Colorado mining board updates uranium prospecting rules

Can Powertech live with them?

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The Colorado Mined Land Reclamation Board Aug 12 established new rules affecting in-situ uranium mining. The new, stringent requirements were opposed by Powertech (TSEW:PWE) and other uranium miners, but in a statement to the news media Aug 13, the Richard Clement, Powertech CEO, said the miner can "achieve what the board wants."

The new rules require in-situ leach uranium mine applications to protect groundwater to existing conditions or to state ground water standards. Also, the application must demonstrate the proposed mining technology has been used at five other locations without harming groundwater quality. The application must include detailed baseline hydrology information.

In the area of public notice, the new rules make public all prospecting notices and the public can comment on them. Miners have objected to these requirements because of the possible release of confidential business information. The new rules also give third parties the right to demonstrate legal standing to appeal prospecting decisions by the Board.

In a hearing held prior to the adoption of the rules, John Fognani, an attorney representing Powertech, told the FCW the new rules would require miners to test groundwater before beginning their prospecting work. "It's a Catch-22," he said.

"You can't gather this information without doing the prospecting work."

The original draft of the new rule only required miners to conduct the groundwater studies prior to the start of mining operations.

Fognanni said the Centennial project can meet the requirements, but the new regulations, "make things more difficult." He added he expects the new rules will be challenged by both miners and green groups.
“We hope that environmental regulations will be used to protect human health and not to frustrate or delay legitimate ISR projects.”

Jeffrey Parsons, an attorney for the Western Mining Action Project, an environmental group, told FCW Powertech's objections are "silly." He said the state has always had the authority to require the miner to test the water before prospecting work begins.

"Now these regulations make this authority explicit."

But Clement said that the discretion the Board gave to the state agency means rules can be interpreted "to the point where you can't accomplish the goals in the regulations" before starting operations.

In the end, Clement said Powertech will live with the new rules. But he called them "higher standards than in other states."

Theo Stein, a spokesman for the mining board, told FCW that Powertech's updated statement that the rule as not “fatal” to ISR mining indicates "that perspectives evolve during the ruling making."


The new rules implement legislation passed by the Colorado General Assembly last year. The bills were introduced after legislators from the Ft. Collins area responded to fears the Powertech mine in Nunn would negatively impact property values and contaminate drinking water supplies.