GRM

OBSERVATIONS

This inspection was conducted as part of the normal program established by the Colorado Division of Reclamation, Mining and Safety for the submission of Notice of Intent. The DOE Lease site is a drill project located in Western Colorado on the Department of Energy (DOE) Lease Tract lands. The Notice submission was done by Energy Fuels for a small drill project. DOE and BLM personnel accompanied the inspector on the site visit.

Eight drill holes are proposed in two areas. The first area is a cluster of three holes along an existing pre-law drill road. Approximately 75 feet of minor new road will possibly need to be constructed. The proposed holes are marked with grade stakes and numbering coincides with those noted on provided maps. Vegetation is very limited understory on the dry pinion / juniper mesa. A few native grasses of very sparse density were noted. Based on the type of drill rig surface disturbances should be very minimal.

The second area is a cluster of five holes in a park / meadow area. All holes were flagged similarly to the first three. Access to the drill pads will be overland and no roads are anticipated. Vegetation in the meadow is noted as primarily native grasses, sagebrush, four winged saltbush with a few prickly pear and hedge hog cacti. Some minor moving of rocks and snags may be required but access appears to be very open.

Overall the DOE wishes for all cuttings not placed back in the hole to be buried in proposed dust pits. Standard hole reclamation for a dry hole will be backfilling with cuttings up to approximately five feet, a foam plug for two to three and native materials to finish it off. DOE has supplied the applicant with its preferred seed mix which the inspector will note to be used on all DOE sites.

No erosion or sedimentation issues were identified. As noted the drill rig should have relatively little surface impact and no major roads or large pad construction is proposed.

No issues or problems were identified by those present. Energy Fuels will be complying with DOE and BLM requirements as well as DRMS.

Responses to this inspection report should be directed to Russ Means at the Division of Reclamation, Mining and Safety, Grand Junction Field Office, 101 South 3rd Street, Room 301, Grand Junction, Colorado 81501, phone no. 970-241-1117.

I & E Contact Address

NAME: Brent Kramer
OPERATOR: Energy Fuels
STREET: P.O. Box 888
CITY/STATE/ZIP: Nucla, CO 81424

cc:

- ☐ CE
- X BLM, Uncompahgre Field Office
- ☐ FS
- ☐ HW
- ☐ HMWMD (CH)
- ☐ WQCD (CH)
- X DOE, Grand Junction

MINE ID # OR PROSPECTING ID #: P-2009-014
INSPECTION DATE: 5-21-09 INSPECTOR'S INITIALS GRM

The following problems (PB) and/or possible violations (PV) (and suggested corrective actions) were identified during this inspection. The problems should be corrected by the dates given, or they will become possible violations. The possible violations should be corrected by the dates given to reduce their severity when considered by the Mined Land Reclamation Board. The inspector noted on the previous page should be notified of all corrective actions taken.

PROBLEMS/POSSIBLE VIOLATIONS AND CORRECTIVE ACTIONS

CORRECTION DATE

1. No Problems or Violations noted. / /

PB or PV: ____
TOPIC(S): ____

2. / /

PB or PV: ____
TOPIC(S): ____

3. / /

PB or PV: ____
TOPIC(S): ____

I, G. Russell Means, hereby certify that on June 2, 2009, I deposited a true and complete copy of this foregoing inspection report in the United States Mail, first class postage paid, to the operator of record for this site at the address indicated, and to those others within the body of this report who have been designated to receive copies (DMG personnel excepted).

Signature

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

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COLORADO DIVISION OF RECLAMATION MINING & SAFETY

Bill Ritter, Jr.
Governor

Harris D. Sherman
Executive Director

Ronald W. Cattany
Division Director
Natural Resource Trustee

June 2, 2009

Brent Kramer
Energy Fuels Resources Corporation
P.O. Box 888
Nucla, CO 81424

Re: DOE Lease, Notice of Intent (NOI) P-2009-014, DRMS Review and Reclamation Liability Estimate

Dear Mr. Kramer,

The Division of Reclamation, Mining and Safety (DRMS) finished the review of Energy Fuels application for the above referenced Notice of Intent. All application issues appear to have been addressed to meet the minimum requirements of the Rules and Act.

The final issue is acceptance of the reclamation liability estimate. Staff has calculated the liability to be $2,550.00. Please find a copy of the estimate enclosed. The estimate is below the $5000.00 warranty 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. Therefore, if Energy Fuels accepts the DRMS estimate only a $100.00 bond will be required. DRMS will need correspondence from Energy Fuels accepting the liability estimate and proof that the $5000.00 warranty is posted with DOE to finish the approval process.

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, telephone no. 970.241.1117.

Sincerely,

G. Russell Means
Environmental Protection Specialist

Cc: Ed Cotter, Department of Energy, Grand Junction Office
Rob Ernst, BLM Uncompahgre Field Office

CIRCES Cost Estimating Software

COST SUMMARY FORM

PROJECT IDENTIFICATION

Date : 02-Jun-2009 | Permit or job no. : **P-2009-014** | Site : Doe Lease

User : GRM | Abbreviation : none | State : Colorado

Filename : P014-000 | County : Montrose

Agency or organization name : DRMS

Permit or job action : Initial Reclamation Liability Estimate

TASK LIST (DIRECT COSTS)

NO.	TASK DESCRIPTION	FORM USED	FLEET SIZE	TASK HOURS	DIRECT COST
01a	-seal 8 bore holes	borehole	1	8.00	$568
02a	-misc. earthwork, pits, pads and road	loader	1	3.29	$171
03a	-revegetation of 0.5 acres	revege	1	16.00	$842
04a	-initial mobilization to site	mobilize	3	4.29	$489
05a	-secondary reclamation work mobilization	mobilize	2	0.80	$64
			SUBTOTALS :	32.38	$2,134
			TOTAL DIRECT COST * =		**$2,134**

* includes inflation factor adjustment of : NA %

INDIRECT COSTS

OVERHEAD AND PROFIT -	Liability insurance :	2.02	% of direct	total =	$43
	Performance bond :	1.05	% of direct	total =	$22
	Job superintendent :	NA*	NA NA	total =	NA
	Profit :	10.00	% of direct	total =	$213
				TOTAL O & P =	$279
				CONTRACT AMOUNT (direct + O & P) =	$2,413
LEGAL - ENGINEERING - PROJECT MANAGEMENT -	Financial warranty processing (legal/related costs) :	0.00	total $ NA	total =	$0
	Engineering work and/or contract/bid preparation :	NA	NA NA	total =	NA
	Reclamation management and/or administration :	5.00	% of cntr. NA	total =	$121
CONTINGENCY -		NA*	NA	total =	NA
				TOTAL INDIRECT COST =	**$400**
				TOTAL BOND AMOUNT (direct + indirect) =	**$2,534**

* not required (or eqp. operator serves as super.)

* contingencies accounted for at task level

$2,550.00

CIRCES Cost Estimating Software
BOREHOLE SEALING WORK

PROJECT IDENTIFICATION

Task # : *01a* State : *Colorado* Permit/job # : *P-2009-014*

Date : *06/02/2009* County : *Montrose* Abbreviation : *none*

User : *GRM* Site : *Doe Lease* Filename : *P014-01a*

Agency or organization name : *DRMS*

Permit or other job action : *Final Reclamation Cost Estimate*

Task description : ***seal 8 drill holes***

UNIT COSTS Equipment cost data source : *NA* Shift basis : *NA*

BOREHOLE DESCRIPTION	SEALING ITEM / METHOD	DIAMETER	LENGTH	QUANTITY	UNIT	UNIT COST	TOTAL COST
-back fill drill holes	*General laborer*	*6*	*295*	*8.00*	*HR*	*$25.39*	*$203.12*
-poly foam 8 drill holes	*Polyurethane foam*	*6*	*3*	*24.00*	*CF*	*$15.20*	*$364.80*

JOB COST Total Cost : ***$568***

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WHEEL LOADER - LOAD AND CARRY WORK

PROJECT IDENTIFICATION

Task # :	02a	State :	Colorado	Permit/job # :	P-2009-014
Date :	06/02/2009	County :	Montrose	Abbreviation :	none
User :	GRM	Site :	Doe Lease	Filename :	P014-02a

Agency or organization name : DRMS
Permit or other job action : Final Reclamation Liabiltiy Estimate
Task description : **misc. earthwork, pits, pad and road**

HOURLY EQUIPMENT COST

Basic machine : CAT 246 (2004)
Attachment no. 1 : ROPS Cab
Horsepower : 74
Shift basis : 1 per day
Data source : (CRG)

Cost Breakdown :			Utilization %
	Ownership cost/hour :	$5.55	NA
	Operating cost/hour :	$13.60	100
	Operator cost/hour :	$32.78	NA
	Total unit cost/hour :	$51.93	

Total fleet cost/hour : **$51.93**

MATERIAL QUANTITIES

Initial volume :	150	LCY	Swell factor :	NA	Final volume :	150	LCY

Source of quantity take-off : pad, pit, road dimensions
Source of estimated swell factor : NA

HOURLY PRODUCTION

Loader Cycle Time — Unadjusted basic cycle time (load, dump, maneuver) : 0.425 minutes (Cat HB)

Cycle Time Factors		Factor (min.)	Source
Material :	Mixed material	0.020	(Cat HB)
Stockpile :	No adjustment - factor not applicable	0.000	(Cat HB)
Truck ownership :	No adjustment - factor not applicable	0.000	(Cat HB)
Operation :	Inconsistent operation	0.040	(Cat HB)
Dump target :	Nominal target	0.000	(Cat HB)

Net cycle time adjustment : 0.060 minutes
Adjusted basic cycle time : 0.485 minutes

Rolling Resistance - Road Conditions
Haul : Rutted dirt, little maintenance, no water, 1" tire penatration
Return : Rutted dirt, little maintenance, no water, 1" tire penetration

Haul and Return Time	Length (feet)	Grade res. (%)	Rolling res. (%)	Total res. (%)	Travel time (minutes)	Data Source
Haul route :	75	7.00	4.00	11.00	0.0910	(Cat HB)
Return route :	75	-7.00	4.00	-3.00	0.0423	(Cat HB)

Total travel time : 0.1333 minutes
Total cycle time : **0.618** minutes

Loader Bucket Capacity
Rated capacity : 0.53 LCY (heaped) (Cat HB)
Bucket fill factor : 1.100 Other - rock/dirt mixtures (100-120%)
Adjusted capacity : **0.58** LCY

Job Condition Correction Factors
Site altitude : 5,900 feet
Altitude adjustment factor : 0.97 (Cat HB)
Job efficiency factor : 0.83 (1 shift/day)
Net correction : 0.81 multiplier

Unadjusted hourly unit production : 56.57 LCY/Hr
Adjusted hourly unit production : 45.55 LCY/Hr (Cat HB)
Adjusted hourly fleet production : **45.55** LCY/Hr

JOB TIME AND COST

Fleet size : 1 Loader(s)
Unit cost : $1.140 /LCY
Total job time : **3.29** Hours
Total job cost : **$171**

CIRCES Cost Estimating Software

REVEGETATION WORK

PROJECT IDENTIFICATION

Agency / company name : *DRMS*

Task no. : *03a* | State : *Colorado* | Permit/job no. : ***P-2009-014***

Date : *02-Jun-2009* | County : *Montrose* | Abbreviation : *none*

User : *GRM* | Site name : *Doe Lease* | Filename : *P014-03a*

Permit or other job action : *Initial Reclamation Liability Estimate*

Task description : ***revegetation of disturbed areas***

FERTILIZING

	DESCRIPTION (data source)	UNITS / ACRE	UNIT	COST / UNIT	COST / ACRE
Materials - item no. 1 :	*No fertilizer or amendments required*				
- item no. 2 :					
- item no. 3 :					
				TOTAL FERTILIZER MATERIALS COST / ACRE :	***$0.00***
Application - method no. 1 :	*No fertilizer application required*				
- method no. 2 :					
				TOTAL FERTILIZER APPLICATION COST / ACRE :	***$0.00***

TILLING

- method no. 1 :	*Subsoil scarification, (MEANS 02910 710 3100)*	*$141.13*
- method no. 2 :		
	TOTAL TILLING COST / ACRE :	***$141.13***

SEEDING

Seed Mix : COMMON NAME - VARIETY	SCIENTIFIC NAME	RATE - PLS LBS / ACRE	NATIVE OR INTRODUCED	WARM / COOL SEASON	SEEDS PER SQ. FT.	COST PLS / ACRE
GRASSES, RUSHES and SEDGES :	* NOTE: Table values on drill seed basis. Totals are doubled if any seeding method other than drill seeding is used.					
Western Wheatgrass - Arriba	*Agropyron smithii*	*2.00*	*Native*	*Cool*	*5.1*	*$23.78*
Slender Wheatgrass - Pryor	*Agropyron trachycaulum*	*1.00*	*Native*	*Cool*	*3.7*	*$6.33*
Indian Ricegrass - Paloma	*Oryzopsis hymenoides*	*2.00*	*Native*	*Cool*	*6.5*	*$53.85*
Blue Grama - Hachita	*Bouteloua gracilis*	*1.00*	*Native*	*Warm*	*16.3*	*$16.67*
Galleta	*Hilaria jamesii*	*1.00*	*Native*	*Warm*	*3.7*	*$30.20*
Needle and Thread	*Stipa comata*	*0.50*	*Native*	*Cool*	*1.3*	*$31.08*
Needlegrass, Green - Lodorm	*Stipa viridula*	*1.00*	*Native*	*Cool*	*4.2*	*$14.40*

FORBS :						
Flax, Lewis Blue	*Linum lewisii*	*0.50*	*Native*	*NA*	*3.3*	*$5.13*
Penstemon, Palmer	*Penstemon palmeri*	*0.25*	*Native*	*NA*	*5.5*	*$16.87*
Globemallow, Scarlet (or copper)	*Sphaeralcea coccinea*	*0.15*	*Native*	*NA*	*1.7*	*$22.16*
SHRUBS AND TREES (seed) :						
Saltbush, Four Wing	*Atriplex canescens*	*1.50*	*Native*	*NA*	*2.1*	*$23.74*
Winter Fat	*Ceratoides lanata*	*0.50*	*Native*	*NA*	*1.3*	*$45.79*

*** TOTAL SEEDS / SQ. FT. :** *109.0* *** TOTAL POUNDS PLS / ACRE :** *22.80* *** TOTAL SEED MIX COST / ACRE :** ***$580.03***

Seed application - method : *Broadcast seeding [DMG contract data]* **TOTAL SEED APPLICATION COST / ACRE :** ***$217.94***

MULCHING and MISCELLANEOUS	DESCRIPTION (data source)	UNITS / ACRE	UNIT	COST / UNIT	COST / ACRE
Materials - item no. 1 :	*Herbicide - Curtail @ 4.0 pt/ac*	*1.00*	*acre*	*$31.31*	*$31.31*
- item no. 2 :					
- item no. 3 :					
- item no. 4 :					
				TOTAL MULCH MATERIALS COST / ACRE :	***$31.31***
Application - method no. 1 :	*Weed spray, hand, non-aquatic area, nox. [DMG]*				*$152.24*
- method no. 2 :					
- method no. 3 :					
				TOTAL MULCH APPLICATION COST / ACRE :	***$152.24***

NURSERY STOCK PLANTING COMMON NAME	NO. / ACRE	TYPE and SIZE (planting cost data source)	MATERIAL COST / PLANT	PLANTING COST / PLANT	COST / FERT. PELLET	TOTAL COST / PLANT	TOTAL COST / ACRE
No nursery stock required							
						TOTAL NURSERY STOCK COST / ACRE :	***$0.00***

JOB COST No. of acres : ***0.50*** Cost / acre : ***$1,122.65*** **INITIAL JOB COST :** *$561.33*

Estimated failure rate (percent) : *50.00%* Cost / acre* : ***$1,122.65*** **RESEEDING JOB COST :** *$280.66*

* Selected replanting work items : *T S M* **TOTAL JOB COST :** ***$842***

CIRCES Cost Estimating Software
EQUIPMENT MOBILIZATION / DEMOBILIZATION

PROJECT IDENTIFICATION

Agency or organization name : *DRMS*

Task # : ***04a*** State : *Colorado* Permit/job # : ***P-2009-014***

Date : *06/02/2009* County : *Montrose* Abbreviation : *none*

User : *GRM* Site : *Doe Lease* Filename : *P014-04a*

Permit or other job action : *Initial Reclamation Liability Estimate*

Task description : ***Initial Mobilization to Site***

EQUIPMENT TRANSPORT RIG COST

Shift basis : *1 per day*

Cost data source : *CRG Data*

Truck tractor description : *Generic on-highway truck tractor, 6x4, diesel powered, 400 HP (2nd half, 2006)*

Truck trailer description : *Generic folding gooseneck, drop deck equipment trailer (25T, 50T, and 100T)*

Cost Breakdown :	Available rig capacities :	0-25 Tons	26-50 Tons	51+ Tons
	Ownership cost/hour :	*$16.63*	*$18.37*	*$22.33*
	Operating cost/hour :	*$44.38*	*$46.13*	*$50.07*
	Operator cost/hour :	*$27.66*	*$27.66*	*$27.66*
	Helper cost/hour :	*$0.00*	*$25.39*	*$25.39*
	Total Unit Cost/hour :	*$88.67*	*$117.55*	*$125.45*

NON-ROADABLE EQUIPMENT

Machine Description	Weight/unit (Tons)	Ownership Cost/hr/unit	Haul Rig Cost/hr/unit	Fleet Size (No. units)	Haul Trip Cost/hr/fleet	Return Trip Cost/hr/fleet	DOT permit Cost/fleet
-CAT 246 (2004)	*3.58*	*$5.55*	*$88.67*	*1*	*$94.22*	*$88.67*	*$0.00*
				Subtotals :	***$94.22***	***$88.67***	***$0.00***

ROADABLE EQUIPMENT

Machine Description	Total Cost/hour/unit	Fleet Size (No. units)	Haul Trip Cost/hr/fleet	Return Trip Cost/hr/fleet
-Flatbed Truck, 4x2, 15K GVW	*$49.28*	*1*	*$49.28*	*$49.28*
-Light Duty Pickup, 4x4, 3/4 T.	*$30.93*	*1*	*$30.93*	*$30.93*
		Subtotals :	***$80.21***	***$80.21***

EQUIPMENT HAUL DISTANCE and TIME

Nearest major city or town within project area region : *Naturita*

Total one-way travel distance : *20.0* miles

Average travel speed : *35.0* mph

Transportation Cycle Time :	Non-Roadable Equipment	Roadable Equipment
Haul time (hours) =	*0.57*	*0.57*
Return time (hours) =	*0.57*	*0.57*
Loading time (hours) =	*0.50*	NA
Unloading time (hours) =	*0.50*	NA
Subtotals =	*2.14*	*1.14*

Total non-roadable mob/demob cost * : *$397.47*

* two round trips with haul rig

Total roadable mob/demob cost ** : *$91.66*

** one round trip, no haul rig

JOB TIME AND COST

Total job time : ***4.29*** hours

Total job cost : ***$489***

CIRCES Cost Estimating Software
EQUIPMENT MOBILIZATION / DEMOBILIZATION

PROJECT IDENTIFICATION

Agency or organization name : *DRMS*

Task # : ***05a*** State : *Colorado* Permit/job # : ***P-2009-014***

Date : *06/02/2009* County : *Montrose* Abbreviation : *none*

User : *GRM* Site : *Doe Lease* Filename : *P014-05a*

Permit or other job action : *Initial Reclamation Liability Estimate*

Task description : ***secondary reclamation mobilization***

EQUIPMENT TRANSPORT RIG COST

Shift basis : *1 per day*

Cost data source : *CRG Data*

Truck tractor description : *Generic on-highway truck tractor, 6x4, diesel powered, 400 HP (2nd half, 2006)*

Truck trailer description : *Generic folding gooseneck, drop deck equipment trailer (25T, 50T, and 100T)*

Cost Breakdown :	Available rig capacities :	0-25 Tons	26-50 Tons	51+ Tons
	Ownership cost/hour :	*$16.63*	*$18.37*	*$22.33*
	Operating cost/hour :	*$44.38*	*$46.13*	*$50.07*
	Operator cost/hour :	*$27.66*	*$27.66*	*$27.66*
	Helper cost/hour :	*$0.00*	*$25.39*	*$25.39*
	Total Unit Cost/hour :	*$88.67*	*$117.55*	*$125.45*

NON-ROADABLE EQUIPMENT

Machine Description	Weight/unit (Tons)	Ownership Cost/hr/unit	Haul Rig Cost/hr/unit	Fleet Size (No. units)	Haul Trip Cost/hr/fleet	Return Trip Cost/hr/fleet	DOT permit Cost/fleet
				Subtotals :	***$0.00***	***$0.00***	***$0.00***

ROADABLE EQUIPMENT

Machine Description	Total Cost/hour/unit	Fleet Size (No. units)	Haul Trip Cost/hr/fleet	Return Trip Cost/hr/fleet
-Flatbed Truck, 4x2, 15K GVW	*$49.28*	*1*	*$49.28*	*$49.28*
-Light Duty Pickup, 4x4, 3/4 T.	*$30.93*	*1*	*$30.93*	*$30.93*
		Subtotals :	***$80.21***	***$80.21***

EQUIPMENT HAUL DISTANCE and TIME

Nearest major city or town within project area region : *Naturita*

Total one-way travel distance : *20.0* miles

Average travel speed : *50.0* mph

Transportation Cycle Time :	Non-Roadable Equipment	Roadable Equipment
Haul time (hours) =	*0.40*	*0.40*
Return time (hours) =	*0.40*	*0.40*
Loading time (hours) =	*0.50*	NA
Unloading time (hours) =	*0.50*	NA
Subtotals =	*1.80*	*0.80*

Total non-roadable mob/demob cost * : *$0.00*

* two round trips with haul rig

Total roadable mob/demob cost ** : *$64.17*

** one round trip, no haul rig

JOB TIME AND COST

Total job time : ***0.80*** hours

Total job cost : ***$64***

Department of Energy
Office of Legacy Management

June 9, 2009

OLM-SRS-2009-063

Mr. Dick White, Vice President
Exploration Colorado/Utah Operations
Energy Fuels Resources
P.O. Box 888
Nucla, CO 81424

Subject: Raptor Survey Requirement for the Energy Fuels Resources Exploration Plan Submitted for DOE Lease Tract C–CM–24

Dear Mr. White:

In accordance with Article XI and Appendix C of the Lease Agreement for U.S. Department of Energy (DOE) Lease Tract C–CM–24, Energy Fuels Resources shall conduct a raptor survey of the subject exploration plan project area. This survey shall be performed by a qualified wildlife biologist in accordance with the *Raptor Survey Protocol* as provided by the U.S. Bureau of Land Management—Uncompahgre Field Office (copy enclosed). A *List of Wildlife Biologists for Possible Contract Work* is also enclosed. The results of this survey shall be forward to DOE for consideration in the approval of the subject plan. Please note that this survey is only required if Energy Fuels Resources plans to initiate project work prior to August 31, 2009.

If you have questions concerning this matter, please contact me at (720) 377–9683, or Ed Cotter of my Contractor staff at (970) 248–6056.

Sincerely,

Steven R. Schiesswohl
2009.06.09 10:02:35
-06'00'

Steven R. Schiesswohl
Realty Officer

Enclosures

cc: Project File (E. Cotter)

ULP 030.06(c)

Raptor Survey Protocol
BLM Uncompahgre Field Office
Emphasis: Presence of Breeding Birds

- Surveys should be conducted during the appropriate season and timeframe for target species, typically May-August (preferably May 1 – June 30) by a qualified biologist
- For diurnal species, survey beginning one-half after sunrise, continuing for up to 3 hours maximum; this will vary with the seasons and weather; if avian activity noticeably dissipates within this timeframe, cease surveys until the next day; no evening surveys shall be conducted except as appropriate (owls)
- Required coverage: one standard survey per proposed action area (as opposed to multiple/ separate surveys to account for breeding phenology and behaviors)
- Surveys shall be conducted under similar weather conditions--fair to partly cloudy skies with minimal wind; i.e., surveys should not occur during abnormal, rainy, or inclement weather
- Reports shall document site conditions (topography, elevation, vegetation community, weather, etc.) and survey methods (survey effort, time, effort, etc.)
- Survey all potential nesting habitat within ½ mile of proposed surface disturbance, with most effort spent within ¼ mile of proposed surface disturbance; survey intensity (i.e., transect width) and coverage will vary based on habitat suitability (e.g., presence of cliffs or nesting habitats)
- Be aware of nesting or breeding indicators and document observations (male/female pairs, territorial "chipping" or scolding, birds transporting nesting material or food, fledglings, etc.)
- Nest data to be collected: nest species, GPS location, nest substrate or plant spp.; optional: bird behavior, clutch size, hatch/fledge status, etc.
- Also record incidental species observations when possible (i.e., non-breeding individuals)
- Survey limitations: all surveys and clearances for migratory birds shall expire on May 1 of the following year; exceptions to this rule shall be considered on a case-by-case basis
- Proposed surface disturbances which occur outside the breeding season (May-August) will <u>typically</u> not require clearance surveys

June 8, 2009

List of Wildlife Biologists for Possible Contract Work

All of following could do raptor surveys.

Joe Cresto: retired from Moab BLM Office, raptor surveys, other studies and wildlife mitigation: (435) 259-5006

Keith Fox (birder) (970) 382-7256; works for Ecosphere Environmental in Durango

Jim Ferguson: retired from BLM Uncompahgre Field Office, excellent birder: (970)249-1770; redtailenterprise@bresan.net

Craig Grother: retired Forest Service, excellent birder (forte is big game), lives in Nucla, H (970) 327-4850; Cell (970) 428-4851 (not always turned on); e-mail: craiggrother@yahoo.com

Ron Lambeth: retired Grand Junction Office BLM: (970) 245-4082.

Jim LeFever: (out of Paonia, does a lot of work with coal companies): (970) 527-6315

Doug McVean: retired BLM, (970) 268-5616

Lonny Renner: (970) 256-0176

John Toolen: retired CDOW, lives in Grand Junction, excellent birder: (970) 985-9089.

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OAHP1420

OAHP Use Only: OAHP Doc. No._____ OAHP Project No._____

Colorado Office of Archaeology and Historic Preservation

LIMITED-RESULTS CULTURAL RESOURCE SURVEY FORM

(page 1 of 3)

Small scale limited results projects include block surveys under 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): **Energy Fuels Club Mesa Drill Holes** , Montrose County
2. Date of Field Work: May 21, 2009
3. Form completed by: Carol Patterson Date: June 3, 2009
4. Survey Organization/Agency: BLM, Uncompahgre Field Office

   Principal Investigator: Glade Hadden

   Principal Investigator's Signature: _____

   Other Crew: Carol Patterson

   Address: BLM, UFO, Montrose, CO
5. Lead Agency / Land Owner: Department of Energy, Uranium Reserve

   Contact: Edward T. Cotter, Project Lead, Uranium Leasing Program

   Address: S.M. Stoller Corporation, 2597 B ¾ Road, Grand Junction, Co 81503
6. Client: Energy Fuels
7. Permit Type and Number: _____
8. Report / Contract Number: 09UN08
9. Comments: _____

II. DESCRIPTION OF UNDERTAKING / PROJECT

10. Type of Undertaking: Drill Holes
11. Size of Undertaking (acres): less than one acre Size of Project (if different) _____
12. Nature of the Anticipated Disturbance: minor
13. Comments: rubber tired drill rigs

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V. LITERATURE REVIEW (continued)

25. Known Cultural Resources

In the project area: None

Historic mining property

In the general region (summarize): Historic mining property in the area associated with mining

26. Expected Results: limited resources, lithic scatters, nothing for the National Historic record.

VI. STATEMENT OF OBJECTIVES

27. Looking for eligible sites, examined with pedestrian surface survey looking for eligible sites.

VII. FIELD METHODS

28. Definitions: Site patterned remains of human activity

IF Less than 5 flakes or an isolated tool or feature.

29. Describe Survey Method: 5 m transects centered on drill hole locations

VIII. RESULTS

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

A. Smithsonian Number: _____ Description: _____

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? Is there subsurface potential? Not conducive to human habitation because of long distance to water

Kastens, Marilyn

From: glade_hadden@blm.gov
Sent: Thursday, June 04, 2009 1:47 PM
To: Kastens, Marilyn
Subject: Re: Documentation of Cultural Clearances on DOE Lease Tracts

Attachments: limited-results_cultural_resource_survey_form.doc

limited-results_cultural_resou...

Marilyn

Attached is Carol's report on the Energy Fuels project on Club Mesa, for your files. we will not be getting any concurrence from SHPO since this is a negative report, and no concurrence is required under the BLM protocol agreement. If you have any further questions, just give us a call.

Glade hadden
Archaeologist, UFO

(See attached file: limited-results_cultural_resource_survey_form.doc)

"Kastens, Marilyn" <Marilyn.Kastens@lm.doe.gov>
06/01/2009 09:19 AM

To: Carol_Patterson@blm.gov
cc: Glade_Hadden@blm.gov, "Cotter, Ed" <Ed.Cotter@lm.doe.gov>
Subject: Documentation of Cultural Clearances on DOE Lease Tracts

Hi Carol,

Thanks for your assistance over the phone. I talked to Julie Coleman this morning, and she will be sending me a disc containing the "Guide to Assessing Historic Radium, Uranium, and Vanadium Mining Resources in Montrose and San Miguel Counties," so I hope you haven't spent too much time looking for a copy.

As a follow-up to the Energy Fuels drill hole site visit on May 21, would you please email me a copy of your "Limited Results" documentation for our lease tract files. We would also appreciate getting a copy of the SHPO concurrence with your findings when that comes in. Thanks again.

U.S. Department of Energy Office of Legacy Management

DOE Uranium Leasing Program Field Examination Notes

DOE Lease Tract: C-CM-24 Lessee: Energy Fuels Date: 5-21-09

Proposed Activity: Exploration Drilling Proposed By: Energy Fuels

Examining Team:

Name	Organization	Home Office	Telephone
Brent Kramer	En. Fuels	Nucla	864-7775 x 22
Rob Ernst	BLM	Montrose	240-5305
Barney Burla	"	"	240-5333
Carol Patterson	"	"	240-5318
Russ Means	CDRMS	Exp. & Development	241-1117 970-417-6099
Alan ~~Atta~~ Chilcs	Rimrock ~~Drilling~~	Nucla	~~8/4/24~~
Stoller: Ed C., Dan B., Kyle T., Marilyn K., Sandy B., Linda S., Dick D.			

Description of Surface Area Affected: previously disturbed sites on roads and off roads; pinyon-juniper vege.

☐ Photos Taken: ☑ GPS Data Collected:

Surveys Conducted: ☑ Cultural/Historical (Carol Patterson surveyed ground) ☑ T&E (Linda S. surveying for T&E plant species) ☐ Other:

Changes to Plan: E.F. - currently not planning to do cultural resource surveys. excepton 75' of new road. E.F. will plug holes w/ foam (PUF) instead of cement.

Concerns Voiced and or Special Conditions to be Addressed in the Approval of this Plan:

1. Stoller needs to email Barney B. a copy of seed mix - email Russ Means also
2. Maintain drainage at hole 24-F
3. E.F needs to complete a raptor survey - must follow BLM protocol
4. Control R. knapweed at 24-E - send Brent K map & weed control recommendations
5. Carol P. (BLM arch) found no cultural resources eligible to NRHP;

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.

E.F. does not need to conduct Class III inventory.

LMS 1986
01/27/2009

Distribution: White–DOE-LM Canary–Lessee Pink–Bureau of Land Management

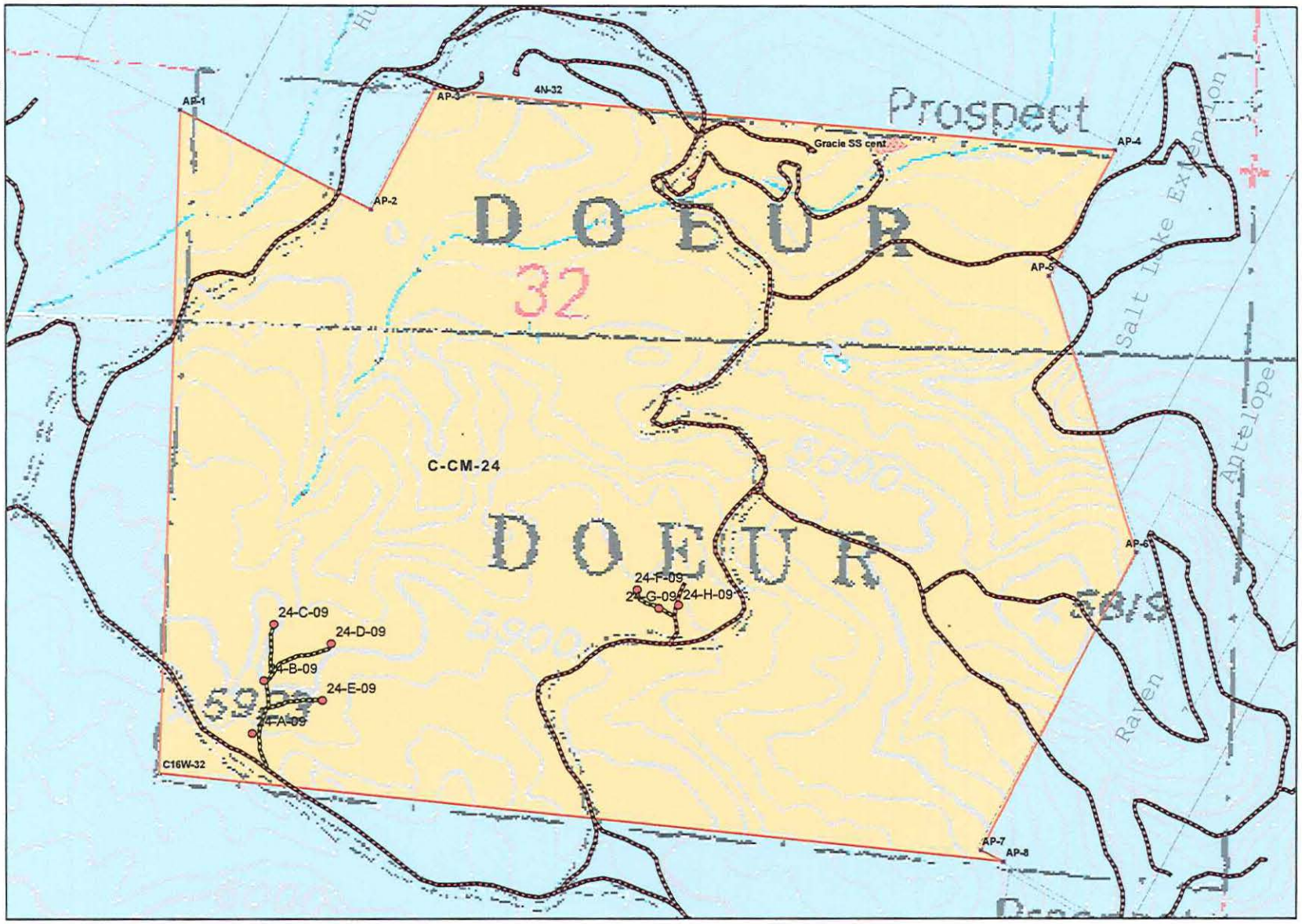
6. Linda S. (Stoller Botanist) found no T&E plant species.

ULP 030.06(c)

Energy Fuels Resources
Proposed Drill Hole Locations

Legend

- Drill Hole
- Artifact
- Road



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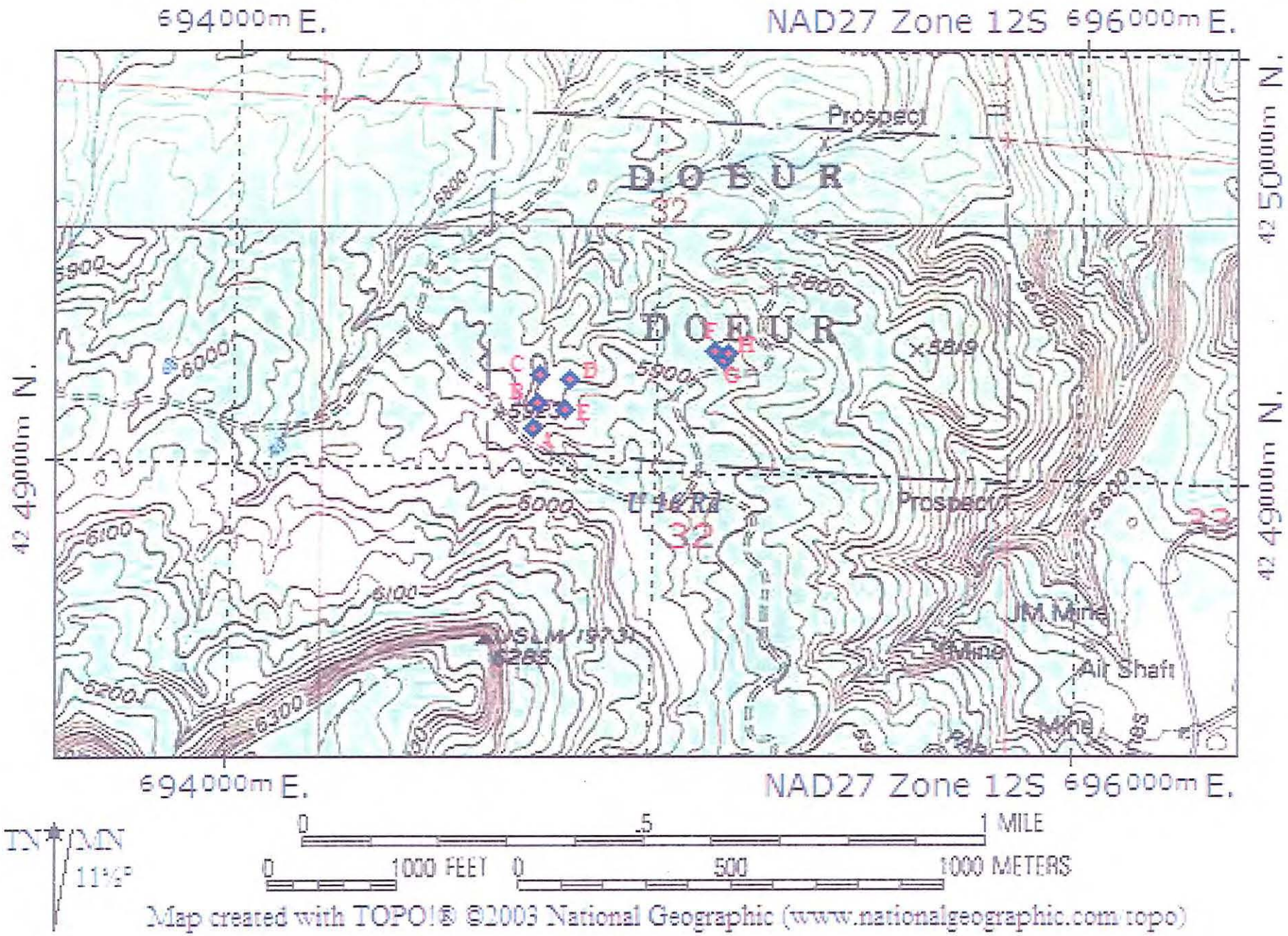
MAY 26 2009

TOPO! map printed on 05/26/09 from "CM-24 2009.tpo"



Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)

TOPO! map printed on 05/26/09 from "Club09.tpo"

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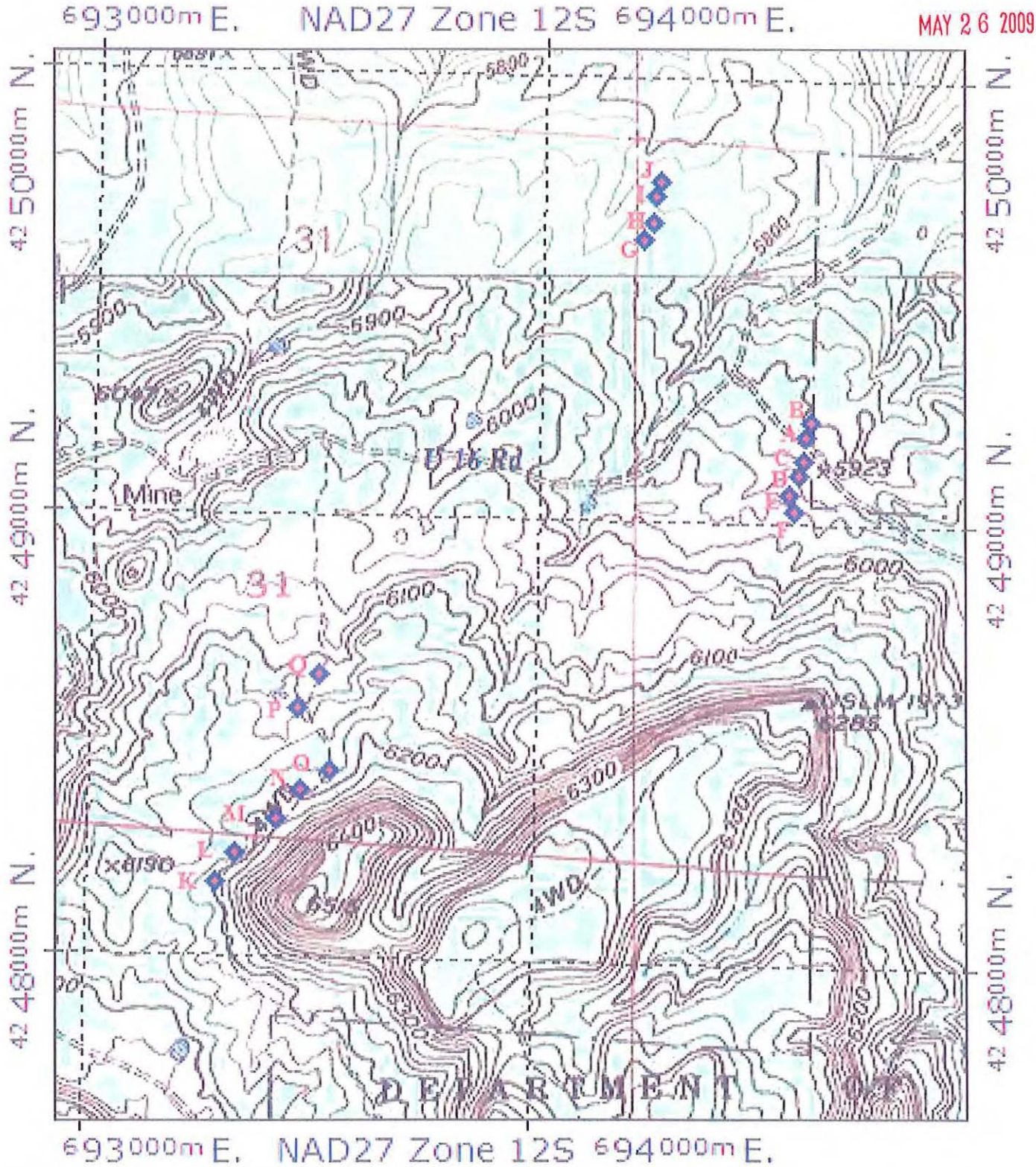

STATE OF COLORADO

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

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MAY 21 2009

COLORADO DIVISION OF RECLAMATION MINING & SAFETY

Bill Ritter, Jr.
Governor

Harris D. Sherman
Executive Director

Ronald W. Cattany
Division Director
Natural Resource Trustee

May 19, 2009

Brent Kramer
Energy Fuels Resources Corporation
P.O. Box 888
Nucla, CO 81424

Re: DOE Lease, Notice of Intent (NOI) P-2009-014, Application Review.

Dear Mr. Kramer,

The Division of Reclamation, Mining and Safety accepted Energy Fuels application for the above referenced Notice of Intent on May 5, 2009. A review of the application notes a discrepancy that needs to be addressed. According to the application 8 holes will be drilled. The map supplied with the application notes 31 hole locations. This raises the potential for confusion at a later date. Please clarify the intent of the other holes noted and supply a map that shows only those under consideration with this application.

Per 5.1.3(b), Energy Fuels has sixty (60) days to correct the above referenced items and any other deficiencies noted during review. The decision date based on this notice of deficiency is now July 17, 2009. If all issues are addressed prior to that date the decision will be rendered accordingly.

DRMS has been in contact with the DOE regarding this Notice. A May 21, 2009 joint inspection has been set up between all parties.

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, telephone no. 970.241.1117.

Sincerely,

G. Russell Means
Environmental Protection Specialist

Cc: Ed Cotter, Department of Energy, Grand Junction Office

ULP 030.06(c)

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

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COLORADO DIVISION OF RECLAMATION MINING & SAFETY

Bill Ritter, Jr.
Governor

Harris D. Sherman
Executive Director

Ronald W. Cattany
Division Director
Natural Resource Trustee

May 5, 2009

Dick White
Energy Fuels Resources Corporation
P.O. Box 888
Nucla, CO 81424

Re: DOE Lease, Notice of Intent (NOI) P-2009-014, Notice of Completeness and Decision Date.

Dear Mr. White,

The Division of Reclamation, Mining and Safety accepted Energy Fuels application for the above referenced Notice of Intent on May 5, 2009. Per Rule 5.1.3(b) the decision on the requested modification is twenty (20) working days which is June 3, 2009. A review of the application for any deficiencies and a bond calculation will be done prior to that date.

DRMS notes that the notice has been sent to the Department of Energy for their review as well. DRMS staff will be coordinating with DOE on the review as much as possible.

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, telephone no. 970.241.1117.

Sincerely,

G. Russell Means
Environmental Protection Specialist

Cc: Ed Cotter, Department of Energy, Grand Junction Office

ULP 030.06(c)

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APR 27 2009

ENERGY FUELS RESOURCES CORPORATION

To: Ed Cotter, Program Lead
DOE Uranium Leasing Program
S.M. Stoller
2597 B ¾ Road
Grand Junction, Colorado 81503

April 24, 2009

Re: Phase One Exploration Plan- drilling on DOE Lease C-CM-24: Club Mesa, Montrose County, Colorado

Mr. Cotter:

Energy Fuels Resources Corporation (EFRC) is sending the attached three copies of the Exploration Plan and Colorado DRMS NOI form for a new prospecting project on the referenced DOE lease. The project will consist of eight (8) exploration drill holes. These are planned to be drilled in conjunction with some holes in the vicinity on claims on BLM land. EFRC has shown the location of the 8 holes on the enclosed maps and photos. These are mostly in relatively flat areas with little or no small brush, so there will be a minimal amount of disturbance. Most holes are accessed overland or from existing roads. One hole (F) will require about 75 feet of new disturbance for access, again relatively flat.

The bond can be allocated from EFRC's State Wide Bond, #K07346323.

If you wish to schedule a field inspection with EFRC personnel, or have questions, please contact Dick White at 970-864-7775 or e-mail to d.white@energyfuels.com. Thank you for your attention to this matter.

Respectfully,

Dick White

Dick White
VP Exploration Colorado/Utah Operations
Energy Fuels Resources Corporation

ULP 030.06(c)

C-CM-24

EXPLORATION PLAN
First Phase of Drilling
April 24, 2009

Energy Fuels Resources Corporation

Introduction: The C-CM-24 lease lies on the northern, lower bench of Club Mesa in Montrose County, Colorado two mile west of Uravan. The region is semi-arid and supports sparse growth of pinyon-juniper forest with interspersed areas of minor brush and grassy open areas. The elevation is approximately 5,900 feet. There are no live streams within a mile of the proposed drilling.

The CM-24 lease has experienced several episodes of mineral exploration drilling over the past 60 years or more as evidenced by the numerous existing access roads. These roads are in various states of repair, but most are driveable. Other parts of the property have not been disturbed by uranium exploration activities. A fairly well maintained Montrose County Road (EE16) crosses the south part of the lease and will be used as the initial access to the proposed drill holes. Five of the eight holes proposed by Energy Fuels Resources Corporation (EFRC) will be drilled in the southwest corner of the lease in a relatively flat, mostly grassy area. No new disturbance will be needed to access these. The other three holes are located in the flat, central part of the lease as offsets to USGS hole CM-247 and other holes that were drilled near it in the late 1970s. The old access will be used for these holes with minimal up-grade where tree limbs are overhanging the old roadways. One of these holes will require an extension of about 75 feet to the existing disturbed area.

Exploration Plan:
Attached to this Exploration Plan is a copy of the Prospecting Notice of Intent filed with the Colorado Division of Reclamation, Mining, and Safety (DRMS). EFRC will authorize DRMS to allocate the appropriate bond amount from its State Wide Bond, #K07346323. The following details are provided to address the information required in Article XII and Appendix "C" of the lease:

C(a)- The cover letter and this plan constitute notice to DOE of the EFRC exploration plans.

C(b)- EFRC will use existing roads and previously cleared trails to the extent possible. These access roads will be left in as good a condition as prior to use. They will not be left with significant ruts if they should become muddy during the project.

C(c)- No survey monuments or historic hole location markers will be disturbed.

C(d)- No housing or other structures will be constructed.

C(e)- A copy of the NOI filed with DRMS is attached.

C(f)- EFRC will consult with DOE, BLM, and/or Colorado Division of Wildlife to determine if any plant or animal species of concern are known to inhabit this area. A field survey by qualified personnel will be conducted, if required.

C(g)- To EFRC's knowledge, there are no cultural or historic sites or artifacts in the areas planned for disturbance. However, EFRC will consult with DOE and/or BLM to determine if a cultural survey by qualified personnel is needed.

C(h)- The area of this project is on a wide bench over a mile distance from any stream, floodplain, or wetland.

C(i)- The majority of drill sites will be accessed by existing roads and overland travel. (See attached maps and photos). Montrose County Road EE16 is the primary access into the area. Hole sites A, B, C, D, and E will be accessed by overland travel north of EE16 in a grassy, relatively flat area. No road construction or water bars will be needed. Site D is on an old drill access road. Small pits will be dug to catch cuttings. No ground water is anticipated so the pits and cuttings should remain dry and be easily buried by backfilling during reclamation. The sites for holes G and H will be accessed via old drill roads where the only disturbance will be to limb or push over a few trees that have overgrown the roads. Site F will be a newly disturbed extension of the old access road to USGS hole CM-247. This, and access to G, will be reclaimed when drilling is complete, provided results do not indicate further offset drilling is needed. This area is also flat enough that water bars will not be needed.

C(j)- EFRC approaches all exploration drilling projects from the philosophy of avoiding unnecessary disturbance to the environment and natural resources. Adherence to the above and following described practices and the description of the project in the DRMS NOI will result in the least affect on the environment. Disturbance at drill sites will be kept to a minimum, yet large enough to allow safe working conditions for the drill crew. All cuttings will be contained and buried. The sites will be seeded to facilitate revegetation.

C(k)- Very little vegetation will need to be cleared for this project. Tree limbs will be broken off and possibly a few trees pushed over to access sites F and G. Cutting into the soil will be very limited, also. Site F will require a short distance of new disturbance, about 75 feet long and 50 feet wide.

C(l)- None of the exploration work involves any underground mine-related activities.

C(m)- Drill holes are expected to be drilled dry. When EFRC is finished gathering data from the holes, they will be plugged according to DRMS regulations. The holes will be

backfilled with cuttings to approximately 7 feet below ground level. Concrete will be poured into the hole to create a five foot plug. The rest of the hole to surface will be filled with native material. If any groundwater is encountered (none is expected), EFRC will use bentonite pellets poured into the hole to create a plug that will prevent groundwater from traveling either down or up the hole.

Areas where equipment is driven and the soil becomes compacted will be scarified and seeded with an approved seed mixture (as listed in the DRMS NOI or suggested by BLM or DOE). The cutting pits will be backfilled, with native soil forming the top surface. These areas will be seeded. Any cuttings which surround the hole collar or otherwise do not get to the pit during drilling will also be buried. Where these cuttings are thin (<2"), they will be raked to mix with native soil and seeded.

Access roads that will not be needed in the future will be reclaimed by scattering any bermed material and rocks, trees, and removed brush along and across the route. These areas will also be seeded.

C(n)- EFRC will cease any operation and notify DOE whenever any material of historic or scientific importance is discovered.

C(o)- Drill rigs and other equipment will have fire extinguishers. If any fire occurs which the crew cannot extinguish, it will be immediately reported to the appropriate BLM office.

C(p)- No mined material will be hauled associated with this exploration project.

C(q)- Not applicable.

C(r)- EFRC will have personnel available for any meeting DOE requires EFRC to participate in.

For questions or comments regarding this Exploration Plan, please contact Dick White at EFRC's Nucla, Colorado office: 31525 Rd. 90, PO Box 888, Nucla, Colorado 81424, phone 970-864-7775, fax 970-864-7776, cell 970-428-7003, or email d.white@energyfuels.com.

Attachments:
DRMS NOI
maps
photos

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)
__X__ **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:** _____
3. **PROSPECTOR:**
   Name: Dick White
   Title: V.P. Exploration
   Company Name: Energy Fuels Resources
   Street: 31525 Rd. 90
   P.O. Box: 888
   City: Nucla
   State: Colorado
   Zip Code: 81424
   Telephone Number: 970-864-7775
   Fax Number: 970-864-7776

   PERSON MLRB SHOULD CONTACT:
   Name: _____
   Title: _____
   Company Name: SAME
   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).

5. **LOCATION INFORMATION:**
   County: Montrose
   PRINCIPAL MERIDAN (check one) ____ 6th (Colorado) __X__ 10th (New Mexico) _____ (Ute)
   SECTION (write number): S 32

TOWNSHIP (write number and check direction) T 48 North X South _____

RANGE (write number and check direction) R 17 East _____ West X

QUARTER SECTION (check one): _____ NE _____ NW _____ SE _____ SW SE of NW and SW of NE

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):
Approx. center of project 2 mi SW of Uravan ≈ 5,900' elev.

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: Approx. center of project at GPS NAD27, Zone 12 S = 695000 E, 4249300 N
See Map

6. **LAND OWNERSHIP**

Private _____ Public Domain (BLM) _____ National Forest (USFS) _____
State _____ State Sovereign Lands _____ Other (please describe): X DOE Lease (Uranium - C-CM-24)

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: _____

Address: _____

_____

_____

Telephone: _____

Fax Number: _____

B. **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).

NAME	SERIAL NUMBER	LEGAL DESCRIPTION

_____

_____

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:

_____

_____

_____

_____

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:

1. 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

2. 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 / ~~Vanadium~~ Vanadium
2. **Estimated dates of commencement and completion:**
   Commencement: May 11, 2009,
   Completion: May 2010,
3. **Amount of material to be extracted, moved or proposed to be moved:** None
4. **Identify the type or method of prospecting proposed and quantity (place an "X")**

_____Cuts X Pits _____Trenches

_____Shafts _____Tunnels _____Adits _____Declines

X 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...

Existing roads and overland travel to all sites except "F" where about 75 ft extension from old road will be needed. Shallow pits to catch and facilitate burial of cuttings

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 8 Average Width 50 (ft) Average Length 50 (ft) - includes pits

B. Drill Holes: Quantity 8 Depth 250 - 350 (ft) Diameter 5 1/8 - 6 (in)

C. Mud Pits: Quantity 8 Average Width 8 (ft) Average Length 12 (ft)

Average Depth 3 (ft)

Described 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:

N/A

D. Other Disturbances (please describe):

N/A

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

Diesel fuel, hydraulic oil, transmission fluid, antifreeze will be used and contained in the mobile equipment.

F. New Road(s): Length 75 (ft) Width 16 (ft)

Significantly Upgraded Road(s) Length _____ (ft) Width _____ (ft)

Are culverts or other crossings proposed? If so, please describe: _____

G. Total project area to be disturbed 0.5 (acres)

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

Truck mounted rotary or hammer drill rig. Probe truck, pick up trucks, small trackhoe +/or skidsteer loader.

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

None.

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

No surface water within one mile of sites. No groundwater is anticipated in the formations to be penetrated.

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.

grasses, small forbs + shrubs, pinyon-juniper trees. Most sites in grassy open areas.

See Photos

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:

Top soil 0-12" thick. Any soil removed for site preparation (pits) will be bermed and used to cover pits and cuttings during reclamation - at depth approx. equal to pre-disturbance

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

Holes will be backfilled with cuttings to about 7 ft. below surface; 5' concrete; backfilled to surface with native material.
If any groundwater is encountered (None expected), bentonite will be used to seal the water from migrating up or down the hole.

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.

N/A

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

Any road repair (none expected) would be left in the new condition.

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)
galleta	2.47
winter fat	0.24
4-wing salt bush	0.25
Indian Rice grass	3.71
Blue gramma	0.48
Salina wildrye	1.03
Needle + thread	2.60
Western Wheatgrass	2.50

or as specified by DOE

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

Broadcast seed into disturbed areas at least at specified rate.
Compacted areas will be scarified prior to seeding. Area will be raked by trackhoe bucket or back-drag by skidsteer loader.

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:

DW 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.

DW I have enclosed the required permit fee.

DW 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.

DW 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.

DW 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.

DW 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 23 day of April, 2009,

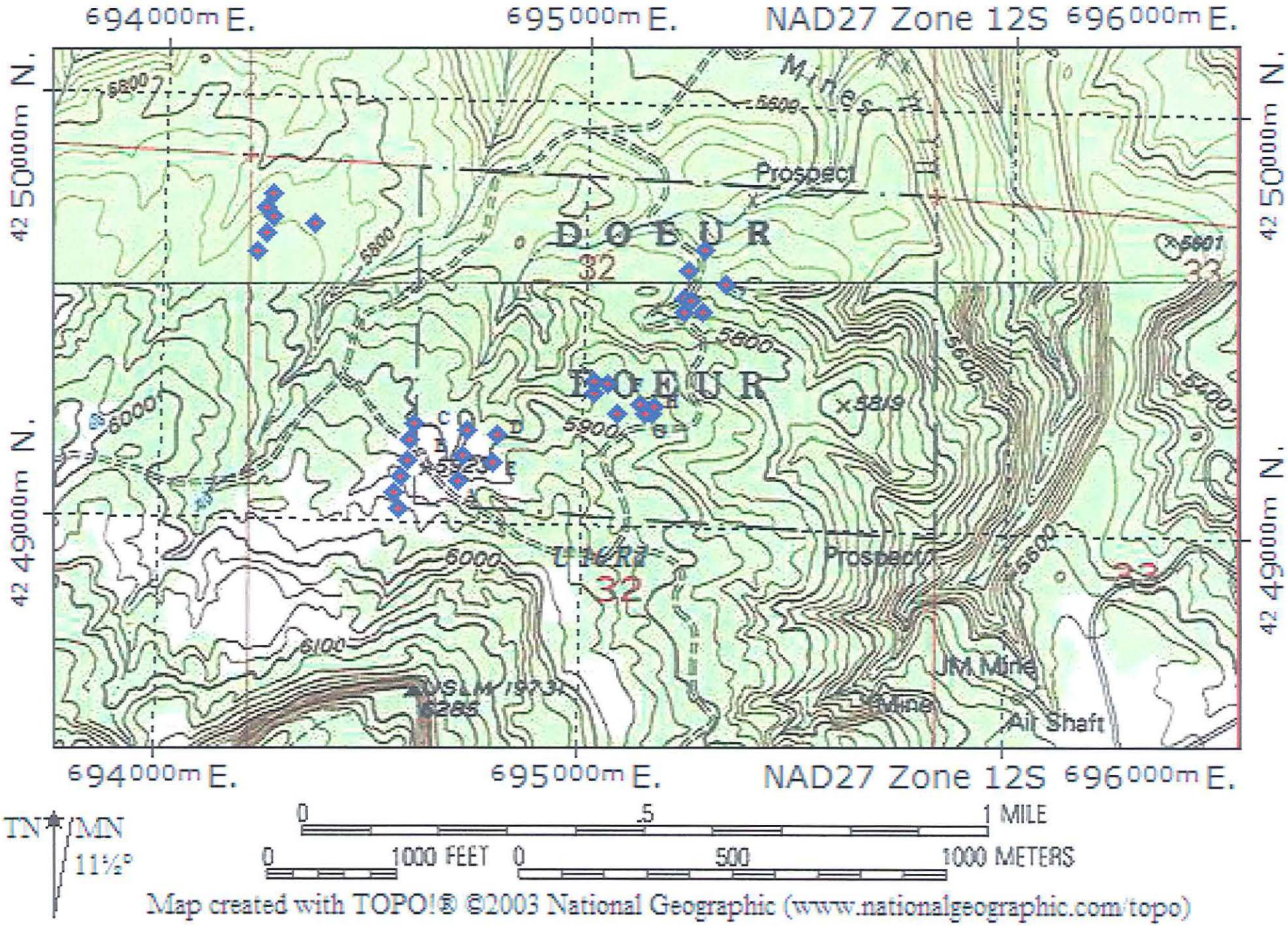
Signature of NOI holder or person authorized to sign:

Dick White

Name (typed or print) Dick White

Title/Position: V.P. Exploration Colo/Utah

TOPO! map printed on 04/14/09 from "Club09.tpo"

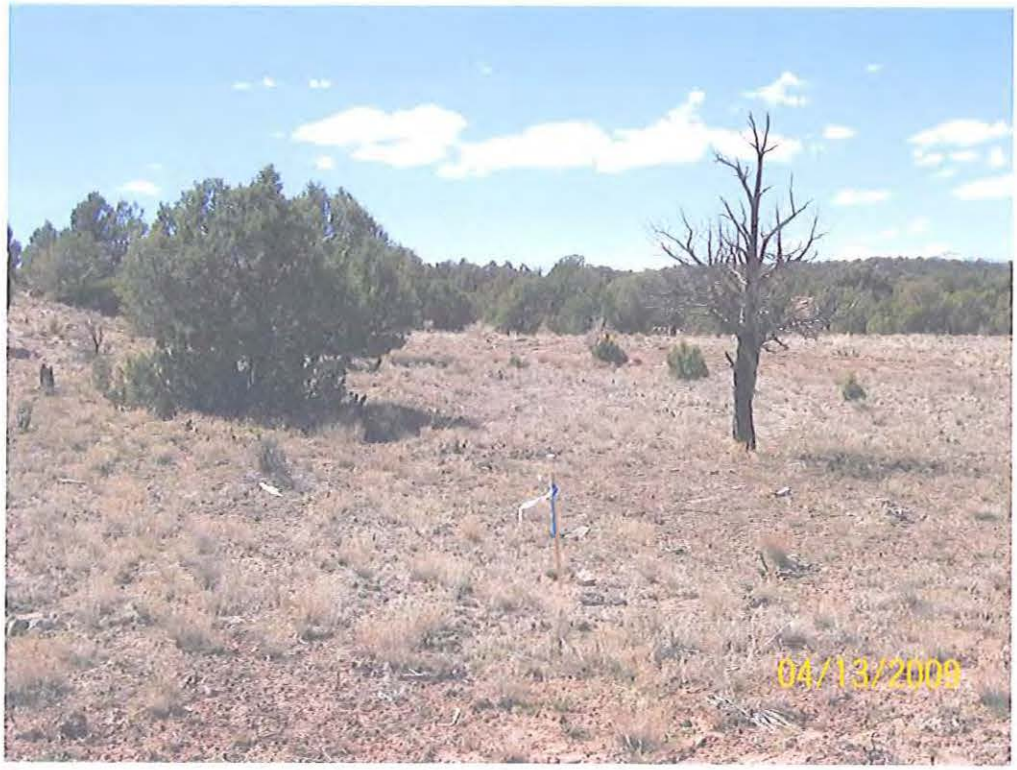


Map created with TOPO!® ©2003 National Geographic (www.nationalgeographic.com/topo)

Site B (close)& A (distant), access from county road EE 16. looking South

Site C, access from county road EE 16, looking South

Site D-old road, looking South



Site E looking West

Site F, looking North from USGS hole CM-247

Site G, looking Northwest (old access to USGS hole CM-247)

Site H, looking North

APPROXIMATE COORDINATES of PROPOSED HOLES

NAD 27 Zone 12S UTM (hand held Garmin GPS)

Site A-694712E, 4249098N

Site B-694721E, 4249157N

Site C-694728E, 4249222N

Site D-694798E, 4249213N

Site E-694789E, 4249143N

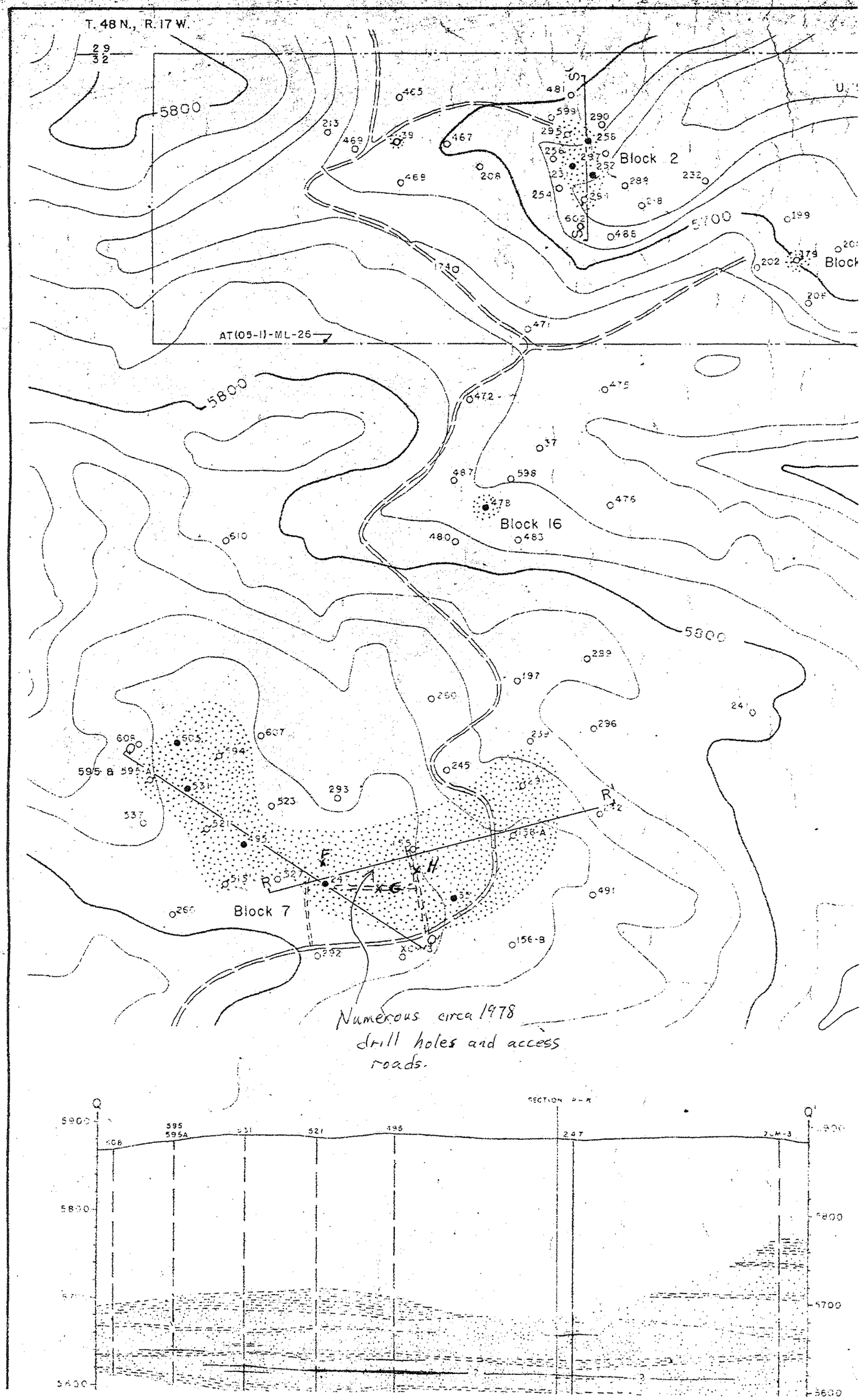
Site F-695137E, 4249287N

Site G-695162E, 4249268N

Site H- approx. 695210E, 4249275N

CM-24
5700
5900
5800
5600
6000
30129
31 32
A
B
C
D
E
F

UNITED STATES DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

C-CM-24

OFFICIAL USE