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

July 30, 2007

Mr. Paul Michalak
Nuclear Regulatory Commission
Two White Flint North
11545 Rockville Pike, T8F5
Rockville Maryland 20852-2738

RE: In Situ Uranium Wellfield Release Follow-up Report
NRC License: SUA-1548, Docket: No. 40-8964

Dear Mr. Michalak:

Please find below responses to your request of July 24, 2007 for additional information regarding Power Resources, Inc. (PRI) mitigating activities in regards to releases at Smith Ranch-Highland.

1) *Well Samplers check wellheads. Good detail (1207 wells checked, with 18 problems identified). When did you implement sampler inspections? How many samplers are we talking about? Is the plan to have them check all injection/recovery wells? If so, do you have a schedule or estimate for how long it will take? Will well inspection by samplers become part of their permanent duties?*

As of November, 2006 PRI has utilized five (5) samplers to check wells in the vicinity of sampling activities. Well checking is part of their sampling duties, as time permits.

2) *When did PRI implement not reusing unions after maintenance? Approximately how many existing wells have received new unions?*

Ban on re-using unions was implemented in 2006 and to date approximately 1,750 have been replaced

3) *Approximately how many Bell Holes does SR-HUP have? Were they all retrofitted with the early detection system? If so when did the retrofitting occur? If it hasn't been completed, do you have a schedule or estimate for how long it will take?*

There are 224 Bell holes on the Smith Ranch-Highland properties. They have all been retro fitted with leak indicators. All new installations, in areas where we are installing fiber optics will receive "wet sump" detectors that alarm to the nearest satellite plant.

We have evaluated a number of wellhead leak detection devices and have installed 100 in MU K as a test. These alarm locally, at the wellhead with a flashing light and a high frequency audible alarm.
For MU 15A and MU 9 we will install wellhead leak detection on every well that will alarm locally, in the nearest header house and in the nearest satellite plant. These alarms will also shut down either the offending well and/or the entire header house associated with the well.

These are systems that are being tested to find the best devices for our application. The detectors will also be routinely inspected and tested to verify they are in service and functioning properly.

4) *Will SR-2 and Mine Units 9 through 12 have no Carbon Steel parts? Will its headerhouses have fiber optics? Are talking about real time monitoring, cameras/video? Specifying the specific improvements/lessons learned from older well fields in the construction of the new ones is important information.*

We use HDPE, fiberglass, PVC, plastic, SSTL, and coated carbon steel for all wetted surfaces; tanks, wells, piping and related items for all new construction. All facilities for SR2 and MU's 9 thru 12 will have fiber optic based monitoring and/or controls. These are real time devices and include camera/video and audio facilities as appropriate.

5) *When did PRI install high pressure shut downs at its headerhouses? All SR-HUP headerhouses? How many are we talking about? When was this work done?*

The last high pressure shut down device was installed in MU C at Highland in June of 2005. All operating header houses at SRH have high pressure shut down facilities in place. There are presently 46 header houses in service. Most were built with high pressure shut downs as part of the original construction effort. Some fields at Highland (MU C) had to be added later. This work was done in the first 6 months of 2005.

6) *PRI is systematically replacing material in older wellfields (you gave several examples in the last paragraph). Do you have a schedule or estimate for how long it will take?*

We have nearly finished all of the operating fields. We are presently waiting for parts to finish MU 2 and MU 3 at SR. Over the past 3 years we have replaced parts on 1,242 wells. We expect to complete this effort by August 30th. Any well that has not been checked and fitted with new parts will not operate until that work is complete.

7) *Additional wellfield personnel in the field to monitor and check for leaks? Is this in addition to the samplers? How many are we talking about? Are they doing anything different? When was this implemented?*

In January of 2007 we hired additional staff so that we could assign Dayshift Operators to each satellite plant and the CPP. The new staffs were in addition to the scheduled plant operators. We have a total of 8 dayshift operators; two each for the CPP, Sat 2, Sat 3,.and Sat SR1. Each operator works 4, twelve hour shifts and then they are off duty for

four days. They are staggered so we have seven days per week coverage and overlap one day per week. So each week we have one additional person on dayshift at each facility 6 of 7 days with two dayshift operators on shift on the 7th day. The principal justification for this added manpower was to monitor the wellfields and look for evidence of potential problems and they have been very successful.

8) *Fields targeted for restoration are all refitted with new fittings and materials to prevent corrosion issues? Can you give me details/examples of which fittings and materials? Are the examples the ones identified earlier in the paragraph? When was this implemented? Completed or on-going? If on-going, do you have a schedule or estimate for how long it will take?*

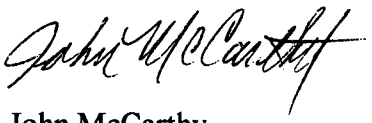
Typically we replace all components at the wellhead which would include unions, hose assembly, pop off, flange and valves. In the header house we remove the old headers and replace them with all new components. This was started in mid to late 2005. The refitting is done just prior to bringing a new area into restoration. For example, we are bringing another header house in MU C. This house has been shut in for 3-4 years. Before it is restarted we replace parts and pressure test.

We have evolved in our hose selection from red rubber with crimped fittings and a 75 psi rating to yellow rubber with banded brass fittings and/or SSTL king nipples. Our present hose is a hydraulic hose with a swivel fitting and a rating of 1,325 psi.

With the assistance of the Spill Committee and individual recommendations, PRI has undertaken a variety of mitigating steps to minimize releases over the past two years.

Please call if me at (307) 358-6541 ext. 46 if you have any questions.

Sincerely,



John McCarthy
Manager-Health, Safety
& Environmental Affairs

Cc: L. Spackman, WDEQ/LQD Steve Ingle, WDEQ/LQD
Joe Hunter, WDEQ/WQD
File HUP 4.3.3.1 File SR 4.6.4.2 File SR 4.6.4.4