



JOHN M. MAYS
Chief Operating Officer

November 19, 2014

Ms. Chip Kimball
Field Manager
United States Department of the Interior
Bureau of Land Management
South Dakota Field Office
310 Roundup Street
Belle Fourche, SD 57717-1698

VIA EMAIL

**Re: Concurrence for Occupancy Request for the Dewey-Burdock Project
Custer and Fall River Counties, South Dakota**

Dear Ms. Kimball:

Information requested by the BLM in its July 8, 2014, request for additional information regarding the Dewey-Burdock Project Plan of Operations includes a concurrence for occupancy request in accordance with 43 CFR §3715.2. This letter constitutes the request by Powertech (USA), Inc. (Powertech) regarding concurrence for occupancy of BLM-administered lands within the Dewey-Burdock Project boundary in Custer and Fall River Counties, South Dakota.

The Dewey-Burdock Project is a proposed uranium *in situ* recovery (ISR) facility licensed by the U.S. Nuclear Regulatory Commission (NRC) under source and byproduct materials license SUA-1600, which was issued April 8, 2014 (NRC ADAMS Accession No. ML14043A392). In accordance with 43 CFR §3715.2, Powertech seeks concurrence for installing facilities and fences on BLM-administered lands. The response to the July 8, 2014, request for additional information, provided under separate cover, describes the facilities and project infrastructure planned on BLM-administered surface during the initial year of project development and potential future facilities planned during the life of the project. These include power lines, access roads, culverts, ISR production/injection wells, monitor wells, buried pipelines, and well field

fences. The concurrence for occupancy is requested since these facilities are proposed to remain on BLM-administered lands for longer than 14 days. Proposed facilities are necessary for the extraction and beneficial use of uranium mineral resources and constitute substantially regular work items that are integral to the search for and development of mineral deposits occurring within the Dewey-Burdock Project boundary.

Consultation with BLM before beginning occupancy is being satisfied through submittal of this request, information provided in the October 2009 Plan of Operations, and through discussions held during teleconferences with BLM representatives Phil Perlewitz, Nate Arave, Dan Benoit, and Marian Atkins on May 29, 2014, and BLM representatives Nate Arave, Greg Fesko, Linda Reder, and others on August 6, 2014.

As required by 43 CFR §3715.3-2, Powertech submits the following information to support its request for concurrence for occupancy of public lands as defined in 43 CFR §3715.0-5.

- Overview maps of the project area were provided with the 2009 Plan of Operations as Exhibits 1.1-1 and 1.1-2. Maps showing facilities planned on BLM-administered lands during the initial year of project development and potential future facilities were provided as Exhibits 1.1-3 and 1.1-4, respectively, in Powertech's response to BLM's July 8, 2014, request for additional information, provided under separate cover.
- The purpose of the fencing proposed on BLM-administered lands is to control livestock and human access to well fields. Signs will be posted in accordance with NRC license requirements at the access point for each well field warning of the potential for radioactive material. The purpose of the proposed access roads and culverts is to provide safe passage for employees and visitors to project facilities. The purpose of the monitor wells and potential future well fields is to conduct monitoring, uranium extraction, and groundwater restoration operations. The purpose of the pipelines is to transport various ISR solutions between the well fields and the central processing plant (CPP, which is not located on BLM-administered lands) during uranium extraction and groundwater restoration operations. The purpose of the power lines is to provide electricity to the well field equipment (e.g., production well pumps and header houses).
- The access roads, culverts, power line, fences, and wells all involve observable, on-the-ground activities that BLM may physically inspect and verify in accordance with 43 CFR §3715.7.

- Appropriate, maintained and operable equipment will be used.
- Powertech does not plan to install fences and gates that will completely exclude the general public from crossing BLM-administered lands. Fences are proposed only around the immediate perimeter of proposed well fields as shown on Exhibit 1.1-4 provided with Powertech's response to BLM's July 8, 2014, request for additional information. It is noted that BLM-administered lands occurring within the Dewey-Burdock Project boundary are surrounded by private property and cannot be accessed without permission from private landowners.
- Powertech estimates that construction of the initial well field, CPP, and ancillary facilities including wastewater treatment and storage ponds (which will not be located on BLM-administered lands) will take 1-2 years. Well fields will be developed sequentially along with supporting infrastructure, including header houses and pipelines. Uranium recovery operations are anticipated to last approximately 8 years, with groundwater restoration occurring as soon as practicable following production in each wellfield. Wellfield decommissioning will proceed sequentially as production and restoration activities are completed in each well field and will be followed by decommissioning of the processing facilities. The maximum project life is anticipated to be up to about 20 years.
- Powertech employees will be present at the Dewey-Burdock Project site 24 hours a day, 7 days a week during operations.

If additional information related to Powertech's request for concurrence for occupancy is required, please do not hesitate to contact me at 303-790-7528.

Sincerely,



John M. Mays, P.E.
Chief Operating Officer

cc: Nate Arave, BLM (email and 2 hardcopies)
Greg Fesko, BLM (email only)
Ronald Burrows, NRC (email only)