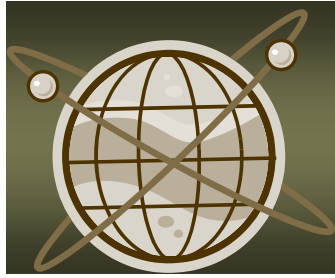


RELEASE DATE:
November 5, 2011

RMS Contents:

- November 2011 Rocky Mountain Scout
- Month End Spot Market Yellowcake Price
- Energy Equivalents
- ***This Month in the News***
- Uranium Exploration & Resources Activity Summary for North America
- Management Interests
- Review of Uranium Resources Activity
 - * United States Activity
 - * Foreign Operator Activity
- Regulatory Issues by Oscar Paulson
- RMS Contact Information
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November Report of October, 2011 Activity

SPOT MARKET YELLOWCAKE, End October 2011: \$52.00



Pine Ridge Ft Union outcrop in the SW Powder River Basin.

R. Sydow photo taken on Casper College geology field trip in September, 2011.

Energy Equivalents

(Conversion factors for Fuel, Nuclear Reactor LWR Power Plants)

One pound U_3O_8 @ \$52.00 today = the energy of 37 bbls Wyoming Crude Oil

One barrel oil yields 40 gallons gasoline @ \$3.40/gallon... So 40 gallons gas per barrel X 37 bbls oil = 1,480 gallons gasoline X \$3.40 = \$5,030 gasoline compared to \$52.00 U_3O_8

OCTOBER 2011 - URANIUM EXPLORATION & RESOURCE ACTIVITY

North America

October drilling in the United States totaled 117, and 14 in Canada, for a total of 131 North American drills during the month. Compared to September, Canada drilling lost two rigs while the U.S. gained 13 rigs.

See page 21 for the North American tabulation by area and operator, excluding Mexico.

YELLOWCAKE PRICE, as of October 31st 2011 was \$52.25, down \$.50

UX WEEKLY'S spot price per pound of yellowcake as of October 31, was \$ 52.00, down .75 for the month

TRADE TECH'S spot price per pound as of November 4th was \$52.25. The long term spot as of October 31st, was \$63.00, down \$1.00

As of October 31st Dan Burns (DOE) reported U spot market prices at \$52.00, down from September. Vanadium mid range price is \$6.25, also down \$.30 from September.

MANAGEMENT INTEREST:

October Management Interest:

CAMECO'S Quarterly Report late August sees most countries with a nuclear program will increase their commitment to nuclear power, including China, France, Russia, South Korea, the United Kingdom, Canada and the United States. Saudi Arabia plans to build 16 reactors by 2030.

CROSSHAIR EXPLORATION has changed its' name to **CROSSHAIR ENERGY**, and has completed its' 2011 drilling program in the Sundance formation of SE Shirley Basin, Wyoming.

The **Grand Canyon Moratorium, extended for six months from June 20, 2011** on new uranium mining claims in a million acre buffer zone around the Grand Canyon as Washington, DC awaits the conclusions of a study of potential environmental effects of mining in the area. Denison Mine's CEO Ron Hochstein is frustrated by the U.S. government's move to extend the ban on uranium mining near the Grand Canyon which "will impact development of the EZ mine and impact our production probably within the next 5-10 years." Denison currently produces around 200,000 to 300,000 pounds of U₃O₈ from the Arizona 1 mine in the region and has construction underway at the nearby PINENUT deposit.

Peninsula Energy Limited, June 23, 2011, announced that it entered into an agreement to raise \$15 million through a private placement with NuCore Energy LLC. The placement is priced at 50% average price (VWAP) at the Lance projects in Wyoming. Peninsula will appoint Jim Cornell to the Board as Executive Director—Sales and Marketing. Cornell is the founding Director and CEO of NuCore. Peninsula had one drill operating in October.

Tom Pool reported two publications have come to his attention concerning large electrical generation plans by nuclear, through 2030. The RMS will pursue this information for the November issue.

This Month in the News

Oct 14th the Deseret News reports Areva SA has won a federal license to build a gas centrifuge uranium enrichment plant near Idaho Falls. The company plans to begin construction of the Eagle Rock Enrichment Facility in 2012 with 2014 as a projected completion date. (www.deseretnews.com)

Oct 17th Marketwire reported Energy Fuels Inc. had acquired a 20 year mining lease in Utah's Sage Plain District, from privately held Nuclear Energy Corp. for \$1,500,702 US dollars. (http://www.marketwatch.com/story/energy-fuels-announces-acquisition-of-key-uranium-and-vanadium-property-in-utahs-sage-plain-district-2011-10-17?reflink=MW_news_stmp)

Oct 19th The World Nuclear News reported Uranium Resources Inc's license to mine uranium in the Churchrock area of New Mexico had been renewed. (http://www.world-nuclear-news.org/ENF-URI_mining_licence_reactivated-1910115.html)

Oct 21st Uranium Investing News reports that RIO Tinto PLC has offered \$572 million to take over Hathor Exploration Ltd, thus escalating a challenge against an earlier hostile offer from Cameco. (www.uraniuminvestingnews.com)

On Oct 25, 2011 Jeremy Fagleberg of the Casper Star Tribune reported that Ur-Energy has won Wyoming approval for the Lost Creek Mine Site. The permit is the last needed from the state. (www.casperstartribune.com)

On Oct 26th the San Francisco Chronicle's Bloomberg business report reported that uranium takeovers are offering investors the largest potential payoffs. (www.sfgate.com)

Oct 27th the Sacramento Bee reported that Athabasca Uranium has commenced the diamond drill program on its Keefe Lake uranium project. (www.sacbee.com)

This Month in the News

October 29th, Nancy Lofholm of the Denver Post reported Energy Fuels Inc, Pinon Ridge Uranium and Vanadium Mill in western Montrose County had passed another large hurdle when the Environmental Protection Agency approved construction of tailings ponds. A company official also states the recent federal court ruling that will temporarily stop most uranium leasing and mining won't stymie the mill plans. (www.denverpost.com)

October 31st Seeking Alpha reported uranium stocks jumped as much as 38% in October, although investors remain skeptical of a huge rally. (<http://seekingalpha.com/article/303781-uranium-stocks-set-to-implode-or-explode>)

Oct 31st PR Newswire announced UEC had entered an agreement to purchase 740,000 acres of permitted land in Coronel Oveida, Puraguay. The deal increases UEC's holdings in the country to 987,000 acres. (<http://www.marketwatch.com/story/uranium-energy-corp-acquiring-major-additional-section-of-coronel-oviedo-uranium-district-in-paraguay-2011-10-31-83000>)

Nov 1 2011, Market Watch reported Crosshair Exploration and Mining Company has changed it's name to Crosshair Energy Corp. Crosshair's trading symbols on the Toronto and New York stock exchanges will remain unchanged. (<http://www.marketwatch.com/story/crosshair-announces-name-change-to-crosshair-energy-corporation-2011-11-01-831490>)

Future competition with Mexico negated with their canceling plans to build as many as 10 new reactors, instead they will focus on gas-fired electricity plants after new natural gas discoveries. For more information see related story in Nov 4, Nuclear Market Review. (<http://www.uranium.info>)

Nuclear Market Review also reports Nov 4, that Uranium One Boosts their Tanzania uranium resources by 42% in a recently updated mineral resource estimate. (<http://www.uranium.info>)

REVIEW OF URANIUM AND ENERGY RESOURCES ACTIVITY

United States Operator Activity



- * AMERICAN URANIUM CORP (AUC LLC) continued drilling in the Wright/Reno Creek area of Powder River Basin, Wyoming into October with two drills, according to Dan Dowers of the Lakewood office.
- * BAYSWATER, for the Crook County, Wyoming HAUBER/ ELKHORN/ ALZADA project earlier reported 90% recovery rates from metallurgical "bottle-roll" tests. With permeability rates from 600 to 2,400 millidarcies, met tests indicate InSitu Recovery mining method amenability. The firm anticipates the drilling of approximately 25 drill holes to confirm historical ore claims, including Lakota sandstone pump tests.
- * BLACK RANGE MINERAL's Ben Vallerine reported October exploration rig drilling in Colorado at their TAYLOR RANCH project near Cannon City, early in the month. The drilling is now complete for the interim.
- * CAMECO, in Wyoming reported through Bob Blackstone, Geologist, drilling for the month involved 7 exploration drills: 3X at BROWN RANCH and 4X in the GAS HILLS. Wyoming development projects used fourdrills at NORTH BUTTE. Production in Wyoming had 23 drills operating in October, at SMITH RANCH. CAMECO'S exploration in Nebraska at CROW BUTTE used 3 exploration rigs and development projects there used 2 drills, for five drills in Nebraska.
- * CROSSHAIR ENERGY (new name) drilled 245 exploration holes at JUNIPER RIDGE, WYOMING this year and has completed exploration at the BOOTHEEL in southeast SHIRLEY BASIN. Web coverage of the man-camp activity there north of Rock River, WY is available on the web.
- * DENISON MINES CORP Terry Wetz in the Denver office reported underground mine development drilling using five drills in Utah mines in October. Two surface drills were busy at the BEAVER mine on exploration monitor work plus development rigs there and underground at the DANEROS mine. Seven rigs in Mongolia are now shut down, at the ULZIIT and URT TSAP projects.
- * ENERGY FUELS RESOURCE CORP FUELS and TITAN will form a JV (joint venture) according to a 10/28 release (see web for details). EFN had one drill operating in Arizona, south of the rim and one in Utah at the SAGE MINE, near Egnar.

REVIEW OF URANIUM AND ENERGY RESOURCES ACTIVITY

United States Operator Activity, continued

- * HOMESTAKE continued this month with two reclamation drills near Milan in the Grants District, New Mexico, according to George Hoffman, Casper Consultant of Hydro@alluretech.net.
- * INTEGRATED PRODUCTION RESOURCES's Rich Ziegler reported no drilling in October in Colorado, early in the month.
- * KENNECOTT reported no drilling but fighting snow drifts already in the Great Divide Basin of Wyoming early in November.
- * MESTENA URANIUM LLC, reporting through Geologist Sam Talbott, had four exploration rigs and six development drills busy in October, in Texas.
- * PENINSULA ENERGY LTD. In October, reported 1 rig near Oshoto, Wyoming. The firm has received approval from the Wyoming Department of Environmental Quality (WDEQ) for the construction and testing of Underground Injection Control (UIC) Class 1 wells at the Lance In-Situ Recovery (ISR) uranium project, PRB. The UIC permit is the first of the three main licenses required by the company to commence mining operations there.
- * POWERTECH USA reported no drilling in October.
- * STAKEHOLDER ENERGY had no drilling as yet to report but graciously allowed the Casper College Geology Dept student field trips, lead by Dr. Kent Sundell, through their holdings in Powder River Basin this fall. (See photos this report)
- * URANIUM ENERGY CORPORATION of Corpus Christi reported four production drills at PALANGANA PRODUCTION CENTER, and one exploration drill at the SALVO Project, for a total of five drills.
- * URANIUM ONE's Chief Geologist Dayton Lewis earlier reported 13 development drills at WILLOW CREEK, Powder River Basin, Wyoming.
- * URAN,LTD, reported one exploration drill operated at Grants Ridge, NM earlier this year. Eric Koenig, Geologist will be well-sitting the project.

REVIEW OF URANIUM AND ENERGY RESOURCES ACTIVITY

United States Operator Activity, continued

- * STRATHMORE MINERALS CORP 's Jeb Crouch reported two drills active early in October in the Gas Hills. One drill will continue at the DAY LOMA this Fall.
- * TITAN URANIUM announced summer drilling is complete until next June at its SHEEP MOUNTAIN uranium proect in Wyoming, where two drills operated into mid-August. Thirty-two holes were drilled , targeting the area of proposed Congo open pit. They are delineating pit boundaries. Earlier highlights of the drilling to date include: 3.0 feet grading 1.09% U₃O₈, 6.0 feet grading 0.504% U₃O₈, 5.5 feet grading 0.358% U₃O₈, and 9.5 % grading 0.237%
- * Wyoming BLM, Lander office considers the Sheep Mountain plan of operations complete which will require an EIS by late 2012. July 6th the firm advanced permitting for SHEEP MOUNTAIN by revising its Plan of Operations to the BLM for a BLM EIS that will take 12 to 18 months. Eventual production could result in 2 million pounds 3O8 per year. Russell Sydow, with the Rocky Mountain Uranium Scout reported an open-house September 9th in Jeffrey City was attended by some 25 persons in the town presently with a population of about 50. The multi- faceted operation there is anticipated to employ at least 200 miners and alternnative mining operations. Hydraulic mining and the Ablation process will be considered later according to Doug Beahm, Geologic Consultant with (BRS, INC. PO Box 1104 Broomfield CO, 80038) who spoke at the November 4 Wyoming Geological luncheon– see photo.
- * TREC INC. Casper Operations Office earlier this summer moved to the new address at 900 Werner Court, Suite 150, Casper, Wyoming 82601. The main phone number of 307-265-0696 remained the same. The firm was well represented at the U2011 symposium.
- * URANERZ ENERGY, reporting through George Hartman, had five drills active in October. Three development rigs operated at NICHOLS RANCH, doing monitor well drilling, and two drills operated southwest of Wright, Wyoming, all in Powder River Basin.
- * URANIUM RESOURCES (URI) Mark Poliza indicated two exploration drills operating in Texas at the Las Finados Project earlier this Fall, on a Joint Venture with CAMECO.
- * UR- ENERGY's Casper office reported, through Steve Hatten, one exploration drill and three development rigs at LOST CREEK in the Great Divide Basin of central Wyoming.

REVIEW OF URANIUM AND ENERGY RESOURCES ACTIVITY

United States Operator Activity, continued

- * VANE MINERALS in Arizona had two exploration drills operating in northern Arizona on uranium state leases. The firm also started up a copper exploration project in southwest New Mexico in October.
- * VIRGINIA ENERGY RESOURCES INC. earlier updated one exploration drill at its Hatchet Lake uranium project in the Athabasca Basin of Saskatchewan. The winter program at Hatchet Lake included ground geophysics and diamond drilling in the Richardson-Crooked Lake area. The target area includes a historically described, six-kilometer-long conductor system with uranium and base-metal enrichment associated with sulphide mineralization and alteration in sandstone and basement rocks. The Richardson-Crooked Lake area is located on the shallow northeast margin of the Athabasca basin with depths to the sandstone-basement contact varying from surface to 120 meters, well within the limits of low-cost open-pit mining.
- * WORLD INDUSTRIAL MINERALS, operating for PENINSULA, had one uranium exploration drill operating in the Oshoto, Wyoming area under the name of STRATA ENERGY.
- ❖ FIRE RIVER GOLD recovered values of 110g/t Au (3.21opt) from hole N11U-175 this year in drilling at the NIXON FORK GOLD MINE in Alaska's TINTIC GOLD BELT. Silver values in the same hole interval ran 21.6 g/t silver. To August 23rd, 9 holes had been drilled, with drilling reported to be continuing.
- * There were no reports from LARAMIDE RESOURCES, MAX RESOURCE CORP, or MESA URANIUM.

On top of Pine Ridge



REVIEW OF URANIUM AND ENERGY RESOURCES ACTIVITY

International Operator Activity,

- * AREVA RESOURCES CANADA reported one drill in eastern Athabasca Basin. The firm will delay until 2013 the manufacture of nuclear plant components scheduled at the NORTHROP GRUMMAN CORP Newport News shipyard in Virginia, due to slow United States approval of new nuclear plants. AREVA has already invested \$25 million in the project.
- * CAMECO's Scott McHardy, Drilling Oversight Geologist, reported 5 exploration rigs for September, two at VIRGIN and two at CIGAR LAKE in the Athabasca Basin plus one in Quebec.
- * CANALASKA URANIUM LTD URANIUM in Canada reported by Peter Dasler the planning of 15000 meters of uranium drilling in ATHABASCA BASIN after "freeze-up" in the muskeg, the first three months of 2012.
- * CROSSHAIR EXPLORATION & MINING earlier reported their Labrador uranium resources in the "C Zone" there in the Central Mineral Belt includes 30.92 million pounds of V2O5 Indicated.
- * DENISON, in Athabasca Basin, following a three drill program this summer will have no drills till January, 2012. Earlier the firm had three exploration projects going, with 30 holes drilled at the WHEELER PHOENIX project area where Zone A recovered 5.4 meters of 12.73% U3O8 plus other anomalous intercepts. Summer drilling tested Zone A to the East. For Mongolia, Terry Wetz reported 7 exploration drills were busy before shutting down at the ULZIIT and URT TSAB projects.
- * ENERGY FUELS INC., Toronto, Ontario, April 14, announced that the company has updated the mineral resource estimates on its primary, fully permitted Colorado and Utah mining properties (the Whirlwind and Energy Queen Mines), as well as on its San Rafael project. The updated resource estimates result in a measured and indicated uranium mineral resource increase of about 27% from 5.1 million lbs. to more than 6.4 million lbs. U3O8. Inferred mineral resource increased by about 18% from 3.7 million lbs. to over 4.3 million lbs.
- * HATHOR EXPLORATION LTD. , on a nine-week drilling project with two drills at the FAR EAST ZONE in Athabasca Basin hit 27 meters of 7.91% ore, according to rumors, which may explain the "courting" by RIO TINTO and CAMECO.



REVIEW OF URANIUM AND ENERGY RESOURCES ACTIVITY

International Operator Activity, continued

- * JNR RESOURCES in Saskatoon reported no drilling in October following the September drilling completion at the SNOWBIRD project in central Athabasca Basin.
- * PELE MOUNTAIN RESOURCES INC. earlier announced the arrival of two rigs and the start of a 7000-meter drill program at its Eco Ridge Mine rare earths and uranium project at Elliot Lake, Ontario. An updated NI 43-101 from earlier this year indicated resources of 51.9 million pounds of total rare earth oxides (TREO) and 15.2 million pounds of U_3O_8 . Inferred resources include an additional 96.3 million pounds TREO plus 31.4 million pounds U_3O_8 .
- * TERRA VENTURES INC. announced they have started a diamond drilling program on the Wheeler River uranium properties, adjoining the Denison Mines property and the Phoenix Zone in the Athabasca Basin of Saskatchewan.
- * UEX CORPORATION September 29th the company reported 8 new directional drill holes at the KIANNA deposits intersecting 32.0 meters grading 0.81% eU_3O_8 at Shea Creek, which is the largest undeveloped uranium resource in the Athabasca Basin and ranks as the third largest uranium resource in the Basin, exceeded in size only by McArthur River and Cigar Lake. Shea Creek Project's Kianna, Anne and Colette Deposits host 63,572,000 lbs U_3O_8 Indicated and 24,525,000 lbs U_3O_8 Inferred. Horshoe, Raven and West Bear Deposits of the Hidden Bay Project are host to 36,622,500 lbs U_3O_8 indicated and 3,715,000 lbs U_3O_8 inferred. Graham Thody is the new CEO following the retirement of Stephen Sorenson.
- * URACAN RESOURCES LTD. midyear 2011 announced initial assay results from drilling completed during its winter 2011 drilling campaign. The drilling specifically focused on the Costebelle A4 and CC11 Zones, which are both located on the company's 100%-owned North Shore project in Quebec. Highlight include: 10.5 meters grading 0.048% U_3O_8 , 43.5 meters grading 0.019% U_3O_8 , 17.6 meters grading 0.025% U_3O_8 , 15 meters grading 0.034% U_3O_8 , and 12.5 meters grading 0.032% U_3O_8 . The 18 hole, 3,165-meter drill program was designed to follow up on exploration targets identified in 2010 drill programs. Drilling has discovered a 600-meter strike length within an overall anomaly with a potential strike length of 1500 meters. URACAN is working with a contractor to explore various targets at the North Shore property this summer.



REGULATORY ISSUES

October 2011

Courtesy of Oscar Paulson

Regulatory Issues – October 2011

Courtesy of Oscar Paulson

Environmental Protection Agency – 40 CFR Part 61 Subpart W/Impoundments

Radon data collection at the request of the Agency by several licensees was completed on September 30, 2009.

The EPA, in spite of industry input to the contrary, continues to state that fluid retention ponds at in-situ uranium recovery facilities will fall under 40 CFR Part 61 Subpart W. This statement was made again by Reid Rosnick of the EPA at a public meeting on September 15, 2010 in Tuba City, Arizona. He also stated at this meeting that he expected a draft rule to be released at the end of 2011.

At a meeting with representatives of the uranium recovery industry on October 29, 2009 in Washington, D.C. he stated that 40 CFR Part 61 Subpart W as it is written, gives the EPA jurisdiction over fluid retention ponds containing 11 (e).2 byproduct material fluids. He reiterated that the Agency must review and approve any plans for construction new tailings impoundments, fluid retention ponds and heap leach pads prior to commencement of work. In this latest discussion, heap leach pads were included in addition to fluid retention ponds. He also stated that fluid retention ponds would count against the two (2) operating forty (40) acre impoundment limit in 40 CFR Part 61 Subpart W.

Additional information may be found at:

<http://www.epa.gov/radiation/neshaps/subpartw/rulemaking-activity.html>

The next conference call is scheduled for Thursday January 5, 2012 at 11:00 a.m. Eastern Time.

The uranium recovery industry as represented by the National Mining Association (NMA) is planning to prepare a technical paper for publication in a peer reviewed journal regarding radon fluxes from fluid retention impoundments.

The Sheep Mountain Alliance (SMA) and Colorado Citizens Against Toxic Waste (CCAT) recently (April 18, 2011) submitted comments to the Environmental Protection Agency (EPA) on 40 CFR Part 61 Subpart W and its application to the proposed Pinon Ridge Mill.

On the conference call on Thursday, July 7, 2011, it was announced that the report on radon from tailings impoundments and fluid retention impoundments should be available for public review at the end of August 2011. This report is being prepared by S. Cohen and Associates. It is not yet available. In the conference call on Thursday, October 6, 2011, Agency staff stated that its release has been delayed because a member of Agency staff assigned to review the report has been ill. It now appears that a proposed rulemaking will be released in either January or February 2012.

The next conference call is scheduled for Thursday January 5, 2012 at 11:00 a.m. Eastern Time. The call in number is 1-866-299-3188. You will be prompted for a conference code, which will be 2023439563. After entering the conference code press the # key and you will then be placed into the conference call.

REGULATORY ISSUES

October **2011****Updates to Uranium Recovery Guidance by the Nuclear Regulatory Commission (NRC)**

The following is the schedule for updating uranium recovery guidance presented by Stephen J. Cohen and Dominick A. Orlando of the Nuclear Regulatory Commission (NRC) in a presentation entitled *Guidance Update and Licensing Logistics* presented at the uranium recovery workshop on Thursday, May 26, 2011 in Denver, Colorado:

- *In-situ uranium recovery rulemaking (Deferral of Active Regulation of Ground-Water Protection at In Situ Leach Uranium Extraction Facilities)* – delayed until the Environmental Protection Agency (EPA) completes the 40 CFR 192 rulemaking.
 - *Regulatory Guide 8.30 - Health Physics Surveys in Uranium Recovery Facilities* - delayed
- NUREG-6733 - A Baseline Risk-Informed Performance-Based Approach for In Situ Leach Uranium Extraction Licenses* - delayed

NUREG-1569 – Standard Review Plan for In Situ Leach Uranium Extraction License Applications - delayed

- *Regulatory Guide 4.14 – Radiological Effluent and Environmental Monitoring at Uranium Mills* - work beginning
- Regulatory Guide 3.51 – Calculational Models for Estimating Radiation Doses to Man from Airborne Radioactive Materials Resulting from Uranium Milling Operations* - Complete in Fiscal Year 2012

Regulatory Guide 3.59 – Methods for Estimating Radioactive and Toxic Airborne Source Terms for Uranium Milling Operations - Complete in Fiscal Year 2012

It has been decided not to revise *Regulatory Guide 3.63 - Onsite Meteorological Measurement Program for Uranium Recovery Facilities -- Data Acquisition and Reporting*.

In a Federal Register notice (Federal Register /Volume 76, Number 185 / Friday, September 23, 2011 /Notices pages 59173 to 59174) the Nuclear Regulatory Commission (NRC) withdrew *Draft Regulatory Guide (DG)-3024 Standard Format and Content of License Applications for Conventional Uranium Mills* stating, "...has decided not to revise RG 3.5 at this time. For this reason, DG-3024 will be withdrawn."

Response to Comments on Regulatory Issues Summary (RIS) 2009-05 URANIUM RECOVERY POLICY REGARDING: (1) THE PROCESS FOR SCHEDULING LICENSING REVIEWS OF APPLICATIONS FOR NEW URANIUM RECOVERY FACILITIES AND (2) THE RESTORATION OF GROUNDWATER AT LICENSED URANIUM IN SITU RECOVERY FACILITIES

The NMA and the WMA submitted comments on this document to the Commission on or about June 2009. No response from the Commission has been received. A NMA conference call to discuss this issue was held on Thursday, December 3, 2009. The WMA has sent a reminder letter to Commission staff regarding these comments.

REGULATORY ISSUES

October 2011

The regulation ([10 CFR Part 40 Appendix A Criterion 5B](#)) referenced in this document may ultimately be revised if the underlying Environmental Protection Agency (EPA) regulation ([40 CFR part 192](#)) is revised. 40 CFR part 192 is currently under review by the Agency and potentially may be revised.

This [Regulatory Issues Summary \(RIS\)](#) is impacting the use of the [Standard Review Plan for In Situ Leach Uranium Extraction License Applications](#). NRC Staff has stated that, despite any indications otherwise, applicants should follow NUREG-1569 Standard Review Plan for In Situ Leach Uranium Extraction License Applications exactly as published, presumably with the exception of guidance regarding 10 CFR Part 40, Appendix A, Criterion 5(B)(5) incorporated in the Regulatory Issues Summary (RIS). At the May 25 to 26, 2011 Uranium Recovery Workshop in Denver, Colorado, it was stated that any proposed revisions to 10 CFR Part 40 Appendix A Criterion 5B will not be released until after the Environmental Protection Agency (EPA) has completed its review of 40 CFR Part 192. In addition, any revisions to *NUREG-1569 – Standard Review Plan for In Situ Leach Uranium Extraction License Applications* will be delayed until completion of the review of 40 CFR Part 192 as well.

Preparation of NUREG document entitled “*Standard Review Plan for Conventional Mill and Heap Leach Uranium Extraction License Applications.*”

The NRC has decided to revise some existing Regulatory Guides and NUREGS as well as write new ones. The Commission has contracted with the Southwest Research Institute to prepare a NUREG entitled *Standard Review Plan for Conventional Mill and Heap Leach Uranium Extraction License Applications*. They are seeking input and data from industry. Two of the four current conventional uranium mill licensees are Association members. A conference call on this issue hosted by the NMA involving all of the four conventional mill licensees as well as two (2) companies planning conventional mills was held on Friday, March 26, 2010.

If you have questions, please contact:

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Center for Nuclear Waste Regulatory Analyses
San Antonio, TX 78238
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E-mail: jsdurham@cnwra.swri.edu

The draft table of contents for this document is as follows:

- *Proposed Activities*
- *Site Characterization*
- *Description and Design of Proposed Facility (including liner design)*
- *Management*
- *Monitoring*
- *Reclamation*

REGULATORY ISSUES

October 2011

- *Accidents*

An internal draft is scheduled for completion by September 30, 2011. It is unclear how the withdrawal of *Draft Regulatory Guide (DG)-3024 Standard Format and Content of License Applications for Conventional Uranium Mills* will impact this work.

Discharge of Pump Test Water from Pump Testing Related to Proposed or Operating Uranium Recovery Operations

The Wyoming Mining association (WMA) submitted a letter to the Department of Environmental Quality (DEQ) Water Quality Division (WQD) regarding discharge of pump test water exceeding 60 pCi/L radium on the ground surface. Currently such water cannot be discharged but must be either treated and released, evaporated in holding ponds or hauled to a deep disposal well. The Association is arguing that it would be best, due to the low risks involved with such water, to allow it to be discharged on to the ground surface. Members of the uranium recovery industry discussed this issue with Nancy Nuttbrock the new Land Quality Division (LQD) Administrator on Wednesday, October 12, 2011.

Legacy Boreholes/Borehole Plugging

The State of Wyoming is delving deeper into the issue of legacy bore holes (old exploration holes drilled in the 1960s and 1970s) in areas now being permitted for in-situ uranium recovery. One critical issue is the interpretation of WS 35-11-404 which states:

35-11-404. Drill holes to be capped, sealed or plugged.

(a) All drill holes sunk in the exploration for locatable or leasable minerals on all lands within the state of Wyoming shall be capped, sealed or plugged in the manner described hereinafter by or on behalf of the discoverer, locator or owner who drilled the hole. Prospecting and exploration drill holes shall include all drill holes except those drilled in conjunction with the expansion of an existing mine operation or wells or holes regulated pursuant to W.S. 30-5-101 through 30-5-204.

And also states:

(iii) "Surface Cap". Each drill hole is to be completely filled to the collar of the hole or securely capped at a minimum depth of two (2) feet below either the original land surface or the collar of the hole, whichever is at the lower elevation. If capped, the cap is to be made of concrete or other material satisfactory for such capping. The hole shall be backfilled above the cap to the original land surface;

REGULATORY ISSUES

October 2011

The Department is raising issues regarding fall back of plugging material into legacy boreholes as well as potential hydrologic impacts of legacy bore holes on in-situ recovery wellfields, specifically the impacts to water bearing sands above and below the resource bearing sands.

On Monday, October 17, 2011, the Land Quality Division (LQD) posted proposed revisions to Chapters 8, 9 and 10 of the Noncoal Rules and Regulations. These proposed revisions address, among other items, plugging of boreholes. The Land Quality Advisory Board will be meeting to discuss the proposed revisions to Chapters 8, 9 and 10 of the Noncoal Rules and Regulations. The meeting is scheduled to begin at 9:00 a.m. on Monday November 14, 2011 in the Hearing Room at the Oil and Gas Commission Building located at 2211 King Boulevard, Casper, Wyoming.

Additional information may be found at:

<http://deq.state.wy.us/lqd/currentevents.asp>

State of Wyoming Uranium Leasing Form

The Office of State Lands and Investments is revising the State's Uranium Lease Form and proposing new leasing rates. The Wyoming Mining Association (WMA) provided a response in the form of a proposed draft lease agreement by the end of July 2011. Additional meetings between members of the uranium recovery industry and Harold Kemp of the Office of State Lands and Investments are planned.

NRC REGULATORY ISSUE SUMMARY 2011-11 REGARDING LONG-TERM SURVEILLANCE CHARGE FOR CONVENTIONAL OR HEAP LEACH URANIUM RECOVERY FACILITIES LICENSED UNDER 10 CFR PART 40

The Nuclear Regulatory Commission (NRC) has issued a Regulatory Issues Summary (RIS) dated September 29, 2011 entitled *NRC REGULATORY ISSUE SUMMARY 2011-11 REGARDING LONG-TERM SURVEILLANCE CHARGE FOR CONVENTIONAL OR HEAP LEACH URANIUM RECOVERY FACILITIES LICENSED UNDER 10 CFR PART 40*.

This document "...discusses existing NRC policy regarding the scope and corresponding dollar amount of the LTSC to be paid to the general treasury of the United States, or to an appropriate State agency, prior to the transfer of title to the long-term custodian for long-term care and license termination. It also further clarifies matters discussed in an NRC letter to the U.S. Department of Energy (DOE) dated June 17, 2010, regarding increases in the LTSC (Agency wide Documents Access and Management System (ADAMS) accession number ML100670337)."

The document may be found in ADAMS under Accession Number: ML11290381.

Policy Regarding Submittal of Amendments for Processing of Equivalent Feed at Licensed Uranium Recovery Facilities

A draft policy entitled *Policy Regarding Submittal of Amendments for Processing of Equivalent Feed at Licensed Uranium Recovery Facilities* has been placed in the Federal Register (Federal Register /Vol. 76, No. 190 / Friday, September 30, 2011 /Notices pages 60941 to 60945). The policy is outlined in the notice. The comment period has been extended. Comments are now due by November 14, 2011. Apparently Commission staff is planning to issue

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a Regulatory Issue Summary (RIS) following receipt and evaluation of comments. This draft document is being prepared "...to inform addressees of the NRC's policy regarding receipt and processing, without a license amendment, of equivalent feed at an NRC and Agreement State-licensed uranium recovery site, either conventional, heap leach, or in situ recovery."

Staff Interim Guidance: Evaluations of Uranium Recovery Facility Surveys of Radon and Radon Progeny in Air and Demonstrations of Compliance with 10 CFR 20.1301

A draft of the document entitled *Staff Interim Guidance: Evaluations of Uranium Recovery Facility Surveys of Radon and Radon Progeny in Air and Demonstrations of Compliance with 10 CFR 20.1301* is being issued for comment. The document states:

The NRC staff is publishing the present guidance as a draft for public comment. Members of the public, licensees, and other interested parties are encouraged to submit comments. The NRC staff plans to publish a Federal Register Notice to formally notice the opportunity for public comment. The Federal Register Notice will provide a date for expiration of the public comment period; at this time, staff anticipates the public comment period to be 60 days. Interested parties are encouraged to contact the NRC staff (contact listed below) with questions about the comment period or about the technical content of this draft guidance.

NRC Staff Contact:

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Given the above statement and absent a Federal Register notice, comments will probably be due by the beginning of January 2012. The document may be found on ADAMS. The ML number for the document is ML112720481. On Thursday, October 27, 2011, James Webb of the Decommissioning and Uranium Recovery Licensing Directorate informed me that to the best of his knowledge, this draft interim guidance has not been noticed for comment in the Federal register yet.

If you have any questions please contact Duane Schmidt.

Environmental Protection Agency Review and Potential Revision of Health and Environmental Standards for Uranium and Thorium Milling Facilities

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The EPA will be reviewing and potentially revising its regulations for uranium and thorium milling to bring them up-to-date. For additional information, see:

<http://www.epa.gov/radiation/docs/tenorm/40cfr192-063009-announcement.pdf>

The Agency has established a discussion blog regarding the revision of 40 CFR Part 192. It may be found at: <http://blog.epa.gov/milltailingblog/>

This regulation covers inactive uranium processing sites and includes control of residual radioactive material and remediation of land and buildings. It addresses the management of byproduct materials including uranium processing and thorium processing wastes. It covers specific areas including byproduct materials and uranium processing. It addresses construction of impoundments and incorporates the double liner requirement in 40 CFR Part 264.92, effluent limitations in 40 CFR Part 440 and radiation protection standards in 40 CFR Part 190. It addresses reclamation including remediation of buildings, supplemental standards, alternate concentration limits (ACLs), radon releases following radon barrier emplacement and soil remediation standards (5/15 rule).

On Tuesday, July 27, 2010, Tony Nesky of the Environmental Protection Agency (EPA) sent an e-mail to various stakeholders requesting input on their blog at:

<http://blog.epa.gov/milltailingblog/>

If you have questions please contact Tony Nesky at: Nesky.Tony@epamail.epa.gov

In the Federal Register Volume 75, Number 226 dated Wednesday, November 24, 2010, the EPA issued a notice entitled Science Advisory Board Staff Office; Request for Nominations of Experts for Review of EPA's Draft Technical Report Pertaining to Uranium and Thorium In-Situ Leach Recovery and Post-Closure Stability Monitoring. This notice requests nominations for technical experts to review and provide advice on the planned draft scientific and technical report on Health and Environmental Protection Standards for Uranium and Thorium Mill Tailings (40 CFR part 192). The deadline for nominations was December 15, 2010. The NMA submitted a list of nominees on behalf of the uranium recovery industry. Please contact Katie Sweeney of the National Mining Association (NMA) at KSweeney@nma.org if you require a copy of the list.

The draft technical report is available at:

<http://www.epa.gov/radiation/docs/tenorm/post-closure-monitoring.pdf>

This review will directly impact the Nuclear Regulatory Commission's (NRC's) proposed revision of Appendix A of 10 CFR Part 40. These revisions will be delayed until the review of 40 CFR Part 192 is complete.

A nationwide public teleconference regarding the draft technical report was held at 1 p.m. (Eastern) on Tuesday, July 12, 2011. It was followed by a public meeting in Washington, D.C., on Monday to Tuesday July 18 to 19,

2011 Calendar

- Nov 7th 4th Annual Nuclear New Build Forum
One Whitehall Place
London, UK
<http://www.marketforce.eu.com/newbuild>
- Jan 2012 NEI Fuel Supply Forum
Nuclear Energy Institute
W Washington D.C., USA
<http://www.nei.org/newsandevents/>
- Jan 30 EUEC
Phoenix Convention Center
Phoenix Arizona, USA
<http://euec.com/index.aspx>
- Feb 6,2012 African Mining Indaba 2012
International Investment conference
Cape Town International Convention Centre,
Cape Town South Africa
<http://www.miningdaba.com/>
- April 17th World Nuclear Fuel cycle
NEI/WNA
Helsinki, Finland
<http://www.nei.org.newsandevents/>

For more information on upcoming events visit <http://www.uranium.info>

Editors Notes



From left Bruce McDonald, Doug Beahm, (BRS consultant) for Titan, Bob Odell of the RMS, and Bob Maxwell of Behre Dolbear Consulting at Wyoming Geological Association Uranium talk on the Titan Sheep Mountain Project Nov 4, 2011. Photo by R. Sydow, Editor RMS.

In December the RMS will change formats and list United States Operator Activity by State. This change will be initiated due to the insight of George Hartman.

2012 Subscriptions

Just a reminder that 2012 is coming quickly, please subscribe early for the 12, 2012 issues to continue the Rocky Mountain Uranium Scout.

Rates are \$1,200.00 for those in production,
\$600.00 for companies still in the permitting process.
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Hematite Stained Sand Channel in the Powder River Basin.

R. D. Odell, Geologist, WyPG 1850, AIPG 7327, AAPG

Russell Sydow, Editor

Disclaimer:

Every effort is made to insure that the contained scouting information is reliable by contacting responsible representatives within the industry. Verification of all the details within these reports is not possible, and no warranties, express or implied should be assumed by the reader.

State / Company Projects—OCTOBER Drilling

October, 2011	117	COMPANY / PROJECT 103 US, CANADA 14 Reported	117	Expl	Dev	Prod	Recl	Prod
ARIZONA	3	DENISON / ARIZONA ONE ENERGY FUELS / ARIZ STRIP— south rim MESA UR / MOONSHINE SPRINGS QUATERRA RES / ARIZ STRIP VANE MINERALS		1 1 0 0 1				YES
COLORADO	3	BLACK RANGE MINERALS. TAYLOR RANCH, CANYON CITY vic DENISON ENERGY FUELS LYNX OIL, WRAY MESA POWERTECH / WELD COUNTY ROYAL RESOURCES		1 0 0 1 0 1				
NEBRASKA	5	CAMECO/ CROW BUTTE RESOURCES		3	2			
NEW MEXICO	2	NEUTRON ENERGY / AMBROSIA URAN, Ltd/ Armijo, Grants Ridge STRATHMORE ROCAHONDA MILLSITE HOMESTAKE / Milan, NM		0 0 0 0		1	1	
WYOMING	61	AUC LLC/ RENO CREEK AREA CAMECO: GAS HILLS, 4 ; BROWN R. 3 SMITH 23P, N BUTTE 4D CROSSHAIR EXPL / JUNIPER RIDGE PENINSULA/LANCE AREA STAKEHOLDER ENERGY STRATHMORE / GAS HILLS - DAY LOMA & BULL MINES TITAN/ SHEEP MOUNTAIN URANIUM ONE (EMC) / PRB BASIN URANERZ / PRB: East of Pumpkin Buttes Ur ENERGY / GREAT DIVIDE BASIN- Lost Creek		2 7 2 1 0 0 0 0 2 0 1	4	23		
SOUTH DAKOTA	1	POWERTECH/ DEWEY BURDOCK		1				
TEXAS	20	URANIUM ENERGY 4 P @ PALANGANA , 1X SALVO URANIUM RESOURCES @ Los Finados MESTENA		1 2 3		4		
UTAH	8	DENISON/ Beaver Mine, 2X, 1 UG, Pandora 1 UG , Daneros 1 ENERGY FUELS—Egnar area TITAN/ GREEN RIVER SOUTH VANE MINERALS		2 1 0 2	3			
VIRGINIA	0	VA URANIUM/ COLES HILL		0				
	103	US SUBTOTAL DRILLS = 103		36	39	27	1	
CANADA		COMPANY PROJECT AREA		Expl	Dev	Prod	Recl	Prod
Exploration	14	AREVA / East Athab Basin		1				
Drilling		AZIMUT EXPLOR / Ungava Bay CAMECO / VIRGIN R. 2, CIGAR LAKE 2 D, QUEBEC 1 CANALASKA / Cree Ext. CROSSHAIR EXPL / C-Zone / Labrador DENISON / Wheeler River FORUM / Key Lake Rd HATHOR / ROUGHRIDER-FAR EAST JNR- SNOW BIRD PUREPOINT STRATECO RES / Matousch-QUEBEC UEX		0 3 0 0 3 0 2 0 0 0 3	2			
	14	CANADA SUBTOTAL DRILLS (REPORTED) = 14		12	2	0	0	
	117	TOTAL NORTH AMERICAN DRILLS = 117		48	41	27	1	