



RELATED CORRESPONDENCE

UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

DOCKET NUMBER

BYPRODUCTS

40-8968-ML

DOCKETED
USNRC

May 20, 1998

'98 MAY 22 A9:46

OFFICE OF SECRETARY
RULEMAKING AND
ADJUDICATIONS STAFF

Ms. Jenni Denetsone, Area Realty Officer
Bureau of Indian Affairs
Navajo Area Office
Real Estate Services
PO Box 1060
Gallup, NM 87305-1060

SUBJECT: HISTORIC PROPERTIES ON PORTIONS OF THE HYDRO RESOURCES, INC.
URANIUM MINING PROJECT AREAS

Dear Ms. Denetsone:

As indicated in the enclosed letter to Dr. Lynne Sebastian, dated May 20, 1998, the U.S. Nuclear Regulatory Commission (NRC) staff is consulting with the New Mexico State Historic Preservation Officer (SHPO) pursuant to the National Historic Preservation Act (NHPA). The consultation regards a portion of the proposed Hydro Resources, Incorporated (HRI) uranium mining project located in Sections 8 and 17 (T16N, R16W) about seven miles north of Church Rock, New Mexico; and Section 12 (T17N, R13W), located about two miles north of Crownpoint, New Mexico. NHPA Section 106 and the regulations through which it is implemented (36 CFR 800) require federal agencies to take into account the effects of undertakings on any historic properties eligible for, or listed in, the *National Register of Historic Places*.

As documented in the Museum of New Mexico's Office of Archaeological Studies report (OAS Report) (see letter addressed to your office dated June 19, 1997, enclosing a copy of the OAS Report), historic properties eligible for inclusion in the *National Register* were found in Section 8 (T16N, R16W) and Section 12 (T17N, R13W). No such properties were found on Section 17 (T16N, R16W). No traditional cultural properties were identified at or near any of these project areas. As discussed more fully in the enclosed letter to Dr. Sebastian, the NRC staff proposes to determine that any HRI undertakings on Sections 8 and 12, as described above, would have no effect on the historic properties located there.

The NRC staff will consider any written comments you submit within 15 days of your receipt of this letter with respect to this proposed determination of no effect.

The NRC staff is also consulting with Dr. Alan Downer, the Director of the Navajo Nation Historic Preservation Department, as reflected in the enclosed letter to him dated May 20, 1998. This consultation regards the above-described Section 17, on which no historic properties eligible for inclusion in the *National Register* were found. Regarding this finding, the NRC staff will consider any written comments you submit within 15 days of your receipt of this letter.

SECY-040

DS03

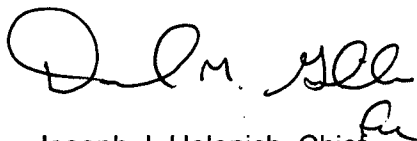
19124

J. Denetsone

-2-

If you have any questions, please contact Mr. Robert Carlson, NRC's Project Manager of the HRI mining project, at (301) 415-8165.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Holonich", with a stylized flourish at the end.

Joseph J. Holonich, Chief
Uranium Recovery Branch
Division of Waste Management
Office of Nuclear Material Safety
and Safeguards

Enclosures: As stated *

cc: Service list attached *Copies of the enclosures are included in your package

cc: for letter dated 5/20/98

Office of Commission Appellate
Adjudication
Mail Stop O-16G15
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Chief Administrative Judge
B. Paul Cotter, Jr., Esq.
Presiding Officer
Atomic Safety and Licensing Board
Mail Stop T-3F23
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Administrative Judge
Thomas D. Murphy
Special Assistant
Atomic Safety and Licensing Board
Mail Stop T-3F23
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Secretary (2)
Attn: Rulemakings and Adjudication Staff
Mail Stop O-16C1
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Adjudicatory File(2)
Atomic Safety and Licensing Board
Mail Stop T-3F23
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Atomic Safety and Licensing Board Panel
Mail Stop T-3F23
U.S. Nuclear Regulatory Commission
Washington, DC 20555

John T. Hull, Esq.(2)
Mitzi A. Young, Esq.
Office of the General Counsel
Mail Stop O-15B18
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Jep Hill, Esq.
Jep Hill and Associates
PO Box 2254
Austin, Texas 78768-2254

Richard F. Clement, Jr.
President
Hydro Resources, Inc.
2929 Coors Road
Suite 101
Albuquerque, New Mexico 87120

Lila Bird, Executive Director
Water Information Network
PO Box 4524
Albuquerque, New Mexico 887106

Mitchell W. Capitan, President
Eastern Navajo-Dine' Against
Uranium Mining
PO Box 471
Crownpoint, New Mexico 87313

Diane Curran, Esq.
Harmon, Curran, Spielberg,
& Eisenberg, L.L.P.
2001 S Street, N.W., Suite 430
Washington, DC 20009

Lori Goodman
Dine' CARE Navajo Nation
10 A Town Plaza, S-138
Durango, Colorado 81301

Mary Lou Jones, President
Zuni Mountain Coalition
PO Box 39
San Rafael, New Mexico 87501

Susan G. Jordan, Esq.
New Mexico Environmental Law Center
1405 Luisa Street, Suite 5
Santa Fe, New Mexico 87505

J. Denetsone

-4-

Bernadine Martin
PO Box 370
Crownpoint, New Mexico 87313

W. Paul Robinson
Chris Shuey
Southwest Research and
Information Center
PO Box 4524
Albuquerque, New Mexico 87106

Mervyn Tilden
PO Box 457
Church Rock, New Mexico 87311

Anthony J. Thompson, Esq.
Paul Gormley, Esq.
Counsel for Hydro Resources, Inc.
Shaw, Pittman, Potts & Trowbridge
2300 N Street, N.W.
Washington, DC 20037-1128

Jon J. Indall
Comeau, Maldegen, Templeman
and Indall, LLP
141 East Palace Avenue
Santa Fe, New Mexico 87504-0669