



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION IV  
URANIUM RECOVERY FIELD OFFICE  
BOX 25325  
DENVER, COLORADO 80225

JUN 23 1993

Docket 40-8968

U.S. Bureau of Indian Affairs  
Navajo Area Office  
ATTN: Mr. T.R. Tippeconnic  
Acting Area Director  
P.O. Box 1060  
Gallup, New Mexico 87301

Dear Mr. Tippeconnic:

As you know, the NRC is leading a Federal review group preparing an Environmental Impact Statement (EIS) addressing a proposal from Hydro Resources, Inc., to conduct in situ leach uranium mining near Church Rock and Crownpoint, New Mexico. During organizational meetings held on August 25 and December 16, 1992, and through additional informal communications, the review group developed an outline and organized the EIS. BIA accepted responsibility for reviewing cultural resources information submitted by HRI, and preparing the appropriate portions of the EIS. Your office provided write ups for the EIS on diskette and hard copy early in April of this year.

While incorporating and editing various EIS sections, we have determined that cultural resources information provided for Church Rock by BIA does not address potential cultural resources in Section 17. The information provided for Section 8 does not adequately address the archeological sites found there, nor whether HRI's proposed avoidance plan provides adequate adverse effect mitigation. Additionally, the review provided for Crownpoint considered the "Unit 1" allotted lease areas; but did not address the other areas slated for mining closer to Crownpoint. Because HRI's application requests a license to mine these areas, the EIS must assess the impacts for all areas that potentially could be affected.

On a related matter, our review of HRI's submittals indicates that the cultural resources information was derived from Class I and II surveys. HRI or its consultant make numerous references to Class III surveys to be completed before the company proceeds with well-field construction, but clearly after Federal permits and licenses are issued. This neither appears acceptable, nor in accordance with the responsibilities of Federal agencies with respect to Section 106 of the National Historic Preservation Act. Accordingly, HRI will be requested to perform Class III surveys before NRC issues a license to operate.

We request that BIA revisit HRI's submittals and determine (1) whether HRI has provided adequate information to identify all potential cultural resources which are eligible for the National Register of Historic Places, (2) whether HRI has indicated how its proposed activities would likely affect individual

9307080280 930623  
PDR ADDCK 04008968  
C PDR

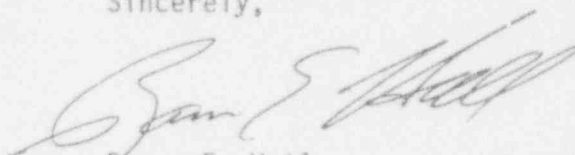
QFOZ  
1/0

JUN 23 1993

eligible properties, and (3) whether the Historic Preservation Officers for the State of New Mexico and the Navajo Nation have been formally consulted regarding this project.

Based upon the information and review needs which appear to be required, we do not foresee that the EIS can be completed as scheduled. However, since we have collectively committed to complete this process as soon as possible, we ask that you give this matter priority consideration.

Sincerely,



Ramon E. Hall  
Director

cc:

D. Sitzler, BLM  
L. Robbins, BIA  
G. Farris, BIA  
M. Drywater, BIA  
P. Rogers, Navajo Nation DOJ  
A. Downer, Navajo Nation HPO  
T. Merlan, NM SHPO  
R. Ohrbom, NMED  
B. Garcia, RCPD, NM  
E. Montoya, NMED  
D. Clement, HRI

JUN 23 1993

bcc:

Docket No. 40-8968

PDR/DCS

URFO r/f

LJCallan, RIV

LLUR Branch, LLWM, 5E2

RVirgillio, OSP, 3D23

JPGrimm

O:\JPG\8968TIPP.LTR

PM:URFO	DD:URFO <del>REDA</del>	D:URFO:RIV		
JPGrimm/lv <del>10</del>	EFHawkins	REHall		
06/21/93	06/21/93	06/23/93		