POWER RESOURCES

Smith Ranch - Highland Uranium Project
P. O. Box 1210
Glenrock, Wyoming USA 82637
Casper: 307-235-1628
Douglas: 307-358-6541
Fax: 307-358-4533

August 29, 2003

Attn: Document Control Desk
Ms. Susan Frant, Chief FCLB
Fuel Cycle Licensing Branch, NMSS
Mail Stop T-8A33
Two White Flint North
11545 Rockville Pike
Rockville, MD 20852-2738

RE: Smith Ranch – Highland Uranium Project
Docket No. 40-8964, License No. SUA-1548
2003 Surety Information

Dear Ms. Frant:

In accordance with License Condition 9.5 of Amendment No.5, dated August 18, 2003, please find attached, correspondence from the Wyoming Department of Environmental Quality (WDEQ) to Power Resources Inc. (PRI) approving the amendments to the Letters of Credit for the Smith Ranch and Highland Uranium Project Surety Estimates previously approved by the NRC.

A review of this information shows that the Letter of Credit for the Smith Ranch facility has been increased to $14,456,300 and the Letter of Credit for the Highland facility has been increased to $21,283,800 (total of $35,740,100).

If you have any questions, please call me at your earliest convenience at (307) 358-6541 Ext. 62.

Sincerely,

Bill Kearney

W.F. Kearney
Manager-Health, Safety
& Environmental Affairs

attachment

cc: File 4.6.4.1, S.P. Collings w/ atta R. Knode w/o atta

NMSS01

The State
of Wyoming

Dave Freudenthal, Governor

RECEIVED
AUG 27 2003
SMITH RANCH-HIGHLAND

cc SPC
WR
8/29/

Department of Environmental Quality

Herschler Building • 122 West 25th Street • Cheyenne, Wyoming 82002

ADMIN/OUTREACH	ABANDONED MINES	AIR QUALITY	INDUSTRIAL SITING	LAND QUALITY	SOLID & HAZ. WASTE	WATER QUALITY
(307) 777-7758	(307) 777-6145	(307) 777-7391	(307) 777-7368	(307) 777-7756	(307) 777-7752	(307) 777-7781
FAX 777-3610	FAX 777-6462	FAX 777-5616	FAX 777-6937	FAX 777-5864	FAX 777-5973	FAX 777-5973

August 22, 2003

W. F. Kearney
Manager-Health, Safety
& Environmental Affairs
Power Resources, Inc.
P.O. Box 1210
Glenrock, WY 82637

RE: BNP Paribas Amendment to Letter of Credit No. S736180, Permit No. 633

Dear Mr. Kearney:

The above referenced bank amendment has been reviewed by this office. It has been accepted to aggregate of Fourteen Million, Four Hundred Fifty-Six Thousand, Three Hundred Dollars ($14,456,300). A copy of the approved amendment and receipt no.196547 is enclosed.

Should you have any questions, please feel free to contact Deanna Hill of this office (307-777-6910 or dhill@state.wy.us).

Sincerely,

Richard A. Chancellor
Administrator
Land Quality Division

RAC:DH:tf
Enclosure

xc: BNP Paribas

Receipt # 196545

Power Resources, Inc
Permit 603
File HVP 4.3.21
cc SPL

RBC Financial Group

Royal Bank of Canada
One Liberty Plaza
165 Broadway
New York, NY 10006-1404
Telephone (212) 858-7000
(212) 428 6200

COPY

AUG 2003
Received
Land Quality Division

August 14, 2003

Irrevocable Letter of Credit No.:	[redacted]
Date of Issue:	April 8, 1997
Currency and Amount:	USD21,283,800.00
Expiration Date:	April 7, 2004
Place of Expiry:	At our office

BENEFICIARY:	APPLICANT:
Wyoming Department of Environmental Quality Herschler Building 122 West 25th Street Cheyenne, WY 82002 Attn: Deanna Hill	Power Resources, Inc.

Gentlemen:

The above-mentioned Letter of Credit is amended as follows:

1) Letter of Credit amount is increased by USD1,326,800.00 to a new amount now available for drawing USD21,283,800.00 (United States Dollars Twenty-one Million, Two Hundred Eighty-three Thousand Eight Hundred and 00/100).

All other terms and conditions remain unchanged.

ROYAL BANK OF CANADA
NEW YORK BRANCH

Authorized Signature

Authorized Signature

file HU 4.2.3.1
cc SPC
8/29/03

The State of Wyoming

RECEIVED
AUG 25 2003
SMITH RANCH-HIGHLAND

Department of Environmental Quality

Dave Freudenthal, Governor

Herschler Building • 122 West 25th Street • Cheyenne, Wyoming 82002

ADMIN/OUTREACH	ABANDONED MINES	AIR QUALITY	INDUSTRIAL SITING	LAND QUALITY	SOLID & HAZ. WASTE	WATER QUALITY
(307) 777-7758	(307) 777-6145	(307) 777-7391	(307) 777-7368	(307) 777-7756	(307) 777-7752	(307) 777-7781
FAX 777-3610	FAX 777-6462	FAX 777-5616	FAX 777-6937	FAX 777-5864	FAX 777-5973	FAX 777-5973

August 22, 2003

W. F. Kearney
Manager-Health, Safety
& Environmental Affairs
Power Resources, Inc.
P.O. Box 1210
Glenrock, WY 82637

RE: Royal Bank of Canada Amendment to Letter of Credit No. 1269/S15728, Permit No. 603; BNP Paribas Letter of Credit No. S736180, Permit No. 633

Dear Mr. Kearney:

The amendment received from Royal Bank of Canada has been reviewed by this office. It has been accepted to aggregate of Twenty One Million, Two Hundred Eighty-Three Thousand, Eight Hundred Dollars ($21,283,800). A copy of the approved amendment is enclosed and receipt no. 196545.

We also received an amendment from BNP Paribas. There is an error in the calculation. They cite they are increasing the letter by $2,199,500 from $12,256,800 to an aggregate of $14,256,300. The increase actually totals $14,456,300. Please ask the bank to send a corrected amendment.

Should you have any questions, please feel free to contact Deanna Hill of this office (307-777-6910 or dhill@state.wy.us).

Sincerely,

Richard A. Chancellor
Administrator
Land Quality Division

RAC:DH:tf
Enclosure
ec: District I
xc: Royal Bank of Canada

Permit No. 633
Receipt #196549

BNP PARIBAS

BNP PARIBAS NEW YORK BRANCH
TRADE SERVICES OPERATIONS
919 3RD AVENUE
NEW YORK, N.Y. 10022

DATE: AUGUST 20, 2003

AMENDMENT

OUR REFERENCE: S736180

WYOMING DEPARTMENT OF ENVIRONMENTAL QUALITY
HERSCHLER BUILDING (THE "DEPARTMENT")
122 WEST 25TH STREET
CHEYENNE, WY 82002

COPY

DEAR SIRS:

WE ARE INSTRUCTED BY:
POWER RESOURCES INC. (THE "OPERATOR")
274 UNION BLVD., SUITE 274
LAKEWOOD, CO 80228

TO AMEND CREDIT S736180 AS ISSUED IN YOUR FAVOR.
THIS AMENDMENT IS AN INTEGRAL PART OF THE ORIGINAL CREDIT.

AMENDED TERMS:

- LETTER OF CREDIT AMOUNT IS INCREASED BY USD2,199,500.00 FROM USD12,256,800.00 TO A NEW AMOUNT OF USD14,256,300.00 (FOURTEEN MILLION TWO HUNDRED FIFTY SIX THOUSAND THREE HUNDRED AND 00/100 U.S. DOLLARS.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

VERY TRULY YOURS.

C French
AUTHORIZED SIGNATURE

AUTHORIZED SIGNATURE

AUG 2003
Received
Land Quality Division