

August 30, 2013

Mr. Dave Evans, District Manager
Farmington District Office
U.S. Bureau of Land Management
6251 College Blvd. Suite A
Farmington, NM 87402

SUBJECT: COOPERATING AGENCY REQUEST CONCERNING ENVIRONMENTAL
ASSESSMENT FOR HYDRO RESOURCES, INC.'S LICENSE RENEWAL
REQUEST FOR THE CROWNPOINT URANIUM PROJECT, MCKINLEY COUNTY,
NEW MEXICO

Dear Mr. Evans:

In March 1997, the U.S. Nuclear Regulatory Commission (NRC) issued Source Material License SUA-1580 to Hydro Resources, Inc. (HRI), authorizing HRI to conduct in-situ uranium recovery (ISR) activities at the Crownpoint Uranium Project (CUP) in McKinley County, New Mexico. NRC's environmental review for that licensing action was documented in a Final Environmental Impact Statement (EIS), the preparation of which the U.S. Bureau of Land Management (BLM) served as a Cooperating Agency. Enclosed is a figure showing the geographical locations of the four properties (Section 8, Section 17, Unit 1, and Crownpoint) that compose the CUP. Section 8 includes lands managed by the BLM, and both the Unit 1 and the Crownpoint properties include tribal lands allotted to Navajos.

By letter to the NRC dated August 22, 2002, HRI requested that SUA-1580 be renewed for a second term. On March 21, 2013, HRI submitted a revised CUP Environmental Report (ER) and Consolidated Operations Plan (COP), to the NRC to supplement HRI's 2002 license renewal application. By letter dated June 24, 2013, NRC acknowledged receipt of the revised application for detailed technical and environmental review.

To document the results of its environmental review, the NRC will be preparing an Environmental Assessment (EA). The purpose of this letter is to ask whether the BLM would like to be a Cooperating Agency in the preparation of the EA for this licensing action.

D. Evans

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If you have any questions about this letter or the NRC staff's environmental review of HRI's license renewal application, please contact Mr. James Park. He can be reached at (301) 415-6935 or by email at James.Park@nrc.gov.

Sincerely,

/RA/

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

Enclosure:
Location Map of Crownpoint
Uranium Project Sites

cc: Mark Pelizza, HRI

D. Evans

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Location Map of Crownpoint
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