

May 13, 2016

Mr. Lewis Grass Rope, Chairman
Lower Brule Sioux Tribe
187 Oyate Circle
Lower Brule, SD 57548

SUBJECT: RE-INITIATION OF FORMAL SECTION 106 CONSULTATION PURSUANT
TO THE NATIONAL HISTORIC PRESERVATION ACT REGARDING THE
CAMECO RESOURCES LICENSE RENEWAL APPLICATION FOR
THE SMITH RANCH PROJECT

Dear Chairman Grass Rope:

By letter dated February 1, 2012, Power Resources, Inc. (doing business as Cameco Resources [Cameco]) requested renewal of U.S. Nuclear Regulatory Commission (NRC) source material license SUA-1548. This license authorizes Cameco to conduct uranium in-situ recovery (ISR) operations at its Smith Ranch Project. The project includes existing and planned ISR activities at the following locations: (1) the Smith Ranch, Highland, and Reynolds Ranch properties in Converse County, Wyoming; (2) the Gas Hills property in Fremont and Natrona Counties, Wyoming; (3) the North Butte property in Campbell County, Wyoming; and (4) the Ruth property in Johnson County, Wyoming. A map showing the general locations of these properties is provided as Enclosure 1.

By letter dated December 31, 2012, the NRC invited the Lower Brule Sioux Tribe to participate as a consulting party under Section 106 of the National Historic Preservation Act (NHPA) in regards to the NRC's undertaking to renew source material license SUA-1548. Your Tribe expressed its interest at that time in being a consulting party. Therefore, the purpose of this letter is to notify you that the NRC is re-initiating the NHPA Section 106 consultative process and inform you of the current status of the NHPA Section 106 process of NRC's review of Cameco's application. This same letter is being sent to 26 other Native American Tribes, who also received the initial December 31, 2012, consultation inquiry.

The NRC accepted Cameco's license renewal application for detailed technical review on July 5, 2012, and issued a request for additional information (RAI) to Cameco on May 2, 2013. Cameco completed submitting its response to the RAIs on April 21, 2015. Cameco's RAI response included updated sections of the license renewal application. The NRC staff is now in the process of reviewing Cameco's responses for completeness and adequacy. More information regarding Cameco's license renewal application and the NRC's application review schedule is publicly available from the NRC's internet web site at:
<http://www.nrc.gov/materials/uranium-recovery/license-apps/smith-ranch.html>.

By letter dated August 18, 2015, the NRC proposed an Area of Potential Effect (APE) to the Wyoming State Historic Preservation Office (WY SHPO). This APE was revised in response to WY SHPO comments, and by letter dated September 8, 2015, the WY SHPO concurred on the revised APE. Copies of the NRC's letter and the WY SHPO's concurrence are provided as Enclosures 2 and 3 to this letter.

In accordance with Title 10 of the *Code of Federal Regulations*, Part 51 (10 CFR Part 51), the NRC regulations that implement the National Environmental Policy Act of 1969, as amended (NEPA), the NRC is preparing an environmental assessment (EA) for the proposed license renewal action. In accordance with 36 CFR 800.8 (Coordination with the National Environmental Policy Act), the NRC staff is using the NEPA process to comply with its obligations under NHPA Section 106. The EA will include analyses of potential impacts to historic and cultural resources, and to inform that analysis, the NRC staff is collecting information to facilitate the identification of historic properties, including those that may be of religious and cultural significance to the Tribes.

Therefore, through this letter, the NRC staff invites your Tribe to continue participation as a consulting party under NHPA Section 106 and to assist in the identification and evaluation of historic properties that may be affected by the proposed action and in the development of alternatives and proposed measures that might avoid, minimize, or mitigate any adverse effects of the undertaking on historic properties. Enclosure 4 to this letter is a form by which the Tribe can express its interest in continuing to participate as a consulting party.

Please note that correspondence provided to the NRC, including that provided by email, may be made publicly available according to NRC's policy. Therefore, the NRC cautions you against including any information in your submission that you do not want to be publicly disclosed (e.g., personal email addresses). If tribal officials do not wish for their personal email addresses to be made public, please use an alternate email address when corresponding with the NRC.

If you have any specific questions or comments on the proposed project, or need any additional information regarding the license renewal application, please contact Mr. Douglas Mandeville at 301-415-0724 or via email at: Douglas.Mandeville@nrc.gov. For information about the environmental review or the NHPA Section 106 process for this project, please contact Mr. James Park of my staff by telephone at 301-415-6954, or via e-mail at: James.Park@nrc.gov.

Sincerely,

/RA RJohnson for/

Craig G. Erlanger, Acting Director
Division of Fuel Cycle Safety, Safeguards,
and Environmental Review
Office of Nuclear Material Safety
and Safeguards

Docket No.: 40-8964
License No.: SUA-1548

Enclosures:

1. Map of Smith Ranch Project Sites
2. NRC Letter to WY SHPO
3. WY SHPO Letter to NRC
4. Tribal Response Form

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