

Department of Energy

Washington, DC 20585

January 19, 2018

Mr. Dustin Czapla, Environmental Protection Specialist Department of Natural Resources Division of Reclamation, Mining and Safety 101 South 3rd Street, Suite 301 Grand Junction, CO 81501

Subject: Cotter Corporation's Request for Second Temporary Cessation Status for Lease Tract Mining Operations

Dear Mr. Czapla:

This is in response to your notice of the upcoming Mine Land Reclamation Board hearing concerning Cotter Corporation's requests for a second 5-year term of "Temporary Cessation" for its lease tract mining operations. The U.S. Department of Energy (DOE) Office of Legacy Management acknowledges that Cotter Corporation, because of an injunction issued by the U.S. District Court for the District of Colorado, has been prohibited from operating its lease tract mines for the last six years, and remains prohibited from operating them.

On October 18, 2011, the U.S. District Court issued an order enjoining the DOE "from approving any activities on lands governed by the ULMP [Uranium Lease Management Program], including exploration, drilling, mining, and reclamation activities." In a subsequent order on February 27, 2012, the district court amended its injunction to allow DOE, other federal, state, or local governmental agencies, and/or the ULMP lessees, including Cotter Corporation, to conduct only those activities on ULMP lands that are absolutely necessary, among other things, to maintain the ULMP lease tracts and their existing facilities. The lessees remain prohibited from performing any operational activities at their lease tract mines. During the injunction, Cotter Corporation has conducted certain maintenance activities, as allowed by the district court's order, necessary to maintain their lease tract facilities in an environmentally sound manner, but it has been prohibited from fully resuming its lease tract activities. For those reasons, DOE acknowledges that Cotter Corporation has been unable to operate its lease tracts mines through no fault of its own, and it therefore supports Cotter Corporation's request for the second 5-year term of temporary cessation.



Dustin Czapla

Please contact me at (970) 248-6484 or Ed Cotter of my contractor staff at (970) 248-6056 with questions or comments. Please send any correspondence to:

U.S. Department of Energy Office of Legacy Management 2597 Legacy Way Grand Junction, CO 81503

Sincerely,

William Z. Dam

William L. Dam Uranium Leasing Program Lead Office of Legacy Management

cc:

G. Gaviotis, Cotter Corporation R. Means, Colorado DRMS File: ULP 001.01 (E. Cotter)

Mgrs\Dam\1-19-18 ULP Cotter Corp Request Second Temp Cessation Status (Czapla)