

September 16, 2015

Mr. Mark Sattelberg
U.S. Fish and Wildlife Service
Mountain-Prairie Region
Wyoming Field Office
5353 Yellowstone Road
Cheyenne, WY 82009

SUBJECT: REQUEST FOR INFORMATION REGARDING ENDANGERED OR
THREATENED SPECIES AND CRITICAL HABITAT FOR THE PROPOSED
LICENSE AMENDMENT APPLICATION FOR JANE DOUGH IN SITU URANIUM
RECOVERY EXPANSION PROJECT, URANERZ ENERGY, INC.
(DOCKET NO.: 040-09067)

Dear Mr. Sattelberg:

The U.S. Nuclear Regulatory Commission (NRC) has received an application dated May 8, 2014, from Uranerz Energy Corporation (Uranerz) for a license amendment to authorize Uranerz to expand its operations at their Nichols Ranch in situ uranium recovery (ISR) facility to a new expansion area, Jane Dough. The proposed project area consists of 3,680 acres of privately owned land and is located in Johnson and Campbell Counties, Wyoming between the communities of Casper and Gillette. The project area, if licensed, would use an ISR technology to extract uranium at the Jane Dough site. 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 a network of wells and then passed 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 extracted from the beads and dried. The resultant product, a mixture of uranium oxides also known as "yellowcake," is placed in drums and shipped offsite for further processing and eventually can be used to make fuel for nuclear power plants and other products.

As part of the environmental review, the NRC staff would prepare an environmental assessment (EA) in accordance with its regulatory provision in Title 10 of the *Code of Federal Regulations* Part 51 (10 CFR Part 51). These regulations implement the requirements of the National Environmental Policy Act of 1969, as amended (Public Law 91-190), which requires the Federal agency to assess the potential environmental impacts of major Federal actions that may significantly affect the human environment. The EA will contain an analysis of impacts to the endangered or threatened species and impacts to fish and wildlife.

This letter is being submitted to initiate consultation under the provisions of the Endangered Species Act of 1973, as amended (ESA) and the Fish and Wildlife Coordination Act of 1934, as amended. To support the environmental review, the NRC is requesting information

from the U.S. Fish and Wildlife Service to facilitate the identification of endangered or threatened species or critical habitat that may potentially be affected by the proposed Jane Dough expansion project. Any information you provide would be used as part of the environmental review and in the development of the EA in accordance with 10 CFR Part 51 and 50 CFR Part 402. After reviewing all the information collected, the NRC will determine if additional actions are necessary to comply with Section 7 of the ESA.

For additional information, regarding the proposed expansion project, the Uranerz license amendment application is publicly available from the NRC's Agencywide Documents Access and Management System (ADAMS). The ADAMS Public Electronic Reading is accessible at: <http://www.nrc.gov/reading-rm/adams.html>. The accession number for the environmental portion of the Uranerz license amendment application is ML14164A274, and is available online through ADAMS, or directly from the project's web page at <http://www.nrc.gov/materials/uranium-recovery/license-apps/jane-dough.html>.

Please provide a list of threatened or endangered species or critical habitat in the action area as well as any other comments/information that you may have regarding this environmental review within 30 days of the receipt of this letter to the U.S. Nuclear Regulatory Commission, Attn: Ms. Lydia Chang, Mail Stop T-4B16, Washington, DC 20555. If you have any specific questions or comments on the proposed project or need any additional information regarding the license amendment application or the environmental review process, please contact Ms. Ashley Waldron of my staff by telephone at 301-415-7317, or via e-mail at Ashley.Waldron@nrc.gov. Thank you for your assistance.

Sincerely,

/RA JMuir-Quintero for/

Lydia W. Chang, Chief
Environmental Review Branch
Division of Fuel Cycle Safety, Safeguards,
and Environmental Review
Office of Nuclear Materials Safety
and Safeguards

Docket No.: 040-09067

Enclosure:
Jane Dough Project Location Map

cc: M. Thomas, Uranerz

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Lydia W. Chang, Chief
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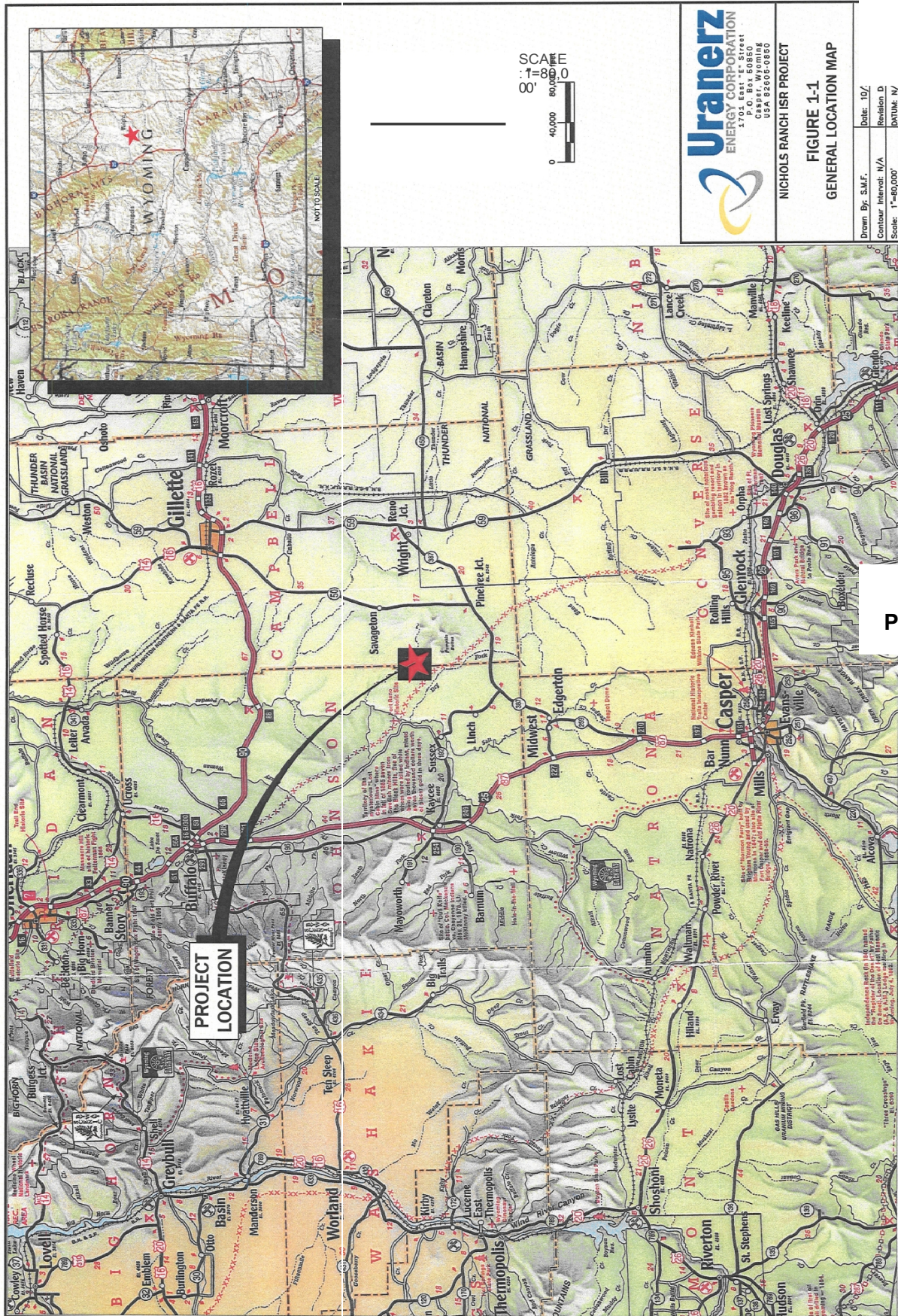
cc: M. Thomas, Uranerz

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OFC	FSCE	FCSE	OGC	FCSE
NAME	AWaldron	AWalkerSmith	CHair	JMuir-Quintero for LChang
DATE	9/ /15	9/15/15	9/9/15	9/16/15

OFFICIAL RECORD COPY



Jane Dough
Project Location

Enclosure