



ENERGY FUELS RESOURCES CORPORATION



November 23, 2009

Mr. Edgar Ethington
CDPHE – Hazardous Materials and Waste Management Division
HMWM-HWC-B2
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Re: Piñon Ridge Mill Groundwater Monitoring Program Modification

Dear Edgar,

Energy Fuels would like to notify you of our proposed plans for future groundwater monitoring at the Piñon Ridge Mill site. Energy Fuels has collected two years of groundwater baseline data for the Radioactive Materials License Application, submitted on November 18, 2009. We feel that the data collected to date is of high quality and representative of conditions at the Piñon Ridge property.

During the baseline data collection period (October 2007 to July 2009), the on-site groundwater monitoring program included quarterly measurement and sampling of the monitoring and production wells located on and adjacent to the Piñon Ridge property. At this time, Energy Fuels plans to reduce on-site monitoring to quarterly water level measurements and annual sampling of the monitoring and production wells. The field parameters and analytical constituents included in the program will remain the same as those from the baseline data collection period and are provided in the Groundwater Sampling Work Plan, Revision 2, dated May 21, 2008.

Energy Fuels has added dissolved lead-210 and thorium-230 to the analytical constituents analyzed for in the third quarter 2009 and will include them in subsequent groundwater samples collected.

In addition to on-site groundwater monitoring, Energy Fuels is currently monitoring off-site groundwater in accordance with “Proposed Monitoring and Mitigation Program for Pumping Production Wells,” dated July 7, 2009. This plan includes the following pre-operational monitoring:

Off-Site Wells (up to 5 off-site wells designated in the program)

- Productivity, field parameter and water level monitoring on a quarterly basis
- Sampling on an annual basis

Off-Site Spring (Stone Spring)

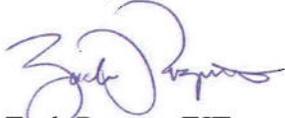
- Flow rate and field parameter monitoring on a quarterly basis
- Sampling on an semi-annual basis

The groundwater quality at the mill property has been stable with little to no influence from changes in the season. This is not uncommon in deep aquifers, such as the aquifer being monitored at the property. Considering the above information, Energy Fuels believes that quarterly water level checks and annual sampling will provide adequate data to detect changes in groundwater quality should they occur. Energy Fuels plans to resume quarterly sampling when the mill begins operations, as discussed in the Operational Monitoring Plan, provided with the Radioactive Materials License Application.

Energy Fuels plans to continue with the current surface water sampling program until further notice, as the surface water data collected to date is more variable than the data collected in the groundwater monitoring program and could benefit from additional sampling events. In addition, there are no planned changes to the meteorological or air monitoring programs at this time.

Please feel free to contact me at (303) 974-2151 if you need any additional information.

Sincerely,



Zaeh Rogers, EIT
Environmental Engineer

Cc: Phil Egidi (CDPHE-HMWMD)
Frank Filas (Energy Fuels)