



ULP-D00251181

Credit for Reclamation Performed in Lieu of Royalties for DOE lease tract C-JD-7



Department of Energy
Office of Legacy Management

November 22, 2010

OLM-LEK-2010-150

Mr. Gus Gaviotis
Vice President Accounting and Finance
Cotter Corporation
7800 East Dorado Place, Suite 210
Englewood, CO 80111

Subject: Credit for Reclamation Performed in Lieu of Royalties

Dear Mr. Gaviotis:

The U.S. Department of Energy (DOE) and its contractor have monitored the reclamation work scope performed by Cotter Corporation (Cotter) in lieu of a portion of the annual royalty payments for the 2010–2011 lease year, and have concluded that the work was completed in a satisfactory manner. In accordance with DOE’s letter dated April 20, 2010, Cotter is hereby credited with annual royalty payments in the aggregate amount of \$24,925, to be distributed and credited to Cotter’s ten lease tracts as indicated: C–JD–6 (\$2,557.57); C–JD–7 (\$7,437.74); C–JD–7A (\$433.79); C–JD–8 (\$1,229.08); C–JD–9 (\$1,970.14); C–SR–11 (\$2,250.30); C–SR–13A (\$921.81); C–SM–18 (\$3,407.08); C–LP–21 (\$2,982.32) and C–CM–25 (\$1,735.17). DOE greatly appreciates Cotter’s efforts in addressing these issues and we trust that this arrangement was beneficial for both parties.

Please contact me at (720) 880–4338, or Ed Cotter of my contractor staff at (970) 248–6056, if you have questions concerning this matter.

Sincerely,

Laura E. Kilpatrick
DOE LM - Rocky Flats
2010.11.22 13:10:12 -07'00'

Laura E. Kilpatrick, Esq.
Realty Officer

cc: G. Williams, Cotter Corporation, Western Slope Operations
Project File (E. Cotter)

2597 B 3/4 Road, Grand Junction, CO 81503	<input type="checkbox"/>	99 Research Park Road, Morgantown, WV 26505
1000 Independence Ave., S.W., Washington, DC 20585	<input type="checkbox"/>	11025 Dover St., Suite 1000, Westminster, CO 80021
10995 Hamilton-Cleves Highway, Harrison, OH 45030	<input type="checkbox"/>	955 Mound Road, Miamisburg, OH 45342
232 Energy Way, N. Las Vegas, NV 89030	<input type="checkbox"/>	

REPLY TO: Grand Junction, CO
Office

ULP 005.07(B)

Cotter, Ed

From: Burns, Dan
Sent: Tuesday, June 15, 2010 12:33 PM
To: Cotter, Ed
Cc: Turley, Kyle; Kastens, Marilyn
Subject: FW: mine closures

Dan L. Burns
Field Operations Manager
Uranium Leasing Program
dan.burns@lm.doe.gov
Off: (970) 248-6317
Cell: (970) 250-6268

-----Original Message-----

From: Carol_Patterson@blm.gov [mailto:Carol_Patterson@blm.gov]
Sent: Tuesday, June 15, 2010 10:44 AM
To: Burns, Dan
Subject: mine closures

Dear Dan,
This letter is to confirm that I visited the Aztec mine on Monogram Mesa and three vent holes on Atkinson Mesa with you on May 18th. I found no evidence that these structures were eligible for nomination to the National Historic Record, or contributed anything to our cultural heritage. I am pleased that the holes will be closed and the land rehabilitated and not pose any danger to visitors. The management data form, report and photographs are on file in my office.

Sincerely,

Carol Patterson
970-240-5318

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

Project/Activity: Reclamation Projects in Jo Dandy Lease Tract C-JD-7, Uranium Leasing Program

A. Brief Project/Activity Description

The U.S. Department of Energy (DOE) Office of Legacy Management (LM) proposes to close a mine portal and the related vent located on the Aztec Claim on Least Tract C-JD-7. Independent contractors associated with Cotter Corporation, the leaseholder, would complete all work within an expected 2 days. The abandoned mine features, which DOE inherited when lease tract boundaries were reconfigured in 2007, are a public safety concern. The lease tract is in the Paradox Valley in western Montrose County, Colorado, approximately 10 miles west-northwest of the town of Naturita and south of State Highway 90. Access to the mine sites would be by all-terrain vehicle or on an existing dirt track road.

Twenty-four to 48 hours prior to closure, and in accordance with approved Colorado Division of Wildlife bat protocol, tarps would be placed across the portal opening, leaving open approximately 12 inches at the bottom to displace any bats that might be inhabiting the mine. Bats are nocturnal and would leave the mine once the tarps are in place. Closure activities include placing large rocks and boulders—and then mine-waste rock—into the portal; adding common borrow materials to attain the desired grade; and seeding with an approved seed mixture. Uranium Leasing Program personnel would identify an appropriate source for the borrow materials.

A vent associated with the mine would be permanently closed with a polyurethane foam plug, covered with surface soil materials, and seeded with an approved seed mixture.

The area was evaluated for the presence of cultural resources, and none were identified. The work is planned to be conducted after migratory bird season; there are no breeding or nesting birds known to be present on the site. No wetlands are present. All activities associated with this reclamation would disturb approximately 0.5 acre.

B. Environmental Concerns

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

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

C. Explanation and Qualification of All "Yes" Responses

Air emissions/air quality: Backfilling the area around the portal may result in minor and temporary fugitive dust. This work is expected to take approximately 2 days to complete and would be in a remote area.

Noise: The use of heavy equipment to push boulders and mine-waste materials back into the mine would temporarily elevate noise levels. There are no near residences in this remote area.

Surface (ground) disturbance: Surface disturbance covering approximately 0.5 acre would be associated with backfilling the portal. After the reclamation, the area would be improved, and a safety issue would no longer be present.

Cultural/archaeological resources present: The affected site area was evaluated for the presence of cultural resources, and none were found eligible for nomination to the National Historic Record.

Protected species present: federal, state, or tribe listed: No listed species are known to be present in the affected area. However, sensitive bat species may inhabit the mine. Using tarps to displace the bats is an effective measure approved by the Colorado Division of Wildlife.

Migratory birds breeding or nesting: The proposed work would be conducted after migratory bird breeding and nesting season is over. In addition, the short-term disturbance at each of the work sites would not be considered intrusive if late nesters were in the area.

D. Eligibility/Conditions

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

E. Recommendation

The proposed sealing of the mine portal and closing of a vent associated with the mine are allowable activities under Criterion B1.28 of Appendix B to Subpart D of 10 CFR 1021: "Minor activities that are required to place a facility in an environmentally safe condition where there is no proposed use for the facility." The reclamation of the disturbed areas is an allowable activity under Criterion B1.3 (k), "Erosion control and soil stabilization measures."

Meets Criteria

Does Not Meet Criteria

Unsure

F. National Environmental Policy Act (NEPA) Determination

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

The proposed actions meet the criteria for categorical exclusion.

The proposed actions do not meet the criteria for categorical exclusion; therefore, I recommend that the LM NEPA Planning Board be convened based on my recommendation (see attached rationale) to complete:

an Interim Action.

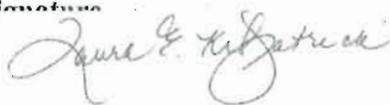
an Environmental Assessment.

an Environmental Impact Statement.

a Supplemental Analysis.

Concurrences

Project/Activity: Reclamation Projects in Jo Dandy Lease Tract C-JD-7, Uranium Leasing Program

LM Site Name Cotter Corporation LT C-JD-7	LM Site Program Uranium Leasing Program	
Contractor NEPA Coordinator Sandy Beranich	Signature 	Date 6-21-2010
Contractor Program Lead Ed Cotter	Signature 	Date 6/21/2010
LM Program Manager Laura Kilpatrick	Signature  Laura E. Kilpatrick DOE LM - Rocky Flats 2010.06.21 11:13:04 -06'00'	Date 6/21/2010
LM NEPA Compliance Officer Richard Bush	Signature 	Date 6/25/10

Distribution upon signature:

R. Bush, LM NEPA Compliance Officer
L. Kilpatrick, LM Program Manager
S. Beranich, Stoller NEPA Coordinator
E. Cotter, Stoller Uranium Leasing Program Lead
S. Osborn, Stoller Compliance Manager
rc-grand.junction

Trip Report, Uranium Lease Sites Vegetation Surveys

Prepared by L. Sheader, Ecologist, S.M. Stoller Corporation on July 6, 2010

Several DOE Lease Tracts were visited in May and June, 2010 to identify any federally-listed plant species that may occur on or near mine features to be reclaimed in Fiscal Year 2010. No federally-listed or other sensitive species were found at any of the locations. All disturbed soils will be re-seeded with an approved native seed mix.

Date	Location	Feature	Field Notes
5/12/10	Calamity/ Outlaw Mesas	Maverick #6	Material will be moved into hole from approx. 10 ft in each direction. Topsoil (2 ft) will be reserved and placed for reclamation. Pinon and juniper trees on the rock pile will be removed. Portions of the surrounding area include mature plant communities, including substantial population of <i>Pediocactus simpsonii</i> . Although this is not a sensitive species, request avoiding populations, and excavating from nearby disturbed areas instead, as a best management practice.
5/12/10	Calamity/ Outlaw Mesas	Radium #5	Shaft with windlass. The adit will be filled with foam, then rock and soil from nearby slopes. No plant species of concern identified in the area.
5/12/10	Calamity/ Outlaw Mesas	Queen of the Hills	Subsided vent shaft will be repaired by pushing in sediments around the shaft. Large dead tree will be replaced in same location. No vegetation concerns.
5/12/10	Calamity/ Outlaw Mesas	Arrowhead Camp area / Blue Ribbon #11	Small vent will be crushed and covered. Surrounded by early successional vegetation; no concerns.
5/12/10	Calamity/ Outlaw Mesas	Blue Ribbon #4	A bat gate has been installed in the portal. A nearby subsidence will be filled with rocks and soil. No plant species of concern. Easter daisies observed in the area.
5/12/10	Calamity/ Outlaw Mesas	Arrowhead #12	Cut tree and place in vent. Use foam and soil to seal opening. Very new vegetation in area with annual weeds; no concerns.
5/12/10	Calamity/ Outlaw Mesas	BLM subsidence	All surrounding species are revegetation plants; no concerns; no sensitive plant species found on surrounding banks
5/12/10	Calamity/ Outlaw Mesas	Calamity #21	"Bull Elk Shaft" is a subsidence that will be filled with surrounding materials. May remove one tree for access. Additional fill will be removed if necessary from hillside. <i>Astragalus</i> observed, but not sensitive species
5/12/10	Calamity/ Outlaw Mesas	Calamity #17	Subsided opening to be filled from adjacent bank. Some cryptobiotic soils; mostly goldenweed, <i>Alyssum desertorum</i> , <i>Opuntia</i> sp. No sensitive spp. observed
5/12/10	Calamity/	G1/G1A	Subsidence by buildings to be repaired. All species in

	Outlaw Mesas		immediate area are revegetation plants. No sensitive spp. observed around the subsidence and at the borrow area.
5/12/10	Calamity/ Outlaw Mesas	G3A	This portal may be opened and mined, or it may be closed. All species in the area are revegetation plants.
5/12/10	Calamity/ Outlaw Mesas	G3	Waste rock piles to be transported to fill hole. Vegetation mainly <i>Ericameria nauseosa</i> , <i>Alyssum desertorum</i> , and a variety of grasses. Some areas of <i>Artemisia tridentata</i> and cacti. No species of concern present.
5/13/10	Monogram Mesa	Aztec	Did not hike in to see the vent but observed from road. Hand shovels will be used to cover with soil after filling with foam. Minimal disturbance to vegetation requested.
5/26/10	Slickrock area (#11)	Tomboy	3 subsided holes. Surrounded by clay soils. Vegetation mainly <i>Ericameria nauseosa</i> and revegetation grasses.
5/26/10	Slickrock area (#11)	Beth Pits	High walls will be buried; waste rock piles to be dozed into the draw. Work will avoid most of the trees in the area. Most of area to be disturbed covered with early successional vegetation.
5/26/10	Slickrock area (#11)	Mercantile #4	Small subsided portal; push boulders in. No vegetation concerns
5/26/10	Slickrock area (#12)	Marne	Pits and trenches to be filled near Marne mine, with additional pit at BLM boundary if time. No vegetation concerns.
5/26/10	Slickrock area (#12)	Spud Patch area	2 pits to be filled. Although some of the vegetation is later successional, no sensitive species were found.
5/26/10	Lease Tract #17	GEU Drill Hole	Inspected area for proposed drill location. Has been previously disturbed; no plant spp. of concern
5/26/10	Lease Tract #17	Radium 10	"Penthouse" ore bin to be pulled down. Sparse vegetation in area; no sensitive spp.
6/14/10	Long Park	TNT #4 & TNT #1	Subsided portals to be repaired. Milk vetch species present in area, but no T&E or sensitive species present in or near work area
6/14/10	Long Park	Hidden Basin Mine	2 subsided shafts to be filled with materials from reclaimed dump area. Track hoe will be used to gather timbers from ore bin, track and shed. Will burn among waste rock. Entire area, including access route, has been disturbed and revegetated with <i>Ericameria nauseosa</i> and native grasses.
6/14/10	Long Park	Donald C	Re-fill portal and contour adjacent piles. This area has been disturbed recently and no plants of concern were identified.



Department of Energy
Office of Legacy Management

April 20, 2010

OLM-LEK-2010-055

Mr. Gus Gaviotis
Vice President, Accounting and Finance
Cotter Corporation
7800 East Dorado Place, Suite 210
Englewood, CO 80111

Subject: Replacement Letter for Annual Royalties for Mining Lease Numbers
AT(05-1)-ML-60.8-C-JD-6, C-JD-7, C-JD-7A, C-JD-8, C-JD-9, C-SR-11,
C-SR-13A, C-SM-18, C-LP-21, and C-CM-25

Dear Mr. Gaviotis:

In accordance with the Lease Agreements for U.S. Department of Energy (DOE) Lease Tracts C-JD-6, C-JD-7, C-JD-7A, C-JD-8, C-JD-9, C-SR-11, C-SR-13A, C-SM-18, C-LP-21, and C-CM-25, annual royalties in the aggregate amount of \$275,800 are due and payable to DOE on April 30, 2010. With reference to past discussions, DOE has again identified specific work scope (hazard mitigation and reclamation activities) that can be performed on various DOE lease tracts in lieu of a portion of these annual royalty payments. The DOE has determined the value of this work scope to be \$24,925. A copy of the specific work scope is enclosed for your review.

On the basis of your review, if Cotter Corporation (Cotter) agrees to perform the work scope specified, please formalize your acceptance by signing in the space provided on the enclosure and returning that document to me. If accepted, please recognize that the balance of annual royalties due to DOE (\$250,875) must be paid by April 30, 2010. Project personnel will coordinate a schedule with you for the completion of these activities. Upon completion of all activities, Cotter will be credited with the appropriate amount annual royalty payments.

If you choose to decline this option at this time, the entire annual royalty amount (\$275,800) is due and payable on April 30, 2010.

If you have questions concerning this matter, please contact me at (720) 880-4338, or Ed Cotter of my contractor staff at (970) 248-6056.

Sincerely,

Laura E. Kilpatrick, Esq.
Realty Officer

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

1800 Independence Ave., S.W., Washington, DC 20585

10995 Hamilton-Cleves Highway, Harrison, OH 45030

232 Energy Way, N. Las Vegas, NV 89030

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◆
◆

99 Research Park Road, Morgantown, WV 26505

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

955 Mound Road, Miamisburg, OH 45342

REPLY TO: Grand Junction, CO

Office

Mr. Gus Gaviotis

-2-

Enclosure

cc: G. Williams, Cotter Corporation, Western Slope Operations
Project File (E. Cotter)

Acknowledgment and Acceptance

Cotter Corporation hereby acknowledges the work scope, and its determined value (\$24,925), as referenced in the letter dated April 20, 2010. Cotter Corporation hereby agrees to perform the defined work scope in lieu of a portion of the annual royalty payments due for Lease Tracts C-JD-6, C-JD-7, C-JD-7A, C-JD-8, C-JD-9, C-SR-11, C-SR-13A, C-SM-18, C-LP-21, and C-CM-25 for the 2010 lease year (aggregate sum of \$275,800). Cotter Corporation further acknowledges that the balance of annual royalties owed to DOE (\$250,875) is due and payable on or before April 30, 2010.

Signature/Title

Date

DOE Uranium Leasing Program
Cotter Corporation —Work Scope for 2010 Reclamation in-lieu-of Royalty

Background

During recent conversations with U.S. Bureau of Land Management (BLM) archaeologists from the Grand Junction, San Juan, and Uncompahgre Field Offices, the U.S. Department of Energy Office of Legacy Management (DOE) was advised the entire Uravan Mineral Belt is now being scrutinized for its unique mining-related attributes that date back nearly a century, through the various radium, vanadium, and uranium booms. The *Guide to Assessing Historic Radium, Uranium, and Vanadium Mining Resources in Montrose and San Miguel Counties* was assembled to provide consistency throughout the BLM Field Offices on how certain 'historic mining-related features' are characterized and documented. Because of this added scrutiny, cultural/historic surveys were required for the ULP's proposed mine-site reclamation activities. These surveys were conducted during the summer and fall months of 2009.

The cultural/historical report prepared for the Long Park area noted that several of the abandoned mine sites slated for reclamation, specifically the Long Park No. 16 Shaft and the Vanadium King No. 5 Mine on Lease Tract C-LP-21, are eligible for nomination to the National Register of Historic Places. Because these sites are eligible, DOE met with representatives from BLM and the Colorado State Historic Preservation Office to consider the options available for these two sites. Based on the results of that meeting and subsequent discussions, the reclamation work scope for those two identified sites has been revised as noted below.

Work Scope

C-JD-7:

The adit and vent located on the Aztec Claim are open and need to be properly and permanently closed. Prior to closure (24-48 hours), a tarp shall be placed over the portal with the bottom left open approximately 12 inches, to displace any bats which might be inhabiting the mine. Closure shall consist of backfill with on-site materials, beginning with large rocks pushed into the portal, followed by mine waste-rock materials and finished to desired grade with common borrow surface materials from a source identified by ULP project personnel, and reseeded (approximately ½ acre) with an approved seed mixture.

The vent associated with the mine shall be permanently closed with a polyurethane foam plug, covered with surface soil materials, and reseeded with an approved seed mixture.

These features can only be mitigated subsequent to a historical/cultural survey and clearance.

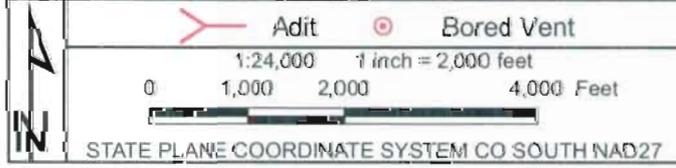
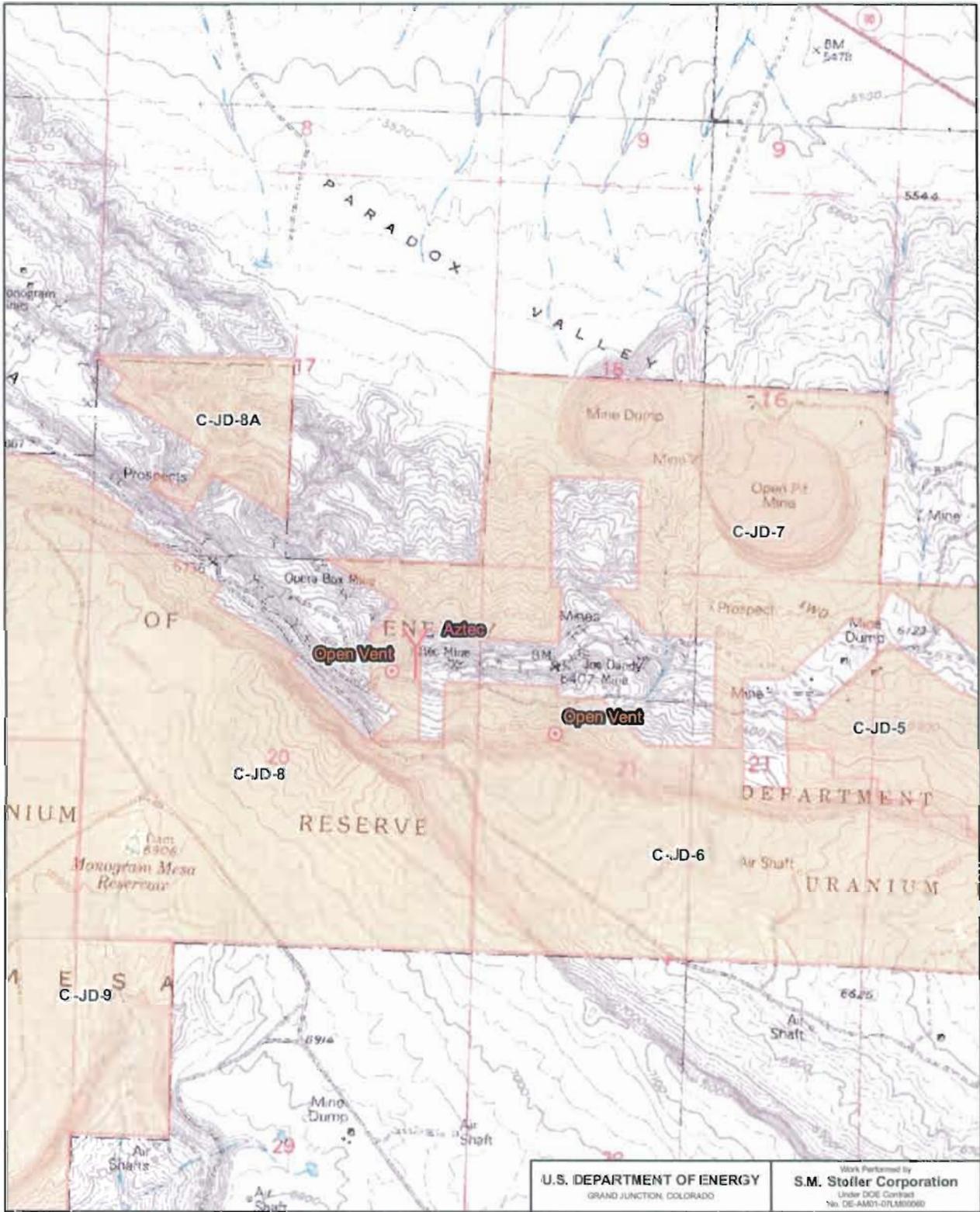
C-SR-11:

A subsidence at the previously backfilled Mercantile No. 3 mine portal needs to be permanently closed. The subsidence must be dug out enough to allow placement of large rocks in the opening and then be pushed back to the point of refusal. The opening shall be backfilled with additional

mine waste-rock material and covered with common borrow surface materials from a source identified by ULP project personnel and reseeded (approximately ½ acre) with an approved seed mixture.

Material from the Tomboy Mine site waste-rock dump has washed out into the roadway as a result of a heavy precipitation event. The road needs cleaned up and re-graded to allow access beyond the site.

Numerous pits and trenches located on the Beth Claim remain open and un-reclaimed. Piles of mine waste-rock material are present around some of the pit perimeters. Side-walls of the pits/trenches will be broken down and the piles dozed in to mitigate the high-wall hazards. Surface soil materials as identified by ULP personnel (ideally from a nearby pond) shall then be added to the site to cover the previous materials. Portions of the site may remain as depressions. Finish grade should be a rolling, undulating contour similar to nearby undisturbed topography and then seeded with an approved seed mixture (approximately 2.5 acres).



U.S. DEPARTMENT OF ENERGY GRAND JUNCTION, COLORADO	Work Performed by S.M. Stoffer Corporation Under DOE Contract No. DE-AM01-07LM0000
ULMP Hazard Mitigation 2010 Bull Canyon Quad T46N, R17W	
DATE PREPARED 2 March 2010	FILENAME ULP005-02

Summary of Estimated Costs for 2010 Reclamation Field Activities — Revised Cotter Corporation - in-lieu-of Royalties

Date	Unit Cost	C-JD-7							C-SR-11							DM	Total		
		Mob	1	2	3	4	5	6	7	8	9	10	11	12					
Equip. Operator	2,000	2	2																12
Laborers	1,400																		0
Trackhoe (320)	4,560	1	1																8
Trackhoe (307)	3,600																		0
Mini-Excavator	1,400																		0
Dozer (D-8)	6,800																		0
Dozer (D-6)	5,520																		0
Dozer (D-4)	2,540																		1
FE Loader (966)	3,120																		0
Backhoe (580)	2,640	1	1																5
Skidster Loader	1,680																		4
Grader/Maintainer	3,120																		0
Dump Truck (60m)	2,880																		0
Dump Truck (rock)																			0
Water Truck	2,880																		0
Flashed Trailer	700																		0
Pickup (4X4)	1,920																		0
Portable Welder	540																		0
Oxy/Acet Torch Kit	540																		1
Bat Gate Inst. (LS)																			0
Seed Mix (LS)	300																		2.5
PUF (QS Kit)	200																		5
PUF (Bulk)	2,000																		0
Mobile PUF Application	1,000																		0
SUB (Initials)																			0
CJO (Initials)																			0

Seed: Quote Per Granite Seed = \$279 per acre; rounded to \$300 per acre

Polyurethane Foam (PUF): Quick-Set Kit = \$200 (15 cubic feet), Bulk Foam (2 55-Gallon Drums) = \$2,000 (400 cubic feet)

Cotter 2010 Reclamation in-lieu-of Royalties — Estimated Costs

Description	Days on Job	4-day Weeks	Cost per Week	Total Cost
Equip. Operators	12	3	2,000	6000
Laborers	0	0	1,400	0
Trackhoe (320)	8	2	4,560	9120
Trackhoe (307)	0	0	3,600	0
Mini-Excavator	0	0	1,400	0
Dozer (D-8)	0	0	6,800	0
Dozer (D-6)	1	0.25	5,520	1380
Dozer (D-4)	0	0	2,540	0
FE Loader (966)	5	1.25	3,120	3900
Backhoe (580)	4	1	2,640	2640
Skidster Loader	0	0	1,680	0
Grader/Maintainer	0	0	3,120	0
Dump Truck (tdm)	0	0	2,880	0
Dump Truck (rock)	0	0	0	0
Water Truck	0	0	2,880	0
Flatbed Trailer	0	0	700	0
Pickup (4X4)	0	0	1,920	0
Portable Welder	0	0	540	0
Oxy/Acet Torch Kit	1	0.25	540	135
Bat Gate Inst. (LS)	0	0		0
Seed Mix (LS)	2.5	2.5	300	750
PUF (QS Kit)	5	5	200	1,000
PUF (Bulk)	0	0	2,000	0
Mobile Puf Application	0	0	1,900	0
			Total Cost	24925



ULP-D00251184
Credit for Reclamation Performed in Lieu of
Royalties for DOE Lease Tract C-WM-17

Department of Energy
Office of Legacy Management

November 22, 2010

OLM-LEK-2010-154

Mr. Rich Ziegler, Vice President
Golden Eagle Uranium, LLC
6767 South Spruce Street, Suite 100
Centennial, CO 80112

Subject: Credit for Reclamation Performed in Lieu of Royalties

Dear Mr. Ziegler:

The U.S. Department of Energy (DOE) and its contractor have monitored the reclamation work scope performed by Golden Eagle Uranium, LLC (GEU), in lieu of a portion of the annual royalty payments for the 2010-2011 lease year, and have concluded that the work was completed in a satisfactory manner. In accordance with DOE's letter dated June 3, 2010, GEU is hereby credited with annual royalty payments in the aggregate amount of \$34,715, to be distributed and credited to GEU's eight lease tracts as indicated: C-JD-5A (\$3,029.67); C-SR-10 (\$2,461.61); C-SR-11A (\$7,826.65); C-SR-15A (\$6,879.88); C-SR-16 (\$3,282.15); C-WM-17 (\$3,787.09); C-LP-22 (\$4,986.34); and C-LP-22A (\$2,461.61). DOE greatly appreciates GEU's efforts in addressing these issues and we trust that this arrangement was beneficial for both parties.

Please contact me at (720) 377-9683, or Ed Cotter of my contractor staff at (970) 248-6056, if you have questions concerning this matter.

Sincerely,

Laura E. Kilpatrick
DOE LM - Rocky Flats
2010.11.22 14:24:53
-07'00'

Laura E. Kilpatrick, Esq.
Realty Officer

cc: Project File (E. Cotter)

2597 B 3/4 Road, Grand Junction, CO 81503	<input type="checkbox"/>	99 Research Park Road, Morgantown, WV 26505
1000 Independence Ave., S.W., Washington, DC 20585	<input type="checkbox"/>	11025 Dover St., Suite 1000, Westminster, CO 80021
10995 Hamilton-Cleves Highway, Harrison, OH 45030	<input type="checkbox"/>	955 Mound Road, Miamisburg, OH 45342
232 Energy Way, N. Las Vegas, NV 89030	<input type="checkbox"/>	

REPLY TO: Grand Junction, CO
Office

ULP 021.07(B)

Cotter, Ed (CONTR)

From: Kilpatrick, Laura
Sent: Monday, September 20, 2010 9:38 AM
To: Cotter, Ed
Cc: Burns, Dan; Kastens, Marilyn; Turley, Kyle
Subject: RE: FW: Fw: SHPO concurrence for Radium #10 Mine

Thanks, Ed. That makes sense to me - and, I agree. Have a great day!

Laura E. Kilpatrick, Esq.
Realty Officer
Office of Legacy Management
U.S. Department of Energy
11025 Dover Street, Suite 1000
Westminster, CO 80021
Office - 720-880-4338
Office Fax - 720-377-3829
Personal Cell - 303-902-0134

-----Original Message-----

From: Cotter, Ed
Sent: Thursday, September 16, 2010 2:33 PM
To: Kilpatrick, Laura
Cc: Burns, Dan; Kastens, Marilyn; Turley, Kyle; Cotter, Ed
Subject: FW: FW: Fw: SHPO concurrence for Radium #10 Mine

Laura,

I just spoke with Tom Rice, BLM-DPLO, about the Radium Hill No. 10 hoist house issue. He told me that he spoke with Montrose County Road personnel and they are going to visit the site and take a look at the situation and determine if the site can be fenced without impacting the public's ability to use the road. Dan and Kyle have told me that the roadway width will be severely restricted (bicyclists could navigate around the fence, vehicles could not) if the site were fenced adequately to protect the public. Montrose County could go ahead and give us their blessing to install the fence, accepting the fact that it will restrict vehicular traffic. It's hard to say how they will react. Tom also said that BLM's concurrence letter to SHPO was sent out earlier this week and SHPO has 30 days to respond. Tom doesn't think that SHPO will have a problem with the proposed demolition of the hoist house, but you never know. Tom also said that he would inquire with SHPO to see if they could expedite their review of the site due to the serious safety concerns. With all that said, we may just want to wait a few more days to see how things play out. It doesn't make too much sense to erect a fence in a week or two, just to tear it down in another week or two to complete the proposed demolition.

I will keep you all posted on how the situation unfolds. If you have questions please let me know.

Ed Cotter, Program Lead
Uranium Leasing Program

-----Original Message-----

From: Cotter, Ed
Sent: Tuesday, September 14, 2010 10:13 AM
To: 'Thomas_Rice@blm.gov'; Kilpatrick, Laura
Cc: 'sbeverlin@fs.fed.us'; 'James_Blair@blm.gov'; 'Michael_MacMillan@blm.gov'; Burns, Dan; Turley, Kyle; Cotter, Ed
Subject: RE: FW: Fw: SHPO concurrence for Radium #10 Mine
Importance: High

Tom, Laura,

When Kyle Turley got back into the office this morning and read my e-mail from yesterday, he advised me that the subject hoist house projects out over the county roadway (Montrose County Road III3); the roadway actually bends around and immediately adjacent to the legs of the metal ore bin. I'm pretty sure that the Montrose County Road Department is not going to like us erecting a fence across their roadway, which we would need to do to effectively protect the public from the hazard.

Any suggestions???

Tom, Vince, do you have any idea how long it will take you to get the SHPO situation ironed out?

Please let me know. Thanks.

Ed Cotter, Program Lead
Uranium Leasing Program

-----Original Message-----

From: Cotter, Ed
Sent: Monday, September 13, 2010 2:14 PM
To: 'Thomas_Rice@blm.gov'
Cc: sbeverlin@fs.fed.us; James_Blair@blm.gov; Michael_MacMillan@blm.gov; Burns, Dan; Turley, Kyle; Cotter, Ed
Subject: RE: FW: Fw: SHPO concurrence for Radium #10 Mine

Tom,

I spoke with Laura Kilpatrick, the DOE Realty Officer, and she directed me to have the Uranium Leasing Program install the necessary fencing and signage. I'll be scheduling this work during the next few weeks. Ed

-----Original Message-----

From: Thomas_Rice@blm.gov [mailto:Thomas_Rice@blm.gov]
Sent: Thursday, September 09, 2010 3:24 PM
To: Cotter, Ed
Cc: sbeverlin@fs.fed.us; James_Blair@blm.gov; Michael_MacMillan@blm.gov
Subject: Re: FW: Fw: SHPO concurrence for Radium #10 Mine

Ed,

Thanks for taking the time to discuss the Radium mine safety issue.

I think we all agree that the safety issue is the #1 priority to be addressed as BLM attempts to expedite the SHPO issue

The best approach is to install a temporary fence until we complete our consultation with the Tribe and SHPO. I will work with our folks in order to expedite the archaeological concerns in a timely manner.

In the meantime both the DOE and the BLM should look into funding to deal with the temporary fencing. No doubt we can find help out of our office to physically erect a fence.

From a liability position, we can only agree to disagree on whether BLM accepts liability for the property. BLM will continue to work on the final stabilization of the site.

TR

Tom Rice

Acting Associate Field Manager
Dolores Public Lands Office
29211 Highway 184
Dolores, CO 81323
970 882 6845 (office)
970 882 6841 (fax)
trice@blm.gov

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

09/09/2010 02:33
PM

"Tom Rice" <trice@blm.gov>

To

cc

Subject

FW: Fw: SHPO concurrence for Radium
#10 Mine

Tom,

FYI... Jamie Sellar-Baker replied to my e-mail below and said that you are acting in her old position at DPLO. She didn't say whether she had forwarded you my e-mail or not. Ed

-----Original Message-----

From: Cotter, Ed
Sent: Thursday, September 09, 2010 11:45 AM
To: 'Michael_MacMillan@blm.gov'; James_Blair@blm.gov; Jamie Sellar-Baker; Kilpatrick, Laura; Schiesswohl, Steve
Cc: Burns, Dan; Kastens, Marilyn; Turley, Kyle; Cotter, Ed
Subject: RE: Fw: SHPO concurrence for Radium #10 Mine
Importance: High

Greetings,

Vince, could you provide me with a definitive schedule for BLM/SHPO concurrence with DOE's proposed demolition of the Radium Hill No. 10 hoist house structure; the hoist house is the cantilevered structure shown in the attached pdf file from the "Twitty Report".

DOE has two major concerns with the current situation. The first, and foremost, is public safety. DOE has proposed the demolition of this structure for the sake of safety, but is currently precluded from doing so until BLM/SHPO concurrence for the proposed activities has been received. Dan Burns from my staff just called me from the field (10:20, Thursday morning, September 9, 2010) and reported that he and Kyle Turley (also from my staff) had just driven the loop road around Wedding Bell Mountain that goes past the Radium Hill No. 10 mine site. Dan reported that there is evidence that members of the public (bicyclists especially) have recently, and repeatedly, stopped at the site on their way around the loop road and have investigated the site, up close and personal. Dan also reported that moisture from recent storm events have further deteriorated the structural components of the hoist house; that it has now sagged vertically approximately one-half foot from its previous height. This site is located along one of BLM's scenic bike trails and because BLM encourages (and even supports) the public, especially the bicyclists, to enjoy the

trail and its scenery. There is a tremendous liability associated with this site, if a member of the public was to get hurt, even at their own doing. That is a liability that is total unacceptable to DOE. Accordingly, BLM needs to immediately provide DOE with written documentation of BLM's acceptance of full liability for the site.

DOE's second concern is timing. The 2010 field season is rapidly coming to an end and adverse fall/winter weather could severely restrict access to the site in the coming weeks. DOE has proposed to complete its demolition work at the site prior to that happening, i.e., within the next few weeks.

Please respond to this e-mail at your earliest opportunity.

If you have questions, please let me know.

Ed Cotter, Program Lead
Uranium Leasing Program

-----Original Message-----

From: Michael_MacMillan@blm.gov [mailto:Michael_MacMillan@blm.gov]
Sent: Thursday, August 26, 2010 10:04 AM
To: James Blair@blm.gov; Kastens, Marilyn
Cc: Cotter, Ed
Subject: Re: Fw: SHPO concurrence for Radium #10 Mine

Jamie,
Unfortunately, what seems like it should be a fairly straightforward implementation of the Safety First doctrine has become more and more complicated. We are required to do an interagency Memorandum of Agreement for this project as the proposal represents a necessary but adverse effect to a resource that has been determined to be eligible for listing on the National Register of Historic Places. I am still in the process of consulting with the SHPO and also need to consult with the Rimrocker Historical Society and the Navajo Nation (there are associated Native American structures within the site).

One thought for Marilyn: It sounds like a similar process was initiated with the Uncompahgre Field Office. Has the MOA process been completed for any projects there that we can borrow from? I put out a request to Glade Hadden, but haven't heard back from him. If similar parties have signed off on an MOA for similar adverse effects projects in that Office, it should be a fairly easy adaptation. If not, we are looking at several more months to get all of the parties to line up and stamp their approval on a new MOA. Let me know if you have any other ideas.

Thanks,
Vince

(Michael) Vincent MacMillan
Field Office Archaeologist
Bureau of Land Management
Dolores Public Lands Office
29211 Hwy 184
Dolores, Colorado 81323
michael_macmillan@blm.gov
970.882.6832

James
Blair/DUFO/CO/BLM
/DOI

To Michael
08/23/2010 01:50 MacMillan/DUFO/CO/BLM/DOI@BLM
PM
cc
Subject Fw: SHPO concurrence for Radium #10 Mine

Vince,

Any word yet from SHPO on this?

James J. Blair
Geologist
Bureau of Land Management
Dolores Public Lands Office
29211 Hwy. 184
Dolores, CO, 81323
(970) 882-6862 (office)
(970) 749-6714 (cell)
(970) 882-6841 (fax)

----- Forwarded by James Blair/DUFO/CO/BLM/DOI on 08/23/2010 01:49 PM

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

To "James Blair"
<james_blair@blm.gov>
08/23/2010 01:31
cc "Kastens, Marilyn"
<Marilyn.Kastens@lm.doe.gov>,
"Cotter, Ed"
<Ed.Cotter@lm.doe.gov>
Subject FW: SHPO concurrence for Radium #10 Mine

James,

It's been three weeks since we last discussed this issue. Has Vince heard anything from SHPO yet about demolishing the "penthouse" structure. Our lessee, Golden Eagle Uranium, is looking to schedule the performance of the work within the next few weeks. Please let me know if anything has been decided. Thank you.

Ed Cotter, Program lead
Uranium Leasing program

-----Original Message-----

From: Kastens, Marilyn
Sent: Friday, July 30, 2010 2:52 PM
To: Cotter, Ed
Subject: SHPO concurrence for Radium #10 Mine

Ed,

I still haven't heard from Vince Macmillan or Jamie Blair about a go-ahead to demolish the Radium #10 "penthouse." I left Jamie a second message on Friday 7/30 and asked him to call you when BLM hears from SHPO.

Marilyn

(See attached file: Radium Hill No 10 Hoist House.pdf)

Cotter, Ed (CONTR)

From: Cotter, Ed
Sent: Thursday, September 09, 2010 11:45 AM
To: 'Michael_MacMillan@blm.gov'; James_Blair@blm.gov; Jamie Sellar-Baker; Kilpatrick, Laura; Schiesswohl, Steve
Cc: Burns, Dan; Kastens, Marilyn; Turley, Kyle; Cotter, Ed
Subject: RE: Fw: SHPO concurrence for Radium #10 Mine

Importance: High

Follow Up Flag: Follow up
Flag Status: Completed

Attachments: Radium Hill No 10 Hoist House.pdf



Radium Hill No 10
Hoist House....

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Please respond to this e-mail at your earliest opportunity.

If you have questions, please let me know.

Ed Cotter, Program Lead
Uranium Leasing Program

-----Original Message-----

From: Michael_MacMillan@blm.gov [mailto:Michael_MacMillan@blm.gov]
Sent: Thursday, August 26, 2010 10:04 AM
To: James_Blair@blm.gov; Kastens, Marilyn

Cc: Cotter, Ed
Subject: Re: Fw: SHPO concurrence for Radium #10 Mine

Jamie,
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Thanks,
Vince

(Michael) Vincent MacMillan
Field Office Archaeologist
Bureau of Land Management
Dolores Public Lands Office
29211 Hwy 184
Dolores, Colorado 81323
michael_macmillan@blm.gov
970.882.6832

James
Blair/DUFO/CO/BLM
/DOI
08/23/2010 01:50
PM

Michael
MacMillan/DUFO/CO/BLM/DOI@BLM

To

cc

Subject
Fw: SHPO concurrence for Radium #10
Mine

Vince,

Any word yet from SHPO on this?

James J. Blair
Geologist
Bureau of Land Management
Dolores Public Lands Office
29211 Hwy. 184
Dolores, CO, 81323

(970) 882-6862 (office)
(970) 749-6714 (cell)
(970) 882-6841 (fax)

----- Forwarded by James Blair/DUFO/CO/BLM/DOI on 08/23/2010 01:49 PM -----

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

08/23/2010 01:31
PM

"James Blair" <james_blair@blm.gov>
To
cc

"Kastens, Marilyn"
<Marilyn.Kastens@lm.doe.gov>,
"Cotter, Ed" <Ed.Cotter@lm.doe.gov>
Subject
FW: SHPO concurrence for Radium #10
Mine

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Ed Cotter, Program lead
Uranium Leasing program

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From: Kastens, Marilyn
Sent: Friday, July 30, 2010 2:52 PM
To: Cotter, Ed
Subject: SHPO concurrence for Radium #10 Mine

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Marilyn

footprint oriented 90 degrees to the shaft. They usually consist of concrete or masonry, feature a perimeter of anchor bolts, and wells for the cable drums. Small anchor bolts on the edges of the drum wells often braced brake shoes.

Hoist Frame: At inclined shafts, workers mounted hoists to timber platforms that consisted of a frame or plank floor elevated by posts. The platforms tended to be at least 6 by 8 feet in area and usually featured the hoist at the rear (farthest from the shaft). Some hoist platforms were built directly over an ore bin, and others were partially buried with waste rock as ballast.

Hoist House: A structure that enclosed a hoist, the hoist's power source, and, during the 1910s, a blacksmith shop. Hoist houses were usually located at least 20 feet away from the shaft. At inclined shafts, the hoist house usually stood on the hoist frame.

Hoist House Platform: An earthen platform, usually graded with cut-and-fill methods, which supported a hoist house. The platform often features evidence of a hoist and a shop.

Hoist House Ruin: The collapsed remnants of a hoist house.

Hoist Mount: Small hoists such as compressed air powered units saw extensive use at inclined shafts and tunnels. These hoists were mounted to squat, timber frames several feet in area and as high with bolts on top to fasten the hoist. Hoist mounts were usually placed nearby and aligned with the shaft, and in some cases, were anchored to the top of an ore bin.

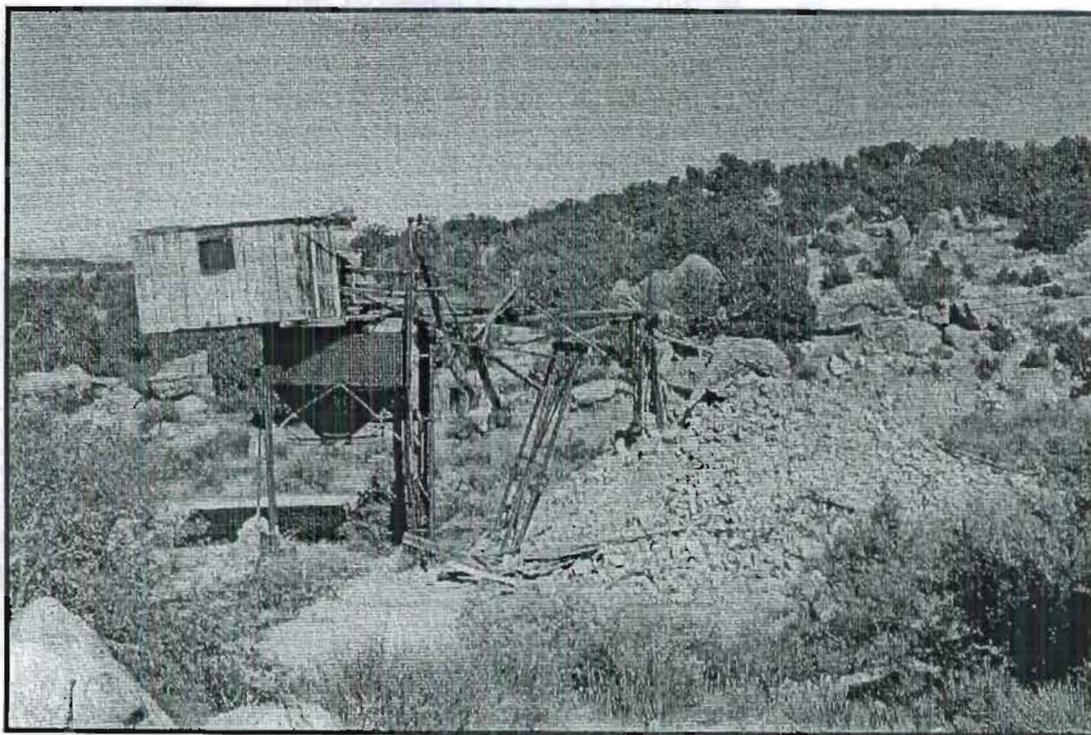


Figure 6.46: The Radium Hill No.10 Mine on Wedding Bell Mountain featured a typical hoisting arrangement. The hoist was mounted on a plank floor built over a prefabricated ore bin. Workers constructed a flimsy, frame hoist house around the floor. A rail line extended right over a trestle, down the inclined ramp, and into the shaft. Guy cables keep the overhanging structure from toppling over. Source: Author.



established 1959

Task Order LM00-505
Control Number 10-0799

July 20, 2010

U.S. Department of Energy
Office of Legacy Management
ATTN: Laura E. Kilpatrick, Esq.
11025 Dover Street, Suite 1000
Westminster, CO 80021

SUBJECT: Contract No. DE-AM01-07LM00060, S.M. Stoller Corporation (Stoller)
National Environmental Policy Act (NEPA)—Environmental Checklist for
Golden Eagle Uranium Reclamation Actions on Lease Tract C-WM-17

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

Dear Ms. Kilpatrick:

Enclosed is an Environmental Checklist that evaluates potential impacts related to reclaiming a subsidence and an open vent. All actions would be completed within Wedding Bell Mountain Lease Tract C-WM-17 in Montrose County, Colorado. It is expected that the projects would be completed within two days, and access to work areas would be on existing dirt roads. Golden Eagle Uranium would provide independent contractors to perform the work, and uranium leasing program personnel would oversee all work.

Stoller is recommending categorical exclusion as the appropriate level of NEPA documentation. If you concur in the results of the Environmental Checklist, please sign and forward the checklist to DOE Support. They will provide the checklist to the 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,

 2010.07.20
09:39:51
-06'00'

Ed Cotter
Uranium Leasing Program Lead

EC/sjb/bjg

Enclosure

Laura E. Kilpatrick, Esq.
Control Number 10-0799
Page 2

cc w/o enclosure: (electronic)
Sandy Beranich, Stoller
Ed Cotter, Stoller
Scott Osborn, Stoller
re-grand.junction

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

Project/Activity: Reclamation Projects on Wedding Bell Mountain Lease Tract C-WM-17, Uranium Leasing Program

A. Brief Project/Activity Description

The U.S. Department of Energy (DOE) Office of Legacy Management (LM) proposes several minor reclamation activities related to abandoned mines and mine features that pose a public safety concern. In 2007, LM inherited abandoned mines as a result of re-aligning lease tract boundaries. Independent contractors associated with the lessee (Golden Eagle Uranium) and under the supervision of uranium leasing program personnel would complete the work, and all projects would be completed within approximately 2 days. The Wedding Bell Mountain Lease Tract C-WM-17 is located in southwestern Montrose County, Colorado. The total estimated surface disturbance would cover 1 acre.

A subsidence is located on the Radium Hill No. 10 Mine. On-site waste-rock materials would be pushed into the subsidence using heavy equipment. After final grading was completed, surface areas would be seeded with an appropriate seed mixture. An open vent, located on the nearby Broken Mug Claim that is associated with the mine, also needs to be closed. The vent would be permanently closed with a polyurethane foam plug and then covered with surface soil materials and reseeded with an approved seed mixture.

There are no cultural resources present in these highly disturbed areas nor is there habitat present for protected species. The proposed work would be conducted in 2010 and after migratory bird breeding and nesting periods were over.

B. Environmental Concerns

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

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

C. Explanation and Qualification of All "Yes" Responses

Surface (ground) disturbance: Reclamation actions would result in minor surface disturbance. The long-term benefit would be improved habitat and removal of a safety hazard.

D. Eligibility/Conditions

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

E. Recommendation

The proposed reclamation of the subsided area and open vent are allowable actions under Criterion B1.28 of Appendix B to Subpart D of 10 CFR 1021, "Minor activities that are required to place a facility in an environmentally safe condition where there is no proposed use for the facility" and under B1.3, Routine maintenance.

 Meets Criteria

 Does Not Meet Criteria

 Unsure
F. NEPA Determination

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

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

Concurrences

Project/Activity: Reclamation Projects on Wedding Bell Mountain Lease Tract C-WM-17, Uranium Leasing Program

LM Site Name Wedding Bell Mountain Lease Tract C-WM-17	LM Site Program Uranium Leasing Program	
Contractor NEPA Coordinator Sandy Beranich	Signature <i>Sandra Beranich</i> 2010.07.27 17:37:59 -06'00'	Date
Contractor Program Lead Ed Cotter	Signature <i>Ed Cotter</i> 2010.07.28 07:12:31 -06'00'	Date
LM Program Manager Laura Kilpatrick	S <i>Laura E. Kilpatrick</i> Laura E. Kilpatrick DOE LM - Rocky Flats 2010.07.28 09:35:20 -06'00'	Date
LM NEPA Compliance Officer Tracy Ribeiro	Signature <i>Tracy A. Ribeiro</i>	Date 7/30/10

Distribution upon signature:

T. Ribeiro, LM NEPA Compliance Officer
 L. Kilpatrick, LM Program Manager
 S. Beranich, SM Stoller Corporation (Stoller) NEPA Coordinator
 E. Cotter, Stoller Uranium Leasing Program Lead
 S. Osborn, Stoller Compliance Manager
 re-grand.junction

RECEIVED

JUN 25 2010

GOLDEN EAGLE URANIUM LLC

6767 S. Spruce Street, Suite 100
Centennial, Colorado 80112

June 22, 2010

Ms. Laura Kilpatrick, Esq., Reality Officer
2597 B ¾ Road
Grand Junction, Co 81503

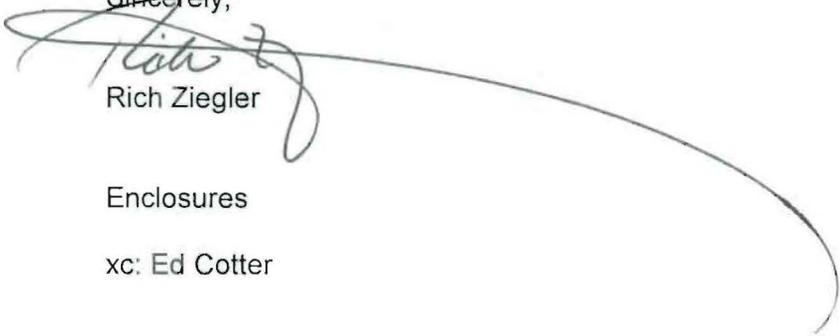
Subject: Annual Royalties for Mining Lease Numbers AT (05-1)-ML-60.8-C-JD-5A,
C-SR-10, C-SR-11A, C-SR-15A, C-SR-16, C-WM-17, C-LP-22, and C-LP-22A

Dear Ms. Kilpatrick,

Enclosed is the signed original document wherein Golden Eagle Uranium, LLC (GEU) agrees to perform the work scope specified in your letter dated June 3, 2010 and we are enclosing our check for the remaining balance due to DOE in the amount of \$20,285.

We appreciate the time and effort you, your staff and Ed Cotter has devoted to these leases.

Sincerely,


Rich Ziegler

Enclosures

xc: Ed Cotter



Department of Energy
Office of Legacy Management

June 3, 2010

OLM-LEK-2010-071

Mr. Rich Ziegler, Vice President
Golden Eagle Uranium, LLC
6767 South Spruce Street, Suite 100
Centennial, CO 80112

Subject: Annual Royalties for Mining Lease Numbers AT(05-1)-ML-60.8-C-JD5A,
C-SR-10, C-SR-11A, C-SR-15A, C-SR-16, C-WM-17, C-LP-22, and
C-LP-22A

Dear Mr. Ziegler:

In accordance with the Lease Agreements for U.S. Department of Energy (DOE) Lease Tracts C-JD-5A, C-SR-10, C-SR-11A, C-SR-15A, C-SR-16, C-WM-17, C-LP-22, and C-LP-22A, annual royalties in the aggregate amount of \$55,000 are due and payable to DOE on June 27, 2010. With reference to recent discussions, DOE has identified specific work scope (hazard mitigation and reclamation activities) that can be performed on various DOE lease tracts in lieu of a portion of these annual royalty payments. The DOE has determined the value of this work scope to be \$34,715. A copy of the specific work scope is enclosed for your review.

On the basis of your review, if Golden Eagle Uranium, LLC (GEU) agrees to perform the work scope specified, please formalize your acceptance by signing in the space provided on the enclosure and returning that document to me. If accepted, please recognize that the balance of annual royalties due to DOE (\$20,285) must be paid by June 27, 2010. Project personnel will coordinate a schedule with you that will ensure the completion of these activities during the 2010 lease year. Upon completion of all activities, GEU will be credited with the appropriate annual royalty payments.

If you choose to decline this option at this time, the entire annual royalty amount (\$55,000) is due and payable on June 27, 2010.

If you have questions concerning this matter, please contact me at (720) 880-4338, or Ed Cotter of my contractor staff at (970) 248-6056.

Sincerely,

Laura E. Kilpatrick
DOE LM - Rocky Flats
2010.06.03 13:39:17 -06'00'

Laura Kilpatrick, Esq.
Realty Officer

Enclosures

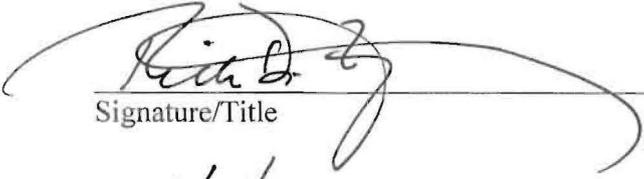
cc: Project File (E. Cotter)

2597 B 3/4 Road, Grand Junction, CO 81503	<input type="checkbox"/>	99 Research Park Road, Morgantown, WV 26505
1000 Independence Ave., S.W., Washington, DC 20585	<input type="checkbox"/>	11025 Dover St., Suite 1000, Westminster, CO 80021
10995 Hamilton-Cleaves Highway, Harrison, OH 45030	<input type="checkbox"/>	955 Mound Road, Miamisburg, OH 45342
232 Energy Way, N. Las Vegas, NV 89030	<input type="checkbox"/>	

REPLY TO: Grand Junction Office

Acknowledgment and Acceptance

Golden Eagle Uranium, LLC (GEU) hereby acknowledges the work scope, and its determined value (\$34,715), as referenced in the letter dated June 3, 2010. GEU hereby agrees to perform the defined work scope in lieu of a portion of the annual royalty payments due for Lease Tracts C-JD-5A, C-SR-10, C-SR-11A, C-SR-15A, C-SR-16, C-WM-17, C-LP-22, and C-LP-22A for the 2010-2011 lease year (aggregate sum of \$55,000). GEU further acknowledges that the balance of annual royalties owed to DOE (\$20,285) is due and payable to DOE on or before June 27, 2010.



Signature/Title

6/18/10

Date

DOE Uranium Leasing Program

Golden Eagle Uranium — Work Scope for 2010 Reclamation in-lieu-of Royalty

Background

During the fall of 2007, the U.S. Department of Energy Office of Legacy Management (DOE) redefined and realigned the boundaries of its uranium lease tracts to incorporate lands located inside its withdrawal boundaries that were valid claims at the time of the withdrawals but have since become invalid. As a result of those boundary redefinition/realignment activities, many of the current lease tracts now contain mining-related features that are associated with abandoned uranium mine sites located on those claims. By incorporating these lands into its lease tracts, DOE accepted the reclamation liability associated with those mining-related features.

Current Status

On January 6, 2009, DOE notified its leaseholders of the aforementioned mining-related features located on their respective lease tracts. Specifically, Golden Eagle Uranium, LLC (GEU), was notified of various features located on Lease Tracts C-SR-10, C-SR-11A, C-SR-16, C-LP-22, and C-LP-22A.

The work scope on C-SR-10, C-SR-11A, C-SR-16 and a portion of the work scope on C-LP-22 was completed in 2009 to the point that GEU's annual royalty obligations for the 2009 lease year were satisfied. The balance of the work scope previously identified for C-LP-22 and C-LP-22A was carried forward and now is defined as part of the 2010 work scope. Several new mine-related features identified on C-WM-17 have also been added to the 2010 work scope. That work scope is outlined below.

Work Scope

C-WM-17:

A portal subsidence located on the Radium Hill # 10 needs to be dug out and properly closed with on-site materials. Additionally, there is an open vent located on the Broken Mug claim associated with this mine site that requires closure. That vent shall be permanently closed with a polyurethane foam plug and then covered with surface soil materials and reseeded with an approved seed mixture. The "Penthouse" structure (hoist shack) will be demolished and buried on site.

C-LP-22:

The south side of the main Donald C dump must be dressed up to near its original configuration and seeded with an approved seed mixture. **Note: All structures, trash, debris and the mine-waste-rock dumps located at this site are considered historic and shall not be disturbed. Additionally, all work at this location must be observed by an on-site DOE subcontracted archaeologist.**

The smaller abandoned mine site located on the former Donald C claim needs to be addressed. The decline portal shall be reclosed with large boulders and rocks and backfilled with the mine-waste-rock materials previously used, and then reseeded with an approved seed mixture (approximately 0.3 acres). Any residual piles of low-grade ore shall be placed subsurface during that backfill closure. The top of the smaller dump shall be hand raked to remove excavator tracks from previous disturbance and then seeded. **All structures, trash, debris and the mine-waste-rock dump located at this site are considered historic and shall not be disturbed. Additionally, all work at this location must be observed by an on-site DOE subcontracted archaeologist.**

The large abandoned mine site located on the former First National Bank claim was partially re-contoured during the 2009 work scope activities; the balance of this re-contouring needs to be completed. The remaining mine-waste-rock dump materials shall be recontoured to blend in with the natural topography of the area, covered with other available surface soil materials, pocked, and reseeded with an approved seed mixture (approximately 1.6 acres).

C-SR-22A:

The large abandoned Hidden Basin mine site needs to be addressed. The wooden timber ore bin, including the trestle connection, shall be gathered, placed in the decline trench, and burned. The decline portal shall then be closed with large boulders and rocks and backfilled with immediately adjacent mine-waste-rock materials, covered with other available surface soil materials, and reseeded with an approved seed mixture (approximately 1.8 acres). **All other structures, car bodies, trash, debris and the mine-waste-rock dump located at this site are considered historic and shall not be disturbed. Additionally, all work at this location must be observed by an on-site DOE subcontracted archaeologist.**

The two remaining vents associated with the Hidden Basin mine shall be permanently closed with polyurethane foam plugs and then covered with surface soil materials and reseeded with an approved seed mixture.

The subsidence at the TNT No. 1 mine portal shall to be dug out and backfilled with available surface soil materials and reseeded with an approved seed mixture.

The partially open TNT No. 4 mine portal (located on the Fay claim) shall be dug out, permanently closed with on-site materials, and reseeded with an approved seed mixture.

Note: The total work identified herein is considered equitable to \$34,715. This work shall be performed to the satisfaction of the DOE Realty Officer and/or his LMS Contractor representatives from S.M. Stoller Corporation, who shall provide project oversight of the reclamation field activities.

GEU Reclamation in-lieu-of Royalties - Estimated Costs

Description	Days on Job	4-day Weeks	Cost per Week	Total Cost
Equip. Operators	14	3.5	2,000	7000
Laborers	5	1.25	1,400	1750
Trackhoe (320)	9	2.25	4,560	10260
Trackhoe (307)	0	0	3,600	0
Mini-Excavator	0	0	1,400	0
Dozer (D-8)	0	0	6,800	0
Dozer (D-6)	5	1.25	5,520	6900
Dozer (D-4)	0	0	2,540	0
FE Loader (966)	6	1.5	3,120	4680
Backhoe (580)	0	0	2,640	0
Skidster Loader	0	0	1,680	0
Grader/Maintainer	0	0	3,120	0
Dump Truck (tdm)	2	0.5	2,880	1440
Dump Truck (rock)	0	0	0	0
Water Truck	1	0.25	2,880	720
Flatbed Trailer	0	0	700	0
Pickup (4X4)	0	0	1,920	0
Portable Welder	0	0	540	0
Oxy/Acet Torch Kit	3	0.75	540	405
Bat Gate Inst. (LS)	0	0	4,446	0
Seed Mix (LS)	4.2	4.2	300	1260
PUF (LS)	1.5	1.5	200	300
	0	0	0	0
Total Cost				34715

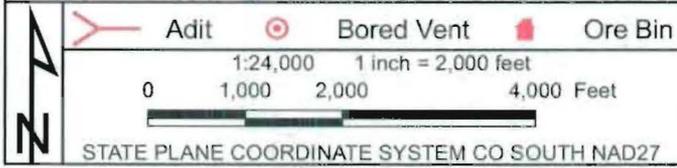
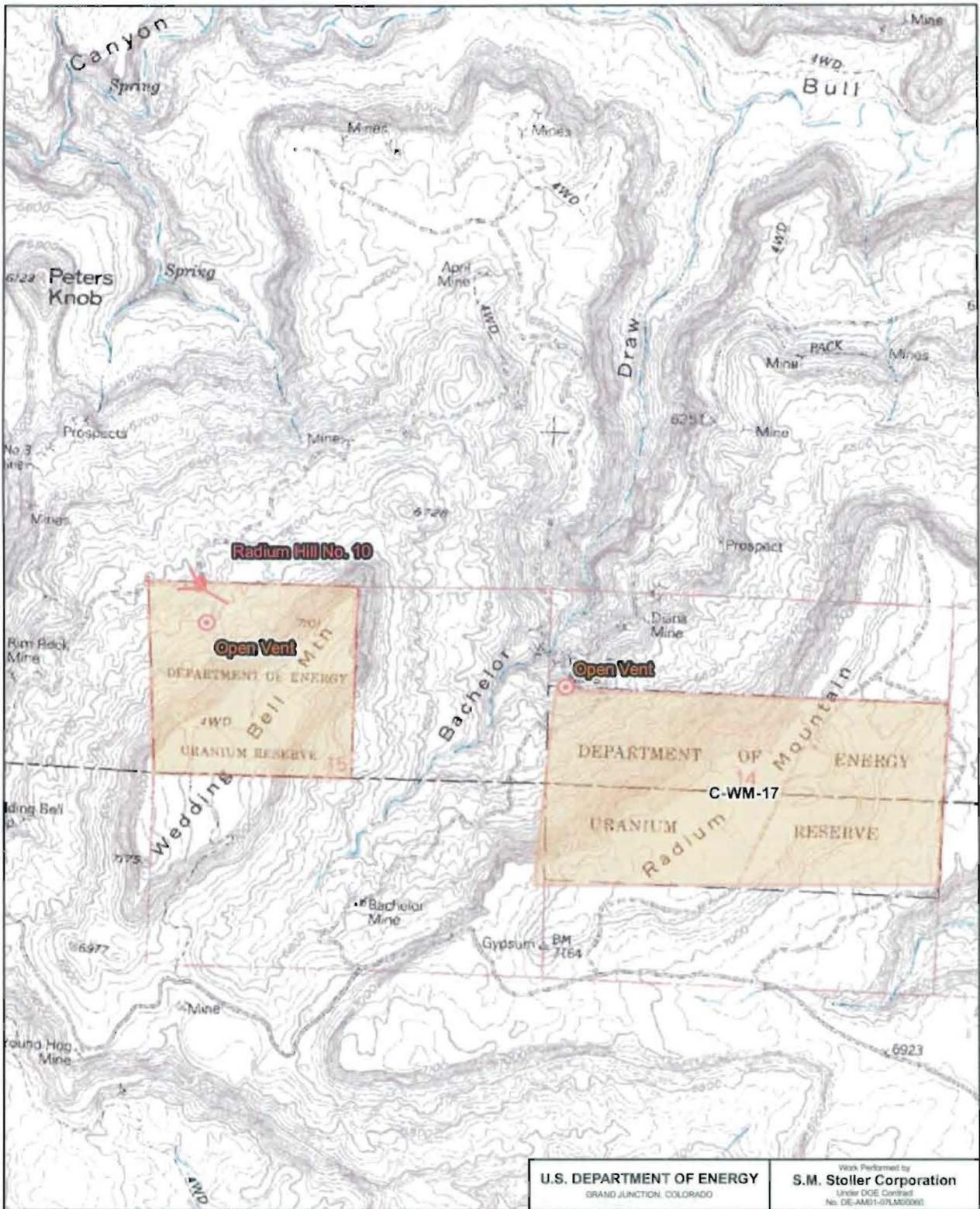
Trip Report, Uranium Lease Sites Vegetation Surveys

Prepared by L. Sheader, Ecologist, S.M. Stoller Corporation on July 6, 2010

Several DOE Lease Tracts were visited in May and June, 2010 to identify any federally-listed plant species that may occur on or near mine features to be reclaimed in Fiscal Year 2010. No federally-listed or other sensitive species were found at any of the locations. All disturbed soils will be re-seeded with an approved native seed mix.

Date	Location	Feature	Field Notes
5/12/10	Calamity/ Outlaw Mesas	Maverick #6	Material will be moved into hole from approx. 10 ft in each direction. Topsoil (2 ft) will be reserved and placed for reclamation. Pinon and juniper trees on the rock pile will be removed. Portions of the surrounding area include mature plant communities, including substantial population of <i>Pediocactus simpsonii</i> . Although this is not a sensitive species, request avoiding populations, and excavating from nearby disturbed areas instead, as a best management practice.
5/12/10	Calamity/ Outlaw Mesas	Radium #5	Shaft with windlass. The adit will be filled with foam, then rock and soil from nearby slopes. No plant species of concern identified in the area.
5/12/10	Calamity/ Outlaw Mesas	Queen of the Hills	Subsided vent shaft will be repaired by pushing in sediments around the shaft. Large dead tree will be replaced in same location. No vegetation concerns.
5/12/10	Calamity/ Outlaw Mesas	Arrowhead Camp area / Blue Ribbon #11	Small vent will be crushed and covered. Surrounded by early successional vegetation; no concerns.
5/12/10	Calamity/ Outlaw Mesas	Blue Ribbon #4	A bat gate has been installed in the portal. A nearby subsidence will be filled with rocks and soil. No plant species of concern. Easter daisies observed in the area.
5/12/10	Calamity/ Outlaw Mesas	Arrowhead #12	Cut tree and place in vent. Use foam and soil to seal opening. Very new vegetation in area with annual weeds; no concerns.
5/12/10	Calamity/ Outlaw Mesas	BLM subsidence	All surrounding species are revegetation plants; no concerns; no sensitive plant species found on surrounding banks
5/12/10	Calamity/ Outlaw Mesas	Calamity #21	"Bull Elk Shaft" is a subsidence that will be filled with surrounding materials. May remove one tree for access. Additional fill will be removed if necessary from hillside. <i>Astragalus</i> observed, but not sensitive species
5/12/10	Calamity/ Outlaw Mesas	Calamity #17	Subsided opening to be filled from adjacent bank. Some cryptobiotic soils; mostly goldenweed, <i>Alyssum desertorum</i> , <i>Opuntia</i> sp. No sensitive spp. observed
5/12/10	Calamity/	G1/G1A	Subsidence by buildings to be repaired. All species in

	Outlaw Mesas		immediate area are revegetation plants. No sensitive spp. observed around the subsidence and at the borrow area.
5/12/10	Calamity/ Outlaw Mesas	G3A	This portal may be opened and mined, or it may be closed. All species in the area are revegetation plants.
5/12/10	Calamity/ Outlaw Mesas	G3	Waste rock piles to be transported to fill hole. Vegetation mainly <i>Ericameria nauseosa</i> , <i>Alyssum desertorum</i> , and a variety of grasses. Some areas of <i>Artemisia tridentata</i> and cacti. No species of concern present.
5/13/10	Monogram Mesa	Aztec	Did not hike in to see the vent but observed from road. Hand shovels will be used to cover with soil after filling with foam. Minimal disturbance to vegetation requested.
5/26/10	Slickrock area (#11)	Tomboy	3 subsided holes. Surrounded by clay soils. Vegetation mainly <i>Ericameria nauseosa</i> and revegetation grasses.
5/26/10	Slickrock area (#11)	Beth Pits	High walls will be buried; waste rock piles to be dozed into the draw. Work will avoid most of the trees in the area. Most of area to be disturbed covered with early successional vegetation.
5/26/10	Slickrock area (#11)	Mercantile #4	Small subsided portal; push boulders in. No vegetation concerns
5/26/10	Slickrock area (#12)	Marne	Pits and trenches to be filled near Marne mine, with additional pit at BLM boundary if time. No vegetation concerns.
5/26/10	Slickrock area (#12)	Spud Patch area	2 pits to be filled. Although some of the vegetation is later successional, no sensitive species were found.
5/26/10	Lease Tract #17	GEU Drill Hole	Inspected area for proposed drill location. Has been previously disturbed; no plant spp. of concern
5/26/10	Lease Tract #17	Radium 10	"Penthouse" ore bin to be pulled down. Sparse vegetation in area; no sensitive spp.
6/14/10	Long Park	TNT #4 & TNT #1	Subsided portals to be repaired. Milk vetch species present in area, but no T&E or sensitive species present in or near work area
6/14/10	Long Park	Hidden Basin Mine	2 subsided shafts to be filled with materials from reclaimed dump area. Track hoe will be used to gather timbers from ore bin, track and shed. Will burn among waste rock. Entire area, including access route, has been disturbed and revegetated with <i>Ericameria nauseosa</i> and native grasses.
6/14/10	Long Park	Donald C	Re-fill portal and contour adjacent piles. This area has been disturbed recently and no plants of concern were identified.



U.S. DEPARTMENT OF ENERGY GRAND JUNCTION, COLORADO	Work Performed by S.M. Stoller Corporation Under DOE Contract No. DE-AM51-97LM50065
ULMP Hazard Mitigation 2010 Bull Canyon Quad T45N, R18W	
DATE PREPARED: 2 March 2010	FILENAME: ULP021-02

STATE PLANE COORDINATE SYSTEM CO SOUTH NAD27

