

June 30, 2009

Mr. Richard L. Currit
Senior Archaeologist and NEPA Coordinator
Wyoming State Historic Preservation Office
2301 Central Avenue
Barrett Building, Third Floor
Cheyenne, WY 82002

SUBJECT: TREATMENT PLAN FOR MITIGATIVE EXCAVATION OF PREHISTORIC SITE
48SW16604 FOR THE PROPOSED LOST CREEK ISR PROJECT IN
SWEETWATER COUNTY, WYOMING (SHPO FILE # 0708JRD021)

Dear Mr. Currit:

Lost Creek ISR, LLC (LCI), a subsidiary of UR-Energy, Inc. of Denver, Colorado, is proposing to develop a 4,220-acre site about 15 miles southwest of Bairoil in northeastern Sweetwater County, Wyoming, for *in-situ* uranium recovery. In March 2008, LCI resubmitted an application for license to the U.S. Nuclear Regulatory Commission (NRC) to construct, operate, and decommission a source and by-product materials facility at the Lost Creek site. The submittal was made in accordance with the Atomic Energy Act of 1954, as amended, and Title 10 of the Code of Federal Regulations (CFR) (Parts 20, 40, 51, and 70), as well as other applicable laws and regulations, and NRC guidelines. The purpose of this letter is to inform you of NRC's review and concurrence of the treatment plan for the referenced site. A Memorandum of Agreement (MOA) will be executed between the NRC, Bureau of Land Management (BLM) – Rawlins Field Office, Lost Creek ISR, LLC and the Wyoming State Historic Preservation Office regarding the mitigation of the adverse effect, in accordance with 36 CFR Part 800.6(b)(1)(iv) and NUREG-1569, Section 2.4.2. The MOA will be structured in accordance with the guidance outlined in the Advisory Council on Historic Preservation's *Recommended Approach for Consultation on Recovery of Significant Information from Archaeological Sites* published in the *Federal Register* on May 18, 1999 (Vol. 64, No. 95, p. 27085).

The NRC, as the federal agency that issues licenses to facilities authorizing the possession and use of regulated radioactive materials is currently reviewing the license application for the proposed Lost Creek ISR Project. The NRC has reviewed both the subject treatment plan (Kinneer 2008, *Treatment Plan for Mitigative Excavation of Prehistoric Site 48SW16604 for the Proposed Lost Creek ISR Project in Sweetwater County, Wyoming*), and the original Class III inventory report for the project area (Kinneer et al. 2007, *A Cultural Resource Inventory of the Lost Creek Property for the Proposed Lost Creek ISR, LLC Project in Sweetwater County, Wyoming*), and the passed data recovery method approved by BLM, prepared by LCI and its consultant. The NRC concurs with the BLM's determinations of site eligibility and project effect regarding archaeological site 48SW16604, and support BLM's acceptance of the "Treatment Plan for Mitigative Excavation of Prehistoric Site 48SW16604 for the Lost Creek ISR Project in Sweetwater County, Wyoming" and the phased data recovery method proposed. The mitigation document was submitted by the BLM Rawlins Field Office on May 27, 2008, and reviewed by your office on July 24, 2008, stating that a data recovery plan be prepared, and that specific procedures be followed (according to protocol).

The NRC can require as a condition of any license issued to LCI, that LCI comply with the MOA and treatment plan. The NRC will reference the treatment plan and MOA in the draft supplemental environmental impact statement to provide an opportunity for public comment. However, the treatment plan will not be available to the public because disclosure of site locations is prohibited under 43 CFR 7.18.

The Lost Creek Prehistoric (48SW16604) site was visited on September 19, 2008, by Reed Tidzump, a member of the Wind River Agency and Tribal Historic Preservation Officer (THPO) for the Eastern Shoshone Tribe. Three other tribes were invited (Northern Cheyenne, Northern Arapaho, and Ute Tribal), but did not attend. The Eastern Shoshone found the proposed treatment plan adequate, meeting the approval of tribal elders. The NRC has maintained communication with Arlen Shoyo, the new THPO for the Eastern Shoshone Tribe.

If you have any questions, or require additional information, please contact Alan Bjornsen at (301) 415-1195, or at alan.bjornsen@nrc.gov.

Sincerely,

/RA By Patrice Bubar, Acting For/.

Larry W. Camper, Director
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

cc: P. Walker, BLM, Rawlins
J. Cash, LCI, Casper
D. McKenzie, DEQ, Cheyenne

R. Currit

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