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October 8, 2010

VIA E-MAIL AND OVERNIGHT DELIVERY

Rusty Lundberg
Director
Division of Radiation Control
Utah Department of Environmental Quality
195 North 1950 West
P.O. Box 144810
Salt Lake City, UT 84114-4820

DRC-2010-005582

Re: Division of Radiation Control ("DRC") Cell 4B Construction Inspection, September 21-22, 2010
Thin Sandbag Covering the Slimes Strip-Drains

Dear Mr. Lundberg:

Following the September 21- 22 DRC site inspection and the subsequent September 29th Request for Information on the sandbags covering the Cell 4B slimes drain system, Denison Mines (USA) Corp. ("Denison") instructed the contractor responsible for the sand bag installation to bring the currently installed sandbags, and all subsequent installed sandbags, into full compliance with the approved project plans and specifications. Specifically, the sandbag installation must provide for 3 inches of sand cover over the top of the slimes drain strip composite, and the strip composite must be fully covered by the sandbag, including the sides of the strip composite. New installations of sandbags will be installed in full accordance with the thickness and strip composite coverage requirements outlined in the approved plans and specifications, and previously installed sandbags, prior to receipt of the DRC September 29th Request for Information, not meeting the requirements of the plans and specifications are being repaired or replaced as time allows. All sandbags will be in full compliance with the thickness and strip composite coverage requirements outlined in the approved plans and specifications upon completion of the liner installation.

Please contact the undersigned if you have any questions or require any further information.

Yours very truly,

DENISON MINES (USA) CORP.

Harold R. Roberts
Executive Vice President – U. S. Operations

Letter to Mr. Rusty Lundberg
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cc: Ron F. Hochstein
David C. Frydenlund
Jo Ann Tischler
David E. Turk
Rich Bartlett
Steve Snyder
Greg Corcoran, Geosyntec
Central files