

Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Dave Freudenthal, Governor

John Corra, Director

January 25, 2008

Mr. Wayne Heili
Lost Creek ISR, LLC
5880 Enterprise Drive, Suite 200
Casper, WY 82609

RE: Lost Creek ISR, LLC, In-Situ Recovery (ISR) Permit Application, **Initial Completeness Review, TFN 4 6/268**

Dear Mr. Heili:

The Land Quality Division (LQD) Staff have reviewed the above named Uranium In-Situ Recovery (ISR) Permit Application for Lost Creek ISR, LLC, also referred to as "The Lost Creek Project". The comments below summarize the LQD's **completeness comments** on the application that was hand-delivered to the Lander office on December 20, 2007. The following guidance documents were used in this review; LQD's Statutes, LQD's Non-Coal Rules and Regulations, LQD's Guideline 6, and LQD's Draft version of ISL Mining Application Requirements Handbook. Please identify TFN number 4 6/268 on your responses to the following comments.

Volume 1 (Adjudication):

- 1) The **listings of other agency approvals (Table OP-1) should be in the adjudication volume**. Additionally, this information should specify which agency (County, Air Quality Division, Water Quality Division, etc...) is involved with each approval. This information should show the current status of each application and may need to be updated during the completeness and technical completeness review processes.
- 2) **Appendix E map should identify all roads** that will be used to access the site by name and number; particularly public roads (BLM roads) and county roads.

Volume 3 (Hydrology Appendix D-6):

- 1) **Water rights information for a 3-mile perimeter** around the permit boundary is required (per LQD's Guideline 6). Currently, the water rights information is only presented for a 1/2 mile perimeter around the permit boundary. Specifically, this affects the map entitled "Plate D6-1".

Volume 5 - Operations Plan (OP):

- 1) **Maps showing locations of monitoring wells** must be provided per the Draft version of ISL Mine Application requirement document (refer to the top of Page 9). Currently section OP 3.2.2 discusses monitoring wells, however locations are not provided.
- 2) Designs and **specifications for all roads**, including culverts, must be provided in the operations plan.
- 3) Designs and **specifications for all ponds** including liners and leak detection must be provided in the OP.
- 4) **Plans to control and minimize impacts to vegetation and soils** including diagrams showing how well fields will be developed.
- 5) An **installation schedule for the RO units, ponds, and deep disposal wells** (all of which must be installed prior to well field development) must be provided in the OP.

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- 6) A **monitoring schedule spreadsheet, or table, addressing all types of monitoring** (groundwater, surface water, wildlife, ponds, piping) must be provided in the OP. This may be easier to present on several tables. However the table(s) should include the type and frequency (time of year in the case of wildlife) of the monitoring and, if sample- or data- collection is involved, the parameters that will be analyzed.
- 7) **Procedures for handling contaminated equipment** must be discussed in the Operations Plan per the Draft version of ISL Mine Application requirement document (refer to item "C" at the top of Page 13).
- 8) **Items A - E, and G under the subheading "n. Operations"** (from page 13 of the Draft version of the ISL Mine Application requirements document) **must be addressed/provided**. These items are:
 - a) Corporate Organization and Administration Procedures (NRC Guidance Doc. NUREG-1569, Sec. 5.1)
 - b) Management Control Program (NRC Guidance Doc. NUREG-1569, Sec. 5.2)
 - c) Management Audit and Inspection Program (NRC Guidance Doc. NUREG-1569, Sec. 5.3)
 - d) Qualifications (NRC Guidance Doc. NUREG-1569, Sec. 5.4)
 - e) Radiation Safety Training (NRC Guidance Doc. NUREG-1569, Sec. 5.5)
 - f) Radiation Safety Controls and Monitoring (NRC Guidance Doc. NUREG-1569, Sec. 5.6 and 10 CFR Part 20)
- 9) **Reporting procedures for excursions** must be specified in the operations plan Draft version of ISL Mine Application requirement document (refer to item "q" on Page 14).

Volume 5 - Restoration and Reclamation Plans (RP):

- 1) **Items A, B, and D under the subheading "1. Groundwater Restoration"** (from page 14 of the Draft version of the ISL Mine Application requirements document) **must be addressed/provided**. These items are:
 - a) A list of the proposed well fields
 - b) A map(s) showing the proposed sequence for restoration of the well fields
- 2) **A discussion of Health Physics and Radiation Safety during decommissioning** (from item E on page 15 of the Draft version of the ISL Mine Application requirements document) **must be addressed/provided**.
- 3) **A discussion of the relevant portions of the Water Quality Division Storm Water Discharge permit** should be included in the Reclamation Plan
- 4) **A discussion of the Management of Newly Seeded Areas must be provided**. Specifically, this should address protection of newly seeded areas from grazing.
- 5) **Plans and commitments to assure timely restoration** must be included in the RP. Specifically, the concept of seamless transition from mining to restoration must be explained. The text must explicitly state that there will be **"no idle well fields"**.
- 6) The **exact best practicable technology (BPT)** to be employed during well field restoration must be further explained (E.g. the number of pore volumes).
- 7) The **reclamation bond calculation must include a timeline and discussion of all assumptions**. For example, the bond calculation apparently assumes the RO units, ponds, and deep disposal wells will be operational.
- 8) Information on **Figure RP-1 doesn't match** the information on **Figure OP-4**.

Many of the items in the above lists may be addressed, to some degree, in a different portion of the application than the part indicated. In those instances, it will be necessary to, at the very least, provide a cross reference to that information. For example, the seventh item in the Operations Plan section above indicates that **Procedures for handling contaminated equipment** must be discussed in the Operations Plan. If the procedures for handling contaminated equipment that are presented in the Reclamation Plan in Section RP 4.0 are applicable to the Operations Plan, then there should be a cross reference to the information to guide the reader. However, it will be

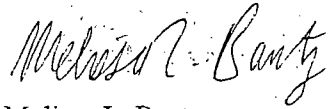
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necessary to, at the very minimum, provide a section or subsection for the "Procedures for handling contaminated equipment" in the Operations Plan's text.

Summary:

Lost Creek ISR, LLC must submit the necessary changes per the above review as soon as possible so that this application may be re-considered for completeness. Once the application is found to be complete, first public notice will be authorized (in writing from WDEQ Land Quality Division). Should you have any questions concerning this letter, please contact me at the WDEQ-LQD District 2 Office in Lander (307-332-3047).

Sincerely,



Melissa L. Bautz
District 2, Environmental Scientist 2
Land Quality Division

Cc: Mr. John Cash, Ur-Energy USA, 5880 Enterprise Drive, Suite 200, Casper, WY 82609
Mr. Harold Backer, Ur-Energy USA, 10758 W. Centennial Rd. Suite 200, Littleton, CO 80127
Mark Newman - BLM Rawlins, P. O. Box 2407, Rawlins, WY 82301
Cheyenne WDEQ/LQD → TFN 4 6/268 File (Lost Creek ISR)
Mark Moxley - Lander WDEQ/LQD → TFN 4 6/268 File (Lost Creek ISR)
Chron

