

STATE OF COLORADO

Bill Ritter, Jr., Governor
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Dedicated to protecting and improving the health and environment of the people of Colorado

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Located in Glendale, Colorado
<http://www.cdphe.state.co.us>



Colorado Department
of Public Health
and Environment

August 19, 2008

Frank Filas, P.E.
Environmental Manager
Energy Fuels Resources Corp.
44 Union Blvd. , Suite 600
Lakewood, CO 80128

Re: Special Use Permit-Pinon Ridge Mill Facility

Dear Mr. Filas,

On July 22, 2008, the Colorado Air Pollution Control Division received a request for an air quality determination concerning Special Use Permit-Pinon Ridge Mill Facility. Thank you for taking the time to inquire about air quality requirements in this area. The following information pertains to air quality issues only.

All sources of air emissions in Colorado are required to obtain a construction permit unless they are specifically exempted by the provision of Regulation No. 3. The first phase of air permitting involves submission of an Application for Construction Permit for each facility and one Air Pollution Emission Notices (APEN) for each emission source. For purposes of Air Pollution Emission Notice reporting, a source can be an individual emission point or group of similar emission points (Ref: Regulation No. 3, Part A) Both APEN reporting and permit requirements are triggered by uncontrolled actual emission rates. Uncontrolled actual emissions are calculated based on the the requested production/operating rate Assuming no control equipment is used. In general, an APEN is required for an emission point with uncontrolled actual emissions of any criteria pollutant equal to or greater than the quantity listed in the table below:

AREA	UNCONTROLLED ACTUAL EMISSIONS
Attainment Areas	2 Tons Per Year
Non-attainment Areas	1 Ton Per Year
All Areas	Lead Emissions: 100 pounds per year

Please consult <http://www.cdphe.state.co.us/ap/attainmemaintain.asp> to determine if your project will be located within an an attainment or non-attainment area. Other exemptions may be found in Regulation

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No. 3., Part A, Section II.D.1, however a source may not be exempted if the source would otherwise be subject to any specific federally applicable requirement.

Sources of non-criteria reportable pollutants have different reporting levels depending on on the pollutant, release point height, and distance to property line. Please see Appendix A and Appendix C of Regulation Nop. 3 for determining the appropriate reporting level for each pollutant and for the list of non-criteria reportable air pollutants. However, none of the exemptions from Air Pollution Emission Notice filing requirements described above shall apply if a source would otherwise be subject to any specific federal or state applicable requirement. Information concerning submittal of revised Air Pollution Emission Notices is also given in Regulation No. 3, Part A. An Air Pollutant Emission Notice is valid for a period of five years. The five-year period recommences when a revised Air Pollutant Emission Notice is received by the Division.

If you have any questions regarding your reporting and permitting obligations please call the Small Business Assistance Program at (303)-69203148 or (303) 692-3175.

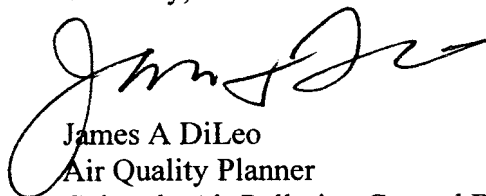
Land development (earth moving) activities that are greater than 25 acres or more than 6 months in duration will most likely be required to submit an APEN to the Division and may be required to obtain an air permit. In addition a startup notice must be submitted 30 days prior to commencement of the land development project. Please refer to the following link for additional information:
http://www.cdphe.state.co.us/ap/down/land_develop.pdf

If you have any questions or feel as though you need more information on possible air pollution permits or notice requirements, please contact me directly at (303) 692-3127 or the Colorado Air Pollution Control Division's Stationary Source Program at (303) 692-3150. I can also be reached via email at jim.dileo@state.co.us.

Please note that the air emissions analysis included in the land use application did not address some important elements including organic compound emissions from solvent extraction and the Federal National Emission Standards for Hazardous Air Pollutants (NESHAPs). For questions please contact Chip Hancock at (303)692-3168 or Bob Jorgenson at 303-692-3171.

Again, thank you for taking the time to contact the Division about this upcoming project.

Sincerely,



James A DiLeo
Air Quality Planner
Colorado Air Pollution Control Division

CC: Phil Egidi, Radiation Control Division
Montrose County Land Use Dept.