

July 1, 2008

Ms. Mary Hopkins
State Historic Preservation Officer
Wyoming State Historic Preservation Office
Department of State Parks
& Cultural Resources
2301 Central Avenue, Barrett Building
3rd Floor
Cheyenne, Wyoming 82002

SUBJECT: INITIATION OF SECTION 106 PROCESS FOR URANERZ ENERGY
CORPORATION'S NICHOLS RANCH URANIUM RECOVERY PROJECT
LICENSE REQUEST (Docket 040-09067)

Dear Ms. Hopkins:

The U.S. Nuclear Regulatory Commission (NRC) has received an application from Uranerz Energy Corporation for a new radioactive source materials license to develop and operate the Nichols Ranch Uranium Recovery Project (an *in-situ* leach operation) located in Campbell and Johnson Counties, WY. The proposed project will consist of two project areas: 1) the Nichols Ranch Unit located in Township 43 North, Range 76 West, Sections 7, 8, 17, 18, and 20 and 2) the Hank Satellite Unit located in Township 44 North, Range 75 West Sections 30 and 31, and Township 43 North, Range 75 West Sections 5, 6, 7, and 8. The Nichols Ranch Unit will be the location of the main uranium processing facility with the Hank Satellite Unit being a satellite operation. The location of the Nichols Ranch project is within 5 miles of two currently licensed *in-situ* leach facilities, the AREVA (COGEMA) Christensen Ranch Project and the Power Resources Inc. North Butte License Area. A map showing the proposed project location is enclosed.

As established in Title 10 *Code of Federal Regulations* Part 51 (10 CFR 51), the NRC regulation that implements the National Environmental Policy Act of 1969, as amended, the agency is preparing an environmental assessment (EA) for the proposed action that will tier off a Generic Environmental Impact Statement currently under development. In accordance with Section 106 of the National Historic Preservation Act, the EA will include an analysis of potential impacts to historic and cultural resources. To support the environmental review, the NRC is requesting information from the State Historical Preservation Officer to facilitate the identification of historic and cultural resources that may be affected by the Nichols Ranch Uranium Recovery Project license application. Any information you provide will be used to enhance the scope and quality of our review in accordance with 10 CFR 51 and 36 CFR 800. After reviewing all the information collected, the NRC will prepare a draft EA and will provide your office an opportunity to comment.

The Uranerz Energy Corporation's Nichols Ranch Uranium Recovery Project license application is publicly available in the NRC Public Document Room (PDR) located at One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852, or from the NRC's Agency Wide Documents

M. Hopkins

- 2 -

access and Management System (ADAMS). The ADAMS Public Electronic Reading Room is accessible at <http://www.nrc.gov/reading-rm/adams.html>. The accession number for the application is ML080080594.

Please submit any comments/information that you may have regarding this environmental review within 30 days of the receipt of this letter to the US Nuclear Regulatory Commission Attn: Mr. Gregory Suber, Mail Stop T-8F05, Washington, DC 20555. If you have any questions, please contact Ms. Kellee Jamerson of my staff by telephone at 301-415-7649 or by email at kellee.jamerson@nrc.gov. Thank you for your assistance.

Sincerely,

/RA/

Gregory F. Suber, Chief
Environmental Review Branch
Environmental Protection and
Performance Assessment Directorate
Division of Waste Management and
Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 040-09067

Enclosure:
Uranerz Energy Corporation Figure 1-4

M. Hopkins

- 2 -

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Gregory F. Suber, Chief
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Docket No.: 040-09067

Enclosure:
Uranerz Energy Corporation Figure 1-4

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