

NUCLEAR REGULATORY COMMISSION

[Docket No. 40-9091; NRC-2011-0148]

Strata Energy, Inc., Ross Uranium Recovery Project

New Source Material License Application

Notice of Intent to Prepare a Supplemental Environmental Impact Statement

AGENCY: U.S. Nuclear Regulatory Commission.

ACTION: Notice of intent to prepare a supplemental environmental impact statement.

SUMMARY: Strata Energy, Inc. (Strata) submitted an application for a new source material license for the Ross Uranium Recovery Project to be located in Crook County, Wyoming, 32 miles northeast of Gillette, Wyoming and 30 miles northwest of Sundance, Wyoming. The application proposes the construction, operation, and decommissioning of uranium *in-situ* recovery (ISR), also known as *in-situ* leach, facilities and restoration of the aquifer from which the uranium is being extracted. Strata submitted the application for the new source material license to the U.S. Nuclear Regulatory Commission (NRC) by a letter dated January 4, 2011. A notice of receipt and availability of the license application, including the Environmental Report (ER), and opportunity to request a hearing was published in the *Federal Register* on July 13, 2011 (76 FR 41308). The purpose of this notice of intent is to inform the public that the NRC will be preparing a site-specific Supplemental Environmental Impact Statement (SEIS) to the Generic Environmental Impact Statement for *In-Situ* Leach Uranium Milling Facilities (ISR GEIS) for a new source material license for the Ross Uranium Recovery Project, as required by Title 10 of the *Code of Federal Regulations* (10 CFR) 51.26. In addition, as outlined in 36 CFR 800.8, "Coordination with the National Environmental Policy Act (NEPA)," the NRC plans to use

the environmental review process as reflected in 10 CFR Part 51 to coordinate compliance with Section 106 of the National Historic Preservation Act (NHPA).

FOR FURTHER INFORMATION CONTACT: For general information on the NRC NEPA process or the environmental review process related to the Ross Uranium Recovery Project application, please contact the NRC Environmental Project Manager, Alan Bjornsen, at 301-415-1195 or Alan.Bjornsen@nrc.gov.

Information and documents associated with the Ross Uranium Project, including the license application, are available for public review through the NRC electronic reading room: <http://www.nrc.gov/reading-rm/adams.html> and on the NRC's Ross Uranium Recovery Project web page: <http://www.nrc.gov/materials/uranium-recovery/license-apps/ross.html>. Documents may also be obtained from NRC's Public Document Room at the U.S. Nuclear Regulatory Commission Headquarters, 11555 Rockville Pike (first floor), Rockville, Maryland.

SUPPLEMENTARY INFORMATION:

1.0 Background

Strata submitted the application for a new source material license to the NRC for ISR facilities by a letter dated January 4, 2011. A notice of receipt and availability of the license application, including the ER, and opportunity to request a hearing was published in the *Federal Register* on July 13, 2011 (76 FR 41308). One request for hearing was received on October 27, 2011.

The NRC is preparing a draft SEIS that will tier off the ISR GEIS (NUREG-1910). While NRC's Part 51 regulations do not require scoping for SEISs, the NRC staff is planning to place ads in newspapers serving communities near the proposed site, requesting information and comments from the public regarding the proposed action. Also, NRC staff met with, and gathered information from, Federal, State, and local agencies as well as with public interest groups in conjunction with a visit to the proposed site. NRC staff may also use relevant information gathered during scoping for the GEIS to define the scope of the SEIS. In preparing

the SEIS, the NRC staff is consulting with Bureau of Land Management, U.S. Fish & Wildlife Service, U.S. Army Corps of Engineers, Wyoming Department of Environmental Quality, Wyoming State Historic Preservation Office, Tribal Historic Preservation Offices, Wyoming Game and Fish Department, National Park Service, and the Crook County Natural Resource District in preparing the SEIS. The Bureau of Land Management is a cooperating agency with the NRC, under the Memorandum of Understanding, signed on November 30, 2009.

The NRC has begun evaluating the potential environmental impacts associated with the proposed ISR facility in parallel with the review of the license application. This environmental evaluation will be documented in draft and final SEISs in accordance with NEPA and NRC's implementing regulations contained in 10 CFR Part 51. The NRC is required by 10 CFR 51.20(b)(8) to prepare an Environmental Impact Statement (EIS), or supplement to an EIS, for the issuance of a new license to possess and use source material for uranium milling. The ISR GEIS and the site-specific SEIS fulfill this regulatory requirement. The purpose of the present notice is to inform the public that the NRC staff will prepare a site-specific supplement to the ISR GEIS as part of the review of the application.

2.0 Ross ISR Facilities

The proposed ISR facilities, if licensed, would include a central processing plant and appurtenant features, accompanying wellfields, and wastewater retention (storage) ponds. The ISR process involves the dissolution of the water-soluble uranium from the mineralized host sandstone rock by pumping oxidants (oxygen or hydrogen peroxide) and chemical compounds (sodium bicarbonate) through a series of injection wells. The uranium-rich solution is transferred from production wells to either the central processing plant or satellite facility for uranium concentration using ion exchange columns. Final processing is conducted in the central processing plant to produce yellowcake, which would be sold to offsite facilities for further processing and eventual use as commercial fuel for use in nuclear power reactors.

3.0 Alternatives to be Evaluated

No-Action—The no-action alternative would be to deny the license application. Under this alternative, the NRC would not issue the license. This serves as a baseline for comparison.

Proposed action—The proposed Federal action is to issue a license to use or process source material at the proposed ISR facilities. The license review process analyzes the construction, operation, and decommissioning of ISR facilities and restoration of the aquifer from which the uranium is being extracted. The ISR facilities would be located in Crook County, Wyoming, 32 miles northeast of Gillette, Wyoming and 30 miles northwest of Sundance, Wyoming. The applicant would be issued an NRC license under the provisions of 10 CFR Part 40. Other alternatives not listed here may be identified through the environmental review process.

4.0 Environmental Impact Areas to be Analyzed

The following areas have been tentatively identified for analysis in the SEIS:

- *Land Use:* Plans, policies, and controls;
- *Transportation:* Transportation modes, routes, quantities, and risk estimates;
- *Geology and Soils:* Physical geography, topography, geology, and soil characteristics;
- *Water Resources:* Surface and groundwater hydrology, water use and quality, and the potential for degradation;
- *Ecology:* Wetlands, aquatic, terrestrial, economically and recreationally important species, threatened and endangered species;
- *Air Quality:* Meteorological conditions, ambient background, pollutant sources, and the potential for degradation;
- *Noise:* Ambient, sources, and sensitive receptors;

- *Historical and Cultural Resources:* Historical, archaeological, and traditional cultural resources;
- *Visual and Scenic Resources:* Landscape characteristics, manmade features and viewshed;
- *Socioeconomics:* Demography, economic base, labor pool, housing, transportation, utilities, public services/facilities, and education;
- *Environmental Justice:* Potential disproportionately high and adverse impacts to minority and low-income populations;
- *Public and Occupational Health:* Potential public and occupational consequences from construction, routine operation, transportation, and credible accident scenarios (including natural events);
- *Waste Management:* Types of wastes expected to be generated, handled, stored and disposed of; and
- *Cumulative Effects:* Impacts from past, present, and reasonably foreseeable future actions at and near the site(s).

This list is not intended to be all inclusive, nor is it a predetermination of potential environmental impacts.

5.0 The NEPA Process

The SEIS for the Ross Uranium Recovery Project will be prepared pursuant to the NRC's NEPA Regulations at 10 CFR Part 51. The NRC will continue its environmental review of the application and as soon as practicable, the NRC and its contractor will prepare and publish a draft SEIS. The NRC currently plans to have a 45-day public comment period for the draft SEIS. Availability of the draft SEIS and the dates of the public comment period will be

announced in the *Federal Register* and the NRC website: www.nrc.gov. The final SEIS will include responses to public comments received on the draft SEIS.

Dated at Rockville, Maryland, this 7th day of November, 2011.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Gregory Suber, Acting Deputy Director
Environmental Protection
and Performance Assessment Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs