February 14, 2003

William F. Kearney, Manager
Environmental and Regulatory Affairs
Power Resources, Inc.
Highland Uranium Project
P.O. Box 1210
Glenrock, Wyoming 82637

SUBJECT: INSPECTION FREQUENCY FOR THE HIGHLAND URANIUM PROJECT

Dear Mr. Kearney:

This is in reference to your letter of May 7, 2002, which requested that the NRC reduce its routine inspection frequency at the Highland Uranium Project from twice annually to once annually. Your request was based on the performance of the project over the last six inspections and the considerations in NRC Manual Chapter 2641, "In-Situ Leach Facilities Inspection Program."

The NRC has reviewed your request and has determined that comprehensive inspections will be conducted on an annual basis at your in-situ leach facility. During a telephone conversation with you on February 14, 2003, I stated that we plan to inspect your facility in July 2003.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosure will be made available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at http://www.nrc.gov/reading-rm/adams.html (the Public Electronic Reading Room).

If you have any questions concerning this inspection, please contact Charles L. Cain, Chief, Nuclear Materials Licensing Branch, at (817) 860-8186 or Mr. Louis C. Carson II, Senior Health Physicist, at (817) 860-8221.

Sincerely,

/RA/

Louis C. Carson II
Senior Health Physicist
Nuclear Material Licensing Branch

bcc w/enclosure (ADAMS via-e-mail distrib):

GSJanosko
JHLusher
CLCain
LCCarson II
NMLB
MIS
RIV Nuclear Materials File - 5th Floor

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