



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

October 26, 2022

Jonathan Perry, Director
Eastern Navajo Diné Against
Uranium Mining
P.O. Box 1212
Crownpoint, NM 87313

Dear Director Perry:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of August 15, 2022, in which you requested that the NRC rescind the license issued to Hydro Resources, Inc. (HRI), now known as NuFuels, Inc. (NuFuels), for the construction and operation of the Crownpoint Uranium Project (CUP) in New Mexico.

The Commission appreciates the hospitality and openness with which we were met on our visit to the Navajo Nation in April of this year. Thank you for your remarks during the meeting with the Red Water Pond Road Community expressing your concerns regarding issuance of the HRI license and for following up with your letter.

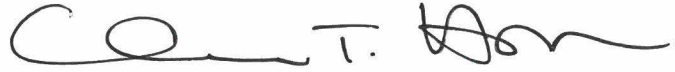
While the license issued to HRI was changed to recognize NuFuels as the licensee, the project remains CUP, which involves three geographical areas: Church Rock, Unit 1, and Crownpoint. The initial license for the CUP involved detailed safety and environmental reviews by the NRC staff. Additionally, many specific concerns with the initial license were explored in depth during litigation surrounding the licensing of the site. The NRC is not aware of any new and significant information about public health, safety, or environmental concerns. The site's license is currently in timely renewal. The license renewal review has been held in abeyance since 2014, pending receipt of a revised application from NuFuels.

The NRC's regulations and conditions of the license, require that if the CUP operates, it must do so in a manner that is protective of public health and safety. For example, the current license includes a condition that requires the licensee take several actions prior to operation, including: (1) replace several of the Town of Crownpoint's water supply wells, (2) construct the necessary water pipeline, (3) provide funds so the existing water supply systems of the Navajo Tribal Utility Authority (NTUA) and the Bureau of Indian Affairs (BIA) can be connected to the new wells, and (4) coordinate with the appropriate agencies and regulatory authorities, including the BIA, the NTUA, the Navajo Nation Department of Water Development and Water Resources, and the Navajo Nation Environmental Protection Agency to determine the appropriate placement of the new wells. It is important to note that, though NuFuels holds an NRC license for the CUP, the site is not operating and will not be able to operate unless and until NuFuels receives all necessary Federal, State, and local approvals.

Thank you again for sharing your views on NuFuels CUP and the NRC's activities regarding regulation of uranium production.

If you have any questions or need additional information, please contact Jane Marshall, Director of the Division of Decommissioning, Uranium Recovery, and Waste Programs, at (301) 415-2918, or by sending an email to Jane.Marshall@nrc.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "C. T. Hanson". The signature is fluid and cursive, with the first name "C" being a large loop, followed by "T." and "Hanson" written in a more continuous style.

Christopher T. Hanson