

August 31, 2007

Mr. Glenn J. Catchpole
President and CEO
Uranerz Energy Corporation
1701 East "E" Strteet
P.O. Box 50850
Casper, WY 82605-0850

SUBJECT: RESPONSE TO URANERZ ENERGY CORPORATION'S JUNE 27, 2007
REQUEST TO INITIATE THIRD-PARTY CONTRACTING FOR THE
ENVIRONMENTAL IMPACT STATEMENT

Dear Mr. Catchpole:

On June 27, 2007, Uranerz Energy Corporation (Uranerz) requested that the U.S. Nuclear Regulatory Commission (NRC) initiate third-party contracting for the Environmental Impact Statement (EIS) in support of Uranerz's *in situ* leach (ISL) uranium extraction license application review. This letter responds to your request.

The NRC is projecting that it could receive approximately 14 new or expansion applications over the next two years. Given this and the lack of funds in the NRC's fiscal year 2008 budget for individual EISs, NRC has decided to develop a Generic Environmental Impact Statement (GEIS) for ISLs. We believe that using a GEIS approach is the most efficient and effective way to meet the expected demands on our limited resources and also meet our responsibilities under the National Environmental Policy Act. In regard to environmental reviews for the new ISL applications, we intend to use the relevant sections of the GEIS to prepare either a site-specific Environmental Assessment or a site-specific EIS.

The current estimated completion date for the GEIS is January 2009. We are committed to processing your license application in a timely manner and we encourage you to continue to interact with the NRC staff to help ensure development of a high quality application.

G. Catchpole

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Assuming Uranerz submits a high quality application on schedule, we expect that use of the GEIS will not result in any meaningful delays in our review of your application.

If you have any questions or concerns, please feel free to contact me at 301-415-7295.

Sincerely,

/RA/

Keith I. McConnell, Deputy Director
Decommissioning and Uranium Recovery
Licensing Directorate Division of Waste
Management
and Environmental Protection
Office of Federal and State Materials
and Environmental Management Programs

Docket No.: 04009067

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