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May 20, 1998

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OFFICE OF SECRETARY
RULEMAKING AND
ADJUDICATIONS STAFF

Mr. Joseph Dishta, Director
Pueblo of Zuni Heritage and Historic
Preservation Office
PO Box 339
Zuni, NM 87327

SUBJECT: HISTORIC PROPERTIES ON PORTIONS OF THE HYDRO RESOURCES, INC.
URANIUM MINING PROJECT AREAS

Dear Mr. Dishta:

As indicated in the enclosed letter to Dr. Lynne Sebastian, dated May 20, 1998, the U.S. Nuclear Regulatory Commission (NRC) staff is consulting with the New Mexico State Historic Preservation Officer (SHPO) pursuant to the National Historic Preservation Act (NHPA). The consultation regards a portion of the proposed Hydro Resources, Incorporated (HRI) uranium mining project located in Sections 8 and 17 (T16N, R16W) about seven miles north of Church Rock, New Mexico; and Section 12 (T17N, R13W), located about two miles north of Crownpoint, New Mexico. NHPA Section 106 and the regulations through which it is implemented (36 CFR 800) require federal agencies to take into account the effects of undertakings on any historic properties eligible for or listed in the *National Register of Historic Places*.

As documented in the Museum of New Mexico's Office of Archaeological Studies report (OAS Report), a copy of which was previously sent to your office for review, historic properties eligible for inclusion in the *National Register* were found in Section 8 (T16N, R16W) and Section 12 (T17N, R13W). No such properties were found on Section 17 (T16N, R16W). No traditional cultural properties were identified at or near any of these project areas. As discussed more fully in the enclosed letter to Dr. Sebastian, the NRC staff proposes to determine that any HRI undertakings on Sections 8 and 12, as described above, would have no effect on the historic properties located there.

The NRC staff will consider any written comments you submit within 15 days of your receipt of this letter with respect to this proposed determination of no effect.

The NRC staff is also consulting with Dr. Alan Downer, the Director of the Navajo Nation Historic Preservation Department, as reflected in the enclosed letter to him dated May 20, 1998. This consultation regards the above-described Section 17, on which no historic properties eligible for inclusion in the *National Register* were found. Regarding this finding, the NRC staff will consider any written comments you submit within 15 days of your receipt of this letter.

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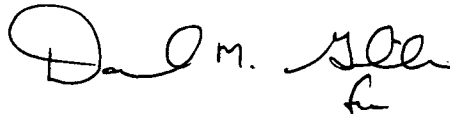
J. Dishta

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Your office previously asserted affiliation with a number of prehistoric cultures of the Southwestern United States, some of which are represented at historic properties identified as eligible for the *National Register* in the OAS Report. Throughout the duration of HRI's project, these properties will be protected by fencing. Although your office previously indicated that there may be places of traditional and cultural importance in the project area, the OAS Report did not find this to be the case. Your office has had the opportunity to review and comment on the OAS Report, and has not, to date, provided any information that would warrant further study of these project areas. We believe that the fencing, as described in the OAS Report, adequately addresses your office's previously stated concerns. Please note that discovery of human remains, should this occur during HRI's project, will be addressed as necessary through the implementation procedures of the Native American Graves Protection and Repatriation Act.

If you have any questions, please contact Mr. Robert Carlson, NRC's Project Manager of the HRI mining project, at (301) 415-8165.

Sincerely,

A handwritten signature in black ink, appearing to read "J. M. See" with a flourish underneath.

Joseph J. Holonich, Chief
Uranium Recovery Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Enclosures: As stated *

cc: Service list attached *Copies of the enclosures are included in your package

J. Dishta

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cc: for letter dated 5/20/98

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