



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

April 27, 2026

Deborah Shirley, Regional Director
U.S. Bureau of Indian Affairs
Navajo Regional Office
P.O. Box 1060
Gallup, NM 87305

SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION INITIATION OF SECTION 106 CONSULTATION AND NEPA ENVIRONMENTAL REVIEW FOR THE LICENSE RENEWAL APPLICATION OF NUFUELS, INC'S CROWNPOINT URANIUM PROJECT IN MCKINLEY COUNTY, NEW MEXICO (DOCKET NUMBER: 40-8968)

Dear Regional Director Deborah Shirley:

The U.S. Nuclear Regulatory Commission (NRC) is considering a license renewal request from NuFuels, Inc. (NuFuels) submitted on January 22, 2025, pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Part 40, "Domestic Licensing of Source Material," for the Crownpoint in situ uranium recovery (ISR) project in McKinley County, New Mexico. The NRC accepted the license application for formal review for safety and environmental aspects on February 27, 2026 ([ML26058A001](#)).

As part of the NRC's licensing review, the NRC staff is initiating its Section 106 consultation under the National Historic Preservation Act of 1966, as amended (NHPA) and its implementing regulations at Title 36 of the *Code of Federal Regulations* (36 CFR) Part 800, "Protection of Historic Properties." Consistent with 36 CFR 800.3(a), the NRC's federal action is an undertaking that has the potential to cause effects on historic properties. The NRC staff is also preparing an environmental assessment (EA) in accordance with 10 CFR 51, "Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions," the NRC's regulations that implement the National Environmental Policy Act of 1969, as amended (NEPA). Therefore, the NRC staff is coordinating the Section 106 process with the preparation of the EA consistent with 36 CFR 800.8(a).

All public documents referenced herein are available online through the NRC's Agencywide Documents Access and Management System (ADAMS), accessible at <https://www.nrc.gov/reading-rm/adams.html>.

Regulatory History

The original application for a combined source and 11e.(2) byproduct materials license was submitted on April 25, 1988, and was amended several times in 1989 and 1992 to add parcels to the license request. The NRC published a final environmental impact statement (EIS), in cooperation with the U.S. Bureau of Land Management and U.S. Bureau of Indian Affairs, in

February 1997 ([ML082170248](#)), documenting its evaluation of potential environmental impacts from construction, operation, aquifer restoration, and decommissioning of the Crownpoint ISR project.

On January 5, 1998, the NRC issued source material license SUA-1580 to Hydro Resources, Inc. (HRI) for the Crownpoint ISR project with a 5-year license term. The license encompasses four parcels, as indicated in table 1.

On August 22, 2002, HRI submitted a request for renewal of its license. On December 16, 2002, the application was deemed timely filed ([67 FR 77084](#)). The license renewal review was placed in abeyance pending resolution of an adjudicatory proceeding. On March 21, 2013, HRI submitted another license renewal application ([ML130980185](#)) and on February 5, 2014, the licensee informed the NRC of its intent to revise the application to reflect the results of work with the Navajo Nation. The NRC placed the license renewal review in abeyance while the licensee continued to work with the Navajo Nation. On July 16, 2018, license SUA-1580 was amended (Amendment No. 5) to change the licensee name from HRI to NuFuels ([ML18155A198](#)). On January 24, 2024, the NRC sent a letter to NuFuels requesting a revised license renewal application within one year of the date of the letter ([ML23289A123](#)). NuFuels submitted the revised application on January 22, 2025 ([ML25022A289](#)). NuFuels is requesting renewal of NRC license SUA-1580 for a 20-year term. A detailed administrative and procedural history of the permitting for this project is available in Section 1.2.1 of NuFuels' submitted Environmental Report (ER) ([ML25022A292](#)).

The Crownpoint ISR project has not been constructed. As NuFuels explains in the license renewal application, "No construction or other site development activities have occurred within the Crownpoint Uranium Project (CUP) project areas..."

Undertaking Location and Proposed Activities

NuFuels requested renewal of NRC license SUA-1580 for the Crownpoint ISR project for a 20-year term. As previously discussed, the project has not been constructed, and the scope of the planned project has not changed. NuFuels plans to recover uranium from the ore body using the ISR process and produce yellowcake, which is used in the production of fuel for commercially-operated nuclear power reactors. In accordance with the license, NuFuels must conduct a groundwater restoration demonstration at the Church Rock Section 8 parcel (see table 1). The NRC must approve the results of this demonstration before NuFuels may operate at any of the other three parcels.

The Crownpoint ISR project will be located in McKinley County, New Mexico. It is made up of four parcels in three different locations: Church Rock, Crownpoint, and Unit 1 (see table 1 and enclosed maps).

Table 1. Crownpoint ISR License Area.			
<i>Parcel</i>	<i>Legal location (portions of)</i>	<i>Surface ownership</i>	<i>Uranium ownership</i>
Church Rock			
Section 8	T16N, R16W SE1/4 of Section 8	NuFuels	NuFuels
Section 17	T16N, R16W NE1/4 of Section 17 SE1/4 of the NW1/4 of Section 17	Tribal Trust	NuFuels
Crownpoint	T17N, R13W S1/2 of Section 24 NE1/4 of Section 25	BLM, NuFuels	BLM, NuFuels
	T17N, R12W W1/2 of Section 29 SW1/4 of Section 19	Tribal Trust	Tribal Trust
Unit 1	T17N, R13W SW1/4 of Section 15 SE1/4 of Section 16 E1/2 of Section 21 W1/2 and NE1/4 of Section 22 NW1/4 of Section 23 NW1/4 of Section 24	Allotted (administered by BIA)	Allottees (administered by BIA)

The Crownpoint ISR operation will consist of three separate satellite facilities at the Crownpoint, Unit 1, and Church Rock Section 8 project areas. Uranium recovered from Church Rock Section 17 will be processed at the adjacent Section 8 satellite facility. In addition to the satellite facilities, NuFuels will construct the Crownpoint Central Plant (CCP) within the Crownpoint project area.

In the Crownpoint project area, NuFuels will construct and operate a satellite facility and will construct new or convert existing facilities for the CCP. The project area currently includes existing facilities (processing facilities and settling ponds) acquired from Conoco/Westinghouse in 1988. Five well fields are proposed for Section 24 of the Crownpoint project area.

In the Unit 1 project area, NuFuels will construct a satellite facility, retention ponds, and support facilities in Section 21. One well field is proposed in the Unit 1 project area in Sections 15, 16, 21 and 22.

NuFuels proposes to construct 7 well fields within the Church Rock Section 8 project area and 4 well fields within Church Rock Section 17 project area. NuFuels will construct and operate a satellite facility, including retention ponds, in the southeast corner of Section 8.

Other proposed facilities and structures include wastewater treatment facilities, byproduct material storage facilities, workshops, and other support facilities, injection and production wells, monitoring wells, Class I deep injection wells and/or land application areas for disposal of liquid wastes, and the associated infrastructure (e.g., pipelines and surface impoundments).

Additional information about proposed activities for the Crownpoint ISR can be found in the Consolidated Operations Plan ([ML25022A293](#)).

Undertaking's Area of Potential Effects

The Crownpoint ISR project has not been constructed, no activities have been undertaken at the site, and the scope of the project as proposed by NuFuels has not changed since the NRC issued license SUA-1580. Therefore, the area of potential effects (APE) established during the Section 106 process for the issuance of NRC license SUA-1580 is the APE the NRC staff is defining for this undertaking consistent with 36 CFR 800.4(a)(1). The direct APE for the Crownpoint ISR project coincides with the license area identified in SUA-1580. The introduction of new visual, auditory, or other sensory elements also has the potential to diminish the integrity of historic properties. These indirect effects will be analyzed within a one-mile buffer surrounding the direct effects APE/license area.

A summary of previous studies and the NRC staff's Section 106 consultation for the issuance of license SUA-1580 for the Crownpoint ISR project can be found in Section 3.9, Section 4.11, Section 4.13.11, Section 6, and appendix C of the 1997 EIS ([ML082170248](#)) and in Section 3.8, Section 4.8, Section 5.8, Section 6.3, and Addendum B of NuFuels' 2025 ER ([ML25022A292](#)).

Lead Federal Agency, Section 106 Compliance

The NRC staff is also consulting with federal agencies that may have undertakings related to NRC's license renewal. Based on those consultations, the APE for direct effects may change or expand; consulting parties will be kept informed of any such changes through ongoing consultation. If your agency has an undertaking that coincides with the NRC's review, the NRC staff offers to serve as the lead agency for compliance with Section 106 pursuant to 36 CFR 800.2(a)(2). Please let the NRC staff know if your agency will designate NRC as such and provide information about your agency's undertaking and APE.

Initiation of Section 106 Process for the Undertaking

The NRC staff invites you to identify concerns about historic properties, provide input on the APEs, advise on the identification and evaluation of historic properties, articulate your views on the undertaking's effects on such properties under your control, and participate in the resolution of adverse effects (if any).

To account for the phased development of the Crownpoint ISR, its regulatory structure, and varied land ownership, the NRC staff proposes to execute a Programmatic Agreement (PA) pursuant to 36 CFR 800.4(b)(2) and 36 CFR 800.14(b) to satisfy NHPA Section 106 obligations.

The NRC staff is seeking input on this proposal or regarding any alternative proposals for Section 106 compliance for this undertaking. Additionally, the NRC staff is seeking input on the proposed content of the PA. Should the NRC staff confirm developing a PA, the staff will consider the comments received in response to this initiation correspondence in developing a first draft of a PA for consulting party review.

Please provide any comments on the APE, identification procedures, existing information and perspectives on cultural resources known in the APE, and the execution of a PA, including its content, to Beau Goldstein, Archaeologist, via email at Beau.Goldstein@nrc.gov or Christine Pineda, Senior Environmental Project Manager, via email at Christine.Pineda@nrc.gov within 30 days of the receipt of this letter.

Because the NRC staff is coordinating the Section 106 review with its NEPA review, the NRC staff also welcomes any information you may want to provide regarding the NEPA environmental review.

If you have any questions, please contact Christine Pineda or Beau Goldstein via email.

Sincerely,



Signed by Koenick, Stephen
on 04/27/26

Stephen Koenick, Acting Chief
Environmental Technical Review Branch 1
Division of Rulemaking, Environmental,
and Financial Support
Office of Nuclear Material Safety
and Safeguards

Docket No. 40-8968

Enclosures:
As stated

cc: GovDelivery

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