



July 22, 2016

U.S. Nuclear Regulatory Commission  
Nuclear Material Safety and Safeguards  
Division of Decommissioning, Uranium Recovery, and Waste Programs  
Uranium Recovery Licensing Branch  
Attention: Mr. John Saxton, Project Manager  
Two White Flint North, Mail Stop T8 F5  
11545 Rockville Pike  
Rockville, MD 20852

Re: Strata Energy, Inc., Ross In Situ Recovery Project  
Source Materials License SUA-1601, Docket No. 040-09091  
Clarification of License Amendment Request Priorities

Dear John:

As requested in your email dated July 22, 2016, Strata Energy, Inc. (Strata) is providing the following summary of license amendment requests for SUA-1601 that are currently under review by NRC staff. Strata understands that the Uranium Recovery Branch has limited resources to conduct safety reviews for these amendment requests and has asked that Strata assign priorities to the requests. In the following, the amendment requests are listed in the order of priority and Strata provides a short discussion of the basis for those priority assignments:

- 1. Request to Amend License Condition 11.3 dated December 21, 2015 (ML16004A032):** This request would allow Strata to install mine unit baseline wells at a density of one well per 4 acres and would provide flexibility in the spacing of perimeter monitor wells to allow avoidance of physical features at the Ross project. As discussed at the time this amendment request was submitted and on several occasions since, this amendment request is critical to Strata and, if delayed further, may affect the start-up of Mine Unit 2, which is currently undergoing hydrologic testing and baseline sampling.
- 2. Request to Amend License Condition 11.3 dated July 16, 2015 (ML15205A337):** This request would allow Strata to determine whether the underlying deep zone is an aquifer requiring monitoring based on certain proposed criteria. This amendment is important to Strata because the DM zone in Mine Unit 1 does not produce usable quantities of water and requires extraordinary efforts to obtain the semimonthly excursion monitoring samples. Mine Unit 2 exhibits similar characteristics. Strata understood that NRC staff was reviewing this amendment request in conjunction with the request listed under #1 above but that NRC staff had questions regarding the proposed approach in the amendment request. In order to ensure that these questions did not delay review of the request listed above, Strata asked NRC staff to review these requests separately. However, efforts to obtain samples from the DM interval in both

Mine Units 1 and 2 will involve a significant level of effort and expense and Strata requests that this amendment request be considered a high priority.

3. **Request to Amend SUA-1601, various License Conditions, dated March 20, 2015 (ML15096A141 and ML15152A154):** This request would amend SUA-1601 to include the Kendrick Expansion Area within the license boundary. This is clearly a high priority for Strata since the Kendrick Area will provide additional uranium resources to support the project. After the two requests to amend License Condition 11.3, the Kendrick amendment request is Strata's highest priority.
4. **Request to Amend License Condition 10.12 dated December 23, 2015 (ML16020A370):** This request would allow Strata to plug historic downgradient holes that penetrate the DM interval that are outside the perimeter monitor well ring before hydrologic testing or, alternatively, to provide surety to cover the cost for hole plugging. This amendment request is important but at the present time Strata has plugged all holes downgradient of Mine Unit 2 as required under License Condition 10.12.
5. **Request to Amend License Condition 9.7 dated July 1, modified by letter dated July 6, 2015 (ML15197A033):** This request would allow daily inspections to be conducted by a Qualified Designee for up to four consecutive days in the case of certain Federal holidays (i.e., Thanksgiving and Christmas). The License Condition currently allows a Qualified Designee to conduct these inspections for up to 3 days. In Strata's opinion, this should have been a simple administrative change to SUA-1601, reflecting allowances in other uranium recovery licenses. The request is clearly not critical to Strata and simply presents an inconvenience for the Radiation Safety staff, who were required to conduct site inspections on Thanksgiving and Christmas days in 2015 since the amendment had not been approved.
6. **Request to Amend License Condition 12.13 dated May 1, 2014 (ML14125A277):** This request provided analysis of long term trends of site meteorological data and requested that License Condition 12.13 be deleted, which would allow Strata to discontinue collecting site meteorological data. Strata has had no requests for additional information from NRC staff on this amendment request although we are aware that staff conducted reviews in 2014 and 2015 based on NRC invoices. Strata continues to operate the site meteorological station.

Please contact me if you have any questions. You can reach me at (307) 467-5995 or [mgriffin@stratawyo.com](mailto:mgriffin@stratawyo.com).

Sincerely,

Strata Energy, Inc.



Michael Griffin

Vice President of Permitting, Regulatory and Environmental Compliance