

December 5, 2011

Ms. Dorothy FireCloud, Superintendent
Devils Tower National Monument
P.O. Box 10
Devils Tower, WY 82714-0010

SUBJECT: STRATA ENERGY INC. PROPOSED ROSS *IN-SITU* RECOVERY FACILITY IN
OSHOTO, CROOK COUNTY, WYOMING

Dear Ms. FireCloud:

The U.S. Nuclear Regulatory Commission (NRC) has received an application from Strata Energy, Inc. (Strata) for a source materials license to authorize Strata to construct and operate an *in-situ* uranium recovery (ISR) facility at the proposed Ross site in Crook County, Wyoming. The facility, if licensed, would use an ISR technology to extract uranium at the Ross Project site. The proposed project boundary consists of approximately 1,720 acres (696 ha) located in Oshoto, in portions of Township 53 North and Ranges 67 West and 68 West (see enclosed figure). The area of potential effect for this review is the area at the Ross site and its immediate environs, which may be impacted by activities associated with the construction and operation of the proposed facility. Two known traditional cultural properties, the Missouri Buttes and Devils Tower, are located near the proposed project area. The Missouri Buttes are approximately 8 miles to the east-northeast and Devils Tower is approximately 11 miles to the east of the project area.

As part of the environmental review, the NRC would prepare a Supplemental Environmental Impact Statement (SEIS) to the Generic Environmental Impact Statement for *In-Situ* Leach Uranium Milling Facilities (NUREG-1910). The SEIS would be prepared in accordance with the regulatory provisions in Title 10 of the *Code of Federal Regulations* Part 51 (10 CFR Part 51). These regulations implement the requirements of the National Environmental Policy Act (NEPA) of 1969, as amended (42 U.S.C. § 4321, *et seq.*), which requires the Federal government to assess the potential environmental impacts of major Federal actions that may significantly affect the human environment. In accordance with 36 CFR Part 800.8 (coordination with the NEPA), the SEIS will also include analyses of impacts to historic properties. The NRC staff would use this process to comply with its obligations under Section 106 of the National Historic Preservation Act of 1966, as amended, in lieu of the procedures set forth in 36 CFR 800.3 through 800.6.

The Bureau of Land Management (BLM), Newcastle Field Office, requested cooperating agency status in a letter to the NRC on January 27, 2011 (ML103300050), to produce one NEPA document for this project, as required by both NRC and BLM regulations. Cooperating agency status was granted in accordance with the Memorandum of Understanding between the NRC and BLM on November 30, 2011 (ML0091310545). These documents can be found in the NRC's Agency Wide Documents Access and Management System (ADAMS). The ADAMS Public Electronic Reading Room is accessible at: <http://www.nrc.gov/reading-rm/adams.html>.

At this time the application is under detailed technical review, including the Section 106 consultation with interested tribes. Due to the proximity of Devils Tower National Monument to the Ross ISR site, the NRC is inviting the National Park Service be a consulting party. The NRC is requesting that the National Park Service provide the NRC with written confirmation that they will become a consulting party.

The NRC plans to issue the draft SEIS in late 2012; a copy will be sent to your office for your review and comment when it is issued. The NRC will also send a copy of the final SEIS to all consulting parties when it becomes available.

Strata's license application is also available in ADAMS. The accession number for the environmental portion of the Strata source materials application is ML110120063, and is available online through ADAMS, or directly from the project's web page at <http://www.nrc.gov/materials/uranium-recovery/license-apps/ross.html>.

If you have any specific questions or comments on the proposed project, or need any additional information regarding the license application and the environmental review process, please contact Mr. Alan Bjornsen of my staff by telephone at 301-415-1195, or by e-mail at Alan.Bjornsen@nrc.gov.

Sincerely,

/RA/

Larry W. Camper, Director
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 40-9091

Enclosure: Map

cc: Mal James, Strata
James Bashor, BLM
Ben Schiffer, WWC
Chris Pugsley, Thompson & Pugsley

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NAME	ABjornsen	DMiller	JDavis	M Barkman-Marsh	KHsueh	HYilma for DPersinko	LCamper
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