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March 22, 2004

U.S. Nuclear Regulatory Commission  
Attn: Document Control Desk  
Washington D.C. 20555-0001

RE: Comments on NRC RIS 2004-02

Dear Sirs/Madam:

Power Resources, Inc. (PRI) has reviewed NRC Regulatory Issue Summary (RIS) 2004-2 entitled "Deferral of Active Regulations of Ground Water Protection at In Situ Leach Uranium Extraction Facilities". PRI appreciates NRC's efforts to reduce the long standing dual regulatory burden caused by the continued regulation of ground water at in situ leach (ISL) operations by both the NRC and the state regulatory authority. More specifically, PRI strongly supports the efforts described in RIS 2004-2 as they relate to deferring the regulation of ground water at Wyoming ISL operations to the Wyoming Department of Environmental Quality.

PRI operates the last uranium production facility in Wyoming at the Smith Ranch-Highland Uranium Project. This ISL operation, located in Converse County, directly employs approximately 100 workers. The NRC's intent to defer the active regulation of ground water protection at ISL sites to the WDEQ will reduce the regulatory burden and associated costs of dual regulation and will provide a more efficient regulatory environment for PRI, and as the RIS points out, a more efficient and cost saving program for the NRC. Moreover, as previously conveyed to the NRC in various forums, the WDEQ is sufficiently capable of regulating the ground water at Wyoming ISL operations through not only the EPA authorized Underground Injection Control (UIC) Program, but also in accordance with specific Wyoming statutes and regulations for ISL mining operations and ground water that exceed the requirements of the EPA UIC program.

*DMSS 22*  
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*Add: Paul Lohaus*  
*John Lusher*

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In summary, PRI applauds NRC's efforts to reduce the current dual regulatory burden caused by duplicative NRC and State licensing and permitting requirements for ground water at ISL mining operations. PRI does not have any substantive comments regarding the intent of this action, or the example "Memorandum of Understanding" to be used with the State of Wyoming. PRI hopes that this effort can be completed in a timely manner to assist our operations and allow NRC to expend resources on more important nuclear fuel cycle concerns.

Sincerely,

*Steve Collings*

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S.P. Collings  
Senior Vice President Operations

SPC/WFK/ksj

c: Fletcher T. Newton (Power Resources, Inc.)  
Ralph Knode (Smith Ranch-Highland)  
William F. Kearney (Smith Ranch-Highland)  
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File SR-4.6.4.1