

From: Stephen Bathory [BathoryS@inac-ainc.gc.ca]
Sent: Monday, April 30, 2007 7:26 AM
To: Jack Charlton; Helen Yeh
Cc: Cindy Parker; Phyllis Beaulieu
Subject: RE: 2BE-BUG - Bugs Project - UR-ENERGY INC.

Good Day Mr. Charlton and Colleagues,

I appreciate the opportunity to respond to your questions. Contacting all parties involved is a good approach to resolving items raised by EC, GN-DOE and INAC. As you have eluded to there is certainly a lot of overlap between the LUP and the Water Licence Application. Unfortunately, these two regulatory instruments are applied for and issued independently. There are two ways to approach the comments submitted by INAC. The first option is to be proactive in addressing all issues raised in the INAC letter. In the majority of instances comments submitted by INAC (on exploration activities) are related to missing and/or inconsistent information. I would be happy to speak with you directly on the comments filed on behalf of INAC should you require further clarification.

The second option you can pursue is to wait for the NWB to get back to you. At this stage (correct me if I am wrong Phyllis) they can either request more information from you, or issue a licence with terms and conditions that reflect submitted comments. Based on the email from Phyllis there are a minimum of three items you should address:

1. A revision to your spill plan as per the letter from GN-DOE and EC (this will be covered in the terms and conditions of your license as well)
2. Information on incinerator the proponent will be using as per the letter from EC (for their information)
3. Information per INAC's letter regarding your permits and expiry dates.

That said, in the INAC submission there were two paragraphs related to the spill contingency plan. However, based on the email from Phyllis (NWB) your spill contingency plan should only be amended to address items raised in letters submitted by GN-DOE and EC. What this all means is you could invest time into addressing the comments from all parties, but have no requirement to actually follow through and what was stated in the letters filed by EC, GN-DOE and INAC. Ultimately the NWB has the final say as to what information needs to be in place before your licence is issued.

In my opinion the best route for you to take is option number one. All parties work together in the regulatory environment and each plays a unique role. For instance INAC has two roles; we submits comments to the NWB and INAC inspectors enforce the terms and conditions of the licence. In the end it should be more simple and quicker for you to address any issues up front rather than waiting for a decision on your licence (from the NWB or the inspector) and then responding.

Again, you have taken a good approach in contacting us as a group. Feel free to call should you require more information,

Stephen.

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