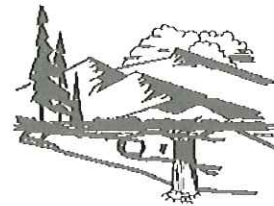




Department of Environmental Quality

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

CERTIFIED MAIL RETURN RECEIPT REQUESTED: #7012 1640 0000 8427 4048

Bernard Bonifas
Uranerz Energy Corp.
P.O. Box 50850
1701 East E Street
Casper, WY 82605-0850

RECEIVED
OCT 17 2017

BY:

RE: Bond Amount for Permit No.778, Uranerz Energy Corporation, Nichols Ranch ISR Project

Dear Mr. Bonifas:

The information presented in the 2016 Annual Report for Permit No.778 has been reviewed by the Land Quality District III staff, and the Annual Inspection required by W.S. §35-11-411(c) was conducted on July 20, 2017. The Annual Inspection Report was finalized on August 11, 2017.

In accordance with W.S. §35-11-411(d), the bond amount is set at \$6,220,000.00. This represents a decrease of \$580,000.00 from the current total bond amount held of \$6,800,000.00. This bond decrease is due to a current over-bonded condition. Please contact Mr. Casey Robb, DEQ Bonding Analyst, at (307) 777-6910 for information on how to decrease the bond currently held. The bond readjustment request should be submitted to LQD within forty-five days of your receipt of this letter.

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 Mr. Bj Kristiansen in the LQD District III Office at (307) 675-5615 or Mr. Mark Rogaczewski at (307) 675-5616.

Sincerely,

Todd Parfitt
Director

Date: 10-11-17

- cc: Kim Pandullo – Cheyenne DEQ-LQD
- Tammi Pusheck – Cheyenne DEQ-LQD
- Connie Osborne- Cheyenne DEQ
- Kimber Wichmann – DEQ Bonding Program
- Casey Robb – DEQ Bonding Analyst
- Bj Kristiansen – Sheridan DEQ-LQD
- Mark Rogaczewski – Sheridan DEQ-LQD