

February 22, 2024

Hunter Ridley Environmental Protection Specialist I State of Colorado Division of Reclamation, Mining and Safety 1313 Sherman Street, Room 215 Denver, CO 80203

Delivered via email to hunter.ridley@state.co.us

RE: Corrective Actions in Response to Inspection Reports P-2007-015 and P-2008-043 dated November 2, 2023

Dear Ms. Ridley:

As identified by the Division of Reclamation, Mining and Safety (DRMS) Inspection Report P-2007-015 dated November 2, 2023, monitoring wells BH836 and BH842 have been located and temporarily sealed. Attachment A provides descriptions and photographs of the methods used. Both monitoring wells are permitted by the Colorado Division of Water Resources (DWR) and are planned to be plugged and abandoned in accordance with DWR 2 CCR 402-2 Rule 16. A licensed well drilling contractor has been hired to perform the work and has indicated the work will be completed by approximately May 1, 2024.

Once the plugging and abandonment work for BH836 and BH842 is completed, Powertech (USA) Inc. (Powertech) will submit a Modification Request to the DRMS with a description and photographs of the abandonment work performed along with copies of the GWS-09 abandonment forms submitted to the DWR. An updated map showing the locations of all wells covered by P-2007-015 and P-2008-043 will be included with the Modification Request. Upon receiving DRMS's acceptance of the Modification Request, Powertech will submit a formal request to release the financial warranties for P-2007-015 and P-2008-043 to complete the corrective actions identified in the above-referenced Inspection Reports dated November 2, 2023.

If you have any questions regarding the corrective measures completed to date or those planned going forward, please contact me at pluthiger@encoreuranium.com or 361-239-5449.

Sincerely,

peter luthiger

Peter Luthiger Chief Operating Officer

Encl. Attachment A

cc: L. Eakin

101 N. Shoreline Blvd, Suite 450, Corpus Christi TX 78401 Phone: 361.239.5449