From: Cohen, Stephen
Sent: Friday, March 09, 2012 12:11 PM
To: Burrows, Ronald; Garrett, Betty; Lancaster, Thomas; Linton, Ron; Mandeville, Douglas; Oxenberg, Tanya; Saxton, John; Striz, Elise; VonTill, Bill; Webb, James
Subject: FW: News article in Tuesday's Gillette paper about progress at the Nichols Ranch project
Attachments: Gillette_news_record_3_6_12.pdf

From: Sokolosky, Peter K [mailto:psokolos@blm.gov]
Sent: Friday, March 09, 2012 11:31 AM
To: Aggen, Kerry L
Cc: Fahrer, Ashlie M; Neuman, Brenda V; Bjornsen, Alan; Cohen, Stephen; Deery, Rick
Subject: News article in Tuesday's Gillette paper about progress at the Nichols Ranch project

For your information

Pete Sokolosky
Geologist
Wyoming State Office WY922
PO Box 1828
Cheyenne, WY 82003
307-775-6261
307-775-6203 (fax)

Drilling continues at uranium mine

Uranerz expects to start operations in the summer

By LAURA HANCOCK
NEWS RECORD WRITER
lhancock@gillettenewsrecord.net

Uranerz Energy Corp. has drilled 77 of more than 500 production wells needed to begin uranium mining this summer near the Pumpkin Buttes.

The wells are about 600 feet below the earth's surface.

"We have six rigs in the field," George Hartman, chief operating officer, said Monday after the company updated shareholders on status of the mine on the T-Chair Livestock Ranch, which historically has been known as the Nichols Ranch.

The wells are key to the mine because a water mixture will be pumped into them and the ore will be drawn to the surface through "in situ" recovery.

The wells are small compared to an oil well, which can drop tens of thousands of feet below the surface.

"They're post holes, as far as petroleum drilling is concerned," Hartman said.

The company has drilled all 72 monitoring wells, which will test ground water quality.

Uranium mining is expected to begin in the second half of the year.

"As summer comes along, we'll be hiring more and more people," Hartman said.

Uranerz, which is headquartered in Vancouver, Canada, but operates out of Casper, has signed contracts with two utilities in the eastern half of the United States, Hartman said.

"There will be more to contracts," he said.

Actual processing of uranium into yellowcake will be done off-site at the nearby Smith Ranch Highland uranium mine, owned by Saskatoon, Canada-

See **URANIUM**, Page A6

Uranium: There is a second mine site

Continued from Page A1

based Cameco Corp., the world's largest publicly traded uranium company.

Uranerz originally planned to process on site, about 50 miles southwest of Gillette, but announced the change at the end of 2011 as a way to save capital costs.

"We retain our permits to do that (processing)," Hartman said. "But right now, we'll go through Cameco."

The new mine will begin producing 600,000 to 800,000 pounds of yellowcake a year and will ratchet production up to 1 million pounds a year.

Near the mine is a site for a second mine called Jane Dough, which contains about 2.9 million pounds of uranium. The company has started to work on it.

"We're collecting data for environmental permits," Hartman said. "So we're in the data collection phase."