



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

November 12, 2014

Mr. Mike Thomas  
Vice President Regulatory and Public Affairs  
Uranerz Energy Corporation  
P.O. Box 50850  
1701 East E Street  
Casper, WY 82605-0850

SUBJECT: RESPONSE TO LETTER DATED MARCH 26, 2014, CONCERNING STIPULATION G AMENDMENT, MEMORANDUM OF AGREEMENT, URANERZ ENERGY CORPORATION, NICHOLS RANCH, SOURCE MATERIALS LICENSE SUA-1597, DOCKET NO. 40-9067

Dear Mr. Thomas:

This is in response to your letter, dated March 26, 2014 (ADAMS Accession Number ML14091A251), requesting amendment of the July 2011 Memorandum of Agreement (MOA) regarding mitigation of adverse effects to historic properties from the Nichols Ranch In Situ Uranium Recovery Project in Campbell and Johnson Counties, Wyoming (ADAMS Accession Number ML111890543). In your letter, Uranerz Energy Corporation (Uranerz), as a Signatory to the MOA, requested revising the MOA to change the Bureau of Land Management (BLM) from an Invited Signatory to a Signatory. Uranerz also proposed additional revisions to the MOA as they pertain to BLM becoming a Signatory.

The U.S. Nuclear Regulatory Commission (NRC) has reviewed the amendment request by Uranerz, and discussed the matter with BLM, the Advisory Council on Historic Preservation (ACHP), and Uranerz. The NRC has decided not to pursue amending the MOA for the following reasons:

- In 2011, the NRC invited BLM to sign the MOA; however, in a letter dated July 21, 2011 (ADAMS Accession Number ML112930154), BLM stated, “**Since the Bureau of Land Management will be conducting its own environmental review, as well as fulfilling separate National Historic Preservation Act Section 106 consultation requirements, we have determined it is not necessary for us to sign the NRC agreement document.**” The BLM also requested adding a clause to the MOA which states, “WHEREAS, the NRC contacted the BLM and invited them to participate in development of this MOA and sign it as Invited Signatory, and they have chosen to participate; however the BLM will meet its Section 106 obligations for BLM’s undertaking regarding this project separately.” (emphasis added)
- The BLM also declined signing the MOA as an Invited Signatory.

- In order to amend the MOA as requested by Uranerz, the NRC must go through the process of amending the MOA as stated in MOA Stipulation G (Amendment). This process requires consultation with all the Signatories, including the ACHP, to reach agreement on any changes to the MOA and then re-signing the amended Agreement. The NRC believes that the MOA amendment process contains uncertainty and foresees that several potential difficulties may arise during this process.
- The NRC held extensive negotiations with all of the consulting parties and expended significant resources to complete its original National Historic Preservation Act Section 106 process for the Nichols Ranch project which resulted in the development and completion of the present MOA. As a result, the NRC has fulfilled its Section 106 obligations for the Nichols Ranch project and is currently using its limited resources to complete other uranium recovery reviews and ongoing Section 106 reviews.

The ACHP also recommended viable alternatives in its letter to BLM dated (September 12, 2013) (ADAMS Accession Number ML14273A488) which included the option of BLM completing its own MOA. The NRC discussed in a phone call with BLM and Uranerz an option to incorporate by reference NRC's MOA to address their Section 106 concerns. The NRC believes that this is preferable than revising the current MOA.

If you have any questions regarding this matter, please contact Ms. Ashley Waldron at (301) 415-6005 or by email at [Ashley.Waldron@nrc.gov](mailto:Ashley.Waldron@nrc.gov).

Sincerely,

**/RA/**

Andrew Persinko, Deputy Director  
Division of Decommissioning, Uranium Recovery,  
and Waste Programs  
Office of Nuclear Material Safety  
and Safeguards

Docket No. : 040-09067

License No.: SUA-1597

cc: Duane Spencer, BLM  
Mary Hopkins, Buffalo Field Office  
Nancy Brown, ACHP  
Peter Michael, Wyoming SHPO  
Ron Linton, NRC Project Manager

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- The NRC held extensive negotiations with all of the consulting parties and expended significant resources to complete its original National Historic Preservation Act Section 106 process for the Nichols Ranch project which resulted in the development and completion of the present MOA. As a result, the NRC has fulfilled its Section 106 obligations for the Nichols Ranch project and is currently using its limited resources to complete other uranium recovery reviews and ongoing Section 106 reviews.

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Sincerely,

**/RA/**

Andrew Persinko, Deputy Director  
Division of Decommissioning, Uranium Recovery,  
and Waste Programs  
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cc: Duane Spencer, BLM  
Mary Hopkins, Buffalo Field Office  
Nancy Brown, ACHP  
Peter Michael, Wyoming SHPO  
Ron Linton, NRC Project Manager

**ML14267A528**

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