



Douglas A. Ducey  
Governor

# ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY



Misael Cabrera  
Director

CERTIFIED MAIL  
Return Receipt Requested

Case ID #: 169620

April 12, 2017

Energy Fuels Resources (Usa) Inc.  
Attention: Mark Chalmers  
225 Union Blvd  
Ste 600  
Lakewood, CO 80228

Subject: Opportunity to Correct Deficiencies  
Energy Fuels Resources - Canyon Mine, Place ID 827  
LAT: 35d, 52', 59.3934" N LNG: 112d, 5', 46.2324" W

Dear Mr. Chalmers:

The Arizona Department of Environmental Quality (ADEQ) has reason to believe that Energy Fuels Resources (Usa) Inc. as the owner/operator of Energy Fuels Resources - Canyon Mine may be in violation of Arizona's environmental requirements. The purpose of this letter is to update you on the status of ADEQ action resulting from an ADEQ inspection as required by A.R.S. §41-1009(H), and to allow you an opportunity to correct these deficiencies without enforcement by ADEQ. An ADEQ inspection of the facility completed on March 20, 2017 revealed the following:

**1. A.A.C. R18-2-302(A)**

**Failure to obtain a permit revision from ADEQ prior to making a modification to a source subject to regulation.**

Upon inspection of the facility on March 20, 2017, the ADEQ inspector observed three Land Shark evaporators outside the evaporation ponds, two of which were operating. The Land Shark evaporators create particulate matter (PM) and they should be included in the permit. Energy fuels never submitted a permit revision to the Air Quality Division to include the Land Shark evaporators in the permit.

To establish compliance:

1. Within 10 calendar days of receipt of this letter, please submit a permit revision adding the three Land Shark evaporators to the permit.

Please review the above and submit a written response to:

Arizona Department of Environmental Quality, Attention: Travis Behrens, Air Quality Inspections and Enforcement Unit, 1110 W Washington St, Phoenix, AZ 85007 MC: N/A

**Main Office**

1110 W Washington Street • Phoenix, AZ 85007  
(602) 771-2300

**Southern Regional Office**

400 W Congress Street • Suite 433 • Tucson, AZ 85701  
(520) 628-6733

[www.azdeq.gov](http://www.azdeq.gov)

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ADEQ may verify compliance by on-site inspection or other appropriate means. Within 30 days of receipt of your response to this letter, ADEQ will notify you whether the facility is in substantial compliance.

Although ADEQ has the authority to issue appealable administrative orders compelling compliance, this letter has no such force or effect. Your point of contact for resolution of these deficiencies will be Travis Behrens who can be reached at (602) 771-4697. Please contact him/her if you have any questions about this letter or need additional guidance.

Sincerely,

A handwritten signature in black ink, appearing to read 'Naveen D. Savarirayan', is written over a horizontal line.

Naveen D. Savarirayan, Manager  
Air Quality Inspections and Enforcement Unit