



ENERGY FUELS RESOURCES CORPORATION

August 31, 2010

Ms. Angelique Diaz, Ph.D.
U.S Environmental Protection Agency
1595 Wynkoop Street
Denver, CO 80202-1129

Transmittal: Construction, Operating, and Radon Emission Information for the
Evaporation Ponds, Piñon Ridge Mill, Montrose County, Colorado

Dear Angelique:

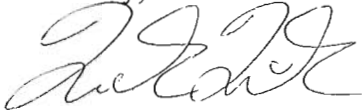
Energy Fuels Resources Corporation (Energy Fuels) is submitting the following documents on the proposed evaporation ponds at the Piñon Ridge Mill for your information and use.

- Operating Plan, Tailings Cells and Evaporation Ponds, Piñon Ridge Mill by Energy Fuels: This plan provides a summary of the design components and a detailed review of operating and monitoring procedures for these facilities.
- Raffinate Characterization by Energy Fuels with the assistance of J E Litz & Associates, LLC: This report describes the milling process, bench-scale testing, and the analytical results used to characterize the vanadium raffinate that will be disposed of in the evaporation ponds.
- Evaporation Pond Radon Flux Analysis, Piñon Ridge Mill Project, Montrose County, Colorado by SENES Consultants Limited: This report evaluates the radon flux from the evaporation ponds.
- Evaporation Pond Design Report, Piñon Ridge Project, Montrose County, Colorado by Golder Associates Inc. This report presents the design for the evaporation ponds.

Energy Fuels proposes to initially build ten evaporation ponds, each 4.13 acres in size with a total Phase I lined area of 41.3 acres. An additional 10 ponds are planned for a later Phase II expansion bringing the total lined acreage to 82.6 acres. Although the evaporation ponds are interconnected via a weir system, each individual pond will have its own leak collection and recovery system under its primary (i.e., top) liner.

We understand that the U.S. Environmental Protection Agency (EPA) is evaluating radon flux levels from evaporation ponds as part of its formal review of the Subpart W regulation in 40 CFR Part 61. We believe that the enclosed documents demonstrate that the radiation risk associated with operating evaporation ponds at a uranium/vanadium mill is very low, as the radon flux from the water-covered ponds is expected to be similar to, if not lower than, those observed in the native background soils on site.

Sincerely,



Frank Filas, P.E.
Environmental Manager

Attachments

Cc: S. Tarlton, CDPHE (2 copies)
C. Pray, CDPHE (1 copy)
S. White, Montrose County (2 copies)
Nucla Library Project Repository (1 copy)