State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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m/37/043

May 10, 2002

CERTIFIED RETURN RECEIPT
7099 3400 0016 8896 3861

Mr. Terry Wetz
International Uranium (USA) Company
Independence Plaza
1050 Seventeenth Street Suite 950
Denver, Colorado 80265

Re: Five-Year Review of Reclamation Surety Estimate International Uranium (USA) Company, Rim-Columbus Mine, M/037/0 06, Pandora Mine, M/037/012, La Sal – Snowball Mine, M/037/026, Hecla Shaft – White Mesa Mine, M/037/043, Redd Block Four, M/037/046, San Juan County, Utah

Dear Mr. Wetz:

The Division performs periodic reviews of reclamation surety estimates to verify their accuracy. We make adjustments for escalation and any site modifications that may require a change in the amount of reclamation surety presently being held for the site. Division policy requires that reclamation surety estimates being held by the Minerals Reclamation Program include a five year escalation component. The surety estimates are to be reevaluated every five years.

Our records indicate that the reclamation surety estimate for International Uranium Company's Rim-Columbus, Pandora, La Sal Snowball, Hecla Shaft-White Mesa and Redd Block Four Mines are due for review in 2002. To assist us in our review of these cost estimates, we request updated maps of your mine sites showing current surface facilities and all mining related disturbances. Please provide the updated maps at a scale of not less than 1 inch = 500 feet, which includes: buildings, stationary mining/processing equipment, roads, utilities, power lines, drainage structures (i.e. berms, culverts, ditches, canals, etc.), topsoil, ore and product storage areas, overburden/waste dumps, tailings or processed waste facilities, solid and liquid wastes, evaporation ponds, and wastewater discharge treatment and containment facilities, etc. The

maps should include all areas which have been affected by these operations to date. Please ignore items listed above which do not apply to your site(s).

If any reclamation has been completed on the site(s) since the last surety estimate review, please provide a separate map of the same scale as the mine facilities and disturbed area map, clearly identifying these reclaimed areas, the acreage affected, and the date of the reclamation. Please cross-hatch or shade the areas to identify the reclamation treatments (i.e. ripping, regrading, mulching, seeding, etc.) which have been applied.

The Division understands that International Uranium has expressed an interest in approaching the Board of Oil, Gas and Mining to request an extension of its present suspension of operations of these mine sites. Bond adequacy will be one of the factors that the Board will review when contemplating this request. Therefore, it is imperative that the requested information be submitted to the Division as soon as possible to allow the Reclamation Engineer time to review the bond adequacy of these sites.

Please provide this information within the next 30 days or no later than June 10, 2002. If you are unable to provide this information in this time frame, please contact the Division with justification for requesting additional time. Thank you for providing this information to assist us in completing the upcoming surety estimate reviews. If you have any questions concerning these reclamation surety reviews, please contact Doug Jensen at (801) 538-5382.

Sincerely,

D. Wayne Hedberg

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

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