

June 7, 2010

Mr. Michael Thomas  
Environmental, Safety, and Health Manager  
Uranerz Energy Corporation  
1701 East "E" Street  
P.O. Box 50850  
Casper, WY 82605-0850

SUBJECT: SUMMARY OF MAY 17, 2010 MEETING AND TELECONFERENCE WITH  
URANERZ ENERGY CORPORATION TO DISCUSS NICHOLS RANCH HANK  
UNIT HYDROGOLGY

Dear Mr. Thomas:

A summary of the meeting between U. S. Nuclear Regulatory Commission (NRC) staff and representatives of Uranerz Energy Corporation (Uranerz) on May 17, 2010, is enclosed. There are no actions required by either Uranerz or NRC staff. If you have any questions regarding this letter or the enclosed meeting summary, please contact me at (301) 415-7777, or by email at [ron.linton@nrc.gov](mailto:ron.linton@nrc.gov).

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice for Domestic Licensing Proceedings and Issuance of Orders," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

**/RA/**

Ron C. Linton, Project Manager  
Uranium Recovery Licensing Branch  
Decommissioning and Uranium Recovery  
Licensing Directorate  
Division of Waste Management  
and Environmental Protection  
Office of Federal and State Materials  
and Environmental Management Programs

Docket No.: 040-09067

Enclosure: Meeting Summary

cc: Meeting Attendees  
G. Mooney (WDEQ)

Mr. Michael Thomas  
Environmental, Safety, and Health Manager  
Uranerz Energy Corporation  
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Office	DWMEP	DWMEP	DWMEP	DWMEP	
Name	RLinton	BGarrett	S Cohen	RLinton	
Date	05/20/10	05/20/10	06/4/10	06/7/10	

OFFICIAL RECORD COPY

## MEETING REPORT

DATE: May 17, 2010

TIME: 10:30 a.m. – 12:30 p.m.

PLACE: U.S. Nuclear Regulatory Commission  
Two White Flint North, Rockville, Maryland  
Room T8C1

PURPOSE: Meeting and Teleconference to Discuss Uranerz Energy Corporation's Source Material License Application - Nichols Ranch Hank Unit Hydrology

ATTENDEES: SEE ATTACHED ATTENDEE LIST

### BACKGROUND:

The purpose of this meeting was for Uranerz Energy Corporation (Uranerz) and Nuclear Regulatory Commission (NRC) staff to discuss the Nichols Ranch in-situ recovery (ISR) facility license application and hydrology issues related to the Hank Unit.

The meeting and teleconference started at 10:30 a.m. Eastern time in T8C1. An opening statement was presented by Ron Linton, NRC. Meeting attendees were recorded by Mr. Linton who confirmed with all parties in attendance that names, affiliations, phone numbers, and e-mail addresses would be part of the public record. No one in attendance objected.

### DISCUSSION:

NRC staff discussed the need for Uranerz to demonstrate that an inward hydraulic gradient will be maintained to prevent excursions beyond the perimeter production zone monitoring well ring wells at the Hank Unit. NRC staff discussed the need for Uranerz to determine extraction rates which may be sustained to support commercial ISR operations and limiting extraction rates that would be sufficient to capture a possible excursion. Both parties discussed pilot test scenarios that may be used to gather additional data and information for NRC review that may be used to support licensing decisions.

Both parties discussed how information from a possible pilot test at the Hank Unit might affect the production and restoration schedule.

NRC staff discussed the possible use of "trend" monitoring wells on the upgradient (eastern) edge of Hank Unit #1 and #2 to evaluate groundwater gradient trends during production.

Uranerz discussed revised flare factor calculations for the Hank unit.

Both parties discussed Uranerz's pumping test strategy being developed for the "F sand" at Hank wellfield #1 and data collection for the wellfield hydraulic package.

Enclosure

NRC staff requested and Uranerz confirmed that hydrogen peroxide would not be used in lixiviant. Uranerz indicated this commitment is in the application.

Uranerz indicated that it has committed to sending hydrologic tests and wellfield data packages for Nichols Ranch Unit wellfield #1 and Hank Unit wellfield #1 to the NRC for review and approval.

Both parties briefly discussed the frequency of sampling of water quality parameters for all ore zone monitoring well locations (MP wells), ore zone monitoring well ring locations (MR wells), and overlying and underlying monitoring well locations (MO & MU wells) prior to well field operation at both Nichols Ranch and Hank Units.

Both parties briefly discussed Uranerz plan for determining the average baseline water quality of the "G sand", "H sand" and the Cottonwood Creek Alluvium at the Nichols Ranch Unit.

**PUBLIC DISCUSSION:**

There was no public discussion.

**ACTION ITEMS:**

NRC will provide a detailed meeting summary of the issues discussed.

The meeting and teleconference ended at approximately 11:30 a.m. eastern time.

**ATTACHMENTS:** Attendee List  
Meeting Agenda



## MEETING ATTENDEES

Topic: Meeting and Teleconference to Discuss Uranerz Energy Corporation's Source Material License Application - Nichols Ranch Hank Unit Hydrology

Date: May 17, 2010

NAME	AFFILIATION	PHONE NUMBER	E-MAIL
Glen Catchpole	Uranerz Energy Corporation	307-265-8900	<a href="mailto:gcatchpole@uranerz.com">gcatchpole@uranerz.com</a>
George Hartman	Uranerz Energy Corporation	307-265-8900	<a href="mailto:ghartman@uranerz.com">ghartman@uranerz.com</a>
Mike Thomas	Uranerz Energy Corporation	307-265-8900	<a href="mailto:mthomas@uranerz.com">mthomas@uranerz.com</a>
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Tom Michaels	Uranerz consulting hydrologist	307-266-6597	<a href="mailto:hydro@alluretech.net">hydro@alluretech.net</a>
Elise Striz	NRC	301-415-0708	<a href="mailto:elise.striz@nrc.gov">elise.striz@nrc.gov</a>
Steve Cohen	NRC	301-415-7182	<a href="mailto:stephen.cohen@nrc.gov">stephen.cohen@nrc.gov</a>
Ron Linton	NRC	301-415-7777	<a href="mailto:ron.linton@nrc.gov">ron.linton@nrc.gov</a>
Suzanne McElligott	Platts Nucleonics Week	202-383-2249	<a href="mailto:suzanne.mcelligott@hotmail.com">suzanne.mcelligott@hotmail.com</a>

MEETING AGENDA  
Uranerz Energy Corp.  
Monday, May 17, 2010

MEETING PURPOSE: Meeting and Teleconference to Discuss Nichols Ranch Hank Unit Hydrology.

MEETING PROCESS:

<u>Time</u>	<u>Topic</u>	<u>Lead</u>
10:30 a.m.	Introductions	All
	Discussion of Hydrology Issues	All
	Summary of Action Items	Moderator
	Public Comment/Questions	Moderator
12:30 p.m.	Adjourn	