

Department of Natural Resources

1313 Sherman Street, Room 215 Denver, CO 80203

January 23, 2019

George Glasier Pinon Ridge Mining LLC P.O. Box 825 Nucla, CO 81424

RE: Sunday Mine, Permit No. M-1977-285, Follow up to Corrective Action

Dear Mr. Glasier:

On October 17, 2018 the Division received information for the surface characterization of the long term stockpile. The analysis of the stockpile was conducted in response to the Division's April 5, 2018 inspection report for the Sunday Mine. As discussed below, the Division has reviewed the sampling results and has determined a revision to the Environmental Protection Plan (EPP) is required.

The surface of the stockpile was characterized by sampling with an XRF unit. A systematic sampling plan was developed which divided the surface area of the stockpile into 42 blocks with each block covering 1,600 square feet (40 foot x 40 foot grid pattern). Each 1,600 square foot area was sampled five times at random locations with an XRF unit. The five samples were averaged for each block. Of the 42 blocks sampled, eight blocks exhibited Uranium values at or exceeding 500 parts per million (PPM).

500 PPM Uranium, or 0.05% by mass, is the threshold value whereby a Source Materials permit may be required through the Hazardous Materials and Waste Management Division with the Colorado Department of Public Health and Environment¹. Pursuant to Hard Rock Rule 6.4.21(1)(b) and (c)(v), the Division has interpreted 500 PPM Uranium as sufficient to have potential for adverse impact. The site specific concern is this material is exposed and vulnerable to windblown erosion.

Based on this assumption, and pursuant to Rule 6.4.21(6)(a) and (b) (iii), a Technical Revision (TR) to the EPP is required to address the stabilization of all designated chemicals and toxic or acid forming materials. Specifically describe measures to prevent any unauthorized release of pollutants to the environment. The TR, in accordance with Rule 6.4.21(6)(b)(iii), should contain a narrative description or plan that describes how the Operator will prevent adverse off-site impacts during periods of active mine site operations and periods of Temporary Cessation. The TR shall clarify how the elevated materials will either be relocated to an appropriate underground location; OR removed to an appropriate offsite disposal or processing facility; OR otherwise stabilized and safeguarded in place, such as the construction of an earthen cover to prevent erosion of the material. The results of the plan should demonstrate that no surface area of the stockpile exhibit Uranium concentrations at or in excess of 500 PPM and verified by a final systematic random sampling using an XRF unit, similar to the initial characterization.



¹ CDPHE, HMWMD, 6 CCR 1007-1 Part 03, effective June 30, 2017

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If removal or relocation of the material is the preferred action, please provide a narrative describing the method of removal, approximate volume of material to be removed and identify the material's destination. If the destination is in the underground workings of the mine please provide a map showing its location and demonstrate that is free from potential contact with groundwater and that disturbances to the prevailing hydrologic balance will be minimized, pursuant to Rule 3.1.6(1). If its destination is to be an offsite location for either processing or disposal please identify the facility and the method by which it will be disposed or processed.

Another option is the stabilization or safeguarding of the material in place to minimize the potential for windblown erosion. Such stabilization methods include but are not limited to an earthen cap or constructed tarp cover. If the material is to be stabilized in place by earthen cover, the TR shall provide a narrative with corresponding map showing the source of the borrow material, estimated volume of cover material, and preliminary XRF sampling of the borrow material verifying the absence of elevated Uranium levels. The Division anticipates an appropriately constructed earthen cover of 12 inches thick or thicker to ensure adequate protection for the long term stockpile.

The TR identifying the preferred action, and all the required information discussed above, should be received by the Division within **90 days** of the date of this letter, no later than **Tuesday April 23, 2019**. Also include a construction schedule which details the steps in the process, including approximate dates of commencement and completion. Within **90 days** of the TR approval date all work must be completed and the follow up XRF surface characterization conducted. The Operator shall submit a final summary with map, documenting average surface readings of the pile to confirm the corrective actions were successful.

Please note that this activity is considered site maintenance and does not remove this site from its currently designated status of Temporary Cessation. If you have questions, concerns or need more information please feel free to contact me at the Division's Grand Junction Field Office, by phone at 970-243-6368 or by email at lucas.west@state.co.us.

Sincerely,

Lucas West

Environmental Protection Specialist Division of Reclamation, Mining and Safety

Ec: Michael Rutter, Western Uranium Corp.

James Blair, BLM

Wally Erickson, Senior Environmental Protection Specialist

Jeff Fugate, DRMS Minerals AG Council

