



UNITED STATES
NUCLEAR REGULATORY COMMISSION
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January 4, 2012

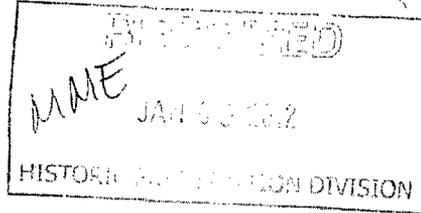
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Ms. Jan V. Biella
Interim New Mexico State Historic
Preservation Officer
Historic Preservation Division
Bataan Memorial Building
407 Galisteo St., Suite 236
Santa Fe, NM 87501



SUBJECT: NOTIFICATION OF THE ISSUANCE OF AND REQUEST FOR COMMENTS ON THE DRAFT ENVIRONMENTAL IMPACT STATEMENT FOR THE PROPOSED INTERNATIONAL ISOTOPES FLUORINE PRODUCTS FACILITY IN LEA COUNTY, NEW MEXICO AND REQUEST FOR CONCURRENCE ON THE DETERMINATION OF EFFECTS ON HISTORIC PROPERTIES

Dear Ms. Biella:

International Isotopes Fluorine Products, Inc. (IIFP), a wholly owned subsidiary of International Isotopes, Inc. (INIS) ("the applicant"), has submitted a license application to the U.S. Nuclear Regulatory Commission (NRC) to construct, operate, and decommission a proposed depleted uranium processing facility. The facility is proposed to be located within a 249 hectare (640-acre) section near Hobbs in Lea County, New Mexico (Section 27, in Township 18S, Range 36E; situated as illustrated in Enclosure 1). Approximately 16 hectares (40 acres) would be developed for the proposed IIFP facility.

As part of the review of the application, the NRC has prepared a draft Environmental Impact Statement (EIS) (NUREG-2113, Enclosure 2). The draft EIS includes an analysis of relevant environmental issues, including potential impacts on historic and cultural resources, and documents the NRC staff's preliminary determination regarding the environmental impacts from the preconstruction (e.g., site preparation), construction, operation, and decommissioning of the proposed uranium deconversion facility. Many of the activities required to build a uranium deconversion facility do not fall within NRC's regulatory authority and, therefore, are not "construction" as defined by the NRC. Such activities are referred to as "preconstruction" activities in Title 10 of the *U.S. Code of Federal Regulations* (10 CFR) 51.45(c).

The NRC previously corresponded with the New Mexico State Historic Officer (NM SHPO), in a letter dated July 2, 2010, when NRC initiated Section 106 Consultation. The NM SHPO's response dated July 15, 2010, recommended:

- Completion of a cultural resources survey of the property, and submittal of the resulting survey report to the SHPO; and
- Consultation with Native American Tribes, and submittal of correspondence, including tribal responses, to the SHPO.

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The results of the cultural resources survey and the results of consultation with Native American Tribes are discussed below. NRC believes that the survey and consultation process support a determination that the proposed project would not result in adverse effects to historic properties as defined by Section 106 of the National Historic Preservation Act (36 CFR 800), and we ask your concurrence with this determination.

The applicant's archaeological consultant, Lone Mountain Archeological Services, Inc. completed a cultural resources survey in May 2009 on the entire 249-ha (640-ac) parcel and documented the results of that survey in a negative survey report entitled *Cultural Resources Survey of 640 Acres for the Arkansas Junction Site, Lea County, NM* (NMCRIS Activity No. 113862) (Enclosure 3). The survey resulted in the identification of three isolated artifacts. The isolated occurrences were recorded, and no further work was recommended.

Review of the *New Mexico State and National Register of Cultural Properties* indicates that one State-listed historic architectural resource - the Hat Ranch Headquarters - also known as Monument Springs or the Monument Springs Ranch (Site LA 43256, SR #162), is located within the Area of Potential Effect (APE) for historic architectural resources. The site is 9.4 kilometers (5.9 miles) from the proposed facility. The Hat Ranch Headquarters property is not listed in or considered eligible for inclusion in the National Register of Historic Places; therefore, the property would not be considered a "historic property" under the Section 106 regulations.

Consultation with Federally recognized Indian tribes and the Tribal Liaison of the New Mexico State Historic Preservation Division occurred in June 2010. In letters dated June 29, 2010, the NRC staff contacted the Kiowa Tribe of Oklahoma, Apache Tribe of Oklahoma, Comanche Indian Tribe, Mescalero Apache Tribe, Ysleta del Sur Pueblo, and the Shawnee Tribe, identified as having potential interest in the proposed undertaking. Consultation failed to yield any additional information on historically or culturally significant resources for the proposed facility. Three groups responded to NRC's consultation request. The tribal historic and preservation officer of the Ysleta del Sur Pueblo, Javier Loera, commented in a letter that the tribal council does not believe that the proposed project would adversely affect traditional, religious or culturally significant sites of their Pueblo, but requested consultation should any human remains or artifacts protected under the Native American Graves Protection and Repatriation Act regulations be unearthed during construction. Ms. Kim Jumper from the Shawnee tribe's historic preservation department commented in an e-mail that no known historic properties will be negatively impacted by the proposed project, but requested consultation in the event that archaeological materials are encountered during construction, use, or maintenance. The tribal historic preservation officer of the Comanche Indian Tribe, Mr. Jimmy Arterberry, concluded in an e-mail that there are no comments at the time and that he is anticipating receiving the draft EIS.

After a review of the potential impacts of the proposed action, the NRC has determined that the proposed action will not adversely affect any historic properties. The supporting basis for this conclusion can be found in the negative survey report which is discussed above (Enclosure 3). In addition, Appendix B of the draft EIS includes copies of all previous correspondence, including letters sent to tribal representatives and responses. We request your concurrence with this determination that the proposed action does not adversely affect any historical properties within 30 days of receipt of this letter and associated materials.

J. Biella

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The NRC staff is enclosing the draft EIS on a compact disc (CD) for your review and comment. Pursuant to 36 CFR 800.8(c), we are requesting your comments on the draft EIS and on our preliminary conclusions regarding historic and cultural resources. Please provide any information, comments, or concerns you may have on the draft EIS during the comment period, which ends February 27, 2012. The NRC staff will address your comments in the final EIS. Comments should be submitted in writing either by mail to Cindy Bladey, Chief, Rules and Directives Branch, Division of Administrative Services, Office of Administration, Mailstop TWB-05-B01M, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, or by e-mail to INIS.EIS@nrc.gov.

The NRC staff plans to hold a public meeting to discuss the contents of the draft EIS on Thursday, February 2, 2012 at the Lea County-Event Center, 5101 Lovington Highway in Hobbs, New Mexico. The meeting will convene at 5:30 p.m. and will continue until 8:30 p.m. The meeting will be transcribed and will include the following agenda items: (1) a brief presentation of NRC's roles and responsibilities and the licensing process, (2) a presentation summarizing the contents of the draft EIS, and (3) an opportunity for interested government agencies, tribal governments, organizations, and individuals to provide comments on the draft EIS. Additionally, the NRC staff will host informal discussions in an open house forum 1 hour before the start of the meeting, during which members of the public may meet and talk with NRC staff members. You and other members of your staff are invited to attend.

If you have any questions, please contact Asimios Malliakos of my staff at (301) 415-6458 or by email at Asimios.Malliakos@nrc.gov.

Sincerely,



Kevin Hsueh, Chief
Environmental Review Branch
Environmental Protection and
Performance Assessment Directorate
Division of Waste Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 40-9086

Enclosures:

1. 80 Kilometer (50-mile) Radius Map
2. Draft EIS (CD Copy)
3. Cultural Resources Survey Report

cc: S. Cata, Tribal Liaison

Correct
No Historic Properties Affected. 2/7/12


for NM State Historic Preservation Officer