

Miller, Debra

From: Bubar, Patrice - FSME
Sent: Monday, November 16, 2009 1:14 PM
To: don.simpson@blm.gov; dmcken@wyo.gov
Cc: Trefethen, Jean; Yu, Irene
Attachments: blm coop status ML0929304860.doc

Don and Don - hello.

I wanted to request an opportunity to hear from you regarding a response back to Don Simpson regarding BLMs request to be a cooperating agency on the Supplemental Environmental Impact Statement for the Nichols Ranch In Situ Recovery application.

The proposed response back to Don is attached.

Before I sign the letter out though - I would appreciate the opportunity to discuss it with both of you and determine if there is something that should be added to reflect your agencies processes and timing for decision making.

If you are agreeable - we would facilitate a conference call with the three of us. This Wednesday Nov. 18th could work as could Thursday or Friday.

Let me know if you could take some time to discuss the proposed response.

Alternatively - you could provide a mark up of the attached and send it back.

Thanks for your consideration. Hope all is well.

Patrice M. Bubar, PE, Deputy Director
Environmental Protection and Performance
Assessment Directorate
Division of Waste Management
and Environmental Protection - FSME
U.S. Nuclear Regulatory Commission
301-415-8125

Donald A. Simpson
State Director
Bureau of Land Management
Wyoming State Office
PO Box 1828
Cheyenne, Wyoming 82003-1828

**SUBJECT: REQUEST TO COOPERATE WITH THE NUCLEAR REGULATORY
 COMMISSION FOR THE SUPPLEMENTAL ENVIRONMENTAL IMPACT
 STATEMENT BEING PREPARED FOR URANERZ ENERGY CORPORATION
 FOR THE NICHOLS RANCH IN-SITU RECOVERY PROJECT**

Dear Mr. Simpson

This letter responds to your letter to Irene Yu, Environmental Project Manager for the U.S. Nuclear Regulatory Commission (NRC) requesting that the Bureau of Land Management (BLM) be designated as a cooperating agency for the Supplemental Environmental Impact Statement (SEIS) related to the Uranerz Energy Corporation (Uranerz) application for a new source material license for the Nichols Ranch In-Situ Recovery (ISR) project.

We fully understand that this project would affect public domain lands administered by the BLM in Wyoming and that the Buffalo Field Office has received a Plan of Operations from Uranerz. As such, the NRC staff has been coordinating closely with the BLM during our environmental review of this proposed facility, including holding periodic meetings, sharing drafts of documents under development, and addressing resulting comments. The NRC staff has been coordinating with the BLM in this manner in anticipation of completion of the Memorandum of Understanding (MOU) between the NRC and the BLM on ISR projects which will establish a cooperating agency status between the agencies. It is expected that this close coordination on the Nichols Ranch ISR environmental review should lead to efficiencies in the BLM's National Environmental Policy Act review process by permitting incorporation by reference portions of the NRC's environmental review.

However, during your October 5, 2009 conversation with Jim Park of my staff it was mutually decided that because a draft of the SEIS for one Uranerz application was produced by NRC before finalization of the MOU, full cooperation between the agencies whereby the NRC's environmental review would cover all areas of BLM interest is not possible in this case. The NRC staff will continue to coordinate closely with BLM on this application and looks forward to a cooperating agency relationship with the BLM on future environmental reviews.

D.A. Simpson

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The Project Manager for the Nichols Ranch ISR environmental review and the principal NRC point of contact for interactions with BLM is Irene Yu. She can be reached at Irene.Yu@nrc.gov or 301-415-1951.

Sincerely,

Patrice Bubar, Deputy Director
Environmental Protection
and Performance Assessment Directorate
Division of Waste Management
and Environment Protection
Office of Federal and State Materials
and Environmental Management Programs

November 19, 2009

Donald A. Simpson
State Director
Bureau of Land Management
Wyoming State Office
P.O. Box 1828
Cheyenne, WY 82003-1828

SUBJECT: REQUEST TO COOPERATE WITH THE NUCLEAR REGULATORY
COMMISSION FOR THE SUPPLEMENTAL ENVIRONMENTAL IMPACT
STATEMENT BEING PREPARED FOR URANERZ ENERGY CORPORATION
FOR THE NICHOLS RANCH IN-SITU RECOVERY PROJECT

Dear Mr. Simpson:

This letter responds to your letter dated September 9, 2009, to Ms. Irene Yu, Environmental Project Manager for the U.S. Nuclear Regulatory Commission (NRC) requesting that the Bureau of Land Management (BLM) be designated as a cooperating agency for the SEIS related to Uranerz Energy Corporation's application to NRC for a new source material license for the Nichols Ranch In-Situ Recovery project. A draft of the SEIS will soon be released for public comment.

We fully understand that this project would impact lands administered by the BLM in Wyoming and that the Buffalo Field Office has received a Plan of Operations from the Uranerz Energy Corporation. As such, we have been coordinating closely with the BLM during our review of this facility, including holding periodic meetings and sharing drafts of documents under development, and addressing resulting comments. We believe the close interaction that we have had with BLM on this review has improved the quality of the review. We hope that our interactions will lead to efficiencies in the BLM permitting decision.

In tandem with our review, NRC and BLM staff have been developing a Memorandum of Understanding between the NRC and the BLM on in-situ uranium recovery projects. This memorandum establishes a cooperating agency status between our agencies. After this memorandum is signed by both agencies and beginning in 2010, we plan to use it in the review of applications that are in their early stages. This will allow us to effectively integrate BLM as a cooperating agency into these reviews.

Our review of this project has been going on for sometime and we will not be able to effectively integrate the BLM as a cooperating agency into our review. This does not mean we will be unresponsive to concerns you may have about this proposed project. NRC staff will continue to coordinate closely with BLM on this application, we will be responsive to any public comments we receive from BLM on the Draft SEIS, and we look forward to a cooperating agency relationship with you on future environmental reviews.

D.A. Simpson

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Ms. Irene Yu (301-415-1951; Irene.Yu@nrc.gov); is the principle NRC point of contact for interactions with BLM on this project.

Sincerely,

/RA/

Patrice Bubar, Deputy Director
Environmental Protection
and Performance Assessment Directorate
Division of Waste Management
and Environment Protection
Office of Federal and State Materials
and Environmental Management Programs

D.A. Simpson

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Ms. Irene Yu (301-415-1951; Irene.Yu@nrc.gov); is the principle NRC point of contact for interactions with BLM on this project.

Sincerely,

Patrice Bubar, Deputy Director
Environmental Protection
and Performance Assessment Directorate
Division of Waste Management
and Environment Protection
Office of Federal and State Materials
and Environmental Management Programs

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OFC	DWMEP	DWMEP	DWMEP	DWMEP
NAME	JTrefethen	AWalker-Smith	AKock	PBubar
DATE	10/21/09	10/21/09	10/21/209	11/19/09

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