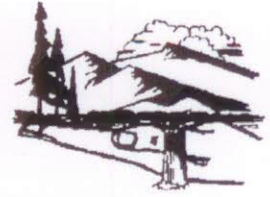




Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Matthew H. Mead, Governor

Todd Parfitt, Director

November 28, 2014

Mr. Jon Winter
Uranium One USA, Inc.
907 North Poplar Street, Suite 260
Casper, WY 82601

RE: Decrease In Bond Amount for Permit No. 478, Uranium One, Willow Creek ISR Project

Dear Mr. Winter:

The information presented in the 2012-2013 Annual Report for Permit No. 478 has been reviewed by the Land Quality District III staff. In accordance with W.S. §35-11-411(d) and the recommendation of Luke McMahan, District III, the reclamation liability is set at \$20,715,064. This is a decrease of \$359,936 from the current bond. This decrease is due to the low market price of uranium which has resulted in Uranium One putting any significant development plans on hold at the Willow Creek Project. In the 2012-2013 surety estimate, development costs were included for projects that have not been completed and are not anticipated to be completed during the 2013-2014 reporting period.

Please contact Ms. Deanna Hill, Bonding Analyst, at (307) 777-7756 for information on how to decrease the bond. *Please be advised that insurance company surety must be submitted on one sheet, back-to-back. In addition, the original, signed certification of signatory authority for a principal must contain sufficient indicia of proof of such authority. In many cases, this will be the relevant portions of by-laws (for example, the first page showing whose by-laws they are, the page or pages addressing signatory authority and the last page). In other cases, such authority is apparent on the face of the certification itself. A sample of such an instance is enclosed.*

This bond amount is based only on an estimate of the cost of the state performing reclamation in the event of bond forfeiture. If this estimate proves to be less than the amount required, the Department will bring suit to recover the additional cost as allowed under W.S. §35-11-422.

If you have any questions regarding the bond amount, please contact the Sheridan District Office at (307) 675-5619.

Sincerely,

Todd Parfitt
Director
Department of Environmental Quality

TP:LM:DH:nv

xc: Deanna Hill - Cheyenne DEQ-LQD
District III

Mr. Ron Linton, U.S. NRC, MS T-8F5, 11545 Rockville Pike, Rockville, MD 20852.

Herschler Building • 122 West 25th Street • Cheyenne, WY 82002 • <http://deq.state.wy.us>

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| ADMIN/OUTREACH (307) 777-7758 FAX 777-7682 | ABANDONED MINES (307) 777-6145 FAX 777-6462 | AIR QUALITY (307) 777-7391 FAX 777-5616 | INDUSTRIAL SITING (307) 777-7369 FAX 777-5973 | LAND QUALITY (307) 777-7756 FAX 777-5864 | SOLID & HAZ. WASTE (307) 777-7752 FAX 777-5973 | WATER QUALITY (307) 777-7781 FAX 777-5973 |
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