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Department of
Environmental Quality

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Executive Director

DIVISION OF RADIATION CONTROL
Rusty Lundberg
Director

DRC-2010-005306

FILE
SEP 29 2010
SR

September 29, 2010

Certified Mail
(Retum Receipt Requested)

Mr. Harold R. Roberts
Vice President, US Operations
Denison Mines (USA) Corp (DUSA)
1050 17th Street, Suite 950
Denver, CO 80265

Dear Mr. Roberts:

SUBJECT: Denison Mines (USA) Corporation (DUSA) White Mesa Mill Facility
DRC Cell 4B Construction Inspection September 21-22, 2010
Thin Sandbags Covering the Slimes Strip-Drains: Request for Information

As you are probably aware, we have some concems on the sandbag subject above. Both DUSA's and DRC's consultants (GeoSyntec and URS) have independently agreed that slimes filtration by the existing sandbags is not compromised by the minimum installed sandbag thickness of 1.5-inches that has been observed in the field.

However, DRC does have a concem in this regard. It appears that the sandbags currently in-place are now up to 50% lighter in weight than originally specified by DUSA and approved by the DRC. Thus, these sandbags have more potential to be moved during the initial filling operations of Cell 4B.

Therefore, to prevent sandbag movement, we request that DUSA submit for approval a proposal with a demonstration that:

1). Appropriate changes to the existing installed sandbags and any future sandbags to be installed will be provided, or

2). Appropriate provisions during initial filling operations of Cell 4B, to prevent the movement of the subject sandbags, will be required. The approved provisions would need to be placed in the Cell 4B BAT Monitoring, Operations and Maintenance Plan and approved prior to use of the cell. These requirements would be in contrast to the existing *Cell 4A BAT Monitoring, Operations and Maintenance Plan*, considering the lighter sandbags in Cell 4B. These adjustments to the requirements during initial filling must

consider effective methods for reduction in tailings flow forces applied to these sandbags as well as concurrent rainfall events during initial filling of Cell 4B.

Per your email of September 28, 2010, you committed that DUSA would fully respond to this request no later than 15 calendar days after receipt of this letter.

If you have any questions on the above, please contact me.

Sincerely,

David A. Rupp, P.E.
Geotechnical Services Section

DR:dr

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