



Denison Mines (USA) Corp.
1050 17th Street, Suite 950
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USA

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May 23, 2012

Bob Oswald
Department of Natural Resources
691 County Road 233, Unit A2
Durango, Colorado 81301

Dear Bob:

Re: Carnation Mine (M/1977/416) Bond Reduction Request.

SR-1

Denison received your surety estimate for the Carnation Mine site on March 7, 2012 in the amount of \$32,137.11. This is an increase of \$15,901.11 over the existing bond amount of \$16,236. The following, referenced by the line numbers in the COST SUMMARY WORK dated December 5, 2011, describes those items that have been reclaimed and/or work that has been completed.

Task 001:

- The Shop/Office building has been removed (\$2,042.88).
- The old Carnation tire shop, previously reclaimed.

Tasks 003 and 004:

- Denison is not clear regarding the amounts for grading the Carnation dumps, particularly the main dump area. The old dumping/loading structure north of the portal has been removed, and the entire dump out slope has been graded. Revegetation has been started but is not yet established and sustainable. Denison requests that the amounts for grading and final reclamation preparation for the Carnation dumps be reviewed.

Denison is requesting that the required bond amount (subtotal) of \$25,598.81 be reduced by \$2,042.88. Please feel free to contact me directly if you have any additional comments or questions.

Yours very truly,

DENISON MINES (USA) CORP.

A handwritten signature in blue ink that reads "Christy Woodward".

Christy Woodward, PE
Environmental Coordinator

Cc: Denison Mines (USA) Corp, File
Terry Wetz, Philip Buck, Carol Marsala, Todd Mears & Jim Conrad, Denison Mines (USA) Corp
James Blair, US Bureau of Land Management

Airbill: 1Z18E99F0192824470

LISA GRADY 3036287798 DENISON MINES 1050 17TH ST # 950 DENVER CO 80265		0.0 LBS LTR	1 OF 1
SHIP TO: BOB OSWALD 9702475193 DEPT. OF NATURAL RESOURCES A-2; DEPT OF NATURAL RESOURCES 691 COUNTY ROAD 233 STE A2 DURANGO CO 81301			
	CO 813 0-01 		
UPS NEXT DAY AIR		1	
TRACKING #: 1Z 18E 99F 01 9282 4470			
			
BILLING: P/P			
Trx Ref No.: Three Letters			
XOL 12.04.02		NV45 27.0A 04/2012	
			

