

Saxton, John

From: John Cash <john.cash@UR-Energy.com>
Sent: Thursday, August 04, 2016 6:50 PM
To: Saxton, John
Cc: Mike Gaither; Chris Pedersen
Subject: [External_Sender] RE: Revised Proposed License Conditions for the Class V Amendment

John,

I have reviewed the proposed license conditions and they are acceptable as written.

Regards,

John W. Cash
Vice President of Regulatory Affairs
Ur-Energy Inc.
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john.cash@ur-energy.com

From: Saxton, John [mailto:John.Saxton@nrc.gov]
Sent: Thursday, August 04, 2016 5:26 AM
To: John Cash <john.cash@UR-Energy.com>
Subject: Revised Proposed License Conditions for the Class V Amendment

John,

One clarification on the proposed license condition as shown in red:

Additional LC 10.20:

The license is authorized to dispose of treated liquid byproduct material on-site through injection well(s) in the area of the proposed injection wells designated as M-FG6 and M-FG7 at a combined rate not to exceed 200 gallons per minute, in accordance with commitments in the Class V Amendment request (ML16074A080). For the first six months of operation of the Class V injection well, the licensee will collect a monthly composite sample of the treated byproduct immediately prior to injection and analyze it for gross alpha, gross beta, natural uranium, radium-226, radium-228, lead-210, polonium-210 and thorium-230. The parameter concentrations in injected permeate shall be less than the values in the "effluent limit" column of Table 3-3 of the UIC Class V Permit Application (ML16074A080), except that the limits for thorium-230, lead-210, and polonium-210 shall be less than the values in the "receiving aquifer background" column and the limit for **the adjusted** gross alpha is 15 pCi/L.

[Applicable Amendment: 5]

John

From: Saxton, John
Sent: Friday, July 29, 2016 6:58 AM
To: John Cash <john.cash@ur-energy.com>
Subject: Proposed License Conditions for the Class V Amendment

John,

Below are the proposed license conditions for approval of the Class V amendment request. I would need confirmation that Lost Creek agrees with the proposed license conditions as part of the approval process.

John

Revised LC 9.2:

The licensee shall conduct operations in accordance with the commitments, representations, and statements contained in the license application dated March 31, 2008 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML081060525), which is supplemented by the submittals dated December 12, 2008 (ML090080451), January 16, 2009 (ML090360163), February 27, 2009 (ML090840399), August 5, 2009 (ML092310728), April 22, 2010 (ML102100263, ML102420249), May 14, 2010 (ML101600528), June 17, 2010 (ML101720161), June 24, 2010 (ML101820155), November 11, 2010 (ML103210590), November 16, 2010 (ML103280186), December 3, 2010 (ML103490862), September 13, 2011 (ML112580267), November 8, 2011 (ML11319A196), January 6, 2012 (ML120470353), February 10, 2012 (No. ML12048A678), February 17, 2012 (ML12053A326), March 5, 2012 (120670278), July 27, 2012 (ML12219A076), July 31, 2012 (ML12244A404), November 8, 2012 (ML13029A734), November 29, 2012 (ML12335A016), March 27, 2013 (ML13100A138), January 16, 2015 (ML15029A423), March 3, 2015 (ML15076A380), July 28, 2015 (ML15218A055), August 17, 2015 (ML15239A726), January 26, 2016 (ML16043A365) and February 8, 2016 (ML16042A069). The approved application and supplements are, hereby, incorporated by reference, except where superseded by specific conditions in this license. The licensee must maintain the approved license application on site.

Whenever the word “will” or “shall” is used in the above referenced documents, it shall denote a requirement. The use of “verification” in this license with respect to a document submitted for U.S.

Nuclear Regulatory Commission (NRC) staff review means a written acknowledgement by NRC staff that the specified submitted material is consistent with commitments in the approved license application, or requirements in a license condition or regulation. A verification will not require a license amendment.

[Applicable Amendment: 1, 2, 3, 4, 5]

Revised LC 9.5:

Financial Assurance. The licensee shall maintain an NRC-approved financial surety arrangement, consistent with 10 CFR Part 40, Appendix A, Criterion 9, adequate to cover the estimated costs, if accomplished by a third party, for decommissioning and decontamination, which includes off-site disposal of solid byproduct material and groundwater restoration as warranted. The surety shall also include the costs associated with all soil and water sampling analyses necessary to confirm the accomplishment of decontamination.

Proposed annual updates to the financial assurance amount, consistent with 10 CFR Part 40, Appendix A, Criterion 9, shall be provided to the NRC 90 days prior to the anniversary date on which the first surety instrument was submitted to NRC. The anniversary date established by the NRC for this license

is February 10. If the NRC has not approved a proposed revision 30 days prior to the expiration date of the existing financial assurance arrangement, the licensee shall extend the existing arrangement, prior to expiration, for 1 year. Along with each proposed revision or annual update of the financial assurance estimate, the licensee shall submit supporting documentation, showing a breakdown of the costs and the basis for the cost estimates with adjustments for inflation, maintenance of a minimum 15-percent contingency of the financial assurance estimate, changes in engineering plans, activities performed, and any other conditions affecting the estimated costs for site closure.

Within 90 days of NRC approval of a revised closure (decommissioning) plan and its cost estimate, the licensee shall submit, for NRC review and approval, a proposed revision to the financial assurance arrangement if estimated costs exceed the amount covered in the existing arrangement. The revised financial assurance instrument shall then be in effect within 30 days of written NRC approval of the documents.

At least 90 days prior to beginning construction associated with any approved planned expansion or operational change that was not included in the annual financial assurance update, the licensee shall provide, for NRC review and approval, an updated estimate to cover the expansion or change. The licensee shall also provide the NRC with copies of financial-assurance-related correspondence submitted to the State of Wyoming, a copy of the State's financial assurance review, and the final approved financial assurance arrangement. The licensee also must ensure that the financial assurance instrument, where authorized to be held by the State, identifies the NRC-related portion of the instrument and covers the (a) aboveground decommissioning and decontamination, (b) cost of off-site disposal of solid byproduct material, (c) soil and water sample analyses, and (d) groundwater restoration associated with the site. The basis for the cost estimate is the NRC-approved site closure plan or the NRC-approved revisions to the plan. Reclamation or decommissioning plan cost estimates and annual updates should follow the outline in Appendix C, "Recommended Outline for Site-Specific In Situ Leach Facility Reclamation and Stabilization Cost Estimates," to NUREG-1569, "Standard Review Plan for In Situ Leach Uranium Extraction License Applications—Final Report."

The licensee shall continuously maintain approved surety instrument(s) for the Lost Creek ISR Project, in favor of the State of Wyoming, in the amount of no less than \$14,996,900, for the purposes of complying with 10 CFR Part 40, Appendix A, Criterion 9, until a replacement is authorized by both the State of Wyoming and the NRC.

[Applicable Amendment: 1, 2, 3, 5]

Revised LC 10.9:

The licensee shall establish and conduct an effluent and environmental monitoring program in accordance with those programs described in Section 5.7.8.2 (Surface Water Monitoring, Private Well Monitoring, and Life-of-Mine Wells) and Section 5.7.7.1 (radon, air particulate, direct radiation, and soil) of the approved license application, and in the Class V Amendment (ML16074A080) as modified by license condition 10.20.

[Applicable Amendment: 5]

Additional LC 10.20:

The license is authorized to dispose of treated liquid byproduct material on-site through injection well(s) in the area of the proposed injection wells designated as M-FG6 and M-FG7 at a combined rate not to exceed 200 gallons per minute, in accordance with commitments in the Class V Amendment request (ML16074A080). For the first six months of operation of the Class V injection well, the licensee will collect a monthly composite sample of the treated byproduct immediately prior to injection and analyze it for gross alpha, gross beta, natural uranium, radium-226, radium-228, lead-210, polonium-210 and thorium-230. The parameter concentrations in injected permeate shall be less than the values in the "effluent limit" column of

Table 3-3 of the UIC Class V Permit Application (ML16074A080), except that the limits for thorium-230, lead-210, and polonium-210 shall be less than the values in the “receiving aquifer background” column and the limit for gross alpha is 15 pCi/L.

[Applicable Amendment: 5]