

RULES AND DIRECTIVES  
BRANCH  
USNRC

COLORADO OFFICE  
10758 W. CENTENNIAL RD., STE. 200  
LITTLETON, CO 80127  
TEL: (866) 981-4588  
FAX: (720)-981-5643



WYOMING OFFICE  
5880 ENTERPRISE DR., STE. 200  
CASPER, WY 82609  
TEL: (307) 265-2373  
FAX: (307) 265-2801

LOST CREEK ISR, LLC

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December 8, 2009

United States Nuclear Regulatory Commission  
Attn: Mr. Michael T. Lesar, Chief  
Rulemaking and Directives Branch (RDB)  
Division of Administrative Services, Office of Administration  
Mail Stop: TWB-05-B01M  
Washington, D.C. 20555-0001

**Re: Lost Creek Project Exemption Request  
Docket No. 40-9068 / TAC No. LU0142**

Dear Mr. Lesar:

To complete the record on this portion of its July 2, 2009 Exemption Request, Lost Creek ISR, LLC (LCI) respectfully comments as follows on the United States Nuclear Regulatory Commission (NRC) *Notice of Availability of Draft Environmental Assessment and Opportunity to Provide Comments for Exemption Request for Lost Creek ISR, LLC, Sweetwater County* (issued on November 9, 2009). NRC Staff issued the aforementioned draft environmental assessment, determining that LCI is permitted to engage in the requested pre-license construction activities with the exception of construction of LCI's proposed central processing plant building, and the drilling and casing of up to four deep disposal wells.

With regard to the declination by the NRC Staff to authorize pre-license construction of the plant building and the deep disposal wells, LCI reiterates by incorporation here, and for the record, the points made in its Exemption Request of July 2, 2009 as well as the White Paper presented by counsel in behalf of LCI and others in the in situ recovery industry. LCI will not restate or reargue these points, as it acknowledges that NRC Staff is aware of and understands the arguments previously presented.

Additionally, LCI encourages NRC to utilize its authority in its efforts to harmonize the provisions of its regulations (including the intent of such regulations as manifested in their respective administrative rulemaking records), through further rulemaking as well as consistent application in future proceedings. By example relevant here, NRC Staff cites to the definition of "construction" in 10 CFR § 51.4 as determinative whether a proposed site activity can be authorized under a Part 40.14 specific exemption. NRC Staff also states that it will "grant an exemption that will allow an applicant to conduct certain site preparation activities that are currently allowed under 10 CFR § 51.4,

*Lost Creek ISR, LLC is a wholly-owned subsidiary of Ur-Energy Inc.*

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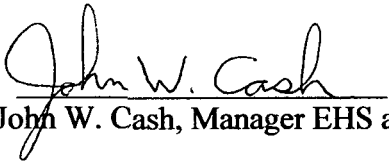
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notwithstanding the 10 CFR Part 40.32(e) provisions discussed above.” While citing this definition, NRC Staff states that an inconsistency in the regulations exists between Part 40.32(e) and Part 51.4 with respect to what constitutes “preconstruction” and “construction.” In the face of this inconsistency, however, NRC Staff proceeded to apply the provisions of Part 51.4 to LCI’s specific exemption application.

LCI again wishes to express its appreciation to NRC Staff for the prompt and efficient handling of this Exemption Request.

Regards,

Lost Creek ISR, LLC  
By its Manager, Ur-Energy USA Inc.

By:   
John W. Cash, Manager EHS and Regulatory Affairs

Cc: Steve Cohen – United States Nuclear Regulatory Commission  
Melissa Bautz – WDEQ-LQD Lander Field Office  
Bill Boberg – Ur-Energy USA Inc., Littleton  
Mark Newman – BLM Rawlins Field Office