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Prepared for:

Bureau of Land Management
Moab Field Office
82 East Dogwood
Moab, Utah 84532

Exploration Plan of Operations

**La Sal 2 Project
San Juan County, Utah**

Original November 2010

Revised February 2011

Prepared by:

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February 22, 2011

Ms. Marie McGann
Bureau of Land Management
Moab Field Office
82 East Dogwood
Moab, Utah 84532

Re: REVISED Exploration Plan of Operation
La Sal 2 Project - San Juan County, Utah

Dear Ms. McGann:

As requested in the Bureau of Land Management (BLM) January 11, 2011 letter, Laramide La Sal, Inc. (Laramide) has reorganized the original exploration plan of operations that was dated November 2010. Our firm wants to evaluate the potential for future economic underground uranium mining at the historic La Sal Property located in Big Indian Valley west of County Road 306, about six air miles south of the community of La Sal, Utah.

The La Sal 2 Project was originally developed by Homestake Mining Company (Homestake) in the early 1980s. Homestake constructed surface facilities, developed a 3,800-foot decline and installed a ventilation raise. Operations at the property were curtailed because of declining uranium prices and depressed markets. Homestake subsequently closed and reclaimed the site.

Given the timeframe that has passed since Homestake first developed the decline and the ventilation raise, Laramide wants to re-investigate these workings, assess their condition, conduct necessary rehabilitation, and carry out underground exploration activities. This action is important to determine the commercial potential for the property. The attached plan of operations is submitted to comply with 43 CFR 3809 regulations (Plan of Operations) and with the State of Utah, Division of Oil Gas and Mining (UDOGM) requirements for mineral exploration/development activities involving 5 acres or less.

Our "assessment" work will occur as a small-scale underground program to conduct geologic mapping, to drill (underground) and perform gamma probing, to conduct geotechnical investigative work, to perform test mining procedures, and to collect bulk samples for metallurgical and mill compatibility studies. There is no substitute to being able to "touch" the mineralized zone.

The historic Homestake records have revealed that the past underground openings were "dry". This situation will simplify any underground exploration.

We expect the underground exploration will take approximately six months to a year, and such work will be important for Laramide to make an economic decision about commercial development. If a decision is made to proceed into commercial production, we will amend this Plan of Operations and submit such an amendment to the Bureau of Land Management. If Laramide decides at that point not to proceed, we will close and reclaim the site.

Laramide looks forward to starting the rehabilitation and exploration work. Your review and approval of our plans would be greatly appreciated. If you have any questions regarding our plans, please do not hesitate to contact me at 720-851-2900 (lpgochnour@att.net).

Respectfully submitted,

A handwritten signature in black ink that reads "Lee 'Pat' Gochmour". The signature is written in a cursive, flowing style.

Lee "Pat" Gochmour
Consultant for Laramide La Sal, Inc.

cc Tom Munson UDOGM

Table of Contents

1.0	PROJECT OVERVIEW	1
2.0	OPERATOR INFORMATION [43 CFR §3809.401(b)(1)].....	1
3.0	DESCRIPTION OF OPERATIONS [43 CFR §3809.401(b)(2)].....	2
3.1	Existing Portal Rehabilitation	2
3.2	Decline Rehabilitation	2
3.3	Ventilation/Escapes Raise Rehabilitation	3
3.4	Underground Exploration	3
3.5	Surface Facilities	4
3.6	Hazardous Materials Management	7
3.7	Proposed Area of Disturbance	8
3.8	Water Use and Handling	9
3.9	Rock Characterization and Handling Plans	9
3.10	Quality Assurance Plans	10
3.11	Spill Contingency Plans	10
3.12	General Schedule of Operations.....	10
3.13	Access Roads and Utilities.....	10
4.0	RECLAMATION PLAN [43 CFR §3809.401(b)(3)].....	11
4.1	Drill Hole Plugging.....	11
4.2	Re-grading and Reshaping	11
4.3	Mine Reclamation.....	11
4.4	Riparian Mitigation.....	12
4.5	Wildlife Habitat Rehabilitation	12
4.6	Growth Medium Handling.....	12
4.7	Revegetation	12
4.8	Isolation and Control of Acid-Forming or Toxic Materials	13
4.9	Removal or Stabilization of Buildings and Support Facilities	13
4.10	Post-Closure Management	13
5.0	MONITORING PLAN [43 CFR §3809.401(b)(4)]	13
6.0	INTERIM MANAGEMENT PLAN [43 CFR §3890.401(b)(5)]	13
6.1	Measures to Stabilize Excavations and Workings	13
6.2	Measures to Isolate or Control Toxic or Deleterious Materials	13
6.3	Storage and Removal of Equipment, Supplies and Structures.....	14
6.4	Housekeeping Measures	14
6.5	Monitoring during Non-Operation Periods	14
6.6	Temporary Closure Schedule	14
7.0	BASELINE ENVIRONMENTAL INFORMATION [43 CFR §3809.401(c)(1)]	14
7.1	Land Use	14
7.2	Geology	14
7.3	Paleontological Resources.....	14
7.4	Cave Resources.....	15
7.5	Hydrology	15
7.6	Soils.....	15
7.7	Vegetation	15
7.8	Wildlife.....	15

7.9	Climate and Air Quality	16
7.10	Cultural Resources.....	16
7.11	Socioeconomic Resources.....	16
8.0	OTHER INFORMATION [43 CFR §3809.401(c)(2)]	16
9.0	RECLAMATION COST ESTIMATE [43 CFR §3809.401(d)].....	17
10.0	PERFORMANCE STANDARDS [43 CFR §3809.420].....	17
10.1	General Performance Standards	17
10.2	Specific Performance Standards [43 CFR §3809.420(b)]	17
11.0	USE AND OCCUPANCY [43 CFR §3715.3-2].....	19

List of Tables

Table 1, Chemicals and Fuel.....	7
Table 2, Underground and Surface Equipment	8
Table 3, Seed Mixture	12

List of Figures

Figure 1 General Location Map
Figure 2 Claim Boundary Map
Figure 3 Site Overview Map
Figure 4 Portal Site Plan Layout
Figure 5 Ventilation / Escape Raise Layout
Figure 6 Post-Exploration Topography

List of Appendices

Appendix A - Claim Information
Appendix B - Closure and Reclamation Cost Estimate
Appendix C – Stormwater Pollution Protection Plan
Appendix D – Spill Prevention Control and Countermeasure Plan

1.0 PROJECT OVERVIEW

Laramide La Sal, Inc. (Laramide) has revised the exploration plan of operation for the Bureau of Land Management (BLM) and the State of Utah, Dept. of Oil Gas and Mining (UDOGM) to address the request for additional information received by the BLM in a letter dated January 11, 2011. The project, identified as the La Sal 2 Project, will be a small-scale underground uranium exploration program.

The La Sal 2 Project is planned for a site that has undergone past surface disturbance. Homestake Mining Company (Homestake) developed both a decline and a ventilation raise at the site in the early 1980s. Declining and depressed uranium prices, resulted in Homestake closing and reclaiming the site. Laramide proposes to maintain its proposed La Sal 2 Project surface operations within areas that were previously disturbed by the Homestake activities.

With the recent interest in uranium and the expected upcoming upsurge in uranium pricing and markets, both internationally and within the United States, Laramide wants to reevaluate the La Sal property for the potential for economic development and long-term production.

The La Sal 2 Project is located in the Lisbon Valley uranium district (also known as the Big Indian uranium district) approximately six air miles south of the community of La Sal in San Juan County, Utah. The planned portal facility can be accessed off County Road 306 (the road known locally as "Big Indian Road"). See **Figure 1, General Location Map**.

The surface portal facilities are on BLM administered lands in the NW¼ of Section 35, T29½S, R24E. The mineralized zones are located in portions of Sections 26 and 34, T29½S, R24E, and Section 33, T29S, R24E. The ventilation and escape raise is located in Section 34, T29½S, R24E.

The project will include the rehabilitation of the existing decline and ventilation raise, along with the installation of temporary surface support facilities such as a miner change trailer (dry), an office trailer, a maintenance facility, a fuel storage area, and explosive storage. Approximately 4.9 acres will be needed for the portal area, raise facilities, and site access road. Once underground in the designated mineralized zone, Laramide will undertake geologic mapping, longhole drilling with gamma probing, and bulk sample collection for metallurgical and mill compatibility studies. There will be no on-site mill or associated tailings facilities at the La Sal 2 Project site, and the geologic and bulk samples will be shipped off site for testing and analytical work.

2.0 OPERATOR INFORMATION [43 CFR §3809.401(b)(1)]

Corporate Office	Laramide La Sal, Inc. The Exchange Tower 130 King Street West, Suite 3680 Post Office Box 99 Toronto, Ontario, Canada M5X 1B1 Phone: (416) 599-7363 Fax: (416) 599-4959 Tax ID Number: [REDACTED]	Contact: Mersch Ward ¹
Permitting Contact	Gochmour & Associates, Inc. P.O. Box 4430 Parker, CO 80134 Phone: 720-851-2900 Fax: 303-840-9054	Contact: Pat Gochmour

¹ Once permitting work is complete and the BLM has issued the approval for the operations, Mersch Ward or an on-site manager (yet to be named) will be the contact person for the BLM. When an on-site manager is named, Laramide will notify the BLM of the name of the individual, along with contact address and phone numbers.

Tax ID Number: [REDACTED]

The claim owner is Laramide La Sal, Inc. The list of claims and corresponding serial numbers are provided in **Exhibit A, Claim Information**. The locations of these claims are shown on **Figure 2, Claim Boundary Map**.

3.0 DESCRIPTION OF OPERATIONS [43 CFR §3809.401(b)(2)]

The purpose of the proposed La Sal 2 Project underground exploration program is to confirm the geologic and metallurgical character of the mineral resource. This exploration will be used to confirm the following:

- Geologic data: Nature, grade and continuity of mineralized structures;
- Metallurgical data: Information on the optimal milling methods by conducting metallurgical studies and off-site testing of bulk samples; and,
- Mining methods evaluation: Information on rock characteristics and extraction techniques for use in mine design.

Prior to beginning underground exploration, the existing portal, decline and ventilation/escape raise must be rehabilitated to achieve safety standards for underground work.

The general location of the portal, decline and raise is shown on **Figure 3, Site Overview Map**.

3.1 Existing Portal Rehabilitation

Laramide will re-establish the existing adit. Approximately 200 to 250 cubic yards of broken rock and dirt will be removed from the adit entrance by a backhoe excavator to gain access to the decline; this material will either be stored in the growth medium stockpile area (see **Figure 4, Portal Site Plan Layout**) or will be spread on the portal pad to provide a level working area for the site. Care will be taken so as to not damage the existing entrance, and any useable concrete blocks removed during decline reopening will be stored adjacent to the portal for reuse during closure. If broken during reopening, the concrete blocks will be hauled from the site and disposed in a licensed off-site landfill. Rehabilitation of the "face-up" area and entrance will be completed, as necessary, with a combination of corrugated metal structures, rock bolts, wire mesh, and/or shotcrete.

Laramide will remove the bulkhead from inside the adit to regain access to the decline. It is expected that the bulkhead is a cemented, concrete-block wall. Care will be taken to avoid any rock fracturing or overbreak outside the dimensions of the abandoned portal and decline.

The removed rock, dirt and broken concrete blocks will be removed by a diesel powered rubber-tired loader and placed adjacent to the adit. See **Figure 4, Portal Site Plan Layout**.

3.2 Decline Rehabilitation

Once surface facilities are installed (see Section 3.5, Surface Facilities) and the portal face-up rehabilitation work is completed, Laramide will begin the task of decline inspection and rehabilitation. It is expected that the abandoned decline will be "dry" and that the rock conditions will be fair to good.

Laramide expects that the past workings will be in good condition as the mine has been sealed for nearly twenty years, thus denying air flow, but, if underground conditions (either in the decline or the ventilation raise) vary from what is expected, Laramide will notify the BLM, and the company will prepare and submit appropriate plans to deal with the found conditions.

The proper rehabilitation of the historic decline is essential to the underground exploration program, as this decline will be used for access by workers, equipment, supplies and ventilation. The primary goal of decline rehabilitation is to ensure or reestablish rock stability. Ground control or support can involve a variety of techniques including rock or cable bolting, wire mesh, steel sets and/or shotcrete.

An important objective in underground rehabilitation is to establish ventilation. One of the initial site-preparation activities will be the installation of a permanent ventilation exhaust fan at the past ventilation raise area² (see Section 3.3, Ventilation/Escape Raise Rehabilitation, and **Figure 5, Ventilation/Escape Raise Layout**). The plan is to “draw” fresh down the decline and exhaust it through the ventilation/escape raise. Temporary ventilation tubing or piping may be installed in the “back” (the roof of the decline and existing underground development drifts) as rehabilitation progresses to direct air to the surface from working faces.

Laramide expects that the existing ventilation raise will be in good condition as it has been sealed for nearly twenty years, thus denying air and water inflow, but, if problems are found when the ventilation raise is reopened, Laramide will notify the BLM, and the company will prepare and submit appropriate plans to deal with the found conditions.

3.3 Ventilation/Escape Raise Rehabilitation³

To further safety (both ventilation and secondary escape), Laramide will rehabilitate the closed raise, which is approximately eight feet in diameter and about 700 feet in depth.

The location of the ventilation raise and the BLM/county access roads to the raise are shown on **Figure 2, Claims Boundary Map**, and **Figure 3, Site Overview Map**. Additional discussion on access roads is set forth in Section 3.13, Access Roads and Utilities.

Ventilation raise rehabilitation work can be completed within the confines of past site disturbance. Rock and dirt placed over the raise will be carefully removed by a backhoe or excavator to expose the raise bulkhead. The rock and dirt will be stockpiled adjacent to the raise (for future use in reclosing the raise), and the steel bulkhead will be removed. Care will be taken in dismantling and removing the bulkhead, so any salvageable material can be reused.

Laramide will employ a raise/shaft contractor to inspect the abandoned raise, determine the amount and type of rehabilitation, and carry out the required work.⁴ A secondary escapeway package (escape capsule, small head frame and hoist) will be installed if the mine is placed into full production. See **Figure 5, Ventilation/Escape Raise Layout**.

3.4 Underground Exploration

The principal objective of the underground exploration will be to confirm information about the uranium mineralization from underground sampling, including the use of gamma probes inserted into underground drill holes.

² Laramide will install a diesel generator and a fuel tank to support the exhaust fan at the ventilation/escape raise. There are no plans for the exploration activities to install a compressor or electric drop at this site. Likewise, there are no plans to install electric powerlines to the ventilation / escape raise site for the exploration activities addressed in the plan of operations.

³ Laramide will coordinate with the Utah Division of Air Quality to determine the air quality permit requirements for the La Sal 2 operation.

⁴ Access to the ventilation / escape raise site will be off the Big Indian Wash Road (designed by County as Road #113) to County Road 114 (which is the road that essentially parallels an existing electric powerline), then on to County Road #302 that leads to the ventilation/escape raise. Road #302 is a two track road approximately 8-15 feet wide.

Underground drilling will be conducted by an underground drill rig from drill stations located in the existing underground workings. This rig will be supplied with compressed air, fresh and/or recycled water for drilling, and electricity. No groundwater is expected to be encountered during underground operations. Any water used for underground drilling will be supplied from outside sources. A tank and/or sump will be maintained at the site of underground drilling for water storage and recycling back to the drill operations.

The program will be comprised of up to 25 individual underground drill holes. The holes will be drilled at various angles and drilled to lengths ranging from 250 to 500 feet. None of the drill holes will breach the topographic surface above.

A drilling contractor will provide the underground drilling equipment and personnel. Selected drill cuttings will be used for geologic logging and laboratory studies. This will include mineralized zone petrography, metallurgical studies, environmental testing and assaying.

3.5 Surface Facilities

The La Sal 2 Project will require temporary surface infrastructure to support underground rehabilitation and exploration. Laramide will retain contractors for the underground rehabilitation and exploration, and the hired firm(s) will be responsible for mobilization and demobilization of the necessary temporary infrastructure and equipment. Surface features and facilities are shown on **Figure 4, Portal Site Plan Layout**, and **Figure 5, Ventilation/Escape Raise Layout**, and described below.

Office and Miner's Change Trailers. Trailers will be used at the site. One trailer will be used for office space for Laramide employees and contractor personnel. Another trailer will be used as the change facility (dry); this trailer will include lockers, lavatories and showers. Water will be hauled to the site for such uses.⁵

Shop. The contractor's equipment will require periodic maintenance. Therefore, a temporary maintenance shop will be installed. Current thought is to utilize a prefabricated fabric-covered tent structure, with adjoining containers as warehouse storage for small parts and tools.⁶ A concrete pad will be poured to serve as a floor for the temporary shop.⁷ Sufficient space surrounding the maintenance facility will be left for equipment parking and supply storage.

Bulk Sample Storage Area and Transport. No uranium processing will occur at the site as part of exploration. Uranium bulk samples removed from underground will be stockpiled on a flattened, clay or synthetic-lined surface next to the adit, and then re-loaded onto highway trucks for haulage to the designated mill for test work. The stockpile area will have capacity to store an estimated 5,000 tons of uranium mineralized material with maneuvering and loading room for a front-end loader and trucks.

To control stormwater drainage off the bulk sample stockpile area, Laramide will drain the area into a stormwater pond adjacent to the stockpile. Runoff into this pond will be allowed to evaporate or will be returned underground for use in dust control. Laramide will cover the clay or synthetic liner with dirt and

⁵ Laramide plans to obtain non-potable water from a private source located off-site. Water will be hauled to the La Sal 2 site and used at the operation as described in Section 3.8, Water Use and Handling. The majority of the water will be used for dust control or for underground drilling; water used for showers and sanitary purposes will be routed to buried concrete vaults, which will be emptied on a weekly or bi-weekly basis by a qualified contractor and transported off site for disposal at an approved sewage disposal site in Moab.

⁶ For purposes of the reclamation cost estimate set forth in **Appendix C – Stormwater Pollution Protection Plan**, it is assumed that four containers will be used at the La Sal 2 site; these containers are connex boxes that can be easily delivered to or removed from the site on trailers hauled by semi-truck tractors.

⁷ For purposes of the reclamation cost estimate set forth in **Appendix C – Stormwater Pollution Protection Plan**, it is assumed that a 20 foot by 40 foot concrete pad will be used for the shop at the La Sal 2 operation.

gravel material to protect the liner. Additional information about stormwater control is set forth in Appendix C – Stormwater Pollution Protection Plan.⁸

Over the course of the underground exploration program, Laramide estimates that 10,000 to 20,000 tons of uranium bulk samples will be hauled to the designated mill at a shipment rate that will approximate 200 tons per day. Using contracted trucks with a capacity of 30 tons, an estimated 6 or 7 round trips will be made per day for a period of 50 to 100 days for the program. Laramide will retain a contractor to haul uranium bulk samples in campaigns (e.g., trucks hauling solid for a week. This will be a more efficient method of haulage for Laramide, and such haulage can be scheduled to account for adverse weather, thereby promoting highway and truck driver safety.

Waste Rock. One of the principal goals during Laramide's underground exploration program is to produce bulk sample material. In performing this activity, Laramide plans to minimize the production of waste rock material, which is synonymous to "non-mineralized" and "valueless" rock that often must be removed to gain access to "mineralized" material.

During the proposed underground exploration work, Laramide does not plan to transport any underground waste rock material to the surface. Rather, given the limited nature of the proposed underground exploration program, it will be possible for Laramide to place or backfill any waste rock encountered during bulk sample extraction into existing underground openings left by Homestake in the previous underground operations.

Ventilation. Ventilation is a vital aspect of the health and safety program for the underground activities, and Laramide will install ventilation fans to ensure proper airflow to working faces and spaces where miners and drillers will be working. The air volumes must be sufficient to comply with Mine Safety and Health Administration (MSHA) ventilation requirements for underground uranium operations. The principal ventilation fan will be located on the surface at the raise⁹, but another ventilation fan may be located at the adit during the initial re-opening of the decline. Additional booster ventilation fans will be used underground, as necessary, to move ventilation to working areas to meet MSHA requirements.

Power. Initial portal site and underground rehabilitation work will be powered by temporary, portable diesel generators. Such early work will require minimal electric power.

Compressor. A portable air compressor will be installed on the leveled and compacted pad area (no concrete pad is needed) near the adit to supply compressed air for certain underground equipment, such as drills. The compressor may be sheltered from the weather in a temporary "pole-barn" structure with siding to muffle sound. For reclamation cost estimate purposes, the pole-barn structure dimensions are assumed to 10 feet by 15 feet.

Diesel Fuel Storage. A temporary above-ground tank (4000-gallon capacity) will be used for diesel fuel storage. Mobile underground and surface support equipment will use diesel fuel. The diesel storage tanks will be situated on a synthetically-lined floor and surrounded by a compacted soil containment berm. The berm is designed to contain 110% of tank volume with a six-inch freeboard. Piping will extend from the diesel tanks to a fueling station adjacent to the tanks and to the nearby diesel generator. The diesel fuel tank will be located near the temporary maintenance shop, and Laramide will contract with local or regional suppliers to deliver the required fuel.

⁸ Laramide will apply and obtain a Storm Water Pollution Prevention Plan permit from the State of Utah prior to initialing operations at the La Sal 2 site.

⁹ Any noise impacts created by the exhaust ventilation plan will be addressed in an environmental analysis to be completed by the BLM in compliance with the National Environmental Policy Act (NEPA)

Communications. Laramide will contract with the local service to install telephone and Internet communications to the site; any lines will be buried in the access road¹⁰ or laid on the surface next to the access road. No "telephone" poles will be used along the access road as part of the underground exploration work.

Underground mine communications will be provided by phone lines from the administration office trailer to various points in the underground workings. Underground phones will be strategically located throughout the underground workings in conformance with MSHA standards.

Explosive Storage. Explosives will be used as part of the underground rehab and bulk sample extraction.¹¹ Small surface explosives magazines will be located separate from the main surface facility site; individual magazines will be used as appropriate to segregate explosives and detonation devices. Once underground rehabilitation is complete, Laramide may move these magazines into the underground workings. Underground blasting will be conducted as necessary to facilitate the extraction of the bulk sample (assume once per shift or twice a day), and explosives will be handled and used in accordance with MSHA regulations. Explosives will be transported to the site by contract transporters approved by the U.S. Department of Transportation, US Department of Homeland Security, and US Bureau of Alcohol, Tobacco, Firearms and Explosives.

Sewage Disposal. Laramide plans to dispose of sewage waste in buried two pre-cast concrete vaults or equivalent tanks (5000-gallon each), which will be periodically emptied by a contractor and transported off site to an approved disposal facility by a contractor. Each tank will be approximately 7 feet wide by 17 feet long by 9 feet high.

Solid Waste Handling. Trash and garbage will be contained on site in bins and hauled off site for disposal at an approved/permitted landfill site. Petroleum waste products will be stored in approved containers on site, separate from other trash and garbage products, and these petroleum waste products will be transported off site for recycling or disposal in an approved waste facility. No hazardous wastes will be generated as part of the underground exploration program.

First Aid and Safety Related Facilities. The La Sal 2 Project is located close to the city of Moab where hospital and ambulance service is available in case of medical emergencies. First aid supplies will be located strategically around the La Sal 2 Project site. Some will be located in office and change trailers, while other first aid supplies will be located underground.

Growth Medium Removal and Stockpiling. Laramide assumes that approximately six inches of growth medium material was spread over the area of historic disturbance. As part of the reopening of the site, growth medium will be removed from areas to be affected by the La Sal 2 Project surface facilities. This material will be stockpiled for final reclamation.

Security and Fencing. A gate (with a lock) will be installed on the access from County Road 306 (Big Indian Road), and this gate will be locked after normal business hours to prohibit unauthorized entrance. Laramide management, including shift supervisors, will have keys to allow employees access during non-normal business hours. "No-trespassing" signs will be posted at the entrance from the Big Indian Road to discourage unauthorized public access.

The surface explosives powder magazines will be separate from the main surface portal facilities and will be locked at all times except when accessed by authorized Laramide or mining contractor personnel. The explosive storage area will be enclosed by an eight-foot high chain link security fence with angled barbed wire on top. A gate will be installed and will be kept locked for security reasons, except when Laramide or mining contractor personnel retrieve explosives for operational use.

¹⁰ Details on this site's access road are set forth in Section 3.13, Access Roads and Utilities.

¹¹ Laramide or its mining contractor will obtain a license or permit to store and use explosives from the US Bureau of Alcohol, Tobacco, Firearms and Explosives.

The surface area for the escape raise will also be enclosed by an eight-foot high chain link security fence with angled barbed wire on top. A gate will be installed to provide access for authorized employees but will prevent general public access. This gate will be kept locked for security reasons at all times.

3.6 Hazardous Materials Management

The La Sal 2 operation will be a Conditionally Exempt Small Quantity Generator (defined by federal regulations as a facility generating less than 200 pounds of hazardous waste per month). Laramide will implement a program of recycling (used oil, used batteries, used antifreeze, etc.) and, as appropriate, will transport used waste to approved licensed facilities for disposal. The chemicals and fuel to be used at the La Sal 2 operation, along with the estimated use, are provided in *Table 1, Chemicals and Fuel*.

Table 1, Chemicals and Fuel

Chemical Name	Common Name/Other Name	Estimated Storage Quantity	Storage Location	Area Used	Approx Annual Use Rate	Estimated Shipment Quantities
Acetylene	Same	900 cu ft	Shop	Shop	-	10 cyl
Oxygen	Oxygen	2,490 cu ft	Shop	Shop	-	6 cyl
Petroleum Napha	Solvent/ Degreaser	55 gal	Shop	Shop	500 gal	55 gal
Chemco #1	Cleaner Degreaser	55 gal	Shop	Mobile Equip.	55 gal	55 gal
Ethylene Glycol	Anti-freeze	100 gal	Shop	Mobile Equip	600 gal	50 gal/mo
30W, 10W & AW46	Lubricating Oil	100 gal	Shop	Mobile Equip	1200 gal	100 gal/mo
Grease	Lubricating Grease	100gal	Shop	Mobile Equip	600 gal	50 gal/mo
Ammonium Nitrate	Unigel	(1)	Explosive Mag	UG Mining	(1)	(1)
Ammonium Nitrate	Magnasplit	(1)	Explosive Mag	UG Mining	(1)	(1)
Ammonium Nitrate	Magnafrac	(1)	Explosive Mag	UG Mining	(1)	(1)
Ammonium Nitrate/Fuel Oil	ANFO	(1)	Explosive Mag	UG Mining	(1)	(1)
Pentaerythritol	Detonation Cord	(1)	Explosive Mag	UG Mining	(1)	(1)
Pentaerythritol Tetranitrate	Non-electric Detonator	(1)	Explosive Mag	UG Mining	(1)	(1)
Petroleum Hydrocarbon	Diesel	4,000 gal	Shop Area	Equipment and Generators	120,000 gal	7,400 gal
Propane	Odorized LPG	300 gal	Office & Dry	Office & Dry	1000 gal	200 gal
<p>*Note:</p> <p>(1) The US Office of Homeland Security regulations prohibit mine operators from reporting explosive quantities.</p> <p>(2) Abbreviations: cyl = cylinders; gal = gallon; cu ft = cubic feet; lbs = pounds</p>						

Equipment

The underground and surface equipment to be used at the La Sal 2 Project site is as follows:

Table 2, Underground and Surface Equipment

UNDERGROUND
Longhole Drill(s)
Loader – 4 to 5 cubic yards
Trucks – 10-15 ton capacity
Drill Jumbos
Grader
Personnel Tractor
Rock Bolter
Jackleg Drill (hand-held pneumatic drill)
Portable Substations
Fork Lift
Flatbed Truck
Lube Truck
Powder Truck
SURFACE
Backhoe*
Dozer*
Motor Grader*
Fork Lift
Front End Loader (7-8 cubic yards)
Water Truck*
Supply Truck (flatbed truck)
Light Vehicles (pickups)
* This equipment will be contracted on an as needed basis.

3.7 Proposed Area of Disturbance

An estimated 4.9 acres will be re-disturbed by this plan of operations, segregated as follows:

- Main Access Road^{12 13} 0.6 acre
- Access to Water Tank & Pad Area¹⁴ 0.1 acre
- Portal Area 4.1 acres
- Ventilation/Escapes Raise 0.1 acre

¹² See Section 3.13, Access Roads and Utilities. The access road to the portal area is approximately 2100 feet long and 12 feet wide, and connects the portal area with County Road 306 (Big Indian Road). Communication lines will be buried within the right-of-way of this access road, so there will be no additional site disturbance.

¹³ Access to the ventilation/escape raise will be via existing county and BLM roads, thus Laramide will not create any new disturbance with the use of existing roads. Laramide will provide minimal maintenance to ensure access is maintained. No culverts will be installed along these existing roads, but periodic grading of certain sections of these existing roads will eliminate road rutting and promote vehicular safety.

¹⁴ To achieve hydrologic head to supply water with proper pressure, the water tank will be located above the portal pad area. See **Figure 4, Portal Site Plan Layout**. The road will be approximately 300 feet long and 12 feet wide. The water tank pad will be approximately 30 feet by 30 feet. The water pipeline to the mine office and miner change facility trailers will be buried within the access road the water tank.

As previously mentioned, the La Sal 2 Project is located on a site that has undergone past surface disturbance and reclamation. All but the approximately 0.1 acres to be used for the access to the water tank will be located on areas of previous disturbance.

3.8 Water Use and Handling

Surface water and shallow ground water are scarce at the La Sal 2 Project site. The historic underground decline was dry. Given the short duration of underground exploration activities, Laramide will contract for water haulage to the site from an off-site source.¹⁵ This water will be transferred to a storage tank above the portal area and will be distributed to the portal area via a buried pipeline that is located within the bed of the proposed access road to the water tank.

Laramide will install a carbon steel 10,000-gallon carbon steel water tank that will approximately 11 feet in diameter and 15 feet high. No concrete pad will be necessary for the foundation of this water tank. Access to the water tank will be a 300-foot long, 12-foot wide roadway. See **Figure 4, Portal Site Plan Layout**.

Water will be used underground for drilling to control dust, remove drill cuttings, and cool drill bits. On the surface, water will be necessary for showers and sanitary use in the change facility trailer. A small amount of water may be used in the office trailer and the shop facility. It is expected that the water will not be acceptable for drinking purposes; therefore, "*Do Not Drink the Water*" warning signs will be posted at the site, and bottled water will be provided at the site for drinking purposes.

Laramide will institute a stormwater management plan for the La Sal 2 Project site. Drainage from undisturbed areas will be routed around the surface facilities. Stormwater on the site will be controlled by proper grading and placement of sediment fencing and straw waddles. See Appendix C, Stormwater Pollution Prevention Plan.

3.9 Rock Characterization and Handling Plans

Samples of mineralized uranium material for testing and study will be collected from underground workings.¹⁶ Part of this work will be to confirm mineralized zones and to obtain geotechnical information that will be useful to engineers in the economic and technical feasibility for possible future mining, should exploration work confirm the presence and economical nature of the deposit.

Bulk samples for metallurgical and milling tests will be collected and removed to the surface. It is estimated that approximately 10,000 to 20,000 tons of uranium-mineralized material will be removed for bulk sample testing at a mill. This sample size is required to gain an accurate portrayal of mineral processing procedures at an existing mill. Care will be taken during underground sampling to ensure that the mill will accept the delivered mineralized material.

Bulk sample material will be temporarily stored on the surface near the adit as shown on **Figure 4, Portal Site Plan Layout**, and will be trucked off site for metallurgical and mill testing.¹⁷ Haulage of material to off-site testing facilities will eliminate the need for a large stockpile at the La Sal 2 Project site.

¹⁵ At present, Laramide plans to purchase water from a private off-site. Laramide expects to use approximately 3000 gallons per day. Laramide projects that approximately 3 to 4 trips per week will be required to supply the water needs at the La Sal 2 Project site; this assumes a tank truck with a capacity of about 5000 gallons.

¹⁶ The amount of waste rock to be generated by the proposed underground bulk sampling program will be minimal. Any waste rock will remain underground and be placed in one or more of the development drifts excavated by Homestake.

¹⁷ It is problematic to project the number of trucks per day or per week that will haul mineralized material to the mill, as production schedules will depend on underground conditions. But, assuming a production rate of approximately 200 tons per day, there will be ten trips (30 ton capacity trucks) per day hauling mineralized

3.10 Quality Assurance Plans

Laramide plans to utilize a contractor for portal, decline and ventilation/escape raise rehabilitation; this contractor will also be responsible for extraction of the bulk samples removed from the underground operation. All of this work will be overseen by Laramide geologic, engineering and environmental personnel to ensure that the exploration work, including the bulk samples removed for the site, is conducted in a professional and high-quality fashion.

3.11 Spill Contingency Plans

Laramide will maintain a spill prevention, control, and countermeasure plan (SPCC) on site. See **Appendix D, Spill Prevention Control and Countermeasure Plan**. This plan will establish the procedures to prevent and control, if necessary, the discharge of petroleum products such as the diesel fuel and the miscellaneous petroleum products such as lubricating oil, antifreeze, and lubricating greases to be used at the La Sal 2 Project site. Diesel fuel will be stored in a 4000 gallon tank and lubricating oils, lubricating greases, and antifreeze will be stored in manufacturers' containers or on-site steel or hard-plastic containers to be stored either in the maintenance shop or one of the conex containers adjacent to the maintenance. There will be no separate lubrication bay.

3.12 General Schedule of Operations¹⁸

Laramide proposes to begin portal and ventilation rehabilitation activities during early 2011 (assuming regulatory approval and contractor availability). The underground rehabilitation work and underground exploration activities described in this plan of operations are anticipated to be completed by early to mid 2012. BLM officials will be notified (via phone) of the exact date when the rehabilitation is to commence. Notification will also be given when activities have been completed.

3.13 Access Roads and Utilities

Access to the La Sal 2 Project will involve the upgrade of an existing, 2100-foot access road (approximately 0.4 mile) from County Road 306 (Big Indian Road). This access roadway was originally constructed by Homestake to gain access to the site, but it has reverted to a "two-track" road. Laramide plans to re-establish a 12-foot wide roadway and may place gravel on the road surface and install a new culvert (if necessary) where the road crosses an existing ephemeral drainage. Laramide will conduct road maintenance, including snow removal, to ensure safe and efficient access to the La Sal 2 portal area.

Access to the ventilation/escape raise will be via existing county and BLM roads and these roads are approximately 8 to 15 feet wide. Laramide will not create any new disturbance with the use of existing roads. Laramide will provide minimal maintenance to ensure safe access is maintained. No culverts will be installed along these existing roads, but periodic grading of certain sections of these existing roads will eliminate road rutting and promote vehicular safety.

Electric power will be supplied at the La Sal 2 Project site by temporary, portable diesel generators. Communication lines will be buried within the right-of-way surface of the existing access road from County Road 306 to the portal area.

material to the mill. At a haulage rate of 200 tons per day, it will take 50 to 100 days to haul the bulk sample to the mill. It can be assumed that this haulage will occur sporadically throughout the proposed exploration activities.

¹⁸ As of February 2011, Laramide has been delayed by two months by responding to BLM questions.

4.0 RECLAMATION PLAN [43 CFR §3809.401(b)(3)]

The La Sal 2 Project site was previously disturbed and reclaimed. The proposed project will be principally contained within the boundaries of that previous disturbance. Past reclamation practices has shown that the site can be successfully reclaimed.

The emphasis of Laramide-proposed reclamation will be to close and seal the mine portals (and the ventilation raise), remove surface facilities and infrastructure, reclaim the main access road from County Road 306 to the portal pad, and establish a vegetative community on the disturbed surface areas.

The general steps to be used in reclaiming disturbed areas at the La Sal 2 Project are as follows:

- Removal of structures and facilities;
- Closure of the portal and ventilation/escape raise;
- Re-contouring and grading;
- Growth medium replacement; and
- Fertilizing, mulching and seeding.

4.1 Drill Hole Plugging

No surface drilling is planned as part of this plan of operation; therefore, there will be no need for drill hole plugging.

4.2 Re-grading and Reshaping

Laramide will use the rock material stockpiled adjacent to the portal or raise (material that was removed to gain access to the Homestake decline and raise) to cover these mine entries, and the disturbed areas will be contoured and graded to blend into the surrounding topography and terrain. See **Figure 6, Post-Exploration Topography**. Final slopes on the portal pad area will be graded to a 3H:1V configuration. Compacted areas such as roads and the portal pad will be ripped or disked or otherwise left in a roughened condition prior to growth medium material replacement.

4.3 Mine Reclamation

Upon permanent cessation of activities, the project site portal will be closed and sealed in a manner similar to the historic reclamation work completed by Homestake. A concrete, cemented cinder block or similar constructed bulkhead will be installed inside the portal. The decline will be backfilled with rock material from the bulkhead to outside the actual adit.

Upon permanent cessation of activities, the ventilation raise will be closed and sealed in a manner similar to the historic reclamation work completed by Homestake.¹⁹ A reinforced concrete slab or steel beams with solid steel plates will be placed over the borehole on firm bedrock and will be anchored into solid bedrock. This concrete or steel structure will be constructed for permanence and to sustain the expected weight of the rock material that will be placed on top of the structure. Approximately four to five feet of rock material will be used to cover the concrete slab or steel structure. An additional 10 to 15 percent volume of material will be placed to allow for possible future settlement. This rock material will then be graded to provide for drainage away from the backfilled opening. Growth material (estimated at 6 inches) will be spread on top of the rock fill, and the site will be seeded.

¹⁹ Laramide will not reclaim the existing BLM and county roads that will be used to gain access to the ventilation/escape raise site. These will be left in a condition as good as or better than current conditions.

4.4 Riparian Mitigation

No disturbance of riparian habitat is proposed; therefore, there is no need for riparian mitigation.

4.5 Wildlife Habitat Rehabilitation

The limited footprint of the La Sal 2 Project area and the fact that most of the surface disturbance is confined to an area disturbed by an historical mining operation, the project will have a negligible impact on wildlife habitat. Moreover, there are no fisheries habitats within the project area. The main objective of the La Sal 2 reclamation plan is to return the disturbed area to wildlife habitat following exploration activities.

4.6 Growth Medium Handling

The proposed project area was previously reclaimed and growth medium material was placed on the site. Depths for this previously-replaced growth medium salvage in the project area are expected to average around six inches. If there are isolated pockets of thicker growth medium material within the areas proposed for portal and ventilation/escape raise facilities, such material will be salvaged to ensure an adequate source of growth medium material for reclamation. For reclamation purposes, it will be assumed that six inches of growth material will be available for replacement on the final re-graded areas.

4.7 Revegetation

Revegetation will consist of fertilizing, mulching and seeding.

Following its replacement, growth medium samples will be analyzed for pH, nitrogen, phosphorus, and potassium to determine its fertility and nutrient status. Approximately one sample per acre will be taken to determine growth medium fertility. For present planning purposes, it is assumed that an inorganic fertilizer (12% nitrogen, 15% phosphorous, 14% potassium) will be added to the reapplied growth medium material. A fertilizer rate of approximately 200 pounds per acre will be used; this application rate will be revised, as appropriate, after the growth medium nutrient sampling and subsequent fertilization recommendations from a qualified soil scientist and/or soils laboratory.

Graded areas will be broadcast seeded from species approved by the BLM. The seed mixture used as part of the reclamation bond calculation is set forth as follows:

Table 3, Seed Mixture

Species		Pound of Pure Live Seed Per Acre
Indian ricegrass	(<i>Oryzopsis hymenoides</i>)	3
Crested wheatgrass	(<i>Agropyron cristatum</i>)	3
Tall wheatgrass	(<i>Thinopyrum ponticum</i>)	2
Fourwing saltbush	(<i>Atriplex canescens</i>)	2
Bitterbrush	(<i>Purshia tridentata</i>)	1
Yellow sweet clover	(<i>Melilotus officinalis</i>)	0.5

4.8 Isolation and Control of Acid-Forming or Toxic Materials

There are no known acid-forming or toxic materials associated with the sandstones, shales and siltstones at the project site. Laramide will develop and maintain a spill prevention control and countermeasure (SPCC) plan for use in the event of a diesel fuel, gasoline or other petroleum product spill at the site.

4.9 Removal or Stabilization of Buildings and Support Facilities

Unless ongoing beneficial use is determined based on the underground exploration work (such as future mining), project site structures and other facilities will be demolished and/or dismantled and removed from the site at the time of permanent closure. These will include the temporary trailers, maintenance structures, the compressor, generator, conex containers, explosive magazines, the diesel storage tank, the water storage tank, and miscellaneous facilities associated with the ventilation/escape raise. Buried water pipelines, communication lines, and the concrete septic tanks will remain in place. Water pipelines will be flushed, and sanitary waste will be removed from the concrete septic tanks, which will be filled with dirt and left in place.

Salvageable equipment and trailers will be moved to another project, sold, or properly disposed of offsite. The concrete pad used at the temporary maintenance shop will be broken up and buried on site.

4.10 Post-Closure Management

Laramide will manage closure and reclamation work at the La Sal 2 Project site, and then oversee the site to ensure that reclamation is successful.

5.0 MONITORING PLAN [43 CFR §3809.401(b)(4)]

Laramide will monitor for reclamation success according to the requirements of the BLM and state of Utah. Areas to be monitored will include growth medium placement, revegetation success, and presence of erosion. Laramide will also monitor disturbed sites for undesirable and noxious weeds. As appropriate, Laramide will implement other environmental monitoring programs to meet the requirements of the BLM and Utah agencies with regulatory oversight of the project.

6.0 INTERIM MANAGEMENT PLAN [43 CFR §3890.401(b)(5)]

Although Laramide does not plan for a temporary or seasonal cessation of operations, circumstances beyond Laramide's control may require temporary cessation. If unforeseen circumstances impose a temporary shutdown, Laramide will continue operational and environmental maintenance and security activities (as well as maintaining the appropriate financial guarantee) to assure the site meets permit stipulations and requirements for environmental protection.

6.1 Measures to Stabilize Excavations and Workings

During any temporary cessation of operations, Laramide will maintain the portal and ventilation/escape raise in a stabilized and protected manner, as well as in compliance with MSHA standards, which require ground control plans to be maintained for the operations.

6.2 Measures to Isolate or Control Toxic or Deleterious Materials

Because there will be no milling activities at the La Sal 2 Project site, the presence of toxic or deleterious materials will be limited to diesel fuel and miscellaneous items such as lubricating oil, antifreeze, and maintenance solvents. During any periods of temporary cessation, the use of these materials will be minimal, but Laramide will continue to employ the same handling and environmental protection safeguards that are used during operations. No explosives will be used during temporary cessation of operations, and, as appropriate to meet MSHA and Department of Homeland Security standards, explosives will be removed from the site.

6.3 Storage and Removal of Equipment, Supplies and Structures

Whether equipment or supplies will be removed from the La Sal 2 Project site will depend on the duration of the temporary cessation. At a minimum, Laramide will maintain the necessary equipment and supplies necessarily to maintain safe conditions and the site in an environmentally-sound condition. Laramide will not plan to remove any permanent structures from the site during periods of temporary cessation.

6.4 Housekeeping Measures

Laramide will maintain the La Sal 2 Project site in safe and clean conditions according to MSHA requirements and standards.

6.5 Monitoring during Non-Operation Periods

During any temporary cessation or period of non-operation, Laramide will continue environmental monitoring on defined schedules, as outlined in appropriate approvals and permits. Environmental reports will be submitted in a timely manner. Regardless of the operating status of the operation, appropriate monitoring will be continued until compliance with permanent closure requirements are attained, unless modified by the appropriate regulatory authorities.

6.6 Temporary Closure Schedule

No periods of temporary or seasonal closure are planned; however, in the event of a temporary cessation of activities, Laramide will notify the BLM (and UDOGM) of the temporary curtailment. This notification will include reasons for the shutdown and the estimated time frame for resuming exploration, as well as ongoing maintenance and monitoring measures to be employed during the temporary cessation of operations.

7.0 BASELINE ENVIRONMENTAL INFORMATION [43 CFR §3809.401(c)(1)]

7.1 Land Use

The Lisbon Valley is characterized by past and present uranium and copper mining and exploration. Other land uses in this area include oil and gas exploration/development, wildlife habitat, livestock grazing, and limited recreation.

The La Sal 2 Project area is located on public lands administered by the BLM. The area is open space available for mineral exploration, mining, livestock grazing, wildlife habitat, and recreation.

7.2 Geology

The targeted uranium mineralization at the La Sal 2 Project is the Cutler formation Permian age. The sediments of the Cutler formation consist of reddish-brown sandstones, mudstones, and siltstones with the uranium mineralization being found primarily in coarse-grained sandstone lenses. The uranium-targeted zones for the La Sal 2 Project are in the Cutler formation, located about 700-800 feet vertically beneath the surface.

7.3 Paleontological Resources

There are no inventoried paleontological resources in the project area. The site has been previously disturbed by past mining activities; therefore, no paleontological resources are expected to be found in the area where Laramide plans to establish surface facilities.

7.4 Cave Resources

There are no caves in the project area.

7.5 Hydrology

No perennial or intermittent drainages exist within or surrounding the La Sal 2 Project area, nor are there any springs or seeps. Surface water in this region is limited, primarily dominated by drainages that are "ephemeral" in nature, which means that they only flow in direct response to major precipitation events (such as thunderstorms) or to snowmelt. Groundwater is also limited and dependant on geology. The past workings at the La Sal 2 Project were dry.

7.6 Soils

Historic mining activities have disturbed natural soils that were once found at the site of the proposed La Sal 2 Project. However, Homestake Mining Company conducted reclamation at the site, and it is assumed that approximately 6 inches of growth material were spread over the past portal pad and other site disturbances at the project site. This material has supported revegetation at the site.

7.7 Vegetation

Historic mining activities have disturbed natural vegetation that was once found at the site of the proposed La Sal 2 Project. However, Homestake Mining Company conducted reclamation at the site in 1991 and the seed mixture for the site included Indian ricegrass, crested wheatgrass, dryland alfalfa, four-winged saltbrush, and rabbitbrush.

The topography and climate of the area have led to the regional development of sagebrush-grass-juniper vegetation. Percent of the plant cover, as well as species dominance, is highly variable but generally ranges from 20% to over 40%, although rocky slopes can be barren of vegetation. The U.S. Fish & Wildlife Service has identified the Navajo sedge (*Carex specuicola*) as a threatened plant species in San Juan County, Utah, but no habitat for this species is found at the La Sal 2 Project area.

7.8 Wildlife

Habitat. Wildlife habitat in this region is predominantly comprised of sagebrush and grass, with scattered stands of pinyon-juniper. These habitats are utilized by a variety of big game, small mammals, birds and reptiles. Water resources and associated riparian zones are the most limiting habitats for area wildlife. Only ephemeral drainages exist within the project areas. No riparian vegetation or habitat exists in the project and surrounding areas.

Big Game. Mule deer are the primary big game species that is found in the region. Although the area has year-round habitat for mule deer, the occurrence of this species within the project area is limited by the lack of water. Pronghorn also exist in the region. Elk may wander through the area during winter months; however, the area is not considered crucial winter range for this species.

Game Species. Mountain lion are categorized as game species in Utah and may occur in this area. These secretive animals maintain relatively large home ranges and would occupy such habitats as canyons, pinyon-juniper woodlands, and ephemeral drainages.

Non-Game Species, including Raptors and Migratory Birds. Non-game species encompass a diversity of species and tropic levels. Some of the more common and visible species include raptors or birds of prey. Cliffs and rock outcrop areas within the region provide nesting sites for raptors, but no known raptor nest sites occur at the La Sal 2 Project area. Various raptor species hunt over habitats similar to those in the project area. No water bird habitat is found in the project and adjacent areas.

Threatened and Endangered Wildlife Species. The U.S. Fish & Wildlife Service has identified a number of threatened and endangered species for the San Juan County, Utah, including a number of fishery species that would not be present at or surrounding the La Sal 2 Project area. The identified wildlife endangered species for San Juan County is the Mexican spotted owl (*Strix occidentalis lucida*), while the two identified threatened wildlife species are the Southwestern willow flycatcher (*Mustela nigripes*) and the gray wolf (*Canis lupus*). Given the lack of appropriate habitat and the small nature of the proposed disturbance, none of these wildlife species are expected to be impacted by the La Sal 2 Project.

7.9 Climate and Air Quality

Climate. The area has a semi-arid climate with dry air, sunny days, clear nights, low precipitation, high evaporation, and large diurnal temperature changes. The average minimum temperature at La Sal, Utah, is about 33°F, but cold conditions are frequent in the winter, and nighttime temperatures often plunge below 0°F. Conversely, summertime temperatures can climb above 100°F, with the average maximum temperature at La Sal, Utah, being approximately 59°F. Annual precipitation averages around 13 inches at La Sal and 9 inches at Moab. These include average annual snowfalls of nearly 45 inches at La Sal but less than 10 inches at Moab.

Air Quality. The La Sal 2 Project area is located in an attainment area that is federally designated as PSD (Prevention of Significant Deterioration) Class II, indicating that air quality in the region is acceptable based Environmental Protection Agency (EPA) standards for the protection of human health. Site-specific air quality monitoring data are not available for the project area; however, the background concentrations for the regulated criteria pollutants are expected to be consistent with a rural area having low levels of industrial development below the National Ambient Air Quality Standards (NAAQS). There are no designated PSD Class I areas within or in the immediate vicinity of the project area.

7.10 Cultural Resources

Because the proposed project area was previously disturbed by past mineral exploration and mining activities, no cultural resources are expected to be present in the project area.

7.11 Socioeconomic Resources

San Juan County is a rural county in southeastern Utah with a 2000 population of 14,413. The county seat is Monticello (2000 population of 1,958) while Blanding is the most populous town in the county (2000 population of 3,162). The nearest town to the La Sal 2 Project is La Sal (2000 population of 339).

The San Juan County economy is dependent on the tourism industry as well as the existing oil and gas, mining, and mineral related exploration activities. The estimated 2008 medium income for San Juan County households is reported to be around \$35,000; however, over 30% of the population in San Juan County lives below the federal poverty level. Nearly 35% of workers in San Juan County are employed by the government.

As of April 2010, unemployment in San Juan County was estimated at 12% as compared to the Utah statewide unemployment at 7%.

8.0 OTHER INFORMATION [43 CFR §3809.401(c)(2)]

The BLM and the Utah Division of Oil, Gas and Mining have previously approved underground mining at the La Sal 2 Project site, and initial activities were conducted at the site by Homestake Mining Company in the early 1980s. However, due to depressed uranium prices, a full scale operation never developed, and Homestake undertook reclamation activities at the site that have proved successful. Such past reclamation reveals that future reclamation at this site is possible, and Laramide plans to reclaim the site following its activities.

9.0 RECLAMATION COST ESTIMATE [43 CFR §3809.401(d)]

The costs estimated for final reclamation upon permanent project closure are set forth in **Appendix B, Closure and Reclamation Cost Estimate**.

10.0 PERFORMANCE STANDARDS [43 CFR §3809.420]

Management and mitigation measures are based on government laws and regulations, current technology, and best management practices. The objectives of these measures are to reduce or avoid impacts to the environment and to reclaim disturbed areas.

10.1 General Performance Standards

Technology and Practices. Laramide will undertake accepted and standard underground technology and practices in the re-opening, rehabilitation and exploration work at the La Sal 2 Project.

Sequence of Operations. Laramide plans to follow a logical sequence of activities for the La Sal 2 Project, including re-opening the past portal and ventilation raise, rehabilitation work to ensure safety, and exploration activities that include underground mapping, drilling, and bulk sampling. The goal is to determine the economic viability of future mining. Once operations have permanently ceased at the site, Laramide will undertake reclamation activities as set forth in Section 4.0, Reclamation Plan.

Land Use Plans. Laramide will restore a post-exploration (post-mining) land use of wildlife habitat, which is the current land use at the site.

Mitigation. See Section 10.2, Specific Performance Standards.

Concurrent Reclamation. Given that the La Sal 2 Project is an underground operation with limited surface facilities, there is no opportunity for concurrent reclamation.

Compliance with Other Laws. Laramide will comply with other federal and state laws pertinent to the operations at the La Sal 2 Project, including with UDOGM exploration and reclamation requirements.

10.2 Specific Performance Standards [43 CFR §3809.420(b)]

Access Routes. Laramide plans to use the past access road into the portal site of the La Sal 2 Project (see Section 3.13, Access Roads and Utilities); the basic integrity of this road remains intact so that minimal grading will be necessary to re-establish this road. Access to the ventilation/escape raise will be on existing county and BLM roads; with the exception of some minor maintenance (i.e., blading to re-establish drainage along the roads and to eliminate rutting), no work will be required to modify these existing roads.

Mining Wastes. There will be no tailings associated with the underground exploration activities of the La Sal 2 Project. Laramide does not plan for the removal of waste rock to the surface as part of the underground exploration work; however, until the historical portal and ventilation raise is re-opened, Laramide does not understand the condition of the decline and the raise. If any waste rock is found in the decline or in the drift where the raise bottom is located, this material must be removed for safety reasons and brought to the surface where it can be stockpiled. It is expected that any waste rock encountered in the past workings will be minimal, and, as part of the rehabilitation process, this removed waste rock will remain underground. If there are problems during rehabilitation and collapsed workings are discovered, Laramide will contact the BLM to discuss contingency plans for placement of waste rock on the surface to facilitate the exploration work.

identified and appropriate resource protection measures developed and implemented per the BLM and the Utah State Historic Preservation Office.

Protection of Survey Monuments. No survey monuments will be disturbed by the La Sal 2 Project.

Fire. Laramide will comply with applicable federal and Utah fire law and regulations and will take all reasonable measures to prevent and suppress fires in the area of operations.

Acid-Forming, Toxic or Other Deleterious Materials. There are no known natural acid-forming, toxic or other deleterious materials at the site. Laramide will maintain a SPCC plan for the site for diesel fuel and other petroleum products.

Leaching Operations and Impoundments. This section is not applicable to the La Sal 2 Project as there will be no leaching operations or related impoundments on site.

Maintenance and Public Safety. Laramide will maintain structures, equipment and site facilities in a safe and orderly manner. See "Explosive Storage" and "Security and Fencing" discussions in Section 2.6, Surface Facilities, of this document.

11.0 USE AND OCCUPANCY [43 CFR §3715.3-2]

Laramide plans to undertake mineral exploration and extraction activities at the La Sal 2 Project site that are consistent with the U.S. mining laws. The preceding sections of this document (Sections 1.0 – 10.0) are designed to show compliance with the BLM 43 CFR 3809 regulations. Maps are attached to this document that show the layout of facilities planned for the La Sal 2 Project. All facilities and structures are temporary in nature and will be removed as part of the reclamation work upon permanent cessation of operations.