

Powertech urges rejection of water testing rule

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Powertech Uranium Corp. is urging state mining officials to nix proposed rules that company president Richard Clement says will be "fatal" to uranium mining in Northern Colorado.

British Columbia-based Powertech proposes mining for uranium at its Centennial Project site northeast of Fort Collins using a process called in situ leaching, which is regulated under a 2008 state law requiring mines to be fully reclaimed after mining is complete.

The state is in the process of finalizing rules that will govern how the law is implemented and how Powertech will be able to extract uranium at the Centennial Project site in Weld County.

A revised version of the proposed rules was issued in July, and Powertech's response minced few words.

"This results in an obvious 'Catch 22,' which would be fatal to any serious potential in situ recovery project," Clement and Powertech's attorney, John D. Fognani, wrote to Colorado Division of Reclamation, Mining and Safety officials Aug. 6.

The rule in question would allow the state to force Powertech to test groundwater quality before the company could begin prospecting for uranium.

Under the new law, Powertech is required to test the groundwater before mining begins to determine "baseline" water quality. The in situ leaching process is expected to stir up at least some contaminants in groundwater beneath the mining site; but once Powertech finishes mining, it has to return the underground water quality to baseline contamination levels.

Powertech objects to the revised rule allowing the state at its discretion to force the company to test for baseline water quality prior to prospecting, the process Powertech uses to determine whether the uranium ore underground is economically feasible to extract.

"As Powertech and others have explained throughout this rulemaking process, it will be economically and technically impracticable at best - impossible at worst - for in situ operators to gather the necessary data for a baseline site characterization until after conducting time-consuming and expensive prospecting activities," Clement and Fognani wrote. "It would be impossible for a potential prospector to gather this information without conducting prospecting work, and DRMS would have it that prospecting work cannot begin until the information is gathered."

Hence the "Catch-22," they said.

Jeffrey Parsons, attorney for the environmental group Western Mining Action Project, said Powertech's objection to the rules is "silly" because the state already has the authority to require the company to test the water before it starts looking for more uranium.

And, he said, the rule ensures groundwater isn't degraded without the knowledge of local residents.

"If a company is serious about mining and serious about engaging with the local community, they would be more than willing to agree to this baseline data collection prior to prospecting," Parsons said.