

Recorded at _____ o'clock _____ M.,
Reception No. _____

Recorder

QUIT CLAIM DEED

The Colorado Department of Public Health and the Environment ("Grantor"), whose address is 4300 Cherry Creek Drive South, Denver, Colorado, 80222-1530, City and County of Denver, State of Colorado, pursuant to 42 U.S.C. § 7914 (e) (1) (B) and C.R.S. § 25-11-303, hereby donates and quit claims to the City of Durango ("Grantee"), whose address is 949 East Second Ave., Durango, Colorado, 81301. La Plata County, State of Colorado, the following real property in the County of La Plata, State of Colorado, to wit: Two parcels of land in La Plata County, State of Colorado, New Mexico Principal Meridian, containing Seventy-nine and fourteen hundredths (79.14) acres, more or less, described as follows:

Township 35 North, Range 9 West of the N.M.P.M., North of the Ute Line

A tract of land situated in W1/4SW1/4 of Section 29, E1/2SE1/4 and NE1/4SE1/4 of Section 30, Lot 5 of Section 32, more particularly described as follows:

BEGINNING at the Southeast corner of said Section 30;

THENCE Westerly along the south line of said Section 30 to the Southwest corner of said E1/2SE1/4;
THENCE Northerly along the West line of said E1/2SE1/4 to a point on the South bank of Lightner Creek, said point being 1,039.00 feet Southerly of the Northwest corner of said E1/2SE1/4;
THENCE North 41°55'00" West, 231.00 feet;
THENCE North 37°44'00" West, 266.00 feet;
THENCE North 22°50'00" West, 317.00 feet;
THENCE North 62°00'00" East, 217.00 feet, to said Lightner Creek;
THENCE South 34°45'00" East, 436.00 feet, along said Lightner Creek;
THENCE North 05°39'24" East, 146.50 feet;
THENCE North 22°52'00" East, 102.72 feet, to the Southwesterly right-of-way line of U.S. Highway 550
THENCE South 39°10'30" East, 218.29 feet, along said right-of-way line;
THENCE Southeasterly along a curve to the left, having a radius of 1,255.90 feet and an arc length of 286.70 feet, chord bearing
of South 65°53'00" East, 286.10 feet;
THENCE South 85°12'15" East, 328.20 feet;
THENCE South 40°52'37" East, 414.27 feet;
THENCE South 48°27'30" East, 285.60 feet;
THENCE South 71°30'15" East, 714.30 feet;
THENCE South 78°30'00" East, 200.20 feet;
THENCE South 60°00'00" East, 174.70 feet;
THENCE South 37°22'15" East, 166.80 feet;
THENCE South 34°43'30" East, 171.90 feet;
THENCE South 34°02'45" East, 139.50 feet;
THENCE South 05°44'00" East, 82.90 feet;
THENCE South 28°07'15" West, 69.70 feet;
THENCE South 08°37'45" West 303.30 feet;
THENCE South 82°22'45" East, 38.50 feet;
THENCE South 12°00'53" West, 93.19 feet;
THENCE South 06°33'36" West, 106.66 feet;
THENCE South 05°52'41" West 55.19 feet;
THENCE South 26°08'17" East, 160.47 feet to the South line of said Section 29;

Also, that portion of said Lot 5 of Section 32, being more particularly described as follows:

Commencing at the Northwest corner of said Section 32;

THENCE North 88°27'00" East along the North line of said Section 32, a distance of 474.00 feet to the POINT OF BEGINNING;
THENCE South 20°08'00" East, 32.00 feet;
THENCE South 08°24'00" East, 91.00 feet;
THENCE South 34°43'00" East, 56.00 feet;
THENCE South 38°27'00" East, 42.00 feet;
THENCE South 23°54'00" East, 53.00 feet;
THENCE South 24°54'00" East, 51.00 feet;
THENCE South 30°39'00" East, 100.00 feet;
THENCE North 00°41'00" East, 199.00 feet;
THENCE Northwesterly to a point on the North line of said Section 32, said point being North 88°27'00" East, 528.00 feet from said Northwest corner of said Section 32;
THENCE South 88°27'00" West, 54.00 feet along said North line, to the point of beginning.

Subject to: (i) any coal, oil, gas, or other mineral rights in any person; (ii) existing rights-of-way for roads, railroads, telephone lines, transmission lines, utilities, ditches, conduits, or pipelines on, over, or across said lands; (iii) court liens, judgments, or financial encumbrances such as deeds of trust for which a formal consent or order has been obtained from a court for the lien holder; (iv) other rights, interests, reservation or exceptions of record; and the following terms, conditions, rights, reservations and covenants:

Return to City Clerk, 949 2nd Ave. Durango, CO 81301

DUR 1415.25

Grantor reserves to: (i) itself, the U. S. Department of Energy, their employees, agents and contractors the right of access to the property as may be necessary to complete activities under the Uranium Mill Tailings Radiation Control Act of 1978, 42 U.S.C. § 7901 et seq. ("UMTRCA") and for other lawful purposes, until such time as Grantor and the U.S. Department of Energy determine that all remedial activities are complete; and (ii) to itself any non-tributary groundwater underlying this parcel, the right to develop tributary groundwater, and the right to surface access for groundwater development.

Grantee covenants to hold harmless the Grantor and the Department of Energy for any liability associated with disruption of any public purpose ventures on the property conveyed by this deed, the disruption of any improvement on said property made by the Grantee, its successors and assigns, and any temporary or permanent limitations to the use of the property, should the Grantor and the Department of Energy be required to perform additional surface remedial activities on the property conveyed by this deed.

Grantee covenants (i) to comply with the applicable provisions of UMTRCA, 42 U.S.C. sec. 7901 et. seq., as amended; (ii) not to use ground water from the site for any purpose, and not to construct wells or any means of exposing ground water to the surface unless prior written approval for such use is given by the Grantor and the U.S. Department of Energy; (iii) not to sell or transfer the land to anyone other than a governmental entity within the state; (iv) that any sale or transfer of the property described in this deed shall have prior written approval from the Grantor and the U.S. Department of Energy, and that any deed or other document created for such sale or transfer and any subsequent sale or transfer will include information stating that the property was once used as a uranium milling site and all other information regarding the extent of residual radioactive materials removed from the property as required by Section 104(d) of the Uranium Mill Tailings, 42 U.S.C. sec. 7014(d), and as set forth in the Annotation attached hereto; (v) not to perform construction and/or excavation or soil removal of any kind on the property without permission from the Grantor and the U.S. Department of Energy unless prior written approval of construction plans (e.g., facilities type and location), is given by the Grantor and the U.S. Department of Energy; (vi) that any habitable structures constructed on the property shall employ a radon ventilation system or other radon mitigation measures; (vii) that its use of the property shall not adversely impact groundwater quality, nor interfere in any way, with groundwater remediation under UMTRCA activities; and (viii) to use the property and any profits or benefits derived therefrom only for public purposes as required by UMTRCA sec. 104(e)(1)(C), 42 U.S.C. 7914 (e)(1)(C).

These covenants are made in favor and to the benefit of Grantor, shall run with the land and be binding upon Grantee and its successors and assigns, and shall be enforceable by Grantor and its successors and assigns;

Grantee acknowledges that the property was once used as a uranium milling site, and contains residual radioactive materials as described in the attached Annotation, and that the Grantor makes no representations or warranties that the property is suitable for Grantee's purposes;

Grant

IN WITNESS WHEREOF,

GRANTOR:

APPROVED AS TO FORM:

David Kreuter
David Kreuter, Assistant Attorney General

STATE OF COLORADO
Bill Owens, Governor
Acting by and through
The Department of Public Health and Environment

By: *James W. Norton*
Executive Director

By: *J. P. [Signature]*
Program Approval

ACCEPTANCE OF DEED
AND COVENANTS

GRANTEE:

City of Durango, Colorado
(Full Legal Name or Agency)

By: *Robert F. Ledger Jr.*
(Name)

Title: *City Manager*



Linda D. Yeager
City/County Clerk

Signed this *22nd* day of *March*, 2000

STATE OF COLORADO, } SS.
County of

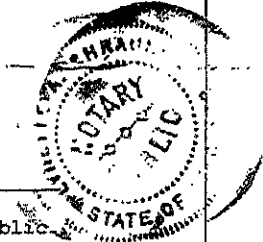
The foregoing instrument was acknowledged before me this *22nd* day of *March*, *2000*, by *Robert F. Ledger, Jr. and Linda D. Yeager*.

My commission expires *July 10, 2003*

Witness my hand and official seal

Stephen A. Brauner

Notary Public



STATE OF COLORADO

ss.

County of Denver

The foregoing instrument was acknowledged before me this 31st day of March, 2000, by JANE E. NORTON.

My commission expires April 14, 2003

Witness my hand and official seal



Maria S. Zepeja-Sanchez
Notary Public

No. _____

784555

QUIT CLAIM DEED

TO

STATE OF COLORADO, } ss.
County of

I hereby certify that this instrument was filed
for record in my office, at _____
o'clock M., _____, 19____
and is duly recorded in book _____
page _____
Film No. _____ Reception No. _____

Recorder.

By _____
Deputy.

Fees, \$ _____

AG ALPHA: HL-UM-DBN
AG FILE: NS_DOL_2DATABRWRKRUDEIUMTRCAIDURDEED

ATTACHMENT A

LAND ANNOTATION

DURANGO, COLORADO PROCESSING SITE

NORTHERN, MIDDLE AND SOUTHERN PARCELS

The Uranium Mill Tailings Radiation Control Act (Public Law 95-604), Section 104, requires that the State notify any person who acquires a designated processing site of the nature and extent of residual radioactive materials removed from the site, including notice of the date when such action took place, and the condition of the site after such action. The following information is provided to fulfill this requirement.

The Durango, Colorado processing site originally consisted of three separate land parcels. The northern parcel contained the mill site, two tailings piles and remnants of old buildings. The southern parcel, located approximately 0.5 miles to the south, contained raffinate ponds, which were used for the disposal and evaporation of contaminated liquids from the mill process. The two sites are connected by a currently impassable service road cut into the face of Smelter Mountain which is the third parcel.

Approximately 2,500,000 cubic yards of contaminated materials which included 1) tailings; 2) subpile soils; 3) surficial materials in the mill yard; 4) windblown materials; and 5) raffinate ponds and contents were removed from the sites from 1987 to 1990. The remediation was conducted in accordance with regulations promulgated by the United States Environmental Protection Agency (EPA), in 40 CFR 192. These regulations require that the concentration of radium-226 in land averaged over any area of 100 square meters shall not exceed the background level by more than: 5 pCi/g (picocuries per gram), averaged over the first 15 cm (centimeters) of soil below the surface, and 15 pCi/g averaged over 15 cm thick layers of soil more than 15 cm below the surface.

After remediation was complete the sites were backfilled with approximately 230,000 cubic yards of clean material, graded for drainage and revegetated. Backfill materials were routinely analyzed for radium-226 and were determined to have concentrations near background. Material with radium-226 concentrations less than 5 pCi/g were used for surface backfill. Excavation of residual radioactive material was also conducted for Thorium-230 on the southern parcel. For thorium-230, the cleanup standard was determined as a projected 1,000 year Radium-226 concentration based on the eventual decay of the thorium to radium. This resulted in a thorium-230 concentration of approximately 35 pCi/g as the clean-up standard. All verification soil samples from the two sites met the EPA standards of 5 and 15 pCi/g radium 226 plus background (1.6 pCi/g) except for grid H-38-20 which, including the thorium-230 results, after 1000 years would have a projected concentration of 18.6 pCi/g of radium-226. (The actual concentrations at this location are 49.4 pCi/g thorium-230 and 1.8 pCi/g radium-226). This grid is located on the southern parcel, as shown on the attached map. This grid is covered with 2.5 to 5 feet of clean backfill.

The northern parcel also contains slag from a lead smelter which operated on the site prior to the construction of the uranium mill. Approximately 200,000 cubic yards of slag remain on the site, covered by 18 to 24 inches of clean backfill and 6 inches of topsoil. The location of the slag is shown on the attached map. The slag was not removed during remedial action because the material was not included under the UMTRA authority (it did not meet the definition of residual radioactive material). After reviewing the results of several environmental studies, the EPA has determined that no further action is required to remediate this lead slag.

The EPA regulations also allow for contaminated materials to be left in place where removal would pose a clear and present risk of injury to workers or would produce environmental harm that is excessive compared to the health benefit achieved. These cases are called Supplemental Standards. Supplemental standards were applied to areas on the slope of Smelter Mountain, the banks of the Animas River, and to an area beneath the lead slag. The Supplemental Standards areas are identified on the attached map.

The groundwater beneath both parcels remains contaminated and will be addressed during Phase II of the uranium mill tailings remedial action project. Several groundwater monitor wells are present on each parcel and will remain in place until the U.S. Department of Energy determines that they can be removed.

Any person who acquires a designated processing site shall apply for any permits, including U.S. Army Corps of Engineers Section 404 permits regarding construction in or near wetlands, as required by law.

Additional information concerning the remedial action, groundwater conditions, lead smelter slag and supplemental standards is available from the Colorado Department of Public Health and Environment, Hazardous Materials and Waste Management Division. The phone number is (303) 692-3300 in Denver, and (970) 248-7164 in Grand Junction.