

December 20, 2012

Mr. Brandon Sazue, Sr., Chairman
Crow Creek Sioux Tribe
P.O. Box 50
Ft. Thompson, SD 57339-0050

SUBJECT: INVITATION FOR SECTION 106 CONSULTATION PURSUANT TO THE NATIONAL HISTORIC PRESERVATION ACT REGARDING THE CROW BUTTE RESOURCES, INC., LICENSE AMENDMENT APPLICATION FOR THE PROPOSED THREE CROW PROJECT *IN-SITU* URANIUM RECOVERY SATELLITE FACILITY, IN DAWES AND SIOUX COUNTIES, NEBRASKA

Dear Chairman Sazue, Sr.:

On August 3, 2010, Crow Butte Resources, Inc. (CBR) submitted an application to the U.S. Nuclear Regulatory Commission (NRC) to amend source materials license SUA-1534 to authorize CBR to construct and operate an *in-situ* uranium recovery (ISR) satellite facility at the proposed Three Crow project site located in Dawes and Sioux Counties, Nebraska. NRC's review of the Three Crow application had been on hold as requested by the applicant since April 14, 2011 (ML111160020). Cameco has recently requested, by letter dated October 11, 2012 (ML12299A211) that NRC reopen the application for review. The facility, if licensed, would use ISR technology to extract uranium from the project site. The 1643-acre project site is located approximately 4 miles southwest of the City of Crawford. A map showing the proposed project location is enclosed (Enclosure 1).

The ISR process, also known as *in-situ* leach milling, is used to recover uranium from low-grade ores or deeper deposits that are not economically recoverable by conventional mining and milling techniques. In this process, a leaching agent, such as oxygen with sodium carbonate, is injected through wells into the underground ore body to dissolve the uranium. The mineral-laden solution is pumped to the surface through ion exchange columns. The uranium in the solution adheres to resin beads in the columns. The resin beads are then transported to a processing plant where the uranium is washed off the beads and dried. The resultant product, a mixture of uranium oxides also known as "yellowcake," is placed in drums prior to shipment offsite for further processing. Eventually, this processed material can be used to make fuel for nuclear power plants and other products.

The *Atomic Energy Act* of 1954, as amended (AEA), authorizes the NRC to issue and renew licenses for the possession and use of source material and by-product material. The AEA authorizes the NRC to license facilities that meet NRC regulatory requirements designed to protect public health and safety and the environment from radiological hazards.

In accordance with Title 10 of the *Code of Federal Regulations* Part 51 (10 CFR Part 51), the NRC regulations that implement the National Environmental Policy Act of 1969, as amended, the NRC is performing an environmental review for the proposed action, for which an Environmental Assessment (EA) is being prepared.

Pursuant to 36 CFR § 800.8(c), the NRC staff is using the NEPA process to comply with its obligations under Section 106 of the National Historic Preservation Act of 1966, as amended (NHPA). The environmental review will include analyses of potential impacts to historic and cultural resources. The NRC staff is collecting information to facilitate the identification of historic properties, including those that may be of religious and cultural significance to Tribes.

Accordingly, the NRC staff is identifying parties who may wish to consult with the staff on the effects of the proposed action on historic properties. Through this letter, the NRC staff invites you to participate as a consulting party under Section 106 of the NHPA and assist in the identification and evaluation of historic properties that may be affected by the proposed action and the development of alternatives and proposed measures that might avoid, minimize, or mitigate any adverse effects of the proposed action on historic properties.

Please indicate whether or not you wish to participate as a consulting party by completing the enclosed form (Enclosure 2). The NRC requests that the enclosed form be returned within 30 days of receipt of this letter. You may also contact us if you want to discuss concerns about the confidentiality of information that may be provided to the NRC.

Please note that according to NRC policy, correspondence provided to the NRC, including that provided by email may be made publicly available. Therefore, the NRC recommends that the Tribe avoid including any information in its submission that Tribal officials do not want to be publicly disclosed (e.g., personal email addresses or other personal contact information). If Tribal officials do not wish for their personal email addresses to be made public, please use an alternate email address when corresponding with the NRC.

For additional information regarding the proposed action, CBR's license amendment application is publicly available from the NRC's Agency Wide Documents Access and Management System (ADAMS), which can be accessed online at <http://www.nrc.gov/reading-rm/adams.html>. The accession number for CBR's application is ML102230009. Details pertaining to the project and application review schedule are available on the project's web page at <http://www.nrc.gov/materials/uranium-recovery/license-apps/three-crow.html>.

B. Sazue, Sr.

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If you have any questions or comments on the proposed project, or need any additional information regarding the license application and the environmental review process, please contact Mrs. Ashley Waldron by telephone at 301-415-6005, or by email at Ashley.Waldron@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.: 40-8943

Enclosures:

1. Map of Proposed Location
2. Tribal Response Form

cc: Wanda Wells, THPO

B. Sazue, Sr.

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DISTRIBUTION: A.Persinko R.Burrows

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OFC	DWMEP	DWMEP	OGC	DWMEP	DWMEP	DMWEP
NAME	AWaldron	AWalker-Smith	JOlmstead	KHsueh	KHsueh for AMohseni	LCamper
DATE	11/13/12	11/13/12	11/29/12	12/12/12	12/12/12	12/20/12

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