



Via Email and U.S. Mail

November 21, 2011

Mr. Steve Tarlton
Manager
Radiation Management Unit
Hazardous Materials and Waste Management Division
Colorado Department of Public Health and Environment
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

Subject: Letter Dated September 28, 2011 re Conceptual Cover Design for Tailings
Impoundments

Dear Mr. Tarlton:

Cotter Corporation (N.S.L.) (Cotter) was requested by the Radiation Management Unit (RMU) of the Colorado Department of Public Health and Environment in its September 28, 2011 letter to provide an alternate cover design for reclamation of the Primary and Secondary Impoundments at Cotter's Cañon City Mill site and to provide certain additional information. Cotter will provide the requested alternate design for a reclamation cover system using a top slope of no less than 2% grade and a multi-layer radon barrier to the RMU by June 1, 2012.

Along with this alternate design, Cotter will also provide the RMU a detailed justification as to why and how Cotter's originally proposed cover design using a top slope of 0.5% grade and Cotter's radon barrier design meet the requirements of the Colorado radiation control regulations in Appendix A to Part 18, 6 CCR 1007-1 (Part 18 Appendix A). Cotter also would like to request a meeting with the RMU and Cotter's consultants as soon as possible to discuss why Cotter's proposed conceptual cover design is sufficiently protective of human health and the environment to comply with the requirements of Part 18 Appendix A.

In submitting the requested alternate design, Cotter retains all rights under the Radiation Control Act and the Colorado Administrative Procedures Act to administrative and judicial review of the RMU's final decision on this matter pursuant to C.R.S. §§ 24-4-105 and 106.

If you have any questions, please contact me at 719-275-7413 (ext. 202).

Sincerely yours,

John S. Hamrick
Vice President, Mill Operations