



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

October 22, 2009

Mr. John Cash
Lost Creek ISR, LLC
5880 Enterprise Drive, Suite 200
Casper, WY 82609

RE: Approval of **Addendum to Update #5** to Drilling Notification 334DN, Lost Creek ISR, LLC; Fall 2009 Drilling activities, **TFN 5 5/132**

Dear Mr. Cash:

With the recommendation of Melissa Bautz, Natural Resources Analyst District II, Addendum to Update #5 to Drilling Notification No. 334DN is hereby approved. Update #5 was originally approved by LQD on March 24, 2009 for the drilling of 160 exploration/delineation holes and the installation of 40 monitoring wells. Since the approval of Update #5, LC learned that the Nuclear-Regulatory Commission (NRC) does not authorize the installation of monitoring wells at the site pre-license.

Prior to learning of NRC's determination, in the spring of 2009 LC installed 15 of the 40 wells (under Update #5). In light of the NRC's determination, LC will not install any more monitoring wells at the site. Because 15 of the 40 LQD-approved wells have already been installed, 25 planned wells remained under Update #5 to 334DN.

In place of installing the remaining 25 wells under Update #5, LC plans to drill an additional 118 exploration/delineation holes. This would raise the total number of exploration/delineation holes approved under Update #5 to 278 (160 plus 118). The summary table below depicts the total bond allocated to each year/Update of the 334DN project.

<u>Description</u>	<u>Bond amount</u>
Original 334DN, 2005	\$1,775
Update #1	\$30,485
Update #2	\$131,025
Updates #3 and 4	\$242,685
Update #5	\$432,115
Update #5, October 2009 (this) Addendum	\$563,155
Roads, Mob/Demob, BLM contingency	\$331,050
Total Bond required	\$1,732,290

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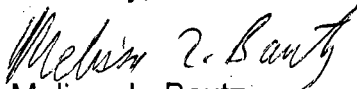
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The currently approved bond for 334DN is for \$2,090,300, which is greater than the required bond in the table above. **Therefore, there is adequate bond available to cover the proposed 118 additional exploration/delineation holes in this addendum.**

Please be advised Lost Creek ISR is solely responsible for obtaining surface and mineral consent prior to commencing drilling activities. If there are any questions about the reclamation standards that are expected at this site or any other aspect of this update, please contact the Lander District office at (307) 332-3047 and refer to Drilling Notification 334DN.

Sincerely,



Melissa L. Bautz
Natural Resources Analyst
Land Quality Division, Lander

Cc: Ramona Christensen/Jen Mickle, LQD Cheyenne →334DN Update #5 File
Mark Moxley, LQD Lander→334DN File
Mark Newman, Bureau of Land Management, P. O. Box 2407, Rawlins, WY 82301
Stephen Cohen, PG – US Nuclear Regulatory Commission, Office of Federal and State Materials and Environmental Management Programs, Mailstop T8F5, Washington, DC 20555-0001
Chron