SAVE OUR SOUTH PARK WATER 08

Good Morning:

It has been a few weeks since we've sent a newsletter, not because we haven't been busy. I hope you are having an enjoyable summer and have spent more time on the stream than I.

After having discussions with many of our members and long consideration, I consulted an attorney who works with not-for-profit corporations. As a result, Ramon and I finally took the plunge and incorporated SAVE OUR SOUTH PARK WATER 08---SOSPW08 as a not-for-profit corporation and filed a trade name reservation. We will be finalizing the structure in the next few weeks and will have a bank account opened within a few days. We took this step reluctantly but both of us now believe this will be a long battle requiring resources beyond the capabilities of our group and Park County. Now we will have the necessary business entity to raise funds and solicit grants from foundations and public interest groups as appropriate.

Just as we have done to date, we give you our pledge that you will know where every penny comes from and where it is spent. We will continue to improve our web page postings and encourage your input and advice. Ramon and I have been involved with other not-for-profit corporations and have developed strong beliefs about how to handle OPM (Other People's Money). We will put our experience and lessons learned to good use.

I guess no news is good news concerning New Horizon Uranium. So

far as we know, they have not filed an application for exploration permits or other regulatory compliance procedures. Their stock was recently quoted at \$.14 bid, \$.20 offered with little or no volume. That's down from \$.29-\$.40 in April and as high as \$ 1.25 at one point, sounds like one of my investments. The price of uranium has also continued to slide--last estimated at about \$60/lb. down from \$78/lb in April. Lets hope this directional momentum continues. There is no futures pit or uranium exchange but there are a couple of web sites that report contract closings.

No news on the implementation and rule making for HB 1163. I participated in an hour long conference call last Friday with Jeff Parsons, lead attorney for the Western Mining Action Network, and representatives of CARD (Weld County group) and some folks from southwestern Colorado. We are all trying to get our ducks in a row to be ready to provide testimony supporting our positions. With this being an election year, I wouldn't be surprised or disappointed if not much happens until November.

Probably the biggest news since our last update was an article in the Sunday DENVER POST, July 1, "Mining boom, gloom" about in situ uranium mining throughout the West with emphasis on Colorado. I was interviewed and we got mentioned, if only just. Mark Jaffe, the author, has expressed an interest in coming up and "looking around" and perhaps doing a follow on article.

Ramon and I drove to Salida for breakfast with Ed Quillen, editor of Colorado Central Magazine <u>www.cozine.com</u> and a columnist on the DENVER POST Sunday OP/ED page. Ed has lived in Colorado all of his life and in Salida for the last 35 or so. We tried to interest him in writing an article for his magazine and an opinion column opposed to in situ mining. We stressed the "life cycle" cost of nuclear power, from mining to disposal of radioactive waste. Just because a nuclear power plant emits little carbon dioxide/kilowatt doesn't mean that the process is carbon neutral, far from it, or that there are not severe environmental consequences or costs to taxpayers. Check out his web page, the magazine is a great way to keep up on mountain community happenings.

We held our meetings in Fairplay and Lake George as scheduled. While sparsely attended, summer is like that, even a small flock must be fed. We got some new people involved and received several \$100 contributions following our presentations and q&a.

We have either met with, or have had extensive telephone and email conversations with:

Park County-Several commissioners and candidates as well as continuing discussions with Tom Eisenman of Planning and Environmental Health.

Dave Wissel, Park County Assessor and Chairman of the Park County Land and Water Trust advisory board. We had lunch with Dave to discuss a role for the Trust with our group, he paid. They may hold an advisory board meeting and ask us to testify regarding our funding needs.

Environmental Protection Agency- Concerning their regulatory role and the requirements for a ground water injection permit. They prepared a fantastic "who's on first" compendium for us of the roles of the various state and federal agencies in permitting and regulating in situ recovery mining. Very cooperative and helpful.

US Geological Survey--Member Jerry Potter got us started here. We are having preliminary discussions to involve their scientists from various disciplines from geology, hydrology, Geographical Information Systems and others. They have expressed an interest in working with us and we will continue to cultivate their involvement. We have a meeting scheduled with them in Hartsel in the next couple of weeks to try to assess the cost and time frame for preparing a geohydrological model. This could be a double edged sword so we have to proceed cautiously, that is unless some one with a working crystal ball can guarantee us that our aquifer is communicative with the South Platte.

Nuclear Regulatory Commission-The NRC contracts with the Colorado Department of Health and Environment for the permitting process for nuclear/radioactive materials handling license which is required for in situ effluent processing. It was interesting to learn that the NRC classifies an in situ recovery operation as equivalent to a uranium ore processing mill for regulatory compliance.

Colorado Department of Health and Environment-They will play an extensive role in permitting any mine. We have spoken with both their water quality and radiological health divisions. The department has tasked an employee to work with us in exploring funding sources for development of a geohydrological model of South Park. They deserve a big "thank you" for their cooperation and assistance.

Denver Water Board-After discussing several alternate means of establishing a ground water quality baseline for South Park, the DWB is conducting an internal review to assess the availability of ground water quality and quantity data which may already be available from one of their databases. They will be key to our success so we must continue to find areas where we can work to our mutual advantage.

Aurora Water-HELLO, anyone home? I finally spoke to Dave Mikesell (sp?) the director of operations. He told me there couldn't be a uranium mining proposal because his people would have told him. I referred him to our web site, Flume articles, etc. He said he would get back to me, I should have asked which year. Their PIO suggested that we "remain vigilant".

Office of the Governor-After finally getting a call returned by an intern,

they apparently referred my request for assistance to the Division of Natural Resources. We got a letter.

Division of Natural Resources, Mined Land Reclamation and Safety-We got a letter, see above.

Senator Salazar-No response.

I know this is getting long, but I want to cover one more item. I think we should make this our #1 goal for the next couple of months.

Most of you have heard me talk about the importance of reaching out to diverse groups from the school board to the senior coalition with the Lions club in between. An effective way to do that would be to develop a stand alone DVD (doesn't require other software to be used) that tells our story. We don't need video, just photographic slides and some text with perhaps some background music. An informative slide show that we can send out to interested parties or members can take with them to meetings of service clubs, church groups, etc.. It needs to be playable on a regular DVD player that serves a projector or television. Probably around 7 minutes in length.

We need your help in finding additional photographs of existing and closed in situ mining sites. The uglier the better. Search the Internet and email us the best "worst" you can find. We want to do a "South Park before-South Park after" type of format. We have some fantastic photos of the area during all seasons but we could use more, so feel free to send your best of the South Park area.

We could also use some professional or at least experienced help in putting this together. This could turn out to be the most effective tool yet to get our message across. Please volunteer a few minutes of your time to help.

Thanks for your continuing support and participation.

Best regards,

Doran